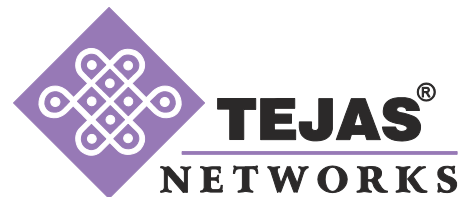


Tejas Networks Ltd.

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Tel : +91- 80- 4179 4600/700/800
Fax: +91- 80- 2852 0201



July 27, 2022

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
NSE Symbol: TEJASNET

The Secretary
BSE Limited
P J Towers, Dalal Street,
Fort, Mumbai – 400 001
BSE Scrip Code: 540595

Dear Sir/Madam,

Re: 22nd Annual General Meeting (AGM) and Voting Results - Compliances under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015

In continuation to our letter dated July 26, 2022, pertaining to the 22nd AGM held on July 26, 2022, please find enclosed the following:

1. Proceedings as required under the Regulation 30, Part A of Schedule - III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Chairman's speech as read out during the AGM as **Annexure – I**. The proceedings and Chairman's speech was filed with the exchanges on July 26, 2022 and also available on the Company's website at www.tejasnetworks.com.
2. Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure – II**.
3. Report of the Scrutinizer dated July 27, 2022, pursuant to Section 108 of the Companies Act, 2013 and Rule 20 (4) (xii) of the Companies (Management and Administration), Rules 2014 as **Annexure – III**.
4. Copy of the Annual Report for the financial year 2021-22 and Business responsibility report as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of the annual report enclosed herewith as **Annexure – IV**. The same has been filed with the Stock Exchanges on July 4, 2022 and also available on the Company's website at www.tejasnetworks.com.

The Company facilitated live webcast of proceedings of the meeting. The archive of webcast of the 22nd General Meeting is made available on the company's website at www.tejasnetworks.com.

Kindly take the above on record.

For Tejas Networks Limited

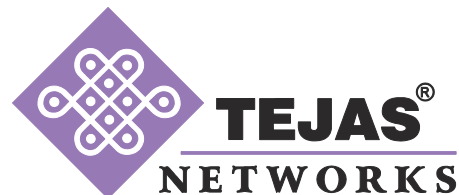


N R Ravikrishnan
General Counsel, Chief Compliance Officer
& Company Secretary

Encl: as above

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SUMMARY OF THE PROCEEDINGS OF THE 22nd ANNUAL GENERAL MEETING OF TEJAS NETWORKS LIMITED HELD ON TUESDAY, JULY 26, 2022 AT 4.00 P.M. (IST) THROUGH VIDEO-CONFERENCE:

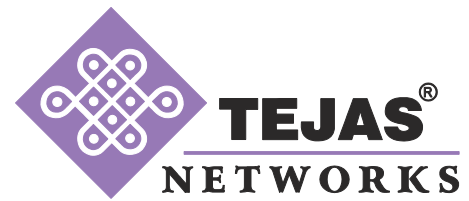
The 22nd Annual General Meeting (AGM) of the Members of Tejas Networks Limited ('the Company') was held on Tuesday, July 26, 2022 at 4.00 P.M (IST) through video conference and other audio visual means (VC) in compliance to the General Circulars issued by the Ministry of Corporate Affairs and by the Securities and Exchange Board of India.

Directors / Key Managerial Personnel (in attendance)

S. No	Name of the Director	Position
1	N. Ganapathy Subramaniam	<u>Board</u> Non-Executive Director, Chairman of the Board <i>Joined through VC from Bengaluru, India</i>
2	Amb. Leela K Ponappa	<u>Board</u> Non-Executive and Independent Director <u>Committee of the Board</u> <ul style="list-style-type: none">• Nomination & Remuneration Committee - Chairperson• Corporate Social Responsibility Committee - Chairperson• Audit Committee - Member• Risk Committee - Member <i>Joined through VC from Noida, India</i>
3	A.S. Lakshminarayanan	<u>Board</u> Non-Executive and Non-Independent Director <u>Committee of the Board</u> <ul style="list-style-type: none">• Nomination & Remuneration Committee - Member <i>Joined through VC from Mumbai, India</i>

Tejas Networks Ltd.

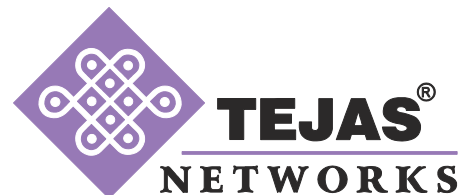
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4	P R Ramesh	<p><u>Board</u></p> <p>Non-Executive and Independent Director</p> <p><u>Committee of the Board</u></p> <ul style="list-style-type: none">• Risk Committee -Chairman• Audit Committee – Member <p><i>Joined through VC from Hyderabad, India</i></p>
5	Prof. Bhaskar Ramamurthi	<p><u>Board</u></p> <p>Non-Executive and Independent Director</p> <p><u>Committee of the Board</u></p> <ul style="list-style-type: none">• Stakeholders Relationship Committee - Chairman• Risk Committee - Member• Corporate Social Responsibility Committee - Member <p><i>Joined through VC from Chennai, India</i></p>
6	Sanjay Nayak	<p><u>Board</u></p> <p>Managing Director and Chief Executive Officer</p> <p><u>Committee of the Board</u></p> <ul style="list-style-type: none">• Stakeholders Relationship Committee - Member• Corporate Social Responsibility Committee - Member <p><i>Joined through VC from Bengaluru, India</i></p>
7	Arnob Roy	<p><u>Board</u></p> <p>Whole-time Director and Chief Operating Officer</p> <p><u>Committee of the Board</u></p> <ul style="list-style-type: none">• Stakeholders Relationship Committee - Member• Corporate Social Responsibility Committee - Member <p><i>Joined through VC from Bengaluru, India</i></p>
8	Venkatesh Gadiyar	<p>Chief Financial Officer</p> <p><i>Joined through VC from Bengaluru, India</i></p>

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9	N R Ravikrishnan	General Counsel, Chief Compliance Officer and Company Secretary <i>Joined through VC from Bengaluru, India</i>
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The Chairman of the Audit Committee of the Board and Member of the Nomination and Remuneration Committee and Risk Committee, Mr. Chandrashekhar Bhaskar Bhave could not attend the AGM due to unavoidable personal circumstances.

Other representatives (in attendance)

S.No	Name of the representative	Position
1	M/s. Price Waterhouse Chartered Accountants LLP	Statutory Auditors <i>Joined through VC from Bengaluru, India</i>
2	M/s. Singhvi, Dev and Unni, Chartered Accountants	Internal Auditors <i>Joined through VC from Bengaluru, India</i>
3	C. Dwarakanath ,Company Secretary in Practice & IP	Secretarial Auditor and Scrutinizer <i>Joined through VC from Bengaluru, India</i>
4	M/s. GNV & Associates, Cost & Management Accountants	Cost Auditor <i>Joined through VC from Bengaluru, India</i>

The meeting commenced at 4:00 P.M. (IST) and concluded at 5:45 P.M. (IST) (including time allowed for e-voting at AGM).

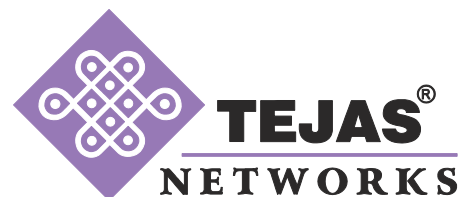
Pursuant to the Articles of Association of the Company, N. Ganapathy Subramaniam, being the Chairman of the Board took the Chair and conducted the proceedings of the Meeting. After ascertaining that the requisite quorum was present, called the meeting to order. The Chairman welcomed all members, auditors and other invitees joining over VC and informed the Members that the meeting is being held through video-conference in accordance with the circulars and guidelines issued by MCA and SEBI. The Chairman then requested his colleagues to introduce themselves.

The Chairman thereafter requested the Company Secretary to brief the Members regarding the arrangements made for the meeting and also the facility to cast their vote electronically, on all resolutions set forth in the Notice. It was further informed that there would be no voting by show of hands.

The Company Secretary informed that the Company has enabled the Members to participate at the 22nd AGM through the video-conference facility provided by National Securities Depositories Limited (NSDL). The proceedings of the AGM are also being web-casted live for all the Members. It was further informed that the Members have been provided with the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The Members

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joining the meeting through video-conference, who have not already cast their vote by means of remote e-voting, may vote through e-voting facility provided at the AGM.

The Chairman's speech was followed by a presentation by Sanjay Nayak, Managing Director and Chief Executive Officer. Further, N R Ravikrishnan, Company Secretary, provided the summary of the statutory auditors' report and secretarial audit report for the financial year 2021-22.

The following items of business, as provided in the Notice of the 22nd Annual General Meeting were transacted at the meeting. Before each resolution was proposed, the Chairman explained the objective and implication of the same. Shareholders were provided a facility to ask questions or express their views through VC and audio on the aforesaid resolutions. Clarifications were provided to the queries raised by the members.

Ordinary Business

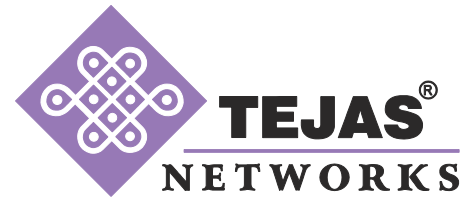
S.No	Particulars	Type of Resolution
1	Consider, receive and adopt the Audited Standalone Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution
2	Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation.	Ordinary Resolution
3	Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) as Statutory Auditors of the Company.	Ordinary Resolution

Special Business

4	Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company.	Special Resolution
5	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.	Special Resolution
6	Appointment of P R Ramesh (DIN: 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company.	Special Resolution
7	Appointment of Prof. Bhaskar Ramamurthi (DIN: 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company.	Special Resolution

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8	Ratification of the Remuneration of Cost Auditors.	Ordinary Resolution
9	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.	Special Resolution

The Chairman invited comments and questions from the Members. Queries raised by the Members were clarified and answered by the Chairman to the satisfaction of the Members present at the meeting. The Chairman also stated that any other query that the Member(s) may have, they can contact the Company Secretary who will do the needful as appropriate.

The Board of Directors had appointed C. Dwarakanath, Company Secretary in Practice (FCS- 7723 and CP No: 4847) as the Scrutinizer to supervise the e-voting process. The Chairman informed the members that the consolidated results of e-voting would be announced within two working days from the conclusion of the AGM of the Company and will be intimated to the Stock Exchanges and made available on the website of the Company and NSDL.

The Chairman authorized the Company Secretary to declare the voting results, intimate the stock exchanges and place the same on the website of the Company.

The Chairman then thanked the members present and declared the meeting as closed.

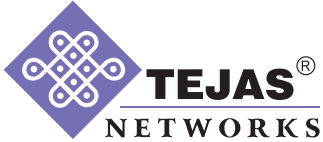
Yours sincerely

For Tejas Networks Limited



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

Chairman's Speech



Dear Shareholders,

Good afternoon!

It is an absolute privilege to be your Chairperson for the Annual General Meeting today and, I take pleasure in welcoming you all to your Company's 22nd Annual General Meeting. On behalf of the board of directors, and everyone at Tejas Networks Limited, I would like to thank you for the trust and confidence that you have placed and look forward to your continued support to the board of directors and the Management.

The Annual Report for year ended 31st March 2022, along with the Directors' Report and audited Annual Accounts of the Company, have been shared with you, and may I request that these be taken as read.

I would now like to outline the salient aspects of your Company's financial and operational performance for the fiscal year 2021-22, followed by an overview of the overall business environment.

Performance Highlights

The pandemic pushed consumers, businesses, and governments to accelerate their adoption of broadband and digital technologies. Notwithstanding the short-term supply chain challenges and Covid-19 related uncertainties that we faced throughout the year, your company continued to stay resilient, thanks to the strong commitment and support from our employees, customers, and communities. FY22 was a year of renewed commitment towards our aspiration to become a trusted telecom products company.

During the year, while we witnessed a strong demand for our products and solutions in the form of new order wins, our revenue growth was relatively modest due to global chip shortages that impacted our manufacturing operations and our ability to deliver. The shortfall in our revenues, in turn adversely impacted our profitability. Summary of our FY2021-22 financial performance is as follows:

- Net revenues were at 551 Crore- YoY growth of 6.9%
- Profit After Tax was (63) Crore
- Net Working Capital increased to 492 Crore, primarily due to increased inventory.
- Our order book and the end of the year was 1,175 Crore, out of which around 70% is expected to be realized revenues in FY23.
- The cash position of the company remains strong at 1,102 Crores cash and cash equivalents with no debt.

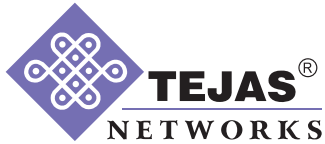
Research & Innovation

During the year, we enhanced and redesigned our 4G LTE Radio Access Network (RAN) base station product to meet the technical requirements of a large pan-India mobile operator in India. We successfully completed the Proof-of-Concept (PoC) and are in discussions to commercially deploy our equipment's at scale.

Our 4G LTE base station has been designed to be upgradable for 5G, for which work is in-progress. All our product lines namely, wireline, wireless and transport continue to be enhanced in line with market needs. As of 31.3.2022, we have 350 patent applications, 137 global patent grants and a rich portfolio of 300+ semiconductor IPs. This strategy is further strengthened by the acquisition of Saankhya Labs Pvt Ltd., which enables your company to be a strong player in the 'broadcast' domain and become an active player for wireless, broadband and broadcast segments, as the industry enters the 'convergence' era.

Your company is the largest Indian optical networking products company with deployments across 75+ countries. Your company has deep expertise in the networking domain and our people are respected for their skills, professionalism, and competence. Our unique programmable software-defined hardwareTM architecture enables flexible products that can be field-upgraded to meet new standards and customer requirements while giving a time-to-market advantage.





Our people & community

We are very happy to report that during the year, our employees seamlessly transitioned to a hybrid working model, without sacrificing on productivity. We also provided all possible support to our employees and their families, in fighting the second wave of the Covid-19 pandemic in India. Our efforts ranged from sponsoring organizations who were distributing oxygen concentrators, providing funding support to build COVID units in local hospitals and arranging vaccination camps for employees and their families at all our offices around the country.

Awards & Recognition

In FY22, our TJ1600 multi-terabit packet-optical transmission product family won the “Voice and Data excellence award for innovation”. The company was also a finalist for the 2021 Asia Communication Award (ACA) in the innovation category. It was a matter of pride that Tejas won the prestigious “CEO of the Year” and “CTO of the Year” awards from ET Telecom.

Business Outlook

Telecom Networks are now an essential infrastructure for Digital society and Economy. Growth of high-speed broadband, 5G, softwarization of telecom networks, and the emerging geo-political situation, are the key macro trends driving our business. Globally over the last few years, especially with the onset of the Covid-19 pandemic, always-on broadband connectivity to homes and businesses has emerged as an essential service like electricity, gas, and water. This opportunity, coupled with current policies of the Government of India provides the right environment for design and development of indigenous technology and use of domestically manufactured telecom products like ours. In FY22, I am happy to inform that your company was declared eligible under the PLI scheme as well as the Trusted Sources mandate, which would help in growing our domestic market share in both public and private sector opportunities.

Investment by Tata Group

We are pleased that your company is now part of the Tata group. The Tata group has always supported initiatives which are considered important and necessary for our country. In line with this philosophy, the group has recognized the need for having an indigenous telecom stack and is working towards orchestrating a modern solution for the telecom industry at large. In doing so, the objective is to build a world class telecom OEM, capitalizing on the end-to-end group capabilities in software and system integration, design and manufacturing of electronic sub-systems and telecom equipment, in which your company will serve as the centerpiece.

In conclusion, your company is poised to be a scale player of global reach with a competitive portfolio of products supported by best-in-class R&D and innovation. We will grow offering modern, efficient, and innovative telecom network equipment. This would entail us building a strong manufacturing ecosystem in India, an agile back-office and support operation, backed by world-class team and processes.

I take this opportunity to sincerely thank all the board members for providing their valuable guidance and support to your Company. In particular, I would like to express my gratitude and appreciation for the past Chairman, Mr. V. Balakrishnan and Dr. Gururaj Deshpande, under whose able leadership the Company has been able to achieve all the success over the years and build a strong platform for future.

On behalf of the Board of Directors of Tejas Networks, we 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, and we look forward to their continued support. We are grateful to our customers, employees, shareholders, suppliers, and bankers, all of whom have supported us during these challenging times.

I wish you all good health and happiness.

Warm regards,

N. Ganapathy Subramaniam

Chairman

Name of the Company		Tejas Networks Limited						
Resolution Required : (Ordinary)		1 - Adoption of Financial Statements						
Whether promoter/ promoter group are interested in the agenda/resolution?		NO						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16326726	76.7004	16326726	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16326726	76.7004	16326726	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471969	24.5338	12466773	5196	99.9583	0.0417
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537252	24.6622	12532056	5196	99.9586	0.0414
Total		151524018	108265788	71.4512	108260592	5196	99.9952	0.0048



Name of the Company			Tejas Networks Limited					
Resolution Required : (Ordinary)			2 - Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation					
Whether promoter/ promoter group are interested in the agenda/resolution?			No					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16333660	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16333660	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12465102	6812	99.9454	0.0546
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12530385	6812	99.9457	0.0543
Total		151524018	108272667	71.4558	108265855	6812	99.9937	0.0063



Name of the Company		Tejas Networks Limited						
Resolution Required : (Ordinary)		3 - Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) as Statutory Auditors of the Company						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16333660	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16333660	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12464907	7007	99.9438	0.0562
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12530190	7007	99.9441	0.0559
Total		151524018	108272667	71.4558	108265660	7007	99.9935	0.0065



Name of the Company		Tejas Networks Limited						
Resolution Required : (Special)		4 - Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16333660	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16333660	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471784	24.5334	12465726	6058	99.9514	0.0486
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537067	24.6618	12531009	6058	99.9517	0.0483
Total		151524018	108272537	71.4557	108266479	6058	99.9944	0.0056



Name of the Company		Tejas Networks Limited						
Resolution Required : (Special)		5 - 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						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	9556927	6776733	58.5106	41.4894
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	9556927	6776733	58.5106	41.4894
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12436703	35211	99.7177	0.2823
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12501986	35211	99.7191	0.2809
Total		151524018	108272667	71.4558	101460723	6811944	93.7085	6.2915



Name of the Company		Tejas Networks Limited						
Resolution Required : (Special)		6 - Appointment of P R Ramesh (DIN : 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16163889	169771	98.9606	1.0394
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16163889	169771	98.9606	1.0394
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12464617	7297	99.9415	0.0585
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12529900	7297	99.9418	0.0582
Total		151524018	108272667	71.4558	108095599	177068	99.8365	0.1635



Name of the Company		Tejas Networks Limited						
Resolution Required : (Special)		7 - Appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16333660	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16333660	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12466078	5836	99.9532	0.0468
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12531361	5836	99.9535	0.0465
Total		151524018	108272667	71.4558	108266831	5836	99.9946	0.0054



Name of the Company		Tejas Networks Limited						
Resolution Required : (Ordinary)		8 - Ratification of the Remuneration of Cost Auditors						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	16333660	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	16333660	0	100.0000	0.0000
Public Non Institutions	E-Voting	50835842	12471914	24.5337	12465606	6308	99.9494	0.0506
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537197	24.6621	12530889	6308	99.9497	0.0503
Total		151524018	108272667	71.4558	108266359	6308	99.9942	0.0058



Name of the Company		Tejas Networks Limited						
Resolution Required : (Special)		9 - 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						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	79401810	79401810	100.0000	79401810	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		79401810	100.0000	79401810	0	100.0000	0.0000
Public Institutions	E-Voting	21286366	16333660	76.7330	9556927	6776733	58.5106	41.4894
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		16333660	76.7330	9556927	6776733	58.5106	41.4894
Public Non Institutions	E-Voting	50835842	12471784	24.5334	12462581	9203	99.9262	0.0738
	Poll		65283	0.1284	65283	0	100.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	Total		12537067	24.6618	12527864	9203	99.9266	0.0734
Total		151524018	108272537	71.4557	101486601	6785936	93.7325	6.2675





**FORM NO. MGT-13
Report of Scrutinizer**

[Pursuant to section 108 and 109 of the Companies Act, 2013 read with rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015]

To,

The Chairman of the 22nd Annual General Meeting of the equity shareholders of **Tejas Networks Limited** (the "Company") held on Tuesday, July 26th, 2022, at 4.00 p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

Dear Sir,

I, Dwarakanath C, Company Secretary in Practice, appointed as Scrutinizer for the purpose of scrutinizing the votes cast through electronically at the 22nd Annual General Meeting of the equity shareholders of Tejas Networks Limited, held on Tuesday, July 26, 2022, at 4.00 p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), submit my report as under:

1. A separate combined scrutinizer's report has been issued on the remote e-Voting and electronic voting on the day of Annual General Meeting.
2. The result of the electronic voting on the day of AGM is as under:



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Resolution No. 1 – Adoption of Financial Statements - Ordinary Resolution

To receive, consider and adopt:

- a. The Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.

- (i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

- (ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

- (iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 2 – Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation - Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 3 - Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) as Statutory Auditors of the Company – Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 4 - Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company – Special Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 5 - 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 – Special Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 6 - Appointment of P R Ramesh (DIN : 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company – Special Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 7 - Appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company – Special Resolution

(i) Voting "in Favour" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "against" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) Invalid Votes

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 8 - Ratification of the Remuneration of Cost Auditors – Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



Resolution No. 9 - 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 – Special Resolution

(i) Voting "*in Favour*" of the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
7	65283	100

(ii) Voted "*against*" the resolution

Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
00	00	00

(iii) *Invalid Votes*

Total Number of members who exercised their votes whose votes were declared invalid	Total Number of votes cast by them (shares)
00	00



3. Soft copy containing a list of equity shareholders who voted electronically "FOR", "AGAINST" and those whose votes were declared invalid for each resolution has been e-mailed to the Company Secretary of the Company.
4. All other relevant records were sealed and handed over to the Company Secretary for safe keeping.

Thanking You,

Yours faithfully,



Dwarakanath C
Company Secretary in Practice
(FCS: 7723 C.P. No: 4847)
Peer Review Certificate No.674/ 2020
UDIN No. F007723D000695531



Place: Bengaluru
Date: 27th July 2022



COMBINED SCRUTINIZER'S REPORT ON REMOTE E-VOTING AND ELECTRONIC VOTING ON THE DAY OF ANNUAL GENERAL MEETING

To,

The Chairman of the 22nd Annual General Meeting of the equity shareholders of **Tejas Networks Limited** (the "**Company**") held on Tuesday, July 26, 2022, at 4.00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

Dear Sir,

I, Dwarakanath C, Company Secretary in Practice, was appointed as Scrutinizer pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of:

- a. Scrutinizing the remote e-voting process under the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. Voting through electronic voting system (AGM Voting) at the 22nd Annual General Meeting ('AGM');

The management of the Company is responsible to ensure compliance with the requirement of the Companies Act, 2013, Rules and circulars issued by Ministry of Corporate Affairs ('MCA') and Securities Exchange Board of India ('SEBI') relating to conducting of AGM through VC/OAVM and voting by electronic means for the resolutions contained in the Notice of the 22nd Annual General Meeting of the Equity Shareholders held and conducted on 26th July 2022. My responsibility as a Scrutinizer for the voting process of voting by electronic means is restricted to making a Consolidated Scrutinizer's Report of the votes cast "in favor" and/or "against" the resolution stated in the notice of the AGM, based on the report generated from the e-voting system provided by National Securities Depository Limited (the "NSDL") the Agency Authorized under the Rules and engaged by the Company to provide remote e-voting facilities and e-voting facilities to vote at the AGM ("AGM Voting").

We submit our report as under:

1. The remote E-Voting period remained open from 9.00 a.m. (IST) July 21, 2022 up to 5.00 p.m. (IST), July 25, 2022.
2. The Annual Report, the Notice of Annual General Meeting and the e-voting instructions slip were sent only by the electronic mode (e-mail) to those members whose email addresses were registered with the Company / Depository Participants / Depositories pursuant to MCA Circular No.20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022, other circulars issued by MCA and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/



CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022 respectively.

3. The voting rights were reckoned as on July 19, 2022 being the Cut-off date for the purpose of deciding the entitlements of members at the remote e-voting.
4. After the conclusion of the Annual General Meeting, the votes cast through remote e-voting were unblocked on July 26, 2022 at 6:00 P.M. and the results were downloaded.
5. The shareholders present during the AGM through VC voted through e-voting facility provided by NSDL.
6. As per the information given by the Company / RTA the names of the shareholders who had voted by remote e-voting through the facility provided by NSDL had been blocked and only those members who were present at the AGM through VC and who had not voted on remote e-voting were allowed to cast their votes through e-voting system during the AGM.
7. Based on the data provided by NSDL e-voting system, the total votes cast in favour or against all the resolutions proposed in the Notice of the AGM are as under:



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Resolution No. 1 – Adoption of Financial Statements - Ordinary Resolution

To receive, consider and adopt:

- a. The Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
Remote e- voting	527	108195309	99.9349
E-voting on the day of AGM	7	65283	0.0603
Total	534	108260592	99.9952

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
Remote e- voting	7	5196	0.0048
E-voting on the day of AGM	0	0	0.0000
Total	7	5196	0.0048

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



 C. DWARAKANATH
 FCS 7721
 C.P. 4847
 Secretary

Resolution No. 2 – Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation - Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	519	108200572	99.9334
E-voting on the day of AGM	7	65283	0.0603
Total	526	108265855	99.9937

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	15	6812	0.0063
E-voting on the day of AGM	0	0	0.0000
Total	15	6812	0.0063

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



Resolution No. 3 - Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) as Statutory Auditors of the Company - Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	518	108200377	99.9332
E-voting on the day of AGM	7	65283	0.0603
Total	525	108265660	99.9935

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	16	7007	0.0065
E-voting on the day of AGM	0	0	0.0000
Total	16	7007	0.0065

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



Resolution No. 4 - Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company – Special Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	517	108201196	99.9341
E-voting on the day of AGM	7	65283	0.0603
Total	524	108266479	99.9944

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	16	6058	0.0056
E-voting on the day of AGM	0	0	0.0000
Total	16	6058	0.0056

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00




Resolution No. 5 - 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 – Special Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	479	101395440	93.6482
E-voting on the day of AGM	7	65283	0.0603
Total	486	101460723	93.7085

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	55	6811944	6.2915
E-voting on the day of AGM	0	0	0.0000
Total	55	6811944	6.2915

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



Resolution No. 6 - Appointment of P R Ramesh (DIN : 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company – Special Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	507	108030316	99.7762
E-voting on the day of AGM	7	65283	0.0603
Total	514	108095599	99.8365

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	27	177068	0.1635
E-voting on the day of AGM	0	0	0.0000
Total	27	177068	0.1635

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



Resolution No. 7 - Appointment of Prof. Bhaskar Ramamurthi (DIN: 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company – Special Resolution

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	519	108201548	99.9343
E-voting on the day of AGM	7	65283	0.0603
Total	526	108266831	99.9946

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	15	5836	0.0054
E-voting on the day of AGM	0	0	0.0000
Total	15	5836	0.0054

(iii) Invalid Votes

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00




Resolution No. 8 – Ratification of the Remuneration of Cost Auditors – Ordinary Resolution

(i) Voting "*in Favour*" of the resolution

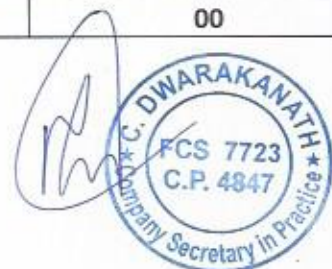
	Total Number of members who exercised their votes	Total Number of votes cast by them (no. of shares)	% of total number of valid votes cast
Remote e- voting	517	108201076	99.9339
E-voting on the day of AGM	7	65283	0.0603
Total	524	108266359	99.9942

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	17	6308	0.0058
E-voting on the day of AGM	0	0	0.0000
Total	17	6308	0.0058

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00



Resolution No. 9 - 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 – Special Resolution.

(i) Voting "*in Favour*" of the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	477	101421318	93.6722
E-voting on the day of AGM	7	65283	0.0603
Total	484	101486601	93.7325

(ii) Voted "*against*" the resolution

	Total Number of members who exercised their votes	Total Number of votes cast by them (shares)	% of total number of valid votes cast
Remote e- voting	56	6785936	6.2675
E-voting on the day of AGM	0	0	0.0000
Total	56	6785936	6.2675

(iii) *Invalid Votes*

	Total Number of members who exercised their votes whose votes were declared invalid	Total number of votes cast by them (shares)
Remote e- voting	00	00
E-voting on the day of AGM	00	00
Total	00	00

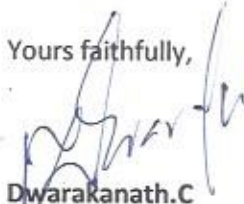


8. A list of Equity shareholders who voted "FOR", "AGAINST" the resolutions (Both through Remote E-voting and E-voting on the day of AGM) has been handed over to the Company Secretary.
9. The electronic data and all other relevant records relating to the e-voting shall remain in our safe custody and shall be handed over to the Company Secretary for preserving safely after the Chairman considers, approves and signs the Minutes of the aforesaid Annual General Meeting.

A separate Report of the Scrutinizer in Form MGT-13, of even date, has been issued for the results of the electronic voting at the AGM.

Thanking you.

Yours faithfully,



Dwarakanath.C

Company Secretary in Practice

(FCS: 7723 C.P. No: 4847)

Peer Review Certificate No.674/ 2020

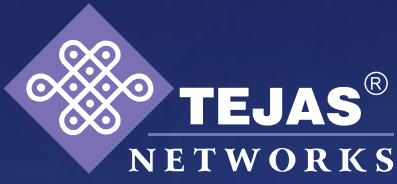
UDIN No. F007723D000695531

Date: 27th July 2022



N R Ravikrishnan
General Counsel, Chief Compliance Officer
and Company Secretary
ACS Membership No: 7875

Date: July 27, 2022



Annual Report 2021-22

Charting New Frontiers with Next-Generation Telecom Networks

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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 take 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.

About Us



WHO WE ARE

We are India's leading R&D-driven telecom and networking product company, founded in 2000, with over 900 employees. Tejas is India's first deep-technology product company to be publicly listed in the Indian Stock Exchanges. We are a part of the Tata Group, with Panatone Finvest Ltd. (a subsidiary of Tata Sons Pvt. Ltd.) being the majority shareholder.



WHAT WE DO

We design and manufacture high-performance wireline and wireless networking products for telecommunications 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, yet pragmatic, telecom and networking products that provide the highest value to our customers world-wide.

KEY HIGHLIGHTS OF FINANCIAL YEAR 2021-22



Panatone Finvest Limited (subsidiary of Tata Sons) acquires a majority stake in Tejas Networks

ORDER BOOK



at an all-time high of
Rs 1175 crores
(YoY increase of 73%)



Tejas Networks announces acquisition of Saankhya Labs (P) Ltd. to enhance its wireless products offering

SUCCESSFUL INDIGENOUS 4G OFFERING

Tejas Networks delivered 4G Radio Access Network equipment (Base Stations) for this initiative

Snapshot of FY 2021-22

Based on Ind AS Consolidated Financial Statements

In ₹ Crore

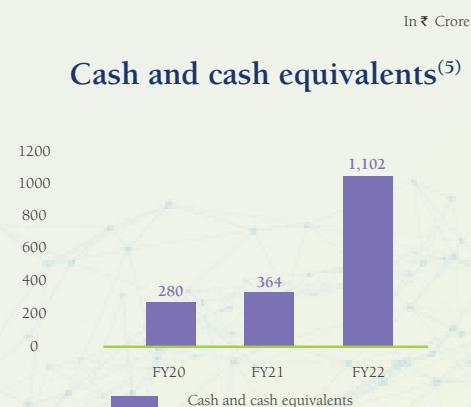
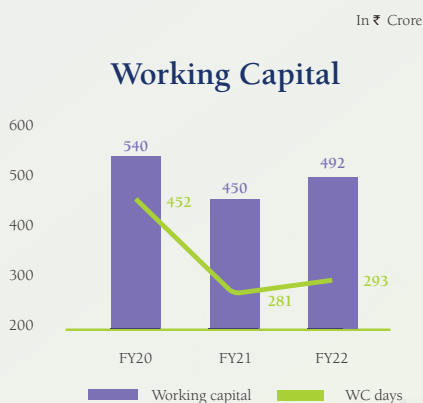
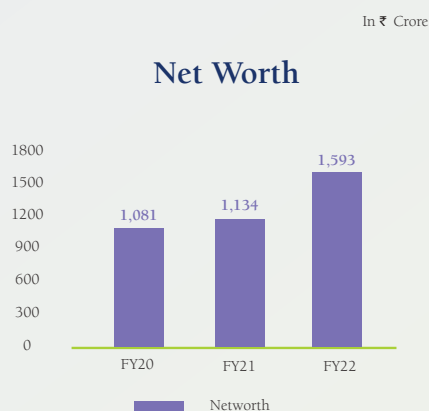
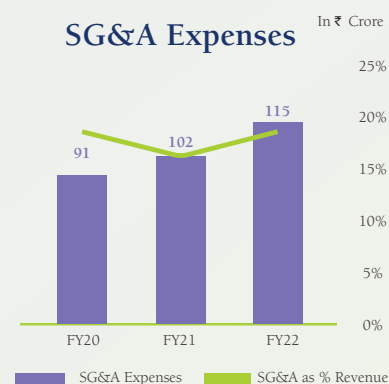
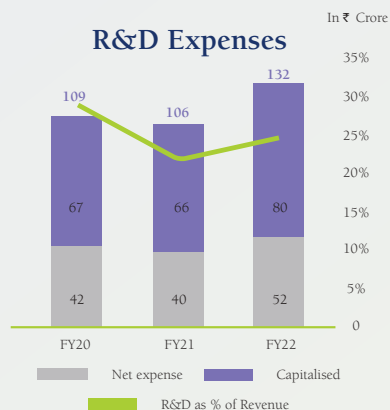
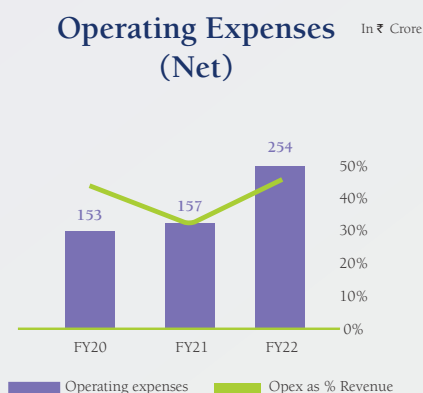
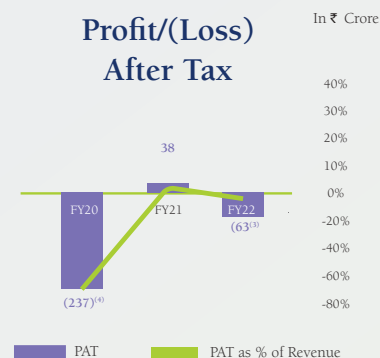
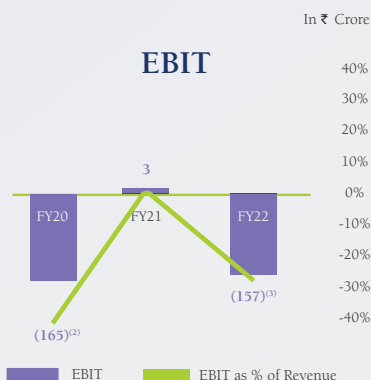
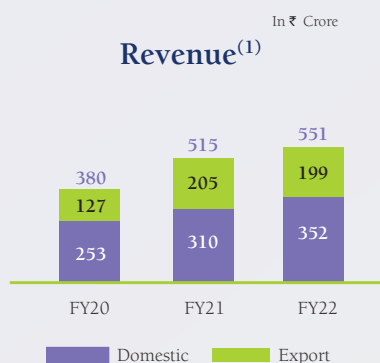
Particulars	FY 2022	FY 2021	Change(%)
Financial Performance			
Revenue (net of taxes and component sale)	550.59	514.82	7
Gross Profit	174.00	212.13	(18)
Operating profit/(loss) after depreciation	(157.24)	2.81	(5696)
Profit/(loss) before tax	(117.13)	22.52	(620)
Profit/(loss) after tax	(62.71)	37.54	(267)
EPS (par value of ₹ 10 each) : Basic	(5.97)	4.05	(247)
Diluted	(5.97)	3.99	(250)
Particulars	FY 2022	FY 2021	Change
Financial Position			
Cash and cash equivalents ⁽¹⁾	1,102.18	364.43	737.75
Net current assets ⁽²⁾	480.34	447.38	32.96
Fixed assets (including assets under development) ⁽³⁾	162.90	119.40	43.50
Total Assets	2,110.12	1,311.88	798.24
Total Equity	1,930.25	1,134.20	796.05
Net cash inflow/(outflow) from operations	(17.33)	157.65	(174.98)
Free cash inflow/(outflow)	(134.68)	75.13	(209.81)
DSO (days)	174	259	(85)
DPO (days)	102	115	(13)
Inventory Days	166	134	32
Net working capital (days)	293	281	12

⁽¹⁾ Cash and cash equivalents include fixed deposits under other bank balances, deposits with financial institutions and, investment in mutual funds.

⁽²⁾ Excluding the current assets considered in cash and cash equivalents and current liabilities considered as borrowings in this section.

⁽³⁾ Excludes right of use assets.

Financial Trends



⁽¹⁾ Net of taxes and component sales.

⁽²⁾ Includes the impact of an impairment loss of ₹ 70 Crore on intangible R&D assets, which include ₹ 33 Crore of impairment of intangible assets and ₹ 37 Crore of intangible assets under development.

⁽³⁾ Includes the impact of allowance for expected losses of ₹ 74 Crore, due to the continual delay in collecting the amount on account of the long outstanding receivable from one PSU customer.

⁽⁴⁾ Includes the impact of an impairment loss of ₹ 70 Crore on intangible R&D assets, which include ₹ 33 Crore of impairment of intangible assets and ₹ 37 Crore of intangible assets under development and ₹ 99 Crore of reversal of deferred tax assets.

⁽⁵⁾ Cash and cash equivalents include fixed deposits under other bank balances, deposits with financial institutions and investment in mutual funds.

Chairman's Message



Dear Shareholders,

More often than not great opportunities come our way disguised as impossible situations. While the pandemic brought tremendous personal loss, economic hardship and a host of other challenges for the world, it also pushed consumers, businesses and governments over the proverbial tipping point in their adoption of broadband and digital technologies. Notwithstanding the short-term supply chain challenges and Covid-19 related uncertainties that we faced throughout the year, your company continued to stay resilient, thanks to the strong commitment and support from our employees, customers and communities. FY22 was a year of renewed commitment towards our aspiration to become a trusted telecom products company.

I'm very pleased that Tejas Networks is now part of the Tata group. As a values-driven business group with a strong commitment to nation-building, for over a century the Tata group helped propel our country into the rank of industrialized nations through its foray into core businesses. The Tata group has always entered businesses or supported initiatives which are considered important and necessary for our country. In line with this philosophy, the group has recognized the need for having an indigenous telecom stack and is working towards orchestrating a modern solution for the telecom industry at large. In doing so, the objective is to build a world class telecom OEM, capitalizing on the end-to-end group capabilities in software and system integration, design and manufacturing of electronic sub-systems and telecom equipment, in which your company will serve as the centerpiece.

Globally over the last few years, especially with the onset of the Covid-19 pandemic, always-on broadband connectivity to homes and businesses has emerged as an essential service like electricity, gas, and water. This opportunity, coupled with Government of India's vision for 'Atmanirbhar Bharat' with policies like PMI (Preference to Make in India), PLI (Production Linked Incentives) and the Trusted Sources Mandate, provides the right environment for design and development of indigenous technology and use of domestically manufactured telecom products like ours.

In FY22, I am happy to inform that your company was declared eligible under the PLI scheme as well as the Trusted Sources mandate, which would help in growing our domestic market share in both public and private sector procurements.



Tejas is poised to be a scale player of global reach with a competitive portfolio of products supported by best-in-class R&D and innovation. India is a large home market for us, which will give us the volumes and economies-of-scale. We will build from there and target to expand our international presence by offering modern, efficient and innovative telecom network equipment.

As a part of our strategy to build a competitive end-to-end portfolio of products, your company has now entered the 'wireless' product segment in addition to the 'wireline' segment which has been our strength thus far. As a part of this initiative, we have already launched and demonstrated an end-to-end indigenous 4G/LTE network for a leading telecom service provider in the country and we will soon be ready for deploying equipment for 5G as well. This strategy is further strengthened by the acquisition of Saankhya Labs Pvt Ltd., which enables your company to be a strong player in the 'broadcast' domain and become an active player for wireless, broadband and broadcast segments, as the industry enters the 'convergence' era.

In summary, your company is poised to be a scale player of global reach with a competitive portfolio of products supported by best-in-class R&D and innovation. India is a large home market for us, which will give us the volumes and economies-of-scale. We will build from there and target to expand our international presence offering modern, efficient and innovative telecom network equipment. This would entail us building a strong manufacturing ecosystem in India, an agile back-office and support operation, backed by world-class team and processes.

I take this opportunity to sincerely thank all the Board members for providing their valuable guidance and support to your Company. In particular, I would like to express my gratitude and appreciation for the past Chairman, Balakrishnan V and Dr. Gururaj Deshpande, under whose able leadership the Company has been able to achieve all the success over the years and build a strong platform for future.

On behalf of the Board of Directors of Tejas Networks, we 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 and we look forward to their continued support. We are grateful to our customers, employees, shareholders, suppliers, and bankers, all of whom have supported us during these challenging times.

I wish you all good health and glad tidings.

Warm regards,

Bengaluru
June 28, 2022

N. Ganapathy Subramaniam
Chairman

CEO and MD's Statement



Dear Shareholders,

FY2021-22 was a landmark year for us, during which we took a new strategic direction and have now become a part of the Tata Group. During the year, Tata Sons Private Limited, through its wholly-owned subsidiary Panatone Finvest Limited, acquired a majority stake in Tejas Networks. This marks a significant milestone for us, since we now have the requisite resources, a trusted brand and capabilities to truly realize the vision of building a top-tier global telecom equipment company from India.

During the year, while we witnessed a strong demand for our products and solutions in the form of new order wins, our revenue growth was relatively modest due to global chip shortages that impacted our manufacturing operations. The shortfall in our revenues, in turn adversely impacted our profitability. Summary of our FY2021-22 financial performance is as follows:

- Net revenues were at ₹ 551 Crore- YoY growth of 6.9%
- Profit After Tax was (₹ 63) Crore
- Net Working Capital increased to ₹ 492 Crore, primarily due to increased inventory.
- Our order book and the end of the year was ₹ 1175 Crore, out of which around 70% is expected to be realized revenues in FY23.

In FY22, the global chip shortage emerged as a key challenge for the entire telecom equipment industry and despite our taking advance actions for high-value chips, we could not deliver as per plan due to increase in lead times and non-availability of components. Since component shortages and supply chain disruption are likely to continue even during FY23, we have already taken advance inventory ordering actions to fulfill our strong order book and be ready to address the growth opportunities ahead of us. We continue to work closely with our chip suppliers, who believe in our potential to be a large global OEM from India, and are willing to give us appropriate priority in their component allocation in the current constrained environment.

The cash position of the company remains strong at ₹ 1,102 Crore cash and cash equivalents with no debt, ensuring that we are adequately covered to invest and meet our aggressive growth plans over the next few years.

Technology and Products

Being in the technology business, we continued to maintain our focus on R&D and innovation, to ensure that we invest to build globally competitive products. During the year we invested 24% of our revenues (on fully expensed basis) on R&D, making us one of the top spenders of R&D amongst listed companies in India. In the wireline segment, in order to cater to the ever increasing demand for carrying high-speed data, we

strengthened our optical transport portfolio with 400G/600G speed interfaces, which enable our customers to build multi-terabit backbone networks. To cater to the demand of high-speed home broadband, we have enhanced our FTTX (Fiber To the Home) products based on GPON and XGS-PON technologies, both for the OLT as well as the ONT devices. We also continued to invest in building secured switches for applications such as smart cities, safe cities and other critical infrastructure.

On the wireless side, we upgraded our 4G LTE Radio Access Network (RAN) base station product to meet the technical requirements of a large pan-India mobile operator in India. We successfully completed the Proof-of-Concept (PoC) and are well positioned to win large orders in the coming years. We see the 5G as a large opportunity for growing our business, since there will be significant network rollouts by telecom operators as well as enterprises. Our 4G LTE base station has been designed to be upgradable for 5G.

As a part of our strategy for accelerating our wireless product development, we announced the acquisition of Saankhya Labs Pvt Ltd., a Bangalore based startup, on March 30th, 2022. Saankhya Labs is synergistic to our business and expands our offering in 5G Open RAN (O-RAN), 5G broadcast and satellite applications. Saankhya also has strong chip design expertise and have developed their own chip, which is used for satellite and wireless equipment. Our wireless product development efforts will get strengthened by the addition of over 250 highly skilled R&D engineers from Saankhya, having experience in wireless system design, hardware, software as well as chip design. Saankhya's 73 patents coupled with their in-house hardware and software IPR will also enhance our IPR portfolio.

India Business

In FY22, business from Indian customers, including both government and private sector clients, contributed 64% of our net revenues compared to 60% in FY21. India-Government business grew 8.7% year-on-year (YoY) and contributed 17% of our net revenues of which business from BSNL/MTNL constituted 5% while critical infrastructure business the remaining 12%. In FY22, we had multiple tender wins in BSNL and MTNL for our wireline products namely, DWDM and GPON. We successfully completed 4G RAN proof of concept (POC) testing for BSNL's 4G tender where we are participating as a consortium partner along with TCS and CDoT. We continued to maintain strong momentum in our critical infrastructure segment with multiple new orders from power, railways, oil & gas sectors.

In FY22, India-Private business contributed 47% of our net revenues with a YoY growth of 14.9%. We are an incumbent supplier to all major telcos in India and expect to see an uptick in our FY23 business, based on our wins in new applications areas such as FTTX, OTN/DWDM and PTN. In FY22, we were selected by Airtel as a DWDM equipment supplier for their backhaul

capacity upgrades as they prepare for 5G rollouts and as a GPON equipment supplier for their fiber broadband deployments. We registered several wins with our system integration partners for our Ethernet switches in smart/safe cities, campus network and bank connectivity opportunities.

With 5G spectrum auctions to be completed during 1H2022, we expect to see a multi-year capex spend cycle for building both wireline and wireless infrastructure. Besides deployments of next-generation radio products, 5G will also require significant increase in cell-site fiberization and augmentation of optical backbone capacities which augur well for our business.

We are witnessing strong positive tailwinds from "Atmanirbhar Bharat" policies in India's telecom sector. In FY22, the company was approved under the PLI scheme for Telecom and Networking products. In terms of meeting security requirements, all our products have been approved under the Trusted Sourcing norms defined by Government of India. Going forward, with Government of India's increasing thrust on the use of trusted products in both public and private networks, as well as design-led manufacturing, we believe that our company with world-class, indigenously designed products will have a great opportunity to play a key role in the "Atmanirbhar Bharat" mission for telecom.

International Business

On a YoY basis, international business declined marginally and contributed 36% of our net revenues in FY22 compared to 40% in FY21. Broadly speaking, our international sales are generated from four regions; (a) Africa and Middle East, (b) South and South-East Asia, (c) Europe and (d) Americas. The telecom network requirements of service providers in the developing economies of Asia and Africa closely mirror those of Indian telcos, thus enabling us to leverage our success in the Indian market to expand in these regions.

In FY22, we continued to gain traction in DWDM, OTN and FTTX segments in Africa and Middle East region which is witnessing strong investment activity in broadband networks and large-scale build-outs by web-scale companies. Besides winning large business from a single pan-Africa Carrier of Carriers, the company also signed-up multiple customers in the West Africa region including a new Tier-1 operator in Nigeria. Our FY22 revenues from the South and South East Asia region declined on account of weak order flow as multiple RFPs got pushed out to next fiscal year. In FY23, we are well positioned for expansion opportunities in existing accounts for our wireless and optical products. Our sales activity in the Americas is mainly focused on USA and Mexico. There was an uptick in our USA business as we signed up a large Tier-1 OEM for our MSPP products while Mexico saw reduced order flow. In Europe we registered our first multi-million dollar win for our DWDM and FTTX products. We have multiple ongoing customer engagements in Europe primarily targeting high-speed broadband rollouts and a growing demand for trusted telecom equipment in certain countries.

In the backdrop of recent geo-political developments post-COVID, we are increasingly being seen as a competitive and trusted alternate for providing world-class telecom equipment to our customers. Going forward in FY23, the company plans to further build on this momentum by leveraging our reference customer base, Tata brand and a stronger balance sheet to win larger deals.

Innovation and Awards

We continued to build our reputation as a technology innovator in the telecom sector with 350 patent applications, 137 global patent grants and a rich portfolio of 300+ semiconductor IPs. In FY22, our TJ1600 multi-terabit packet-optical transmission product family won the “Voice and Data excellence award for innovation”. The company was also a finalist for the 2021 Asia Communication Award (ACA) in the innovation category. It was a matter of pride that Tejas won the prestigious “CEO of the Year” and “CTO of the Year” awards from ET Telecom.

Our People and Community

We are very happy to report that during the year, our employees seamlessly transitioned to a hybrid working model, without sacrificing on productivity. We also provided all possible support to our employees and their families, in fighting the second wave of the Covid-19 pandemic in India. Our efforts ranged from sponsoring organizations who were distributing oxygen concentrators, providing funding support to build COVID units in local hospitals and arranging vaccination camps for employees and their families at all our offices around the country.

Globally, the Covid-19 pandemic has brought about a sense of urgency to addressing significant social and environmental challenges and the need for sustainable development. Our company too is adopting global best practices in Environmental, Social and Governance (ESG) areas to ensure long-term value creation for all stakeholders. From a Corporate Social Responsibility (CSR) perspective, we continued to support reputed partner organizations such as IIIT-Bengaluru, ELCIA, Sri Aurobindo Society that are working in the area of education and skill development.

As an R&D-driven company, hiring and retaining premier technical talent is critical to the company’s long-term success. In FY22, the company launched the “Tejas Academy” with a charter to attract and train high-potential young engineers from across the country, in relevant technology domains through a combination of classroom lectures, live projects, self-learning content, mini-assignments and 1:1 mentorship. While there is an intense war for talent in our industry, 50% of our employees have been with the company for 10+ years which is a reflection of our positive organizational culture, quality of work, employee empowerment, learning opportunities and a competitive compensation.



As a Tata Group company, with a widening product portfolio and an expanding array of opportunities, I feel confident that the company’s next phase of growth will be both exciting and rewarding for all of us.

Looking Ahead

Over the last 22 years ago, we have built a solid foundation for our company, on the strengths of our highly-talented and committed team, a portfolio of innovative and competitive world-class products and significant customer success. We have built a strong reputation and trust as India’s leading R&D-driven telecom equipment OEM.

On May 18th, 2022, N. Ganapathy Subramaniam was appointed as the new Non-Executive Chairman of our Board, succeeding Balakrishnan V, who decided to step down. I extend my sincere appreciation to the Board of Directors for their continued guidance and support while expressing my gratitude to Balakrishnan for the significant role he played in helping the company graduate from being a startup, to India’s first publicly listed deep-technology telecom product company. I also wish to thank all stakeholders, including our employees, customers and shareholders for their continued faith in our vision and supporting us in our endeavours.

As a Tata Group company, with a widening product portfolio and an expanding array of opportunities, I feel confident that the company’s next phase of growth will be both exciting and rewarding for all of us.

With Warm Regards,

Bengaluru
June 28, 2022

Sanjay Nayak
CEO and Managing Director

Board of Directors



N. Ganapathy Subramaniam

Non-executive Chairman & Non-Independent Director

N. Ganapathy Subramaniam (NGS) is the COO of TCS since February 2017. NGS is also the Chairman of Tata Elxsi. Prior to taking over the COO's role he served as the Executive Vice President and Head of TCS Financial Solutions, a strategic business unit of TCS.

He has held many key leadership positions in TCS across Client Delivery, Business Development, integration of businesses and Product Development. He has been a part of TCS and the Indian IT Industry for the past 38 years. He has played a strategic role in several landmark projects that TCS undertook across geographies. He has in-depth knowledge on technology trends and systems policies of leading corporations. NGS joined TCS in 1982 after completing his Masters in Mathematics from University of Madras and has had the benefit of attending various training programs including the Executive program for Growing Companies at Stanford University.



Amb. Leela K Ponappa

Non-Executive Independent Director

Amb. Leela K. Ponappa served as a career diplomat in the I.F.S. for 36 years since 1970. She has been Ambassador of India to Thailand, the Netherlands, Permanent Representative of India to UN-ESCAP, Bangkok and the Organisation for the Prohibition of Chemical Weapons, The Hague and Deputy National Security Adviser. Her work experience has covered all aspects of India's relations with its neighbours; India-US trade and investment; FTAs; regional cooperation and major global issues including security cooperation. She was also the non-ASEAN Co-Chair of the Track II Council for Security cooperation in the Asia Pacific (CSCAP) from 2012-14 while heading CSCAP-India.



Chandrashekhar Bhaskar Bhave

Non-Executive Independent Director

Chandrashekhar Bhaskar Bhave served as the Chairman of Securities and Exchange Board of India (SEBI), India's capital market regulator, from 2008 to 2011. Prior to this, he was the Chairman and Managing Director of National Securities Depositories Limited, (NSDL) from its inception in 1996 till 2008. He is a 1975 batch Indian Administrative Services (IAS) officer and has worked with the Central and State Governments in various capacities and roles. He has won several awards from the Government of Maharashtra for his outstanding work.



P R Ramesh

Non-Executive Independent Director

P R Ramesh was the Chairman of Deloitte India and has over 40 years of experience. Ramesh also served as a member of Deloitte Global Board and Deloitte Asia Pacific Board. He has served clients in manufacturing, banking and financial services, technology, media, telecommunications, energy and resources and consumer business sectors throughout his professional career

P R Ramesh has been associated with various Regulatory bodies such as SEBI Committee on Disclosures and Accounting Standards; Committee for Reforming the Regulatory Environment for doing Business in India, set up by Government of India; Technical Committee to review the form and presentation of the Balance Sheet of the Reserve Bank of India; Insurance Regulatory and Development Authority Standing Committee on Accounting Issues and Invitee to the Committee set up by the Reserve Bank of India ('RBI') to assist in convergence to IFRS by banks and National Advisory Committee on Accounting Standards. He has also been member of Accounting Standards Board of ICAI, Vision and Restructuring Committee and Auditing Practices Committee of ICAI and the Secretarial Standards Boards of the Institute of Company Secretaries of India. Ramesh graduated in Commerce from Osmania University, Hyderabad and is a Fellow Member of the Institute of Chartered Accountants of India (ICAI).



Prof. Bhaskar Ramamurthi

Non-Executive Independent Director

Prof. Bhaskar Ramamurthi heads the Centre of Excellence in Wireless Technology, located at the IIT-Madras Research Park, which is focused on emerging wireless standards and technologies. He is a holder of several patents related to 4G and 5G technologies and was the national coordinator for the project to build an end-to-end 5G Test Bed. He has served as the Chairperson of TSDSI. He is a Fellow of the IEEE and INAE and Hon. Fellow of RWTH Aachen, Germany. He served as Director, IIT Madras during 2011-21.

Bhaskar Ramamurthi graduated with a B.Tech in Electronics from IIT Madras (1980). He secured his M.S. (1982) and Ph.D. (1985) in Electrical Engineering from the University of California at Santa Barbara. After working at AT&T Bell Laboratories for a couple of years, he joined the faculty of his alma mater in 1986. His areas of specialization are Communications and Signal Processing. His body of research is in Wireless Networks, Modulation, Wireless Data, and Audio and Video Compression.



A.S Lakshminarayanan

Non-Executive & Non-Independent Director

Lakshmi has over 35 years of experience in a broad range of leadership roles across regions and industries. Through the course of his career, he has managed and developed scalable businesses, with deep understanding of the global technology market and enterprises' growing digital needs. Prior to joining Tata Communications, Lakshmi was President and CEO of Tata Consultancy Services Japan, Ltd. where he was in charge of accelerating the company's market opportunity and developing the brand in the region.

Other leadership positions within TCS also include: Global Head of four P&L units (Telecom, Media & Information Services, HiTech and Utilities) that grew to contribute a combined revenue of over \$2.4b under his leadership. He had also held the position of Head of UK & Europe where he brought significant growth of the business, resulting in it being recognised as a major IT player locally in the market. Lakshmi has worked in USA, Hong Kong, Australia, UK, Japan and India. He holds a Degree in Mechanical Engineering from BITS, Pilani and is an alumnus of London Business School. He is also a long-standing member of IEEE.



Sanjay Nayak

CEO & Managing Director

Sanjay Nayak is the Co-founder, CEO and MD of Tejas Networks. Sanjay has nearly 35 years of industry experience in India and USA. He is a well-regarded thought leader for the telecom and electronics industry as well as India's tech-startup eco-system. Sanjay has contributed significantly to various Indian government policies and initiatives and has represented the industry as the Chairman, FICCI's Science, Technology & Innovation Council, past Co-Chairman of the Telecom Export Promotion Council (TEPC) of India and a member of CII National Committee on Telecom & Broadband and as Chairman of sub-committee on Globally Relevant 5G eco-system.

Sanjay has received several awards and recognitions, including the "CEO of the Year" from ET Telecom in 2022, "CNBC Awaaz CEO of the Year 2019- Technology", "Technovation Sarabhai Award" from Indian Electronics and Semiconductor Association (IESA), the "Electronics Man of the Year 2011" from ELCINA, "Top-20 Stars of Indian Telecom Industry" by Aegis Graham Bell Awards. Sanjay has been inducted as a Fellow of the Indian National Academy of Engineering (INAE) for his dynamic leadership in building great scientific Institutions which have immensely contributed for the faster development of the country.

Sanjay has an M.S. from North Carolina State University Raleigh (USA) where he has been inducted in the "ECE Hall of Fame" and B.Sc (Engg.) from Birla Institute of Technology Mesra, where he was the Gold Medalist of his class.

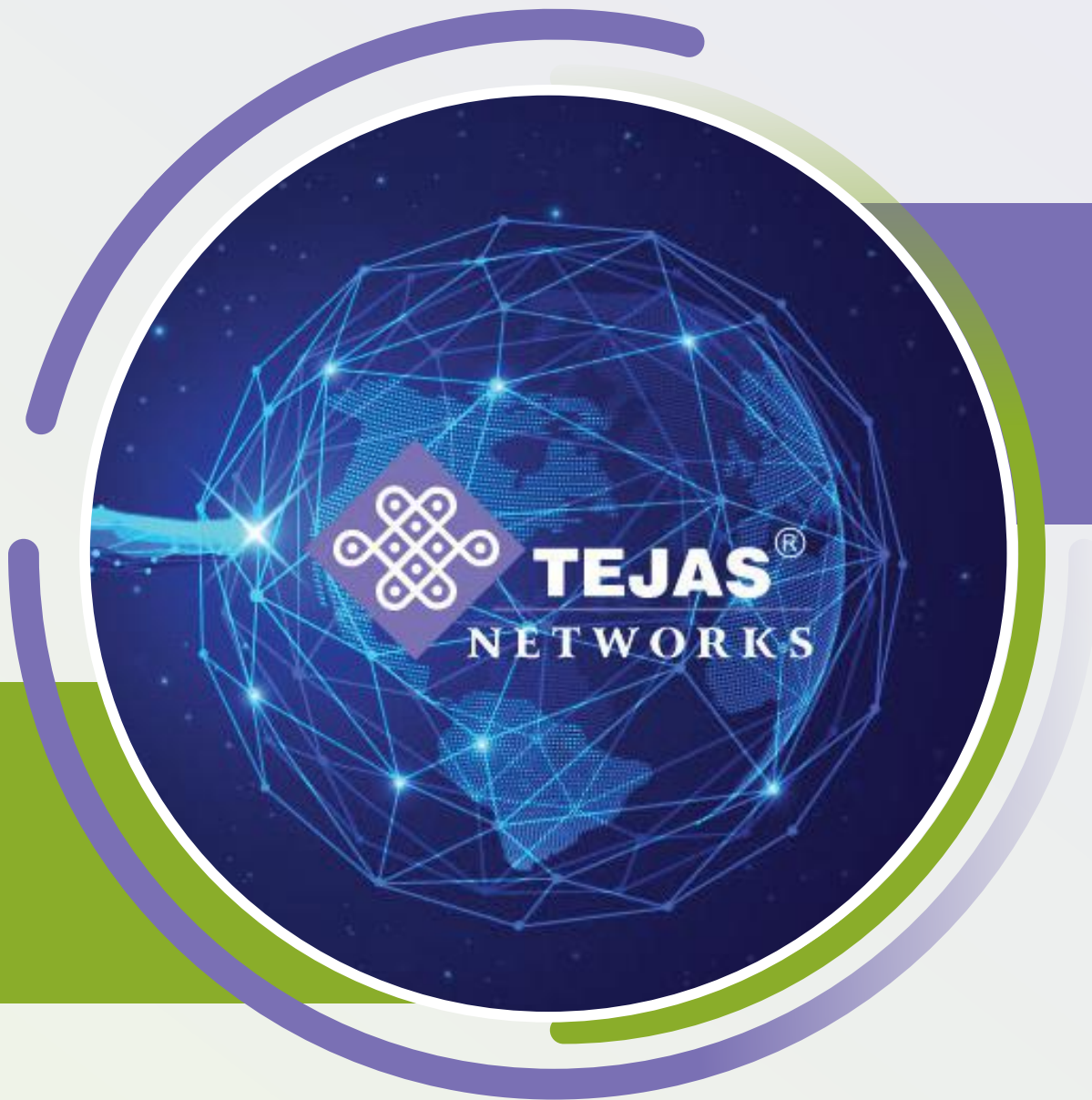


Arnob Roy

Executive Director & COO

Arnob Roy is the Co-founder, Executive Director and Chief Operating Officer of Tejas Networks. He has over 35 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.

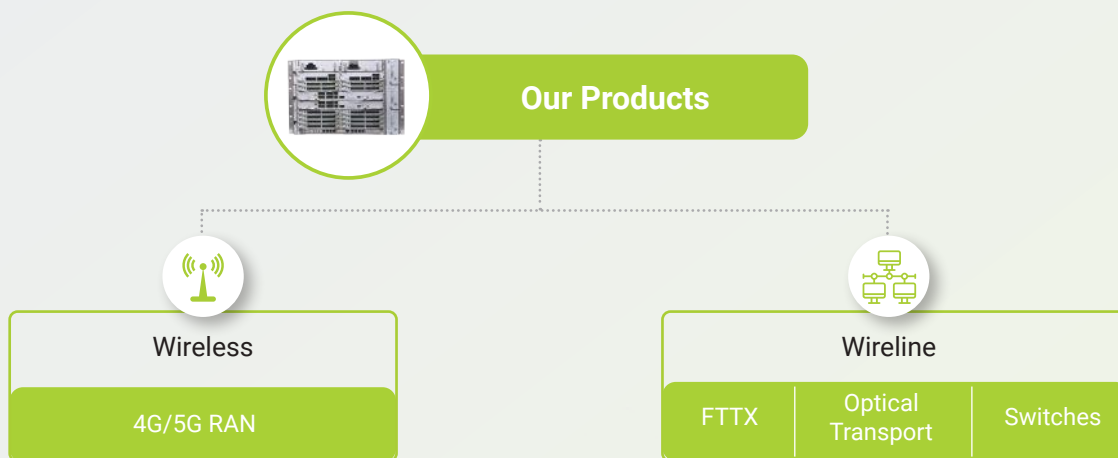
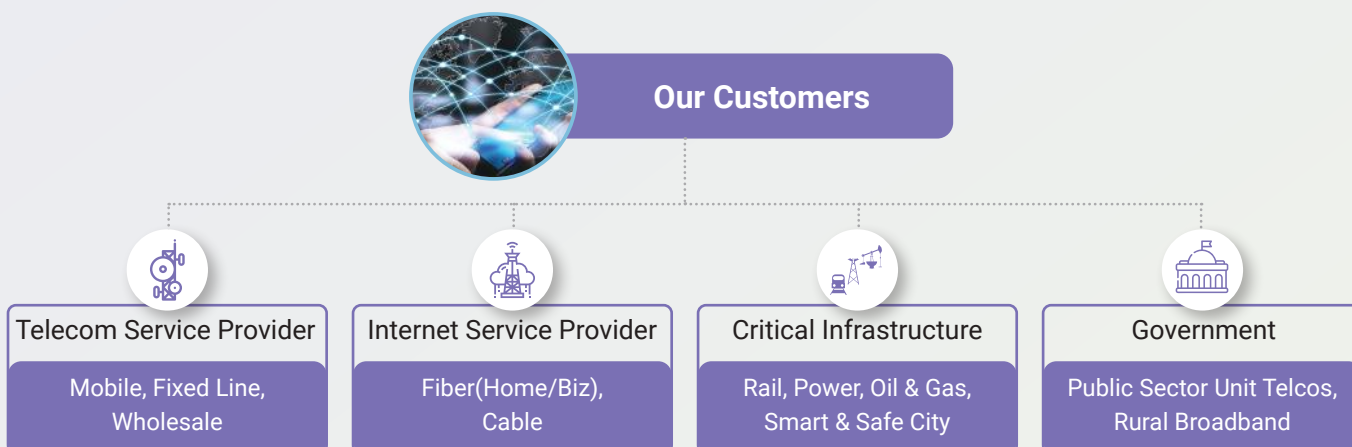
Arnob Roy holds a Master's Degree in Science in Computer Science from the University of Nebraska, Lincoln, USA and a Bachelor's Degree in Technology in Electronics and Communication Engineering from the Indian Institute of Technology, Kharagpur.



TEJAS AT A GLANCE

Our Customers and Products

We are a global broadband, optical and wireless networking product company, with a focus on technology, innovation and R&D. We cater to multiple customer segments and have an extensive portfolio of leading-edge telecom products for building end-to-end telecom networks based on the latest technologies and global standards with IPR ownership. With a focus on deep technology and R&D, Tejas has a rich portfolio of patents and has shipped more than 700,000 systems across the globe.



Tejas History and Milestones

Tejas 1.0 (2000-2010)

- Started in year 2000 by first-generation entrepreneurs, backed by world-class VC/PE investors. Founding team included Sanjay Nayak (CEO & MD), Dr. Kumar Sivarajan (CTO) and Arnob Roy (President - Optical)
- Launched TJ100 STM-1 Multiplexer and introduced a range of STM-1/4/16 MSPPs. Launched STM-64 and Carrier Ethernet products; obtained MEF CE1.0 certification and was the first to demonstrate a commercial version of ERPS standard at Carrier Ethernet World Congress (CEWC)
- Executed global OEM agreement with Nortel Networks
- Built end-to-end product lifecycle processes - technology, sales, customer support and manufacturing operations
- 80,000+ products shipped with deployments in 25+ countries

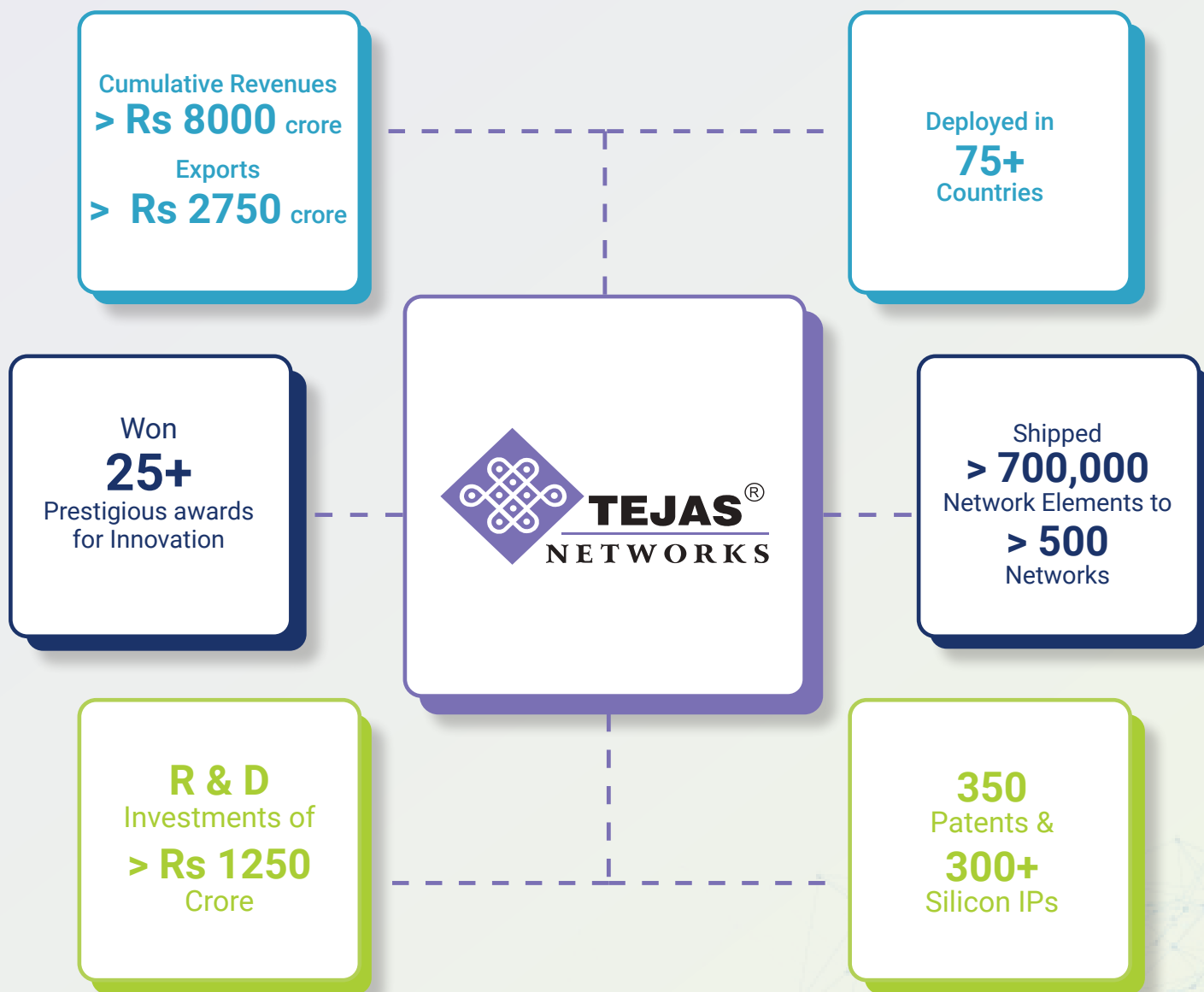
Tejas 2.0 (2010-2020)

- First deep-tech, product company to get publicly listed in India in 2017
- Increased presence in Indian and global markets
- Expanded product portfolio beyond optical transmission; added broadband access on fiber (FTTX) and fixed wireless (LTE)
- Crossed important milestone of 500,000 product shipments with deployments in 75+ countries
- Strong customer endorsement in the form of run-rate, repeat business from existing customers
- Emerged as a global top-10 vendor in Optical Aggregation and #1 in India

Tejas 3.0 (2020-Till date)

- Part of the Tata Group, with a vision to be a scale player of global reach with a competitive portfolio of products supported by best-in-class R&D and innovation
- Established as the leading Indian telecom equipment company with a wide range of wireline and wireless products
- Emerged as a globally leading vendor in FTTX and WDM segments
- Supplier of indigenous 4G/LTE base stations for the successful BSNL 4G Proof-of-Concept (PoC)
- Acquired Saankhya Labs to enhance 5G mobile and broadcast product offerings
- Rich IP portfolio of 350 patents, 300+ silicon IP and millions of line of field-proven software

Key Achievements in Our Journey So Far



Leading Indian telecom equipment company with deployments across the globe

Strong Focus on Technology and R&D

Applications

- 5G-Ready RAN and Backhaul
- Home & Office Broadband
- 4G/5G Mobile Broadband
- Metro/Core Transport
- Enterprise & Wholesale Services
- Data Center Interconnect
- Rural Broadband
- Critical Infrastructure

Product Segments

- Wireline Optical Transport, FTTX
- Wireless RAN, Fixed & Mobile Wireless Access (4G/5G)
- Secure Ethernet/IP Switches
- Network Management Software

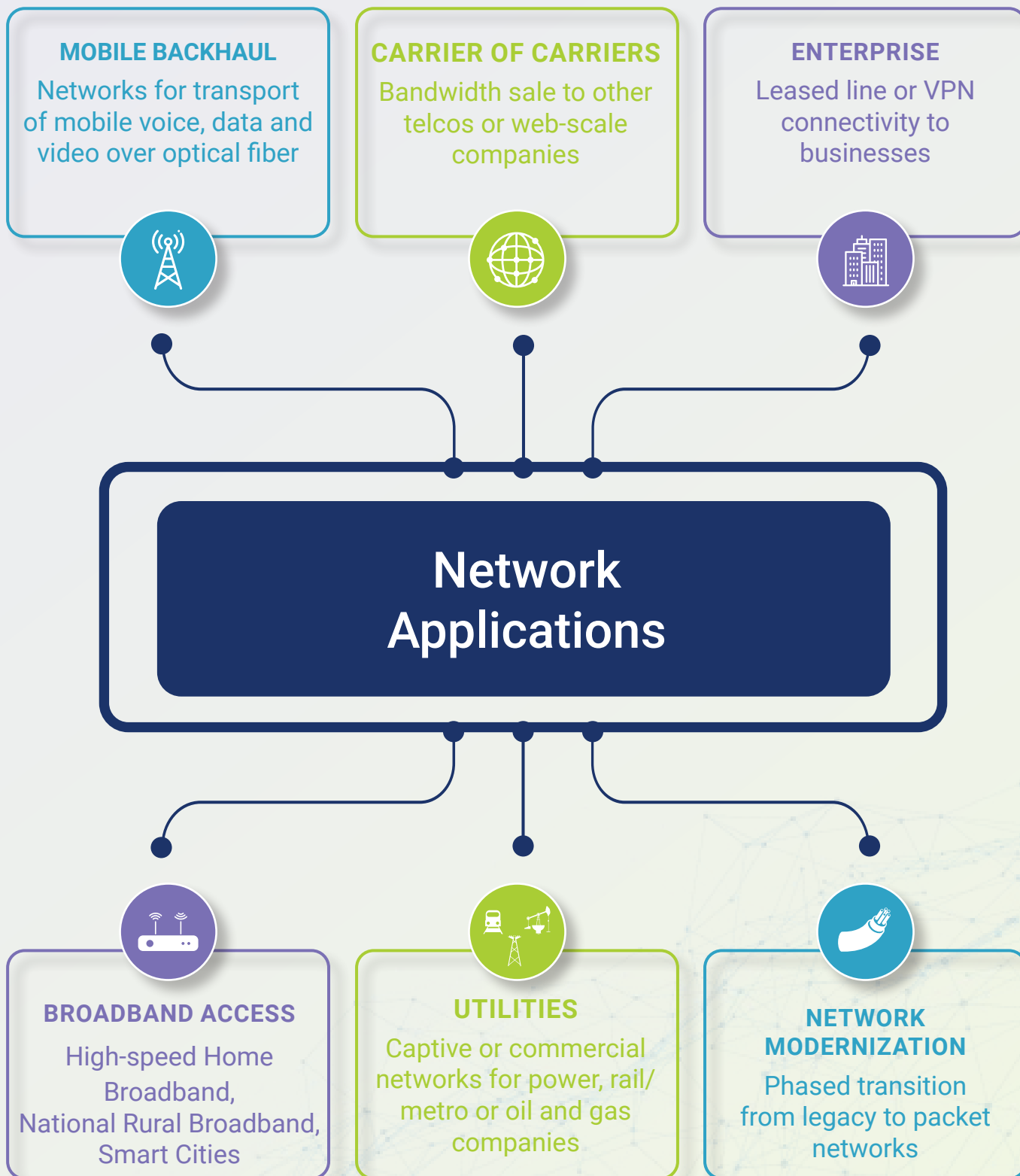
Deep-Technology Expertise

- PTN
- OTN
- DWDM
- xPON
- LTE/LTE-A
- SDH/SONET
- Ethernet
- SDN
- IP/MPLS
- RF/Radio

Skillsets, Design, IPR, Proven Experience

- Network Protocols
- Embedded Software
- FPGA Design
- High-speed Board Design
- Design for Manufacturing/ Test
- 350 Patents
- 300+ Silicon IPs
- >3M Lines of Code
- 40+ Products
- 700,000+ Systems Shipped

Network Applications Where We Win

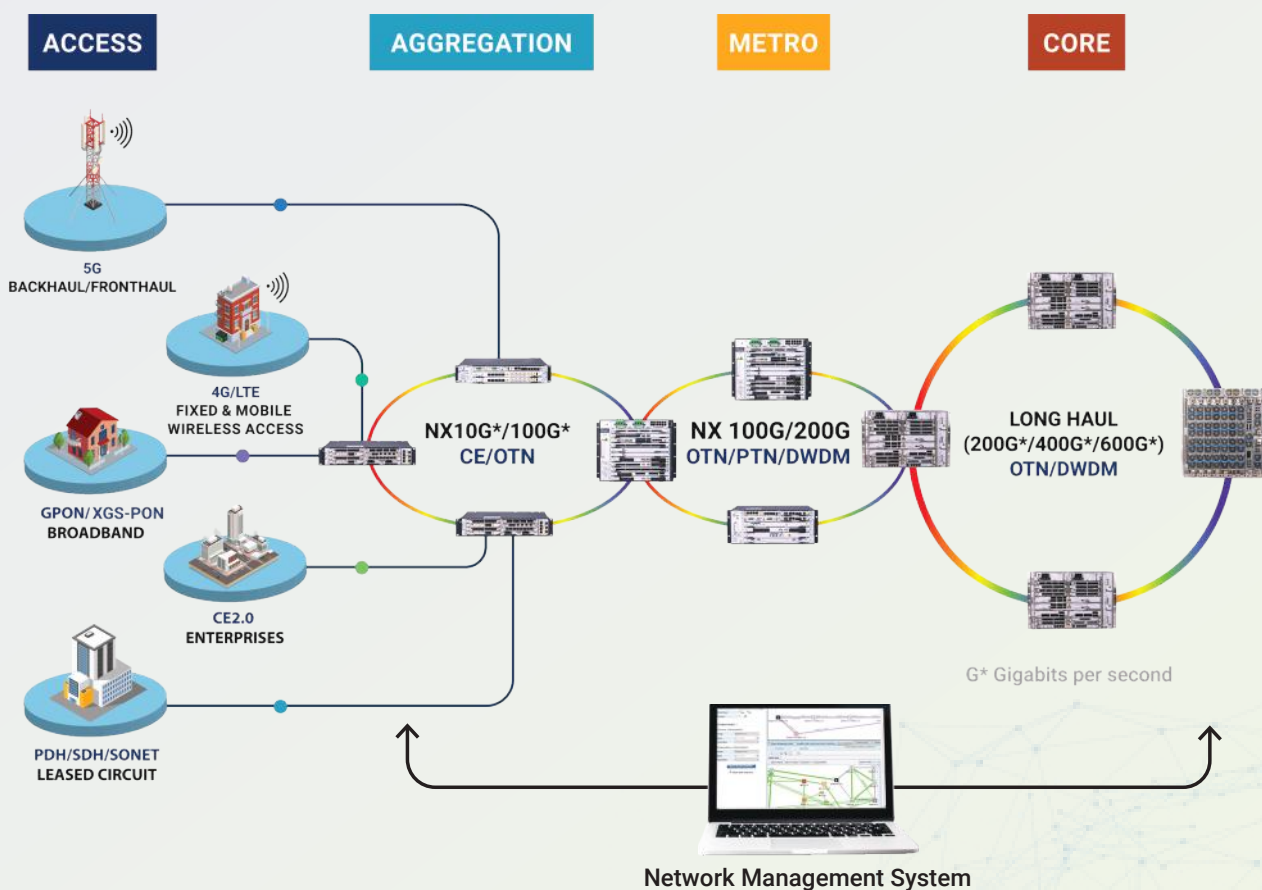


Our Product Focus: From Last Mile to Core

Over the last two decades, we have developed a family of software-differentiated, innovative products that enable telecom carriers to cost-effectively build converged networks. We have a complete range of next-generation wireless, access, aggregation, metro and core switching products for realizing end-to-end optical networks with a universal network management system.

The current portfolio of Tejas includes xPON/LTE/PTN/CE/POTP/OTN/WDM/IP products that are deployed for broadband access mobile/fixed-line backhaul, enterprise leased line and wholesale services. The products are designed using programmable software-defined, hardware architecture that can be easily upgraded as per new protocols and technology standards such as 5G and changing customer requirements. Tejas products are simple to operate, flexible to deploy and provide a wide range of services and functionality in a scalable architecture.

The unique combination of advanced technology, reliability, and service flexibility has helped Tejas emerge as India's leading telecom products company and a global Top-10 supplier of optical aggregation products.



Tejas Network Management System (TejNMS) simplifies network deployments and service implementation across all our products. 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, TejNMS ensures rapid time to service without the need for specialized and expensive skill sets.



Our scalable, re-programmable and re-usable products allow reduction in total cost of ownership for our customers and improve the overall efficiencies of their networks and operations

Our World-Class Product Portfolio



**Multi-Gigabit Fiber
Broadband Products**



**Ultra-Converged Access/
Edge Products**



**Metro/Longhaul Optical
Transport Products**



**Hyper-Scalable
Core Switch**



**IP/Ethernet Switch
Products**

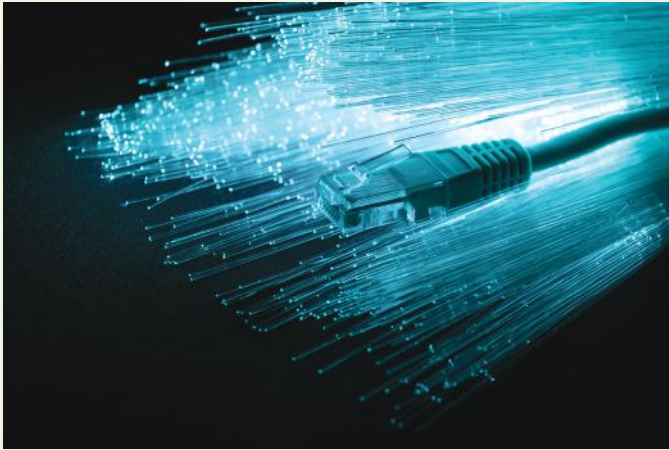


**Wireless 4G/5G RAN
Products**



Our Products are Designed, Developed and Manufactured in India
IPRs for Software and Hardware are in India

Growing our Business through Product Innovations



Gradual Migration from GPON to XGS-PON using Multi-PON

Tejas' Multi-PON card provides a pay-as-you-grow plan to migrate from GPON to XGS-PON, helping service providers to introduce new services with minimal disruption. Using the Multi-PON card, GPON services can be continued till there is a business need to upgrade. The GPON optics are then replaced by Multi-PON optics and subscribers are switched to XGS-PON (providing 10G speed).

NMSaaS (NMS as a Service)

Our NMSaaS is a subscription based service, hosted on the public cloud, which will make it easy for service providers to manage their network elements. This also reduces the equipment foot print with considerable savings in Capex and Opex.

Tejas Broadband Manager

Tejas' simplified broadband manager provides an easy and simple to use centralized management solution for service providers using PON. Further, since it's built on the Tejas NMSaaS infrastructure, it eliminates the need for buying and maintaining the IT infrastructure.



Indigenous 4G/5G Wireless RAN Products

Our wireless RAN products were part of the successful 4G proof-of-concept at BSNL. Radio Heads with support for new bands were introduced along with band agnostic and TDD/FDD agnostic baseband software. Products support full mobility with inter-frequency, intra-frequency and inter-mode handover features.



Our unique programmable software-defined hardware™ architecture enables flexible products that can be field-upgraded to meet new standards and customer requirements while giving a time-to-market advantage

Proven Innovation

TJ1400 - World's First Ultra-Converged Broadband Access Platform

TJ1400 Ultra-Converged product is one of the industry's most feature-rich platforms that brings in wireline and wireless convergence to realize significant savings in capex and opex. It is designed for cost-optimized delivery of mobile backhaul, wired broadband access and wireless broadband access in areas where fiber penetration is impossible. It provides redundancy, low power consumption, and high service scale in a compact next-generation platform.



Applications

- Enterprise Data Services & Mobile Backhaul
- Optical Fiber Access
- Licensed Wireless Access (4G/5G)
- Network Modernization

Media

- Wireless
- Fiber
- Copper

Awards



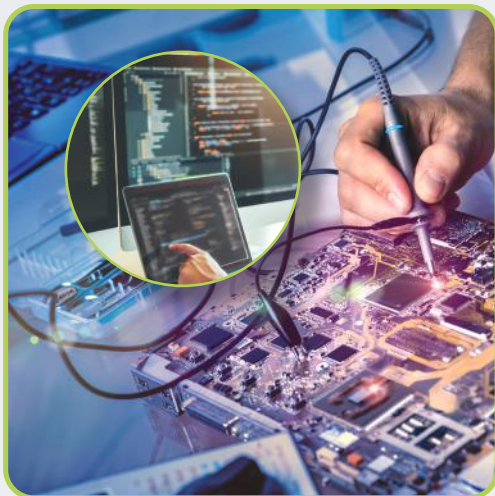
Our Latest Innovation

The only product to support 4G/5G Radio Access Network for Fixed Wireless Access as well as Mobile Broadband, along with xPON, Ethernet, Circuit Emulation and Optical Transport.

Our Sustainable Competitive Advantages

Software-Defined Hardware™

Programmable silicon eases feature upgrades, incorporation of new standards and protocols



Future Ready Products

Support multiple technology generations from the same shelf (2G/3G to 4G/5G)



Ultra-Converged Broadband Access/Edge

Any Media, Any Service, Any Technology



Innovative Business Model

Asset-light manufacturing, with cost-efficient india-based R&D with low operating costs, delivers superior financial performance



Strong technology team influencing and tracking new standards, driving innovation and aligning product roadmap with market needs

Innovative Business Model

Leading Edge yet Cost Competitive
Telecom Products



India-based R&D

4X R&D productivity compared to global peers by using talented yet low-cost workforce based in India, use of mass-market FPGA devices with ownership of silicon IPR



Asset-light Manufacturing

Outsourced manufacturing to global electronic contract manufacturers (EMS) enabling us to scale-up manufacturing, while making only incremental investments



Low Operations Cost

SG&A and other costs are half of our global peers creating operating efficiency. Our gross margins are competitive despite lower economies of scale

Superior Operating Leverage

Expanding Global Footprint



Customers
in
75+
Countries

700,000+
Network
Elements
Deployed

25+ Tier-1
Customers

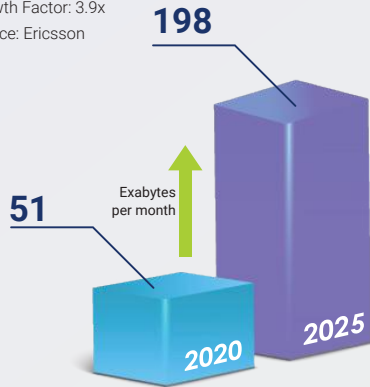


BUSINESS AND PRODUCT STRATEGY

Global Telecom Industry: Positive Growth Drivers

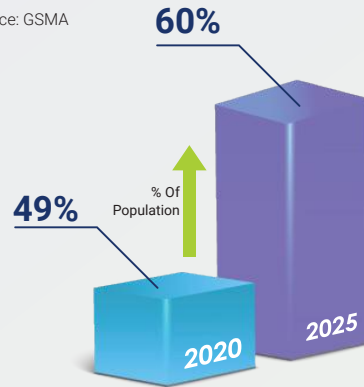
Mobile Data Traffic

Growth Factor: 3.9x
Source: Ericsson



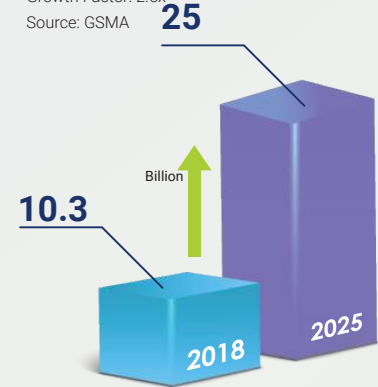
Internet Penetration (%age of population)

Source: GSMA



IoT Connections

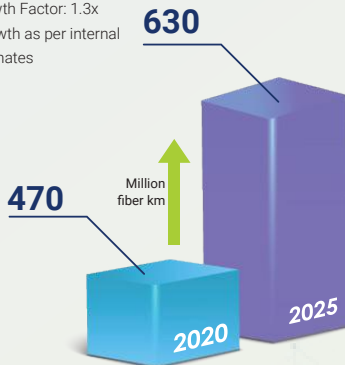
Growth Factor: 2.5x
Source: GSMA



Telecom Networks are now an essential infrastructure for Digital society and Economy

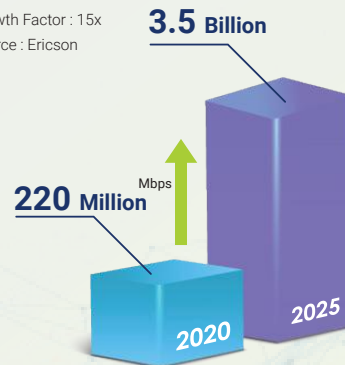
Fiber Rollout

Growth Factor: 1.3x
*growth as per internal estimates



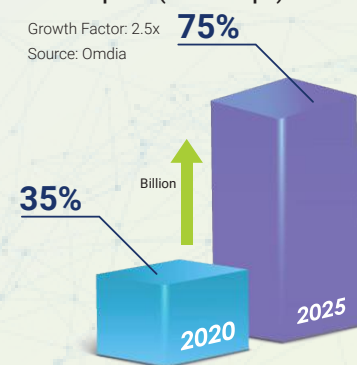
5G User Base

Growth Factor: 15x
Source: Ericson



High-speed Broadband Subscription (>100 Mbps)

Growth Factor: 2.5x
Source: Omdia



Growth of high-speed broadband, 5G, softwarization of telecom networks, and the emerging geo-political situation, are the key macro trends driving our business

Our Growth Strategy

Create a Global-Scale, Telecom Product Company from India

Create world-class products for building end-to-end networks

- Hire & attract top-notch talent; Retain current talent.
- Acquire companies and teams to expand products, technology, IPR and customers

Leverage India's large home market to get economies-of-scale

- Gain market share; new 5-year capex cycle driven by 5G & Broadband rollouts.
- Play a key role in the national mission to be "Atmanirbhar" in telecom sector.

Expand international business

- Leverage Tata brand strength, synergies and deep customer relationship with global telcos.
- Increase market share in emerging markets, with a larger product portfolio & sales.

Build a global-scale operation

- Build a strong manufacturing operation, leveraging India's PLI scheme.
- Create strong back-end for global technical support for pre/post sales, from India

Differentiation through Innovation and R&D

Our continued focus on technology, innovation and R&D has been the driving force at Tejas Networks over the years. As a result, our carrier-class products have constantly evolved to meet the new global standards and customer requirements, and have been deployed by telecom service providers, utilities, government, and defence networks in more than 75 countries. We now have an extensive portfolio of leading edge wired and wireless telecom products for building end-to-end telecom networks based on the latest technologies and global standards with IPR ownership.

Our products are developed based on customer requirements, technology trends, industry standards and competitive landscape. Our R&D team possesses advanced skill-sets in semiconductor IP design, computer-aided design, industrial design, high-speed board design, embedded software development and product verification. The team is also proficient in integration and reliability engineering, ensuring regulatory compliance, design for testability and manufacturability, and product lifecycle management.

Innovation at the Core of Business

At Tejas, we are constantly researching and developing products, and creating intellectual property rights in the field of optical, wireless and data networking. With an R&D force comprising more than 50 per cent of the organisation strength, we have continued to invest in the development of new product capabilities and in expanding our portfolio breadth to align with the changing technological landscape and to meet changing customer demands.

Our R&D strength has helped us create a portfolio of carrier-grade solutions for optical transmission, switching, broadband wireless and wireline access that facilitate the building of efficient and profitable networks for telecom service providers worldwide. We now have a rich portfolio of patents and have shipped more than 700,000 systems across the globe.



Global Top-10* GPON OLT vendor in terms of cumulative ports shipped since 2017

Global top-10 WDM vendor both in EMEA and Asia-Oceania (ex-China)**

Recognised as the Top-three R&D spender (as a percentage of annual revenues) amongst publicly-listed Indian companies***

*Source: Markets and Markets

**Source: Omdia

***Source: Independent study conducted by ICICI Securities



- Successful commercial launch of our wireless broadband product on LTE
- High-speed Fiber Broadband (NG-PON) deployed for FTTX
- Multi-terabit Metro/Core Switching and Transport (DWDM, OTN)
- Converged Packet-Optical Transport (PTN, IP, CE2.0, SDH)
- Secure and Industrial-grade IP/Ethernet Switches

Expanding Product Range From Wireline To Include Wireless

We have expanded our product portfolio to include both wireline and wireless products, thereby increasing the Total Addressable Market (TAM) available to us. We now have an extensive portfolio of leading-edge telecom products for building end-to-end telecom networks based on the latest technologies and global standards with IPR ownership. Our products are used for multiple network applications that includes backhaul of mobile and fixed-line traffic from cell towers to switching centers or exchanges, delivering digital leased line circuits or ethernet services to businesses, building high-capacity national or regional “digital highways” for transport of data traffic and offering wholesale bandwidth services, interconnecting terabit-scale data centers of web-scale companies and for realizing mission-critical control networks for utility companies such as Railways, Power, Oil and Gas, Metro/Light Rail etc.

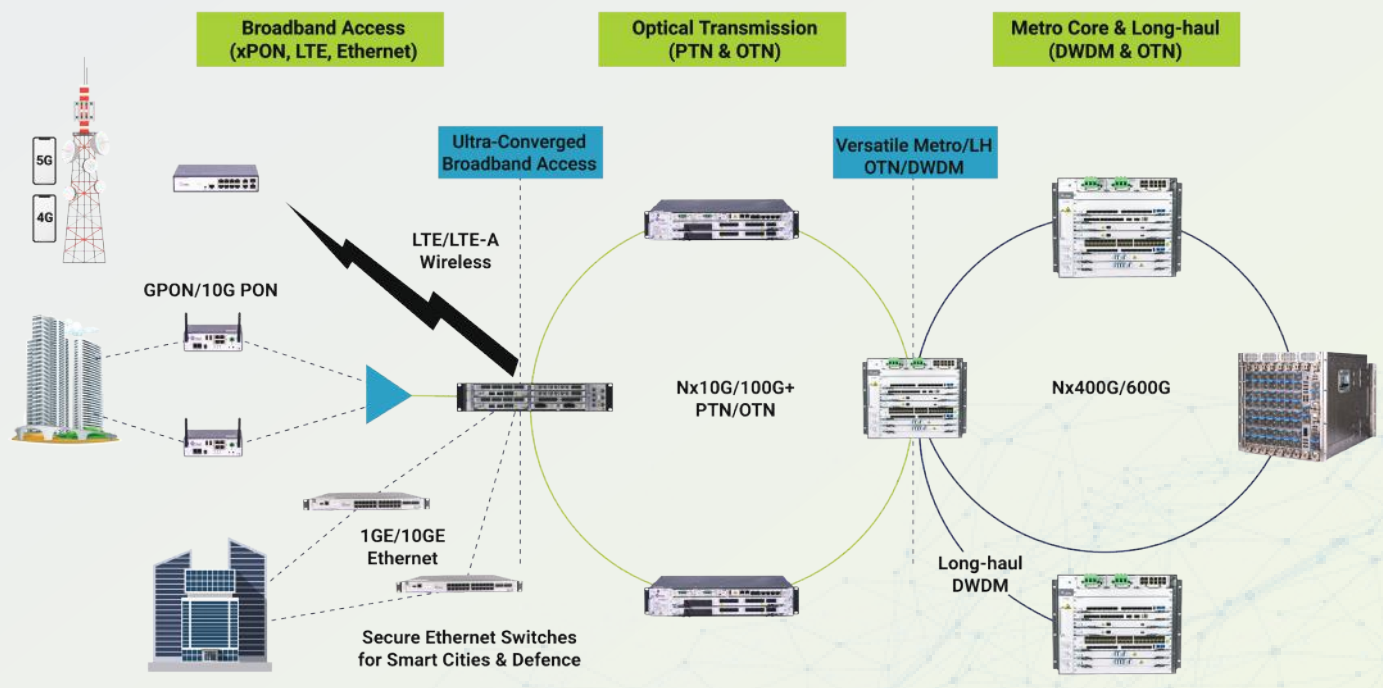
**Tejas Addressable Wireline
Equipment TAM
2022/2027**

**India : \$0.9B / 1.7B
Global : \$15.2B / 32.7B**

**Tejas Addressable Wireless
Equipment TAM
2022/2027**

**India : \$0.08B / 4.4B
Global : \$2.4B / 30.5B**

Universal, SDN-ready Network Management System (NMS)

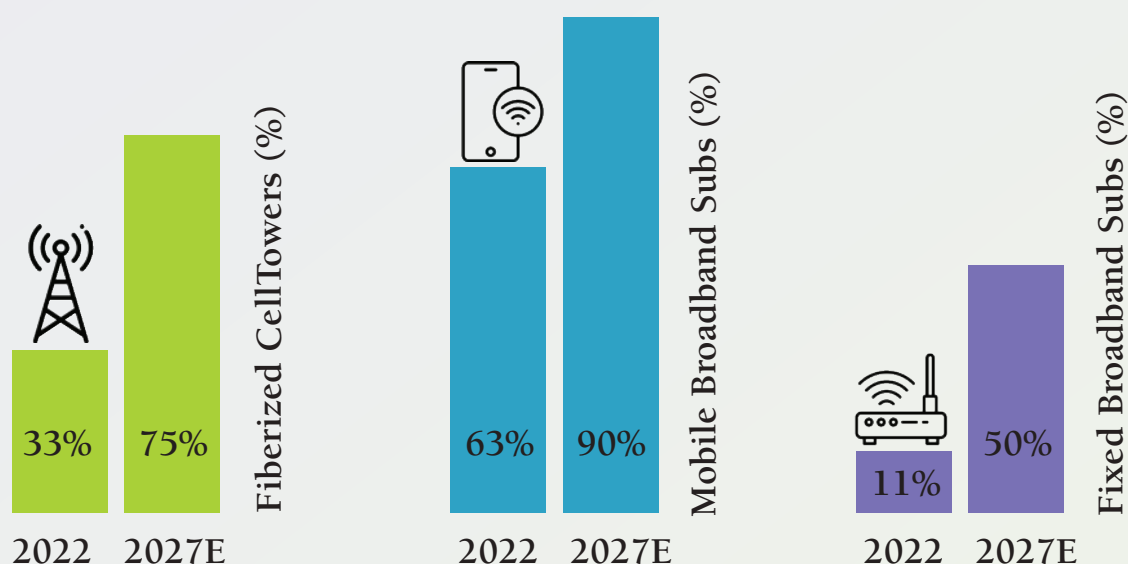


Wireline Products: Optical Transmission, Broadband Access, Secured Ethernet Switches
Wireless products: 4G/5G RAN (Radio Access Network) for Fixed and as well as Mobile Broadband
Trusted Products: Full ownership and control of all software, hardware, design/IPR as well as manufacturing

Benefit from Data and Broadband Growth in India

High-speed connectivity is an enabler of business continuity and resilience, it is the engine of E-commerce, plays a key role in the information economy and the much needed access to telehealth and citizen safety. India is steadily racing towards fulfilling the Digital India vision. Over the last two decades, India has transitioned from a voice-centric telecom market to the world's largest carrier of mobile data traffic. With a huge pent-up demand for fiberization and home broadband, today India is one of the fastest growing optical equipment markets in the world.

Telcos and service providers have accelerated the pan-India rollout of FTTx home and enterprise broadband networks, Cell-site fiberization as well as investments in backbone capacity expansion is on the rise.



India Government

- BharatNet fiber broadband to every village; 650000 villages to be covered in the coming years
- BSNIs pan-india 4G network rollout including both wireless and optical transmission infrastructure.

India Private

- Increase in FTTX rollouts and network capacity expansion. Expansion of 4G and impending launch of 5G
- Selected by 2 Tier-1 telcos for pan-india FTTX rollouts on GPON
- Selected by 2 Tier-1 telcos for OTN and DWDM products for Metro, Long-haul capacity augmentation

Critical Infrastructure

- With Cybersecurity as a key concern, preference for domestic vendors in utility, defense and smart / safe city projects
- Growing demand for FTTX, PTN, DWDM and Ethernet services

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', which are distinguished by the specified minimum percentage of domestic value-addition.
- The DoT has notified 36 telecom products/services/works for preferential procurement under the policy.
- Mandates suppliers from countries that share a land border with India to be registered with competent authority before bidding on Government tenders.

All telecom products being manufactured and sold by Tejas are included in the PMI list.

Product Linked Incentive (PLI) Scheme

- ₹ 12,195 crore incentive scheme for local manufacture of telecom and networking products.
- 4-6% incentive to eligible companies on incremental sales over FY20 base year subject to investment thresholds being met.
- Policy to be applicable from April 2021 for five years.
- Additional 1% incentive for design-led manufacturing

Tejas products approved under PLI scheme for Telecom and Networking

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 purchase from June 15, 2021.
- All TSPs and ISPs, public as well as private, are covered under this new mandate.

Tejas product portfolio approved as "Trusted Products"

Growing Presence in India Private Service Providers

We have a strong incumbent advantage in India and are present in all large pan-India telecom networks in the country. In the India-private segment, our products are deployed in the country's largest enterprise service provider network, two of the world's top-10 mobile operator networks, and the world's largest 4G network in terms of subscribers.



Our Significant Presence in India's Critical Infrastructure Segment

Our Optical and Broadband solutions are deployed to build a reliable and robust transmission infrastructure to carry:

- Mission-critical applications in captive IT & OT networks for automation, control and monitoring (example: SCADA RTUs)
- Video surveillance/IOT and Enterprise LAN traffic.
- Low latency, bandwidth intensive commercial carrier-of-carrier services

Our solutions also can enable network modernization (PDH/SDH to packet transition) to next-gen technologies.



Oil & Gas

- Large installed base in India's Oil and Gas sector
- Inter-connecting oil refineries, pipelines and pumping stations
- Captive networks for SCADA, video surveillance, LAN and Voice/VoIP applications



Power Sector

- Leading supplier of communication equipment to India's power sector
- 8000+ nodes deployed in national and state electricity networks
- SCADA, ULDC and Carrier of Carrier applications



Rail Sector

- Large presence in Indian Railways communications network
- 10,000+ SDH/PTN nodes in RailTel
- Deployed in RailTel's public Wi-Fi project covering 4700+ stations



Defence

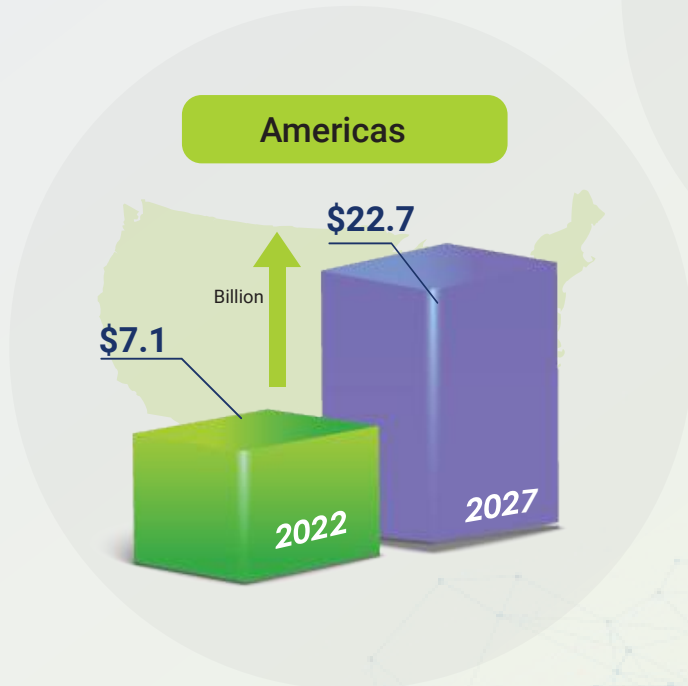
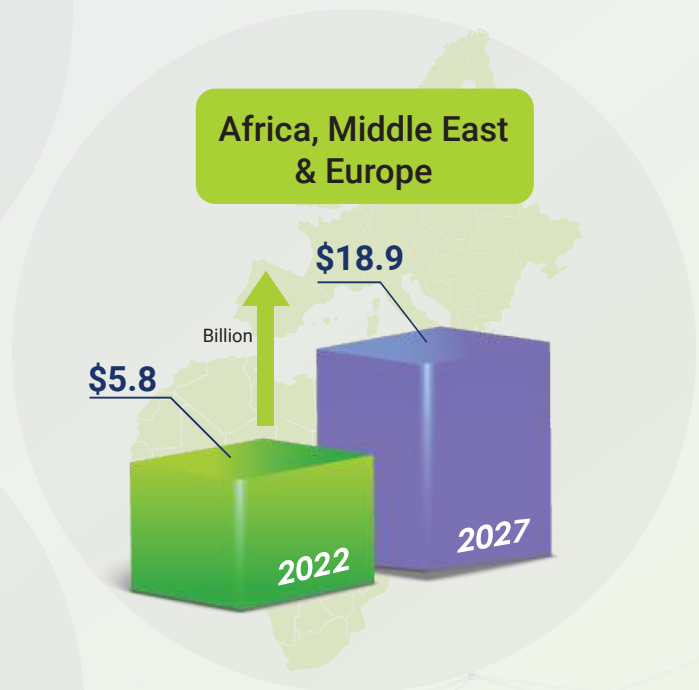
- Modernization of strategic networks
- Supplier of networking equipment to defence tri-services in India; deployed in AFNET/MRSAM/MAFI, Army CIDSS, Navy NFS networks
- 10,000+ nodes of SDH/PTN, DWDM and Switches installed



Smart and Safe Cities

- Deployments in city-wide and campus-scale network infrastructure
- Industrial-grade Ethernet switches and GPON OLT/ONT products
- Video Surveillance, Public Wi-Fi and IoT-based Municipal Services delivered using Smart Poles

Large International Market Opportunity



Source: Omdia, Dell'Oro and Internal Estimates
Note: All the numbers, refers to revenue opportunity that exists for Tejas products



Global TAM (Total Addressable Market) of \$17.6 Billion in 2022

Tejas Success Stories Across the Globe

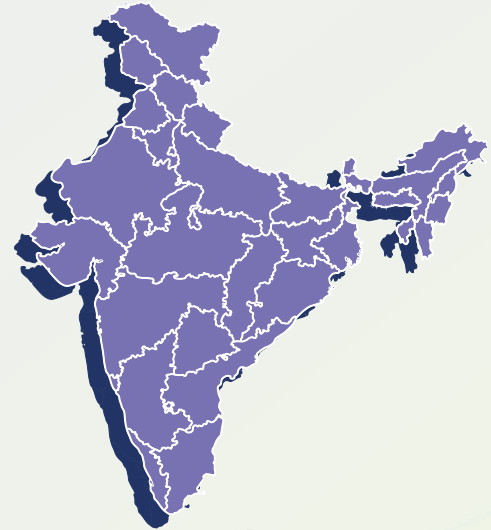


European Fiber Operator deploys our end-to-end products

A startup, building Gigabit internet connectivity over fiber in Italy is deploying Tejas' end-to-end solution for the greenfield network across multiple technologies for last mile using active Ethernet, GPON ONTs (upgradable to XGS-PON), OLTs, advanced 100G/200G optical transport (scalable to 400G/600G in the future). The three-layer fibre network reaches over 50,000+ small and medium businesses by enabling bandwidth connectivity-service to retail ISPs.

India's tier-1 communications solutions provider, deploys Tejas products in every part of its network

Tejas will supply, install and support its state-of-the-art TJ1600 DWDM/OTN products for extending the solution provider's optical networks towards the edge, supporting 5G backhaul, B2B services and broadband applications. Volume commercial deployment of Tejas GPON ONTs and OLTs started in 2021 with significant scale-up in 2022.



Deployment of LTE-based solution with TJ1400 UCB in South-East Asia

A leading telecommunication service provider in South-East Asia continued to deploy Tejas' TJ1400 Ultra-Converged Broadband product to extend high-speed broadband services to underserved rural communities. This rollout has enabled the community to experience the tangible benefits of high speed, reliable and affordable wireless internet.

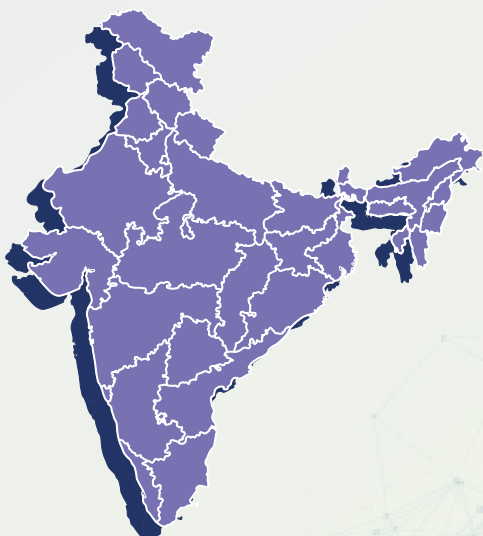


Tejas DWDM deployments in large networks spanning multiple African countries

A leading global wholesaler that provides capacity to African telcos has been deploying Tejas' longhaul DWDM equipment through the years. The network now spans multiple countries in Africa, with the latest DWDM deployment in Nigeria. These networks are serving Tier-1 and webscale companies by providing capacity on demand.

Tejas' pay-as-you-grow DWDM solution deployed in Zimbabwe

One of Zimbabwe's largest telecom entities has deployed Tejas' 100G/100G+ coherent DWDM solution using our scalable and versatile TJ1600 platform. This solution is a prime example of how our open and flexible software-defined-hardware™ architecture is enabling our customers to become "future-ready" by enabling them to upgrade their existing networks with the latest technologies at incremental cost.



Significant Tejas deployments in India's critical infrastructure segment

Tejas has emerged a significant player in India's Utility sector. One of the largest transmission utilities in the world has chosen Tejas for building an exclusive and dedicated country-wide Telecom Network on MPLS-TP Technology for the NTAMC (National Transmission Asset Management Centre). This will light up more than 15,000 kms of Fiber optic network covering approximately 400 Power Substations throughout India



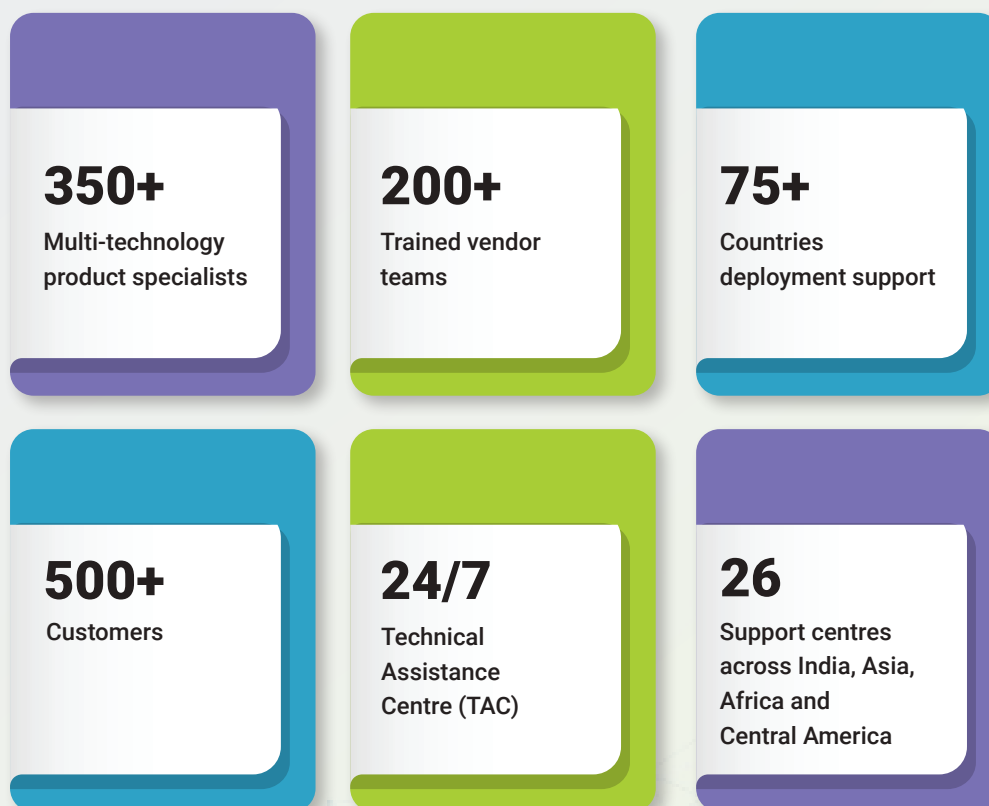
SERVICES COMPLEMENTING PRODUCT SALES

Keeping the Customer at the Core

The decadal shift in the technological landscape is transforming the services landscape, paving the way for next-generation services and resilient network operations in the post Covid era. With homes morphing into workplaces, entertainment zones, shopping malls, social meets and schools, the criticality of telecom networks in current times cannot be overemphasized.

With 350+ multi-technology product specialists and 200+ trained vendor teams, Tejas Networks is well-equipped to support deployments in 75+ countries with 500+ customers. Our 24*7 Technical Assistance (TAC) Centre in Bangalore 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. Our services support team has extensive experience in Packet Optical, DWDM, PTN, MPLS, OTN and other networking technologies, access technologies such as GPON and FWA with a sharp focus on 4G LTE and 5G Wireless technologies. Our managed services suite is equipped with best-in-class tools and automation. This enables:

- Optimization of network to maximize resource utilization, maximizing ROI for our customers
- Streamlining Network Operations to optimize Opex and reduce TCO for our customer



Maintained 99.999% Network Uptime

Geographically-diverse Customer Support

Our technical support team is well equipped to provide emergency support 24x7 virtually from anywhere in the world. All our customer support engineers, including TAC are equipped with remote access capability and tools to support our customers from office as well as from their homes. In addition, we have our Resident Engineers located at select client premises to provide 'over-the-shoulder support'.

Mission-critical Premium Support

We provide mission-critical services and support through the TAC L3 and remote-monitoring capability. Through our state-of-the-art global delivery system in Bangalore, we are well-equipped to simulate customer network issues and troubleshoot. Our team boasts the highest level of technical capability in our Technical Assistance Center that work closely with our R&D team to fix issues.



Our remote delivery centers and TAC have been modernised to support mission critical services and remotely manage customer NOCs, thus ensuring high QoS and best-in-class experience to their end customers



Build Services

- Network architecture design
- Network installation and commissioning
- Documentation



Support & Managed Services

- Proactive network support and maintenance both on-site and offshore
- Hardware and Software upgrades
- Comprehensive repair and return support
- Single point of contact for network operations and management services



Knowledge Services

- Training by technology specialists
- Extensive knowledge base



Consultancy Services

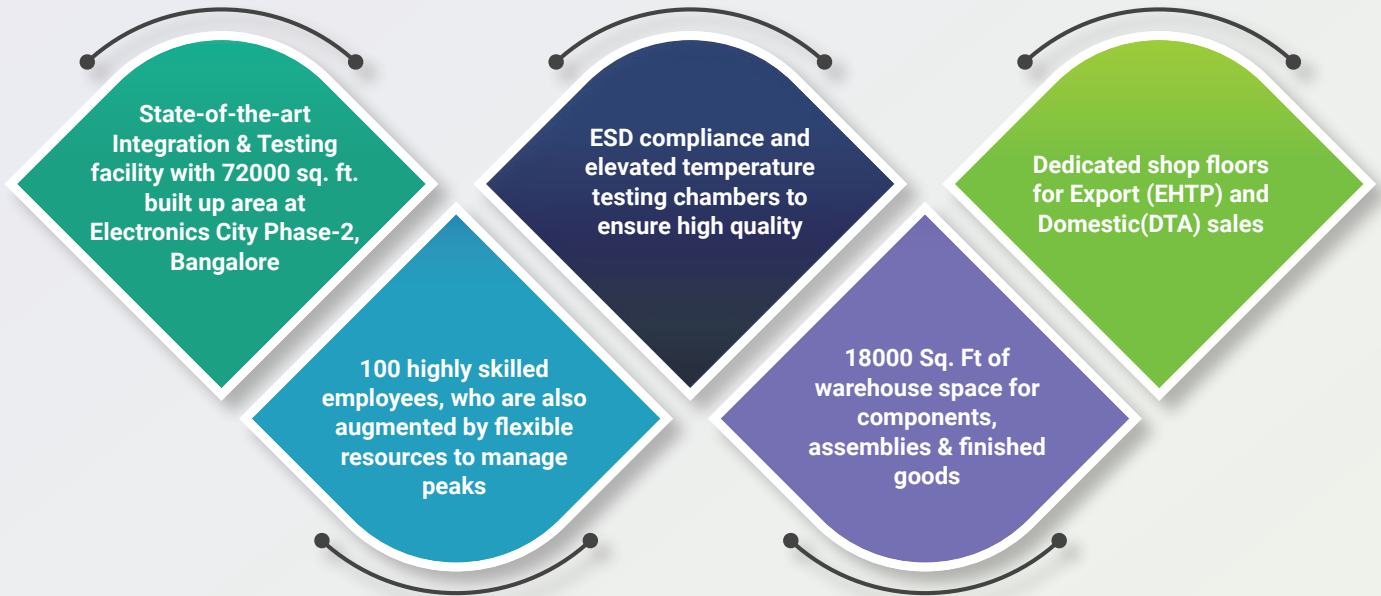
- Network audit and optimisation
- Network advisory
- Network planning
- Network design



HIGH-QUALITY MANUFACTURING OPERATIONS

Design-led Manufacturing

Dedicated to designing and developing high-performance and cost-competitive products, we maintain absolute control throughout the production chain at our state-of-the-art manufacturing facility. Built over 72,000 square feet, the entire production plan – from assembly, system integration, and testing to packaging – is designed to meet global quality standards.



A glance at our manufacturing and storage facilities



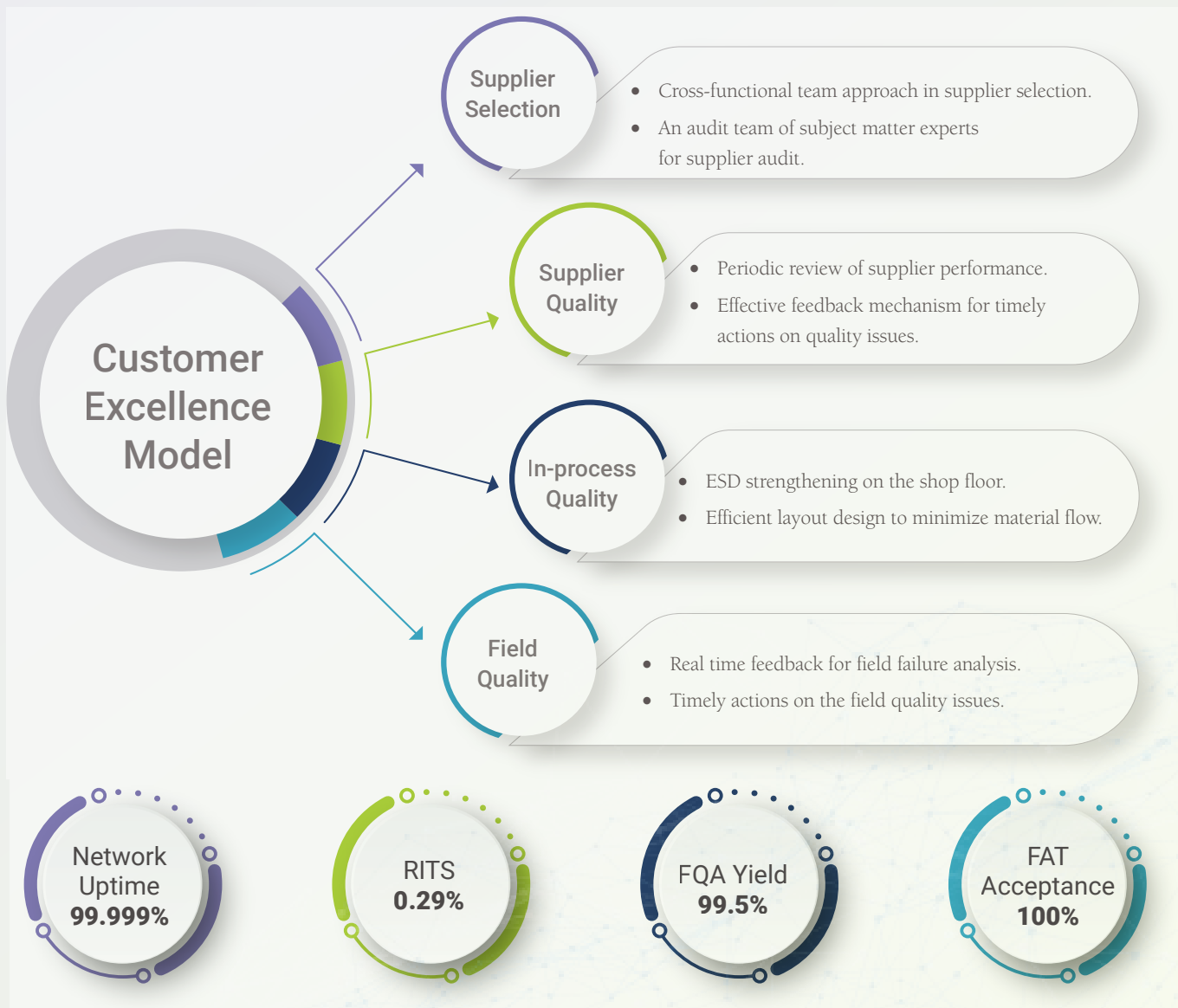
Supply Chain Challenges and the Way Forward

If there is one thing that the pandemic and the ongoing chip shortage have made abundantly clear - it is that businesses need a flexible, agile supply chain to navigate the changing business landscape while staying resilient.

Shortages of semiconductors have hurt manufacturers of all electronic equipments including Telecom, Automobiles, IT, Industrial and other products, thus illustrating the need for companies to ensure that their supply chains are resilient. These shortages, on top of pandemic-related supply disruptions, have underscored the value of understanding and mitigating supply chain risks and developing robust strategies for weathering the next storm.

At Tejas, we have taken many nifty steps to meet this challenge and navigate our way around it.

Customer Satisfaction



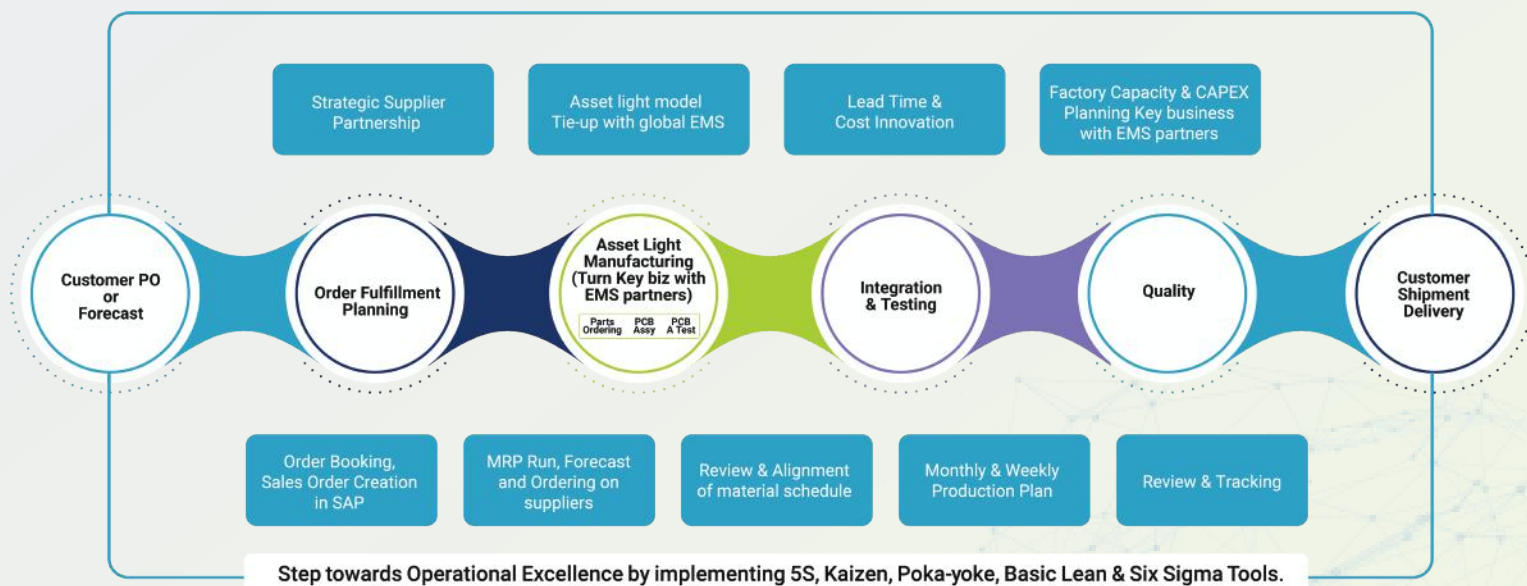


We strongly believe in continual improvement culture. To build and strengthen the operational excellence in our manufacturing facility; we have taken up initiatives like 5S, Poka-Yoke, Kaizen, and Basic Lean Implementation.

Strategic, Asset-light Supply Chain Management

At Tejas, our supply chain has an efficient and lean manufacturing model. Our objective is to create a best-in-class global supply chain, which exceeds customer expectations with timely deliveries and consistently high quality while minimising inventory levels and consistently reducing manufacturing costs.

Supply Chain Model



The products are manufactured in India through partnerships with reputed EMS companies, which help us to stay asset-light and cost-efficient in production. We have an in-house manufacturing facility focused on final integration, testing and quality control in order to ensure only high-quality products are delivered to our customers. Our turn-key EMS model is highly scalable and capital efficient. It allows us to adjust our manufacturing capacity to meet changes in customer demand while optimising our working capital since the EMS takes the responsibilities of sourcing and managing long-lead components.

Focus on Quality

Quality is an integral element of our culture, and has always been given the first and the foremost importance at Tejas in terms of both the design as well as manufacturing of our high-performance and cost-competitive networking products.

We have an established sophisticated design, development and testing infrastructure in-house, which helps us monitor our quality management meticulously. The field performance of our products is more than 99.999% uptime. Our unique Quality Model not only ensures the quality of outgoing products but places an equal focus on supplier selection, quality checking of incoming materials, in-process quality audit, product quality audit and reliability testing. We have been certified for TL9000 & ISO9001 certification for our quality management system with reference to our supply chain, R&D and manufacturing processes.

Global Industry Certifications

Our products are tested and certified by many acclaimed globally-accredited testing and certification bodies such as TUV Rheinland, Underwriters Laboratories and many Government bodies. In terms of international endorsements, we have been approved under various international standards such as MEF, CE marking, UL Mark, cTUVus mark, FCC, ICES, Safety standard IEC60950-1/IEC62368-1 and many other international certifications in connection with our products. Our products also have country-specific certifications from countries such as the US, Canada, the EU, Mexico, Brazil, Malaysia, Russian Federation and many African countries to name a few.

We also comply with European Union directives on environment protection such as RoHS, REACH and WEEE.

As part of product security compliance, Tejas products are evaluated for Common Criteria certification (also called Evaluation Assurance Level certification as per ISO15408 standard) by STQC, Ministry of Electronics & Information Technology (MeitY), Government of India. This Common Criteria certification is globally recognised. Our products also undergo Vulnerability Assessment and Penetration Testing (VAPT) Certification by STPI, a Government of India body.

After conducting detailed testing as per Generic Requirements, we have also received Type-approval and Interface-approval Certificates from the Telecommunication Engineering Centre for our Optical Networking Products in India. We also recently received the ISO 14001 certification for our effective environmental management system.



Information Security Management (ISO 27001) Certification

As a deep technology product company that develops products catering to wireline and wireless solutions across varied technologies for our customers worldwide, it is imperative for us to ensure information security and maintain our processes to meet a high level of product security. We are successfully certified for ISO 27001.



Cyber Security

We believe that in the modern digital age, cyber security is not an IT/information security issue, but a business issue. We have 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 that complement and augment each other. The processes and systems in the Company reduce the threat, mitigate the negative financial and reputational impacts, and created an organisational culture of cyber security that consistently practices effective cyber security policies, processes and procedures including spear-phishing campaigns and cyber data breach table-top exercises.

The Company as part of its cyber security implemented advanced cyber diagnostic assessments, on a regular basis and also implemented Cyber Threats Monitor, Brand Monitor and Infrastructure Monitor as part of its cyber security preparedness. Further, the Company ensured information system resilience and implemented and periodically tested an enterprise-wide Business Continuity Plan and Disaster Recovery Plan.

Data Protection and Privacy

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.

Some of the additional measures undertaken:

- **CloudSEK realtime monitoring system:** Tejas ICT is engaged with third Party vendor CloudSEK to do realtime monitoring of exposed server/services.
- **Gateway Firewall:** Any traffic flow to or from internet pass through gateway firewall.
- **Anti-Virus client protection:** All client system with Windows OS is protected with centralised monitored anti-virus client.
- **Web Security Client Zscaler:** All laptops are installed with Zscaler web security. This is in implementation phase and Zscaler client is under installation using SCCM in phases.
- **DLP CoSoSys:** All laptops/desktops will be installed with CoSoSys client, which tracks transfer of files and blocks based on defined policies.
- **Centralised build environment:** Build environment is planned to move from desktops in user place to centralised isolated server. This is currently in implementation phase.





HUMAN RESOURCE

Building a World Class Team

Our people practices are designed to attract and retain the most talented people from around the world. Since our inception in 2000, we have made significant investments in our talent management and developmental programs to ensure that we hire and nurture a strong and talented workforce. More than 50% of our employees are engaged in R&D and a majority of them are from top colleges and universities of India



Experienced Team

50%

of the team has been with
Tejas for 10+ years

31%

of the R&D team has been
with Tejas for 5+ years

Launch of Tejas Academy

Tejas Academy launched in August 2021, is a sustainable initiative for leveraging India's high-quality talent base. This is our in-house learning and training program that will help our engineering recruits get a broad understanding of telecom technologies and products as well as give them an experience in software/hardware design and commercial software writing. Whilst the industry at large is struggling with attrition, we aim to provide a continuous trained talent supply for our engineering teams through this initiative.

Engineer graduates are selected through on-campus and off-campus hiring channels. Tejas follows a rigorous process of technical and aptitude tests and design/coding tests based on the hiring requirements. The hiring process is customized for the different selection roles – Software / Hardware.

Tejas Academy training provides a holistic learning experience; the training program is designed to help engineers develop technical/behavioral competencies critical for their long-term career success.

- Knowledge sharing by subject experts
- Interaction with Innovation Leaders
- Hands-on experience with Tejas products
- Experiencing real-time Innovation/CoE lab setups on Tejas Telecom Technologies/Products

The program curriculum covers telecom software and hardware technologies including PTN, OTN, DWDM, Ethernet, MPLS-TP, xPON, LTE, 4G, 5G, and NMS. The learning is hybrid and focuses more on project-based learning working on Tejas code base, Tejas board design, and so on. The training includes continuous learning assessments and engineers are graded based on performance in the training. Post-training, trained engineers are absorbed into the various business groups.



Proactive Measures To Retain Top Talent

Attrition of talent in our industry remains a challenge and one of the key ways in which talent can be retained is the promise of 'wealth creation'. We awarded Restricted Stock Units (RSUs) to our key talent throughout the year. To remain competitive in the market, we undertook a comprehensive salary benchmarking exercise to make sure that we are scientifically calibrating our compensation approach. We believe that our key employment proposition of – quality of work, learning, empowerment, flexibility and rewards and recognition will help retain our key talent.

Initiatives To Tide Over The Covid Crisis

Hybrid Work Model

Hybrid work has rapidly becoming the reality across the industry, and we have strived to achieve the right balance of safety as well as physical presence at work. Implementation of Covid-19 protocols in office continues: checking of vaccination status, thermal checks, Aarogya Setu, social distancing, sanitization and so on.

Mental Health Remained A Priority

Mental health of our employees was given utmost importance given the challenging year everyone went through. We retained a respected wellness provider to whom employees could reach out confidentially to discuss any issues. There were trained counsellors available to handle these calls.

Employee Support During Covid Second Wave

A dedicated team to support employees during this challenging time was setup. The team helped several employees, who were struggling to get access to medical help and amenities during the depth of the pandemic. The team helped employees by sharing updates on hospital beds' availability, procuring medical oxygen, and leveraging our collective personal networks and by empanelling vendors, who provided Covid home-care. There was constant contact and communication with family members of employees who were hospitalised and all possible help was extended to them.

Periodic Vaccination Drives

As Covid vaccines became available, we helped employees and their families get vaccinated by organising onsite camps in all our India locations.



Awards, Accolades and Recognitions

Tejas Networks has been recognised time and again by global industry leaders for excellence in its product innovation and distinction. These recognitions are a testament to Tejas' continued commitment to deliver high-tech solutions for the telecom industry.

ET Telecom Awards 2022

Tejas leadership has won the coveted ET Telecom 'CEO of the Year' and 'CTO of the Year' Awards 2022 in recognition of their contribution to the company, industry and community, and for driving innovation and an agenda-setting vision that placed the company at the forefront.



VOICE&DATA EXCELLENCE AWARD 2021

COMPANY
Tejas Networks

For enabling enterprises with an innovative breakout architecture for dynamic capacity scaling with no extra hardware costs.

CATEGORY
Innovation



Voice & Data Excellence Awards 2021

Tejas Networks won the Voice&Data Excellence Award 2021 in the 'Innovation' category. The award is in recognition of Tejas' TJ1600 product family, a versatile and multi-terabit optical transport product, which can build national and regional backbone networks, backhaul 4G/5G mobile broadband traffic, interconnect hyper-scale data centres and deliver high-capacity wholesale and enterprise bandwidth services

Asia Communication Award 2021

Tejas Networks was shortlisted for the Asia Communication Award (ACA) under Innovation Category for its GPON product family. The ACA recognises the region's leading communication service providers and telecom operators as well as OEMs, suppliers, and other service providers based within the region or offering products and solutions specifically targeting the region.

aca

2021



Dr. Kumar Sivarajan (CTO, Tejas Networks) was nominated as the IEEE Fellow for extraordinary accomplishments in the Telecom domain.

Towards a Sustainable Future

At Tejas, we have embarked on our very own sustainability journey, and are adopting global best practices to augment long-term value creation for all our stakeholders.

Environmental:

The company is tracking its operational carbon intensity related to electricity consumption, backup diesel generator use and water consumption at its manufacturing and R&D facilities. Besides this, Tejas is also actively engaging with its suppliers and partners to reduce carbon emissions in its supply chain and minimize carbon footprint resulting from the use of external products and services. The organization makes consistent efforts to embed environment-friendly thinking in all its product designs through careful sub-system selection, real-estate optimization and increasing the ability to operate with renewable energy sources. The company complies to the international ISO 14001 standard to enhance its environmental management system and contributes to UN's Sustainable Development Goals (SDG) in multiple areas such as SDG 1/2/3/4/5/9/11/12.

Social:

Tejas adopts non-discriminatory employment practices that encourage diversity and inclusion. The company's compensation plan combines competitive salaries with restricted stock units (RSUs) to attract and retain top-notch talent. This is effectively complemented by other non-monetary benefits such as subsidized meals, flexible work hours, remote working, health and wellness programs (including mental health), team-building activities, employee rewards and giving programs to increase employee engagement at the workplace.

Our Corporate Social Responsibility Initiatives

Tejas Networks contributed towards various Corporate Social Responsibility (CSR) projects last year to support organisations in their works in the field of education, healthcare and skill development.



Tejas Networks contributed an amount of ₹ 10 lakh to the **International Institute of Information Technology (IIIT)**, Bengaluru. IIIT Bengaluru was established with a vision to contribute to the IT world by focusing on education and research, entrepreneurship, and is working on a research proposal on ML-based Network Node Reliability Prediction.



Tejas Networks contributed an amount of ₹ 10 lakh towards "Project Inclusion" by **Sri Aurobindo Society**, Puducherry. The project aims to bring children with hidden disability, who are unable to cope-up with the world, by giving them equal and quality education.



Tejas Networks supported the **Usha Mahajan Memorial Service Organization**, Dwarka, New Delhi towards its initiative, "Shiksha Centre" at Kangra, Himachal Pradesh with a contribution of ₹ 8.95 lakh. The Organization works towards the holistic development of children's education, health, hygiene, special education and overall grooming of the under-privileged.



Tejas Networks contributed an amount of ₹ 5 Lakhs towards children's education through **Katha**. Katha's work spans the literacy to literature continuum. By seamlessly connecting grassroots work in education and urban resurgence, Katha brings children living in poverty into reading and quality education. Thus far, Katha has helped over one million children help themselves out of poverty.



Tejas Networks contributed ₹ 5 lakh to **Electronics City Industries Association Trust (ELCIA)**, Bangalore. The Trust works towards improving the quality of Government Schools in the vicinity of Electronics City by setting up innovative classrooms, providing furniture, building toilets, and making potable water available at the school premises, among other things. It supports 4550 students across 18 Government schools.



Tejas Networks contributed ₹ 3.55 lakh to **Shyam Hospital & Research Centre**, Bangarpet to support the hospital in procuring oxygen concentrators and oxygen masks during the pandemic. The private hospital set up a dedicated Covid facility to meet the medical needs of patients during second wave of the pandemic.



Tejas Networks contributed ₹ 3.5 lakh to **Bharatiya Jana Sanghatana**, Pune towards its 'Mission Rahat Oxygen Bank' to assist hospitals with emergency oxygen support in the worst-affected states/cities during the pandemic. The organisation has been at the forefront of fighting the pandemic, working in close coordination with state governments, district administrations and municipal corporations across many states.

Governance:

Tejas aims to set high standards in corporate governance through ethical conduct, transparency, accountability and compliance and benchmarks its performance with the best in the world. The company has implemented a strong oversight structure through its Board and Committees to ensure value creation for all stakeholders. We abide by a comprehensive set of regulations related to labor practices, taxation, intellectual property, environment and other relevant telecommunication sector laws as outlined in the Annexure to the Board's Report. Integrity is a fundamental tenet of our company and we have zero-tolerance towards sexual harassment, bribery and corruption as articulated in our Prevention of Sexual Harassment, Code of Conduct and Whistle Blower policies which apply to all Directors, Employees, Subsidiaries and Affiliates. The company has also implemented a strong risk management framework to proactively identify, monitor and manage both mid-term and long-term risks, including those that are reputational in nature.





BOARD'S REPORT AND ANNEXURES

Board and Committees

As on June 28, 2022

The Board

N. Ganapathy Subramaniam
Non-Executive Chairman and Non-Independent Director

Amb. Leela K Ponappa
Non-Executive and Independent Director

Chandrashekhar Bhaskar Bhave
Non-Executive and Independent Director

A. S. Lakshminarayanan
Non-Executive and Non-Independent Director

P R Ramesh
Non-Executive and Independent Director

Prof. Bhaskar Ramamurthi
Non-Executive and Independent Director

Sanjay Nayak
Managing Director and Chief Executive Officer

Arnob Roy
Whole-time Director and Chief Operating Officer

The Committees

Audit Committee

Chandrashekhar Bhaskar Bhave, *Chairperson*
Amb. Leela K Ponappa, *Member*
P R Ramesh, *Member*

Nomination and Remuneration Committee

Amb. Leela K Ponappa, *Chairperson*
Chandrashekhar Bhaskar Bhave, *Member*
A S Lakshminarayanan, *Member*

Stakeholders Relationship Committee

Prof. Bhaskar Ramamurthi, *Chairperson*
Sanjay Nayak, *Member*
Arnob Roy, *Member*

Corporate Social Responsibility Committee

Amb. Leela K Ponappa, *Chairperson*
Prof. Bhaskar Ramamurthi, *Member*
Sanjay Nayak, *Member*
Arnob Roy, *Member*

Risk Management Committee

P R Ramesh, *Chairperson*
Prof. Bhaskar Ramamurthi, *Member*
Amb. Leela K Ponappa, *Member*
Chandrashekhar Bhaskar Bhave, *Member*

Key/Senior Management Personnel

Sanjay Nayak
Managing Director and Chief Executive Officer
Arnob Roy
Whole-time Director and Chief Operating Officer
Kumar N Sivarajan
Chief Technology Officer
Venkatesh Gadiyar
Chief Financial Officer
N R Ravikrishnan
General Counsel, Chief Compliance Officer and Company Secretary

Board's Report

- i. The Board 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, 2022.
- ii. Unless otherwise stated, the disclosure made in this report is for the year ended March 31, 2022.
- iii. The term "Company" or "Tejas" shall mean and include "Tejas Networks Limited".
- iv. The term "Panatone" (unless specifically stated as "Panatone Finvest Limited") shall mean and collectively includes "Panatone Finvest Limited", "Akashantha Technologies Private Limited" and "Tata Sons Private Limited". "Panatone Finvest Limited" and "Akashantha Technologies Private Limited" are wholly owned subsidiaries of Tata Sons Private Limited.

Dear Members,

The Board of Directors of the Company (the "Board") is pleased to present the 22nd Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2022.

1. The Promoter - Panatone Finvest Limited

During the year, the Company entered into a strategic partnership with Panatone Finvest Limited by means of which:

- i. The Company made a preferential allotment of equity shares and share warrants to Panatone Finvest Limited in accordance with the share subscription agreement, entered between Panatone Finvest Limited and the Company.
- ii. The share purchase agreement for secondary purchase of equity shares entered between Panatone Finvest Limited and certain Executive Directors and a Senior Managerial Personnel of the Company.
- iii. An open offer to acquire 26% of the Expanded Voting Share Capital pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 from the eligible Members of the Company.

a. Share Subscription Agreement

The Share Subscription Agreement entered between Panatone Finvest Limited and the Company on July 29, 2021 with main terms as below:

- i. Preferential issue of equity shares of 1,93,79,845 equity shares at face value of ₹10/- per equity share at a premium of ₹ 248/- per equity share
- ii. Preferential issue of warrants of 3,68,21,706 warrants, each carrying a right to subscribe to one Equity Share at an exercise price of ₹ 258/- per equity share, which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until the expiry of 11 months from the date of allotment of the warrants ("Series A Warrants"); and
- iii. Preferential issue of warrants of 1,55,03,876 warrants, each carrying a right to subscribe to (one Equity Share at an exercise price of ₹ 258/- per equity Share, which may be exercised in one or more tranches during the period commencing from the expiry of 12 months from the date of allotment of the warrants until the expiry of 18 months from the date of allotment of the warrants ("Series B Warrants").

b. Share Purchase Agreement

Panatone Finvest Limited entered into a Share Purchase Agreements with certain Executive Directors and a Senior Managerial Personnel of the Company on July 29, 2021 pursuant to which Panatone Finvest Limited acquired 11,97,667 equity shares at face value of ₹ 10/- per equity share at a premium of ₹ 248/- per equity share.

The details in this regard are as follows:

S.No	Name	Designation	No. of shares sold
1	Sanjay Nayak	Managing Director and CEO	3,99,128
2	Arnob Roy	Executive Director and COO	3,99,538
3	Kumar Sivarajan	Chief Technology Officer	3,99,001
Total			11,97,667

c. Open Offer

Panatone made an open offer to acquire 4,02,55,631 fully paid-up equity shares at face value of ₹10/- per equity share at a premium of ₹ 248/- per equity share representing 26% of the Expanded Voting Share Capital pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and received 2,592 equity shares tendered by eligible Members.

Pursuant to above, Panatone Finvest Limited is designated as sole promoter of the Company and Akashantha Technologies Limited and Tata Sons Private Limited as members of the Promoter Group of the Company with effect from October 28, 2021.

2. Financial Performance

a. Results of our operations and state of affairs in ₹ crore

Particulars	Standalone		Consolidated	
	FY 2022	FY 2021	FY 2022	FY 2021
Revenue from operations	549.14	524.49	550.59	526.60
Other Income	43.25	24.81	43.30	24.85
Total income	592.39	549.30	593.89	551.45
Expenses				
Cost of materials consumed	290.74	268.74	290.74	268.74
Purchases of stock in trade	23.69	-	23.69	-
Changes in inventories of stock in trade	(3.65)	-	(3.65)	-
Employee benefit expense	124.51	109.57	134.43	116.33
Finance costs	3.03	3.58	3.19	3.70
Depreciation and amortization expense	76.78	52.12	76.78	52.12
Allowance for expected credit loss	87.91	12.49	87.76	14.80
Other expenses	107.53	80.53	98.08	73.24
Total expenses	710.54	527.03	711.02	528.93

Profit/(Loss) before tax	(118.15)	22.27	(117.13)	22.52
Income tax expense				
Current tax	0.19	-	0.19	-
Deferred tax expense/(benefit)	(54.61)	(15.02)	(54.61)	(15.02)
Total tax expense	(54.42)	(15.02)	(54.42)	(15.02)
Profit/(Loss) after tax	(63.73)	37.29	(62.71)	37.54
Other comprehensive income/(Loss)				
Items that will not be reclassified to profit or loss	(2.08)	2.21	(2.08)	2.21
Items that will be reclassified to profit or loss	-	-	0.89	(0.19)
Total comprehensive income/(loss) for the year	(65.81)	39.50	(63.90)	39.56
Retained earnings- opening balance	52.06	12.56	52.28	12.53
Less: Items that will be reclassified to profit or loss	-	-	0.89	(0.19)
Retained earnings- closing balance	(13.75)	52.06	(12.51)	52.28
Equity shares of par value ₹10 each				
Basic	(6.07)	4.03	(5.97)	4.05
Diluted	(6.07)	3.96	(5.97)	3.99

b. Financial Position

in ₹ crore

Particulars	Standalone		Consolidated	
	FY 2022	FY 2021	FY 2022	FY 2021
Bank balances and deposits with maturity up to three months	45.50	52.44	47.56	53.43
Bank balances other than above				
Current ⁽¹⁾	299.68	164.09	299.68	164.09
Deposits with original maturity of more than twelve months	0.22	1.54	0.22	1.54
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-	1.15	-
Investment in mutual funds	401.78	37.37	401.78	37.37
Deposits with financial institutions disclosed under other current financial assets	351.79	108.00	351.79	108.00
Cash and cash equivalents including margin money	1,100.12	363.44	1,102.18	364.43
Net current assets ⁽²⁾	468.42	436.30	480.34	447.38
Property, plant and equipment	40.09	29.48	40.09	29.48
Right-of-use assets	14.56	16.10	14.56	16.10
Intangible assets	83.20	65.43	83.20	65.43
Intangible assets under development	39.61	24.49	39.61	24.49
Other non-current assets ⁽³⁾	193.54	215.48	182.71	204.65

Total assets	1,939.54	1,150.72	1,942.69	1,151.96
Non-current provisions	0.49	0.69	0.49	0.69
Lease Liabilities	11.95	17.07	11.95	17.07
Total equity	1,927.10	1,132.96	1,930.25	1,134.20
Total equity and borrowings	1,939.54	1,150.72	1,942.69	1,151.96

⁽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 the bank balances considered as cash and cash equivalents

⁽³⁾ Excluding bank balances considered as cash and cash equivalents

c. Revenues

During FY 2022 our revenues grew by 7%, largely due to increase in the revenues from India Govt by 9% and India Private by 15% on a YoY basis.

• Standalone

Our net revenues (net of taxes and component sales) from operations on a standalone basis grew by 7.1% to ₹549.14 crore in FY 2022. Domestic and export revenues constituted 63% and 37% of our total revenues respectively.

• Consolidated

Our net revenues (net of taxes and component sales) from operations on a consolidated basis grew by 6.9% to ₹550.59 crore in FY 2022. Domestic and export revenues constituted 64% and 36% of our total revenues respectively.

d. Profits / (Loss)

The loss was primarily on account of margin pressure due to increase in component prices and lower international revenue. Further, during the year ended March 31, 2022, the company has assessed the recoverability of overdue trade receivables from certain public sector customers and in view of delays in collections has made an additional provision of ₹74 crore towards such receivables which were aged more than three years leading to further increase in loss.

• Standalone

Our gross profit on a standalone basis amounted to ₹172.71 crore (31.5% of net revenue) as against ₹210.02 crore (41% of net revenue) in the previous year. The gross and net Research and Development (R&D) expenses were 23.9% and 9.4% of our net revenues respectively for FY 2022 as compared to 20.7% and 7.9% respectively for FY 2021. Selling and marketing costs were 14.8% (previous year 15.6%) of our net revenue for FY 2022. The General and administrative expenses were 6.1% (previous year 4.4%) of our net revenue for FY 2022. Allowance for expected credit loss were 16.0% (previous year 2.4%) of our net revenue. The operating loss amounted to ₹158.37 crore (-28.8% of net revenue) as against profit of ₹2.47 crore (0.5% of net revenue) in the previous year. The loss before tax was ₹118.15 crore (-21.5% of net revenue) as against profit of ₹22.27 crore (4.3% of net revenue) in the previous year. The net loss was ₹63.73 crore (-11.6% of net revenue) as against profit of ₹37.29 crore (7.3% of net revenue) in the previous year.

• Consolidated

Our gross profit on a consolidated basis amounted to ₹174.00 crore (31.6% of net revenue) for FY 2022 as against ₹212.13 crore (41.2% of net revenue) in the previous year. The gross and net

Research and development costs were 23.8% and 9.4% of our net revenue for FY 2022 as compared to 20.6% and 7.8% for FY 2021. Selling and marketing costs were 14.7% (previous year 15.4%) of our net revenue for FY 2022. The General and administrative expenses were 6.2% (previous year 4.4%) of our net revenue for FY 2022. Allowance for expected credit loss were 15.9% (previous year 2.9%) of our net revenue. The operating loss amounted to ₹157.24 crore (-28.6% of net revenue) as against profit of ₹ 2.81 crore (0.5% of net revenue) in the previous year. The loss before tax was ₹117.13 crore (-21.3% of net revenue) as against profit of ₹22.52 crore (4.4% of net revenue) in the previous year. The net loss was ₹62.71 crore (-11.4% of net revenue) as against profit of ₹37.54 crore (7.3% of net revenue) in the previous year

e. Expenditure on property, plant and equipment – Standalone and Consolidated

On a standalone and consolidated basis, during the year, we incurred expenditure on property, plant and equipment of ₹27.54 crore (previous year ₹13.62 crore), comprising, ₹8.94 crore (previous year ₹1.68 crore) in Laboratory equipment, ₹0.53 crore (previous year ₹0.28 crore) in Networking equipment, ₹0.22 crore (previous year ₹0.03 crore) in Electrical Installation, ₹0.11 crore (previous year ₹0.11 crore) in Furniture and fixtures, ₹0.46 crore (previous year ₹0.22 crore) in Office Equipment, ₹2.48 crore (previous year ₹1.96 crore) in Computing Equipment, ₹13.34 crore (previous year ₹8.78 crore) in Plant & Machinery- Cards/Prototypes and Others and ₹1.46 crore (previous year ₹0.56 crore) in Servers.

f. Capital Expenditure on intangible assets and intangible under development – Standalone and Consolidated

Our intangible assets comprise computer software as well as product development expenditures. Additions of ₹6.98 crore made in computer software, as against ₹2.72 crore in the previous year. During the year, ₹64.51 crore (previous year ₹68.14 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 ₹79.63 crore (previous year ₹65.64 crore) on account of capitalisation of employee benefit expense (refer note 22 of standalone/consolidated financials). We carry the R&D intangible in two forms - as CWIP and as capitalized product development.

g. Earnings Per share

Basic earnings per share declined by 250.7% to ₹(6.07) (previous year ₹4.03) at standalone level and by 247.2% to ₹(5.97) (previous year ₹4.05) on consolidated basis.

h. Subsidiaries

The Company has 2 subsidiaries (including a stepdown subsidiary) as on March 31, 2022:

- i. Tejas Communication Pte. Limited (wholly owned subsidiary of Tejas Networks Limited).
- ii. Tejas Communications (Nigeria) Limited (wholly owned subsidiary of Tejas Communication Pte. Limited and stepdown subsidiary of Tejas Networks Limited).

The consolidated financial statements of the Company and its subsidiaries prepared in accordance with the relevant Accounting Standard specified under the Act, and the rules thereunder forms part of this Annual Report as provided in Form AOC-1 attached as **Annexure 1**. Further, the audited financial statements along with

other relevant documents are available on the Company's website at www.tejasnetworks.com/financial-information-subsidiaries.php and the details of the business of the subsidiaries, for the year ended March 31, 2022 are given in the Management Discussion and Analysis.

i. Liquidity

The Company is a debt-free Company and maintain sufficient cash to meet the business requirements. The Company believes that there should be sufficient liquidity in the Balance Sheet to cover financial and business risks and support future growth. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow generated from the business.

The Company's liquid assets of ₹1,100.12 crore and ₹1,102.18 crore on a standalone and consolidated basis respectively as of March 31, 2022 as compared to ₹363.44 crore and ₹364.43 crore on standalone and consolidated basis respectively as of March 31, 2021.

The cash and cash equivalents on both standalone and consolidated basis include balance and deposits with banks, investment in liquid mutual funds and deposits with financial institutions. The details of these investments and deposits are disclosed under the 'current investments and current financial assets' section in the standalone and consolidated financial statements in this Annual report.

j. 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.

The Board of Directors after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy and since the Company has incurred a Loss, decided that it would be prudent, not to recommend any Dividend for the year under review.

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.

k. Transfer to reserves

Since there were no profits during the year, there was no transfer of amounts to the reserves. The loss for the year amounting to ₹62.71 crore on a consolidated basis and ₹63.73 crore on a standalone basis for the year ended March 31, 2022 is debited to the profit and loss account.

l. Preferential allotment of Equity shares and Share Warrants on Private Placement basis

During the year ended March 31, 2022, the Company made preferential allotment of Equity shares and Share Warrants to Panatone Finvest Limited as follows:

(i) Equity shares - 1,93,79,845 equity shares were allotted on September 8, 2021 at face value of ₹10/- per equity share at a premium of ₹248/- per equity share.

(ii) Share Warrant Series A - 3,68,21,706 warrants were allotted on September 8, 2021, each carrying a right to subscribe to one Equity Share at an exercise price of ₹258/- per equity share, which may be exercised in one or more tranches during the period commencing

from the date of allotment of the warrants until the expiry of 11 months from the date of allotment of the warrants. On April 8, 2022 allotted 3,68,21,706 equity shares at face value of ₹10/- per equity share at a premium of ₹248/- per equity share upon exercise of warrants.

(iii) **Share Warrant Series B** - 1,55,03,876 warrants were allotted on September 8, 2021, each carrying a right to subscribe to one Equity Share at an exercise price of ₹258/- per Equity Share, which may be exercised in one or more tranches during the period commencing from the expiry of 12 months from the date of allotment of the warrants until the expiry of 18 months from the date of allotment of the warrants.

m. Share Capital

(i) Increase in Authorised Capital

The authorised share capital of the Company as on March 31, 2022 is ₹ 200,00,00,000/- (Rupees Two Hundred Crore) consisting of 20,00,00,000 (Twenty Crore) equity shares of ₹ 10/- each. During the year under review, the Company increased the authorised share capital from ₹176,45,20,000/- (Rupees One Hundred and Seventy Six Crore Forty Five Lakh and Twenty Thousand only) consisting of 17,64,52,000 (Seventeen Crore Sixty Four Lakh Fifty Two Thousand) equity shares of ₹10/- to ₹ 200,00,00,000/- (Rupees Two Hundred Crore) consisting of 20,00,00,000 (Twenty Crore). The necessary amendments were made to the capital clause in the Memorandum of Association of the Company, to enable the increase in the Authorised Share Capital of the Company.

(ii) Increase in Paid-up Capital

During the year under review, there was an increase in paid-up equity share capital in view of the Company issuing and allotting equity shares as follows:

- i. Preferential allotment of 1,93,79,845 equity shares at face value of ₹10/- per equity share at a premium of ₹248/- per equity share to Panatone Finvest Limited on a private placement basis.
- ii. Allotment of 19,29,719 equity shares consequent to exercise of Stock Options/ Restricted Stock Units into equity shares of the Company by the eligible employees of the Company.

As a result of the above, the paid-up equity share capital stands at ₹114,54,99,080 comprising of 11,45,49,908 equity shares of ₹10/- per share fully paid up, as on March 31, 2022.

n. Management's 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 discussed in the Report. The Management's 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.

3. Operational Performance

a. Company's overview

Tejas designs and manufactures high-performance wireline and wireless networking products for telecommunications service providers, internet service providers, utilities, defence and government entities in 75+ countries.

Tejas products include carrier-grade optical transmission (based on DWDM/PTN/OTN technologies), fiber broadband (based on

GPON/NG-PON), mobile and fixed wireless (based on LTE 4G/5G) as well as multi-gigabit Ethernet/IP switching and routing products that are fully designed and manufactured in India. Tejas products utilise a novel software defined hardware™ architecture that enables us to deliver highly differentiated network solutions. Tejas is one of the leading innovators in India's ICT sector with 350 global patent filings and 300+ silicon IPs and is one of the largest spenders on R&D (as a percentage of annual revenues) among all publicly listed companies in India.

Tejas Networks is a part of the Tata Group, with Panatone Finvest Ltd. (a subsidiary of Tata Sons Pvt. Ltd.) being the majority shareholder.

b. Quality Initiatives

Quality is an integral element of our culture, and has always been given the first and the foremost importance at the Company in terms of both the design as well as manufacturing of our high-performance and cost-competitive networking products.

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management. During second wave of the pandemic, the Company was actively monitoring all customer engagements across the globe to minimize risks and ensure continuity of services. This was achieved through daily tracking, digitized multi-level dashboards and differentiated governance of critical engagements. The customer-centricity, rigor in operations and focus on delivery excellence have resulted in sustained high customer satisfaction levels in the periodic surveys conducted by the Company.

The Company has established a sophisticated design, development and testing infrastructure in-house to ensure meticulous monitoring of product quality. The Company has a comprehensive quality management model that places a strong focus on supplier selection, quality inspection of incoming materials, in-process quality audit, product quality audit and reliability testing. The Company is TL9000 and ISO9001 certified for its quality management system with reference to its supply chain, R&D and manufacturing processes. It has also received ISO14001 and ISO27001 certifications for its environmental and information security management systems respectively.

c. Enhancing Shareholder Value

The Company is committed to creating and returning value to Shareholders. Accordingly, the Company is dedicated to achieving high levels of operating performance, cost competitiveness, enhancing the productive asset and resource base and striving for excellence in all areas of operations.

The Company firmly believes that its success in the marketplace and good reputation are among the primary determinants of shareholder value. Its close relationship with customers and a deep understanding of their challenges and expectations drive the development of new products and services. With decades of expertise and know-how, the Company offers its customers solutions that enhance their projects and builds trust. Anticipating customer requirements early and being able to address them effectively requires a strong commercial backbone. The Company continues to develop this strength by institutionalising sound commercial processes and building world-class commercial capabilities across its marketing and sales teams.

The Company uses an innovative approach in the development of its products and services, as well as execution of growth

opportunities. The Company is also committed to creating value for all its stakeholders by ensuring that its corporate actions positively impact the economic, societal and environmental dimensions.

d. 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 in **Annexure 3** to the Board's Report.

4. Acquisition – Investment in Saankhya Labs Private Limited

On March 30, 2022, the Company has signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Ltd. ("Saankhya") for approximately ₹ 284 crore in cash. The initial acquisition of Saankhya shares is expected to close within 90 days. Pursuant to the said acquisition, Saankhya will become a majority owned subsidiary of the Company and upon procuring all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a Scheme of Arrangement under Sections 230 to 232 and other applicable provisions under Companies Act, 2013, subject to the approval of Board of Directors of the Company and Saankhya, terms of such merger approval of Members and creditors, respective bench of National Company Law Tribunal and any other approval(s) as may be required. In an event the merger transaction is not undertaken, the Company shall acquire the balance 35.60% of the shares of Saankhya by way of a secondary acquisition from its existing Members so that Saankhya becomes a wholly owned subsidiary of the Tejas.

The acquisition of Saankhya, will help the Company to create a complete, end-to-end telecom stack built using indigenous technology to provide solutions for mobile networks, fixed-line broadband networks and high capacity backbone networks over optical fibre. The acquisition will also enhance Wireless offerings by adding Cellular Broadcast and Satellite communication products to the portfolio.

5. Human Resource

The Human Resources (HR) function had many challenging mandates during the financial year, a key factor being the Covid-19 pandemic taking an ugly turn with the "second wave" being specially severe in India. The key challenge was to support our employees through the throes of the pandemic without compromising on productivity and morale.

The Company started various initiatives to tide over the crisis. A dedicated team to support employees during this challenging time was setup. The team helped several employees, who were struggling to get access to medical help and amenities during the depth of the pandemic. The team helped employees by sharing updates on hospital beds' availability, procuring medical oxygen, and leveraging our collective personal networks and by empanelling vendors, who provided Covid home-care. There was constant contact and communication with family members of employees who were hospitalised and all possible help was extended to them.

Our company did not ignore mental health of our employees and retained a respected wellness provider to whom employees could reach out confidentially to discuss anything that was on their minds. There were trained counsellors available to handle these calls. Later in the year, as Covid vaccines became available, the HR

team was at the forefront helping employees and their families get vaccinated by organising onsite camps in all our India locations.

While Covid-management was front-and-centre, our company did not lose focus of its talent strategy and kicked off the "Tejas Academy" whose first charter was to train junior engineers rigorously in our domain. The pedagogy is not limited to just classroom inputs but incorporates live projects, self-learning content, mini-assignments and 1:1 mentorship. It includes a rigorous assessment methodology to make sure that all learning inputs are successfully assimilated. The academy plans to graduate at least 150+ candidates a year which will be a another source of young in-house talent. We also embarked on a program to identify junior technical talent from all parts of the country. With Covid reducing the need of geographic proximity to run recruitment drives, we are now equipped to source talent from any part of the country.

Attrition of talent in our industry remains a challenge and one of the key ways in which talent can be retained is the promise of 'wealth creation'. To this end, we awarded Restricted Stock Units (RSUs) to our key talent throughout the year. To remain competitive in the market, we undertook a comprehensive salary benchmarking exercise to make sure that we are scientifically calibrating our compensation approach.

The HR team also did a comprehensive audit of our HR compliance processes and made sure we are doing everything prescribed.

We believe that our key employment proposition of – quality of work, learning, empowerment, flexibility and rewards and recognition will help retain our key talent.

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-7**.

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 Members, excluding the aforesaid Annexure. The said Statement is also open for inspection by the Members 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 ('the Rules'), as amended, form part of this report and will be made available to any Member on request.

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

The Company has the following ESOP / RSU Schemes in force which are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

- 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).

During the year under review, on the recommendations of the Nomination and Remuneration Committee, the Board granted 10,84,290 Restricted Stock Units to employees under the Tejas Restricted Stock Unit Plan – 2017. 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 6** 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. Further, certain amendments were carried out in the ESOP/ RSU schemes in line with recent SEBI guidelines on Share based employee benefits and sweat equity regulations 2021.

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

The Company expects all its employees to act in accordance with the highest professional and ethical standards upholding the principles of integrity and compliance at all times. 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 behaviour. Comprehensive policies and procedures have been laid down to create an environment where there is respect and dignity in every engagement.

The Company has adopted zero tolerance for sexual harassment at workplace which is imbibed in the Company's culture. The Company has formulated a policy on prevention, prohibition and redressal 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 thereunder. The required awareness is created by communicating the essence of the policy to all employees at regular intervals through assimilation and awareness programs.

The following are the summary of the complaints received and disposed off during FY 2022:

Particulars	Complaints received
No of Complaints of sexual harrasment received in the year	-
No of Complaints disposed off during the year	-
No of cases pending for more than ninety days	-

The Company has constituted Internal Committee (IC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The IC is headed by an Independent person with majority of members constituting women members. Further, as part of the initiatives the employees are required to undergo a mandatory e-learning module on 'Prevention of Sexual Harassment at Workplace', the new joiners are trained in person during their induction program. The IC Members are provided relevant training by an external agency during quarterly meetings of the IC and the POSH policy is available on the intranet portal for employees to access and refer when required.

d. Industrial and Employee Relations

The Company's focus continues towards propagating proactive and employee centric practices. The transformational work culture initiative that aims to create an engaged workforce with an

innovative, productive ecosystem continues to grow in strength. 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 behavioural and functional programs such as team effectiveness, individual effectiveness, safety and environment, continuous improvement, result orientation, relationship management, decision making. This year significant emphasis was also laid towards raising awareness on health and wellness of employees and their family members on protection from COVID-19. Further proactive and employee-centric practices with 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 the Company's employee relations approach. An 'open door policy' with constant dialogue to create win-win situations, have helped the Company build trust and harmony.

6. Directors

a. Appointments/ Re-appointments / Resignations:

During the year under review, the following appointments and re-appointments were made in the Board of Directors of the Company.

i. Inductions/ Appointment

- i. The Board of Directors, appointed N. Ganapathy Subramaniam (DIN: 07006215) and A S Lakshminarayanan (DIN : 08616830) as Additional Directors (liable to retire by rotation) and as Nominee Directors of Panatone Finvest Limited in the capacity of Non-Executive and Non-Independent Director of the Company with effect from January 19, 2022. The said appointment was subsequently approved by the Members by way of postal ballot dated April 15, 2022.
- ii. The Board in their meeting held on April 22, 2022, based on the recommendation of the Nomination and Remuneration Committee, appointed N Ganapathy Subramaniam as Non-Executive Chairman of the Board with effect from May 18, 2022.
- iii. The Board in their meeting held on June 27, 2022 based on the recommendation of Nomination and Remuneration Committed and subject to the approval of the Members in the ensuing Annual General Meeting appointed P R Ramesh (DIN: 01915274) and Prof. Bhaskar Ramamurthi (DIN: 01914155) as Non-executive, Independent (Additional) Directors, not liable to retire by rotation, for a period of 5 years with effect from June 27, 2022. The necessary resolution seeking the approval of the Members to appoint P R Ramesh (DIN: 01915274) and Prof. Bhaskar Ramamurthi (DIN: 01914155) as Non-Executive Independent Directors, not liable to retire by rotation, for a period of 5 years with effect from June 27, 2022 to June 26, 2027 forms part of the Notice to the AGM.

ii. Re-appointment

The Board in its meeting held on April 22, 2022, based on the recommendation of the Nomination and Remuneration Committee, recommended to the Members to consider re-appointing Arnob Roy, (DIN: 03176672), Executive Director and Chief Operating Officer 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

Members to re-appoint Arnob Roy, (DIN: 03176672), as Non-Executive Director, liable to retire by rotation, forms part of the Notice.

iii. Resignation

- i. Balakrishnan V (DIN: 02825465), Non-Executive Chairman and Independent Director of the Company resigned from his position with effect from April 23, 2022 after serving as the Non-Executive Chairman of the Board for more than 7 years.
- ii. Dr. Gururaj Deshpande (DIN: 01979383), Non-Executive and Non-Independent Director of the Company resigned from his position with effect from June 28, 2022 after serving as the Director of the Board for more than 22 years.

The Board places on record their sincere appreciation for the invaluable contributions to the Company's success and the assistance and guidance provided by both Balakrishnan V and Dr. Gururaj Deshpande during their tenure.

Other than the above, there were no inductions/appointments/re-appointments/resignations from the Directorships / Committees by any of the Members of the Board for the year ended March 31, 2022 and upto the date of this report.

b. Policy on Director appointment and remuneration

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. The details of Board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate governance report that forms part of this Annual Report.

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.

c. Familiarization programmes for Directors

The Non-Executive and 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 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 Non-Executive and 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.

d. Indemnification Agreement

The Company has entered into an agreement to indemnify the Directors (incl. officers) for the claims brought against them for actions done for and on behalf of the Company to the fullest extent as permitted under applicable laws. These agreement among other things indemnify the Directors and Officers for certain expenses, judgements, fines and settlement accounts incurred by such person in any action or proceedings including any action arising out of such persons services as a Director or officer, expenses in relation to public relations consultation if required.

7. Governance

The Company's governance structure 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. The Company embraces the principle of shared value, which involves creating economic value in a way that it also creates value for the society, rich governance and disclosure practices followed to pursue the financial profitability and value creating for all the stakeholders while improving Company's social and environmental footprint.

The Company has three-tier of governance structure, comprising of the Members, the Board, and the Executive Management. The three-tier governance structure not only ensures greater management accountability and credibility but also facilitates, increased autonomy to the businesses, performance discipline and development of business leaders which leads to increased public confidence.

I. Board Governance

Board Governance is the framework that structures the Board, its operation and responsibilities and organizational well-being. The Board's governance guidelines covers aspects relating to composition and role of the Board, Chairman and its Directors, Board diversity, appointment and term of Directors, their independence, remuneration and retirement age, oversight on subsidiary performance, code of conduct, Board effectiveness reviews and various mandates of Board committees.

The primary role of the Board is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. Further, the Board is also responsible for:

- i. Exercising appropriate control to ensure that the Company is managed efficiently to fulfill stakeholders' aspirations and societal expectations.
- ii. Monitoring the effectiveness of the Company's governance practices and making changes as needed.
- iii. Providing strategic guidance to the Company and ensuring effective monitoring of the Management.
- iv. Exercising independent judgment on corporate affairs.
- v. Assigning sufficient non-executive members of the Board to tasks where there is a potential for conflict of interest, to be able to exercise independent judgment.
- vi. Reviewing and guiding 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.

a. 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, 2022, the Board consists of eight members with three Non-Executive and Non-Independent Directors, two Executive Directors, and three are independent directors of which one of the independent director of the Board is women. During the year ended March 31, 2022, the Company constituted an Independent Directors Committee for the purpose of making recommendations on the Open Offer made by Panatone under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations"). The Committee ceased to exist as the required formalities were completed for the Open Offer and the Board of Directors in their meeting held on January 19, 2022 decided to wind-up the Committee.

The details of the constitution of the Board and of the Committees, the terms of reference, no. of meeting held etc. are given in the Corporate Governance Report which forms part of this Annual Report.

b. 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.

In line with the Companies Act, 2013 and Listing Regulations which states that every company shall hold a minimum number of four meetings of its Board of Directors every year and not more than one hundred and twenty days shall exceed between two consecutive meetings of the Board, there were, eight Board meeting and four Committee Meetings (5 meetings for Audit Committee) which were held during the year and all the Board Meeting and Committee Meeting were held through Video-Conference and are in accordance with the guidelines issued by the MCA and by the Securities Exchange Board of India. The details of the Board, Committee meetings and 21st Annual General Meeting and the attendance of the Directors are given in the Corporate Governance Report which forms part of this Annual Report.

c. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually, including Independent Directors, Chairman of the Board, Managing Director and CEO and Executive Director and COO. Some of the performance indicators, based on which the Directors are evaluated, include:

- i. The ability to contribute to and monitor the corporate governance practices
- ii. The ability to contribute by introducing best practices to address business challenges and risks
- iii. Active participation in long-term strategic planning
- iv. Commitment to the fulfillment of a director's obligations and fiduciary responsibilities, these include participation in Board and committee meetings.

The Performance Evaluation of the Board, the Committees and each individual Director was carried out through a feedback mechanism sought by way of questionnaire covering the Board's functioning composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was carried out based on responses received from the Directors. The details of the process of performance evaluation are given in the Corporate Governance Report which forms part of this Annual Report.

d. 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 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. By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

e. Board Diversity

The Company recognizes and embraces the importance of a diverse Board for its success and believes that a diverse Board will leverage differences on thought perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board and is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

f. Board effectiveness and independence

The Board effectiveness is enhanced by setting a high bar in selecting the right mix of individuals to serve on the Board, with the right qualifications, expertise and experience, who can collectively serve the best interests of all stakeholders, maintain Board and Management accountability and drive corporate ethics, values and sustainability. The Board effectiveness is further improved by ensuring that none of the directors holds directorships in more than seven listed entities, and none of the executive directors serve as an independent director on the Boards of more than three listed entities. The Chairmanship of the Board is a non-executive position, and separate from that of the Chief Executive Officer and Managing Director (CEO and MD). The Code of conduct for non-executive directors, independent directors, carries explicit clauses covering avoidance of conflict of interest. Likewise, it explicitly prohibits any employee including the Managing Director and executive directors from accepting any position of responsibility, with or without remuneration, with any other organization without Company prior written approval. For executive directors and the Managing Director, such approval must be obtained from the Board.

g. Directors' Responsibility Statement pursuant to the provisions contained in Section 134(3) of the Act

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 are 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. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

- i. In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards had been followed and there are no material departures.
- ii. 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.
- iii. 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.
- iv. The Directors had prepared the annual accounts on a going concern basis.
- v. 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.
- vi. 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.

h. 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. The details of the charter/ policies/ codes as adopted by the Board are provided in 'Annexure 8' to the Board report.

II. Corporate Governance

The Company's Corporate Governance structure revolves around its Shareholders, the Board and its Committees and the Executive Management. By integrating these stakeholders with the workforce and strategic business planning, 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, 2022 along with the Auditor's Certificate on compliance with the provisions of corporate governance under Listing Regulations forms part of this Annual Report.

a. Business Integrity and Ethics

Integrity and Ethics are the fundamental values of the Company. The Company has adopted a Code of Business Conduct and Ethics which applies to all Director, Employees including its subsidiaries. The Company also requires its third-party business partners to adhere to business principles consistent with its own. These expectations are set out in our Code of Conduct for Vendors/

Suppliers which is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

b. Risk Management

The Company has a well-defined risk management framework in place. 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 has a robust organizational structure for managing and reporting on risks. The Company has constituted a Risk Management Committee of the Board which is authorized to monitor and review risk management plan and empowered, inter alia, to review and recommend to the Board the modifications to the Risk Management Policy. The Chief Operating Officer who is also a Chief Risk Officer is the custodian of the framework and oversight of the framework provided by the Risk Management Committee to the Board of Directors. The Risk Management Committee reviews and monitors the key risks and their mitigation measures periodically and provides an update to the Board on Company's risks outlined in the risk registers. The Audit Committee has additional oversight in the area of financial risks and controls.

The Company has developed and implemented a Risk Management Policy which is approved by the Board. The Company's risk management framework proactively identifies, assesses, treats, monitors and reports risks as well as to create a risk-aware culture within the organisation and also cover areas exposed to risk and provide a structured process for management of risks and also consider the risks that impact mid-term to long-term objective of the business, including those reputational in nature.

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.

c. Internal Financial controls

The Internal Financial Controls of the company 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 uses SAP ERP Systems as a business enabler and to maintain its Books of Account and as such the controls built into the SAP ERP systems ensures appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. The Information Management Policy, the systems, standard operating procedures and the controls which reinforces the control environment are reviewed by Management and are audited by Independent Internal Auditors and the findings and recommendations are reviewed by the Audit Committee which ensures the implementation of any suggestions made by the Internal Auditors for effective internal controls.

The Audit Committee, comprising of Independent Directors who are all financially literate interacts with the Statutory Auditors and Internal Auditors on the internal control systems in line within its terms of reference. Further, to maintain its objectivity and independence, based on the recommendation of Audit Committee, the Board has appointed M/s. Singhvi, Dev and Unni Chartered Accountants LLP as Internal Auditors of the Company reporting to the Chairperson of the Audit Committee. The Audit committee defines the scope and authority of the Internal Auditor. The Internal Auditor evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems,

accounting procedures and policies at all locations of the Company and reports to the Audit Committee, the significant audit observations and the necessary corrective actions. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The Internal Financial Control framework design ensures that the financial and other records are reliable for preparing financial and other statements. The Internal Auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting. The Statutory Auditors Report also includes a report on the internal financial controls over financial reporting.

d. 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 including a structured global investor outreach program, through which minority shareholders can interact with the management or the Board. Shareholders can communicate concerns and grievances through a well-publicized channel, where complaints are tracked to closure. The Stakeholders' Relationship Committee oversees the redressal of these complaints.

e. Vigil Mechanism / Whistle Blower Policy

The Company promotes safe and ethical conduct of all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy and a policy on the reporting of incidents of leak or suspected leak of Unpublished Price Sensitive Information and also has established the necessary Vigil mechanism in accordance with the Act and Listing Regulations. The Company's Vigil mechanism / Whistle blower Policy aims to provide the appropriate platform and protection for Whistle blowers to report instances of any actual or suspected incidents of unethical practices including violation of applicable laws and regulations. The Vigil Mechanism/Whistle-blower policy is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

f. Statutory Compliance System

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 and Legal departments of the Company as well as by the Internal Auditors on a periodic basis.

III. Secretarial Governance

The Company believes that good secretarial governance system is essential requirement for the successful conduct of business operations and high standards of Corporate Governance. The Company ensures that 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. The Company has identified key stakeholders across business units, corporate functions who will ensure and confirm compliance. The Compliance report is placed before the

Audit Committee on quarterly basis and the Committee updates to the Board at its meetings confirming status of compliances.

a. Appointment/ Resignation of the Key Managerial Personnel

There are no appointments / resignations of the Key Managerial Personnel of the Company during ended March 31, 2022.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. Sanjay Nayak, *Managing Director and Chief Executive Officer*
- ii. Arnob Roy, *Executive Director and Chief Operating Officer*
- iii. Venkatesh Gadiyar, *Chief Financial Officer*
- iv. N R Ravikrishnan, *General Counsel, Chief Compliance Officer and Company Secretary*

b. Related party transaction

The Company entered into related party transactions with the prior approval of the Audit Committee (comprising of Independent Directors only) which are at arm's length and in the ordinary course of business. The policy on related party transactions ensures that the proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. The interested directors are not present for discussion and voting where any related party transactions being taken up. The related party transactions are placed on a quarterly basis before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a repetitive nature.

The transactions with the related parties as per requirements of Indian Accounting Standard 24 are disclosed in Note 29.9 to the financial statements in the Annual Report. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2, is attached as '**Annexure 2**' to the Board's 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 are provided as part of the financial statements.

c. Micro, Small and Medium (MSME) Enterprises

The Company is not categorized as Micro, Small and Medium Enterprises (MSME) under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the MSME Act requires to register under a portal for facilitating MSME vendors. 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 & transparent financing terms. The Company cancelled its registration in "TReDS" platform as seller as it is no longer an MSME.

d. Credit Rating

During the year, ICRA Limited has upgraded the long-term rating of the Company to [ICRA]A+ (pronounced ICRA A plus) ("Ratings") from [ICRA]A-(pronounced ICRA A minus on rating watch with positive implications) and also upgraded the short-term rating to [ICRA]A1+ (pronounced ICRA A one plus) from [ICRA]A2+

(pronounced ICRA A two plus). The outlook on the long-term rating is Stable and the ratings have been removed from rating watch with positive implications. Further, the ICRA has stated that the Company as part of the publicity material or other document wherever the Company is using the above Ratings, it should be stated as [ICRA]A+(Stable)/[ICRA]A1+.

e. Utilisation of funds

Regulation 32 of the Listing Regulations 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.

During the year ended March 31, 2022 the Company has raised ₹ 837.50 crore through preferential issue of equity shares and allotment of share warrants. The details of funds raised and the manner of utilisation are as below:

Particulars	Total Proceeds (₹ Crore)	Utilized (₹ Crore)	Unutilized (₹ Crore)
Private Placement	500.00	261.17	238.83
Share warrants - Series A	237.50	-	237.50
Share warrants - Series B	100.00	-	100.00
Total	837.50	261.17	576.33

f. Register of members

For the purpose of 22nd Annual General Meeting and for the financial year ended March 31, 2022, the Register of Shareholders and Share Transfer Books of the Company will remain closed from July 19, 2022 to July 26, 2022 (both days inclusive).

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

The Company makes investments or extends loans/ guarantees to its wholly owned 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 was utilized by the recipient forms part of the Notes to standalone financial attached to this Annual report.

h. Business Responsibility Report

The Business Responsibility Report as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Annual Report. The Business Responsibility Report is available on the Company's website at www.tejasnetworks.com/disclosures.php.

i. 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 his/her 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 as on March 31, 2022.

Particulars	No. of Shareholders	No. of Equity shares
Aggregate Number of Shareholders and the outstanding shares in the Suspense Account lying as on April 1, 2021	62	76,653
Less: Number of Shareholders who approached the Company for transfer of shares from suspense account	2	2,218
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	60	74,435

j. Reconciliation of Share Capital

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

k. Investor Education and Protection Fund (IEPF)

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 had 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 details of Unpaid/Unclaimed dividend as on March 31, 2022 is available on the Company's website at www.tejasnetworks.com/shareholders.php.

l. Annual return

In accordance with the Companies Act 2013, a copy of the Annual Return as on March 31, 2022 in the prescribed format is available on the Company's website at www.tejasnetworks.com/disclosures.php.

m. 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.

8. Material changes and commitments between the end of the financial year and date of the report

a. Changes in the Board

- Appointment of N. Ganapathy Subramaniam (DIN: 07006215) as Non-Independent and Non-Executive Director, liable to retire by rotation, of the Company and as Nominee Director of Panatone Finvest Limited with effect from April 15, 2022, subsequently appointed as Non-Executive Chairman of the Board with effect from May 18, 2022.
- Appointment of A S Lakshminarayanan (DIN: 08616830) as Non-Independent and Non-Executive Director, liable to retire by rotation, of the Company and as Nominee Director of Panatone Finvest Limited with effect from April 15, 2022.
- Resignation of Balakrishnan V (DIN: 02825465) as Non-Executive Chairman and Independent Director of the Company with effect from April 23, 2022.
- Appointment of P R Ramesh (DIN: 01915274) and Prof. Bhaskar Ramamurthi (DIN: 01914155) as Non-Executive, Independent (Additional) Directors of the Board for a period of 5 years from June 27, 2022 to June 26, 2027.
- Resignation of Dr. Gururaj Deshpande (DIN: 01979383), as Non-Executive and Non- Independent Director of the Company with effect from June 28, 2022.

b. Conversion of share warrants into equity shares

Panatone exercised the right attached to the Series A Warrants and subscribed to the equity share by remitting the balance 75% of the Series A Warrant Exercise Price amounting to ₹ 712.50 crore. On April 8, 2022, the Company allotted 3,68,21,706 equity shares at face value of ₹10/- per equity share and a premium of ₹ 248/- per equity shares upon exercise of warrants, subject to lock-in as per SEBI (Issue of Capital and Disclosure Requirements) guidelines.

c. Material Related party transactions

- Approval to entering into Material Related Party Transactions with Tata Communications Limited, a related party of the Company.
- Approval to entering into Material Related Party Transactions with Tata Consultancy Services Limited, a related party of the Company.
- Amendment to the Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions.

d. Share based employee benefits

- Approval to adopt the Tejas Restricted Stock Unit Plan 2022 ("RSU 2022" or the "Plan") and grant of Restricted Stock Units under RSU 2022 in one or more tranches, not exceeding 50,00,000 RSUs to eligible persons who are in employment of the Company exercisable into not more than 50,00,000 (Fifty Lakhs) equity shares of face value of ₹ 10 /- per equity share fully paid-up, subject to the approval of Members of the Company in the ensuing AGM.
- Amendment to the policy on Employee stock options plans and Restricted Stock Unit Plan.

e. Re-appointment of Statutory Auditors

The re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company under Section 139 of the Companies Act, 2013. M/s Price Waterhouse Chartered Accountants LLP will hold office for another term of Five (5) consecutive years

commencing from the financial year 2022-23 and ending with the financial year 2026-27, subject to the approval of Members of the Company.

f. Increase in Authorised Share Capital

The increase of the Authorised Capital of the Company from the existing ₹ 200,00,00,000/- (Rupees Two Hundred crore) divided into 20,00,00,000 (Twenty crore) equity shares of ₹10/- each to ₹ 260,00,00,000/- (Rupees Two Hundred and Sixty crore) divided into 26,00,00,000 (Twenty Six crore) equity shares of ₹ 10/- each, ranking pari passu in all respect with the existing equity shares of the Company and to make necessary alteration in the capital clause of the Memorandum of Association of the Company, subject to the approval of the Members in the ensuing AGM.

Other than the above, there are no other material changes and commitments affecting financial position between the end of the financial year and date of the report.

9. Audit and Auditors

a. Statutory Auditors - M/s. Price Waterhouse Chartered Accountants LLP (Firm registration number No. 012754N/N500016)

M/s. Price Waterhouse Chartered Accountants LLP were appointed by the Members in their 17th Annual General Meeting as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 17th Annual General Meeting (i.e) till the conclusion of 22nd Annual General Meeting. As such, M/s. Price Waterhouse Chartered Accountants LLP are eligible for re-appointment for a further period of 5 years.

Based on the recommendations of the Audit Committee and the Board, it is proposed to re-appoint M/s. Price Waterhouse Chartered Accountants LLP as statutory auditors of the Company for a further period of 5 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 the M/s. Price Waterhouse Chartered Accountants LLP and the Company, subject to the approval of the Members.

M/s. Price Waterhouse Chartered Accountants LLP, have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder and are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The resolution seeking the approval of the Members for re-appointment of M/s. Price Waterhouse Chartered Accountants LLP as Statutory Auditors of the Company is provided in the Notice of the Annual General Meeting.

The remuneration in the form of fees (excluding GST and out of pocket expenses) paid for the year ended March 31, 2022 to M/s. Price Waterhouse Chartered Accountants LLP as the Statutory Auditors of the Company are as follows:

	in ₹ crore
Engagement	Fees paid
Statutory audit including limited reviews	0.53
Other audit related services	0.12
Total	0.65

Note: The above fees exclude GST and out of pocket expenses and do not include any element of contingent fees.

b. Internal Auditors

The Board based on the recommendations of the Audit Committee has appointed an Independent auditors M/s. Singhvi, Dev and Unni Chartered Accountants LLP as Internal Auditors of the Company to carry out the internal audit functioning for FY 2023. The remuneration in the form of fees (excluding GST) paid for the year ended March 31, 2022 to M/s. Singhvi, Dev and Unni Chartered Accountants LLP as Internal Auditors of the Company are as follows:

Engagement	in ₹ crore	
	Fees paid	
Audit fees		0.25
Other audit related service		0.03
Total		0.28

Note: The above fees exclude GST and out of pocket expenses and do not include any element of contingent fees.

c. Secretarial Auditor - Dwarakanath C, Practicing Company Secretary (FCS No. 7723 and Certificate of Practice No. 4847)

The Board based on the recommendations of the Audit Committee has appointed Dwarakanath C, Practicing Company Secretary as the Secretarial Auditor of the Company to conduct Secretarial Audit for FY 2023. The remuneration in the form of fees (excluding GST) paid for the year ended March 31, 2022 to Dwarakanath C, Practicing Company Secretary as the Secretarial Auditor of the Company are as follows:

Engagement	in ₹ crore	
	Fees paid	
Audit fees		0.03
Other audit related services		0.03
Total		0.06

Note: The above fees exclude GST and out of pocket expenses and do not include any element of contingent fees.

d. Cost Auditors - M/s. GNV & Associates, Cost and Management Accountants (FRN - 000150)

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 appointment of M/s. GNV & Associates, Cost and Management Accountants a firm of Cost Accountants in Practice as the Cost Auditors of the Company to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for FY2023. 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 members for ratifying the remuneration payable to the Cost Auditors for FY 2022 is provided in the Notice of the ensuing Annual General Meeting.

The remuneration in the form of fees (excluding GST) paid for the year ended March 31, 2022 to M/s. GNV & Associates are as follows:

Engagement	in ₹ crore	
	Fees paid	
Audit fees		0.01
Other audit related services		0.02
Total		0.03

Note: The above fees exclude GST and out of pocket expenses and do not include any element of contingent fees

e. Key Audit Matter

M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors 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 Auditors of the Company has issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the year ended March 31, 2022.

The Key Audit Matter are those matters which in the opinion of the Statutory Auditors of the Company were of most significance in the Audit of the Standalone / Consolidated IND AS financial statements for the year ended March 31, 2022 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, 2022 as a whole. The Key Audit Matter forms part of the Audit report of Standalone / Consolidated IND AS financial statements.

10. 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.

The Company as part of its cyber security implemented advanced cyber diagnostic assessments, on a regular basis and also Cyber Threats Monitor, Brand Monitor and Infrastructure Monitor as part of its cyber security preparedness. Further, the Company ensured information system resilience and implemented and periodically tested an enterprise-wide 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 specialised Committee to review key areas of IT and cyber risk.

The BCM Steering Committee approves and monitors the implementation of the BCM plan, which includes the business continuity plan for processes, disaster recovery plan and emergency

response plan to mitigate the risk of injuries to clients and employees and damage to the Company assets. Additionally, the Company have devised multiple key risk indicators dashboard to review system stability, continuity and availability and network uptime. The Company undertakes multiple assessments of the efficacy of its security controls by internal as well as external auditors. 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.

11. Data protection and privacy

The Company 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 committed in ensuring compliance with applicable laws across these jurisdictions. The Company has an integrated and centralized strategy for achieving data privacy compliance across all jurisdictions. A set of principles have been defined with respect to handling customer data including a mechanism in place for reporting any form of personal data incident which is accessible to all employees in the Company. The Privacy regulations require the personal data of customers to be protected throughout its entire lifecycle. Accordingly, the Company has undertaken several comprehensive measures such as categorising all personal data and sensitive personal data as 'Confidential Information', keeping record of all its processing activities, entering into non-disclosure and confidentiality agreements with employees and third parties who are privy to customers' personal data.

12. COVID

The spread of COVID-19 has severely impacted businesses around the globe. The situation is constantly evolving and Governments in certain states imposed various restrictions with the increase in number of COVID 19 cases during the year ended March 31, 2022. The Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended March 31, 2022.

During the year ended March 31, 2022, uncertainties caused by the pandemic has resulted in some delays in customer payments and new orders. Management expects potential delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue for the next few quarters, till the demand-supply situation in the semiconductor component industry stabilises.

The Company had capital infusion by way of issue of equity shares and share warrants during the year ended March 31, 2022 and the Company does not have borrowings as at year end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at March 31, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from COVID-19 pandemic and supply constraints in making this

assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

13. Corporate Social Responsibility (CSR)

The Company 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 year under review was challenging year for humanity, with the adverse impact of the COVID-19 pandemic which has huge impact on vulnerable and marginalized groups. The Company has invested in a concerted manner to provide COVID-19 relief and rehabilitation with an aim of building resilient communities and swiftly responded to the pandemic by putting into action a series of relief initiatives. The Company has also participated in socio-economic activities either as part of its business or through its corporate social responsibility programs. The aim is to identify critical areas of development that require investments and action, and which can help to realise India's potential for growth and prosperity. The Company's CSR 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, the Company spent ₹ 46 lakhs being 2% of the average net profits of the Company for the preceding three years. The CSR policy and initiatives taken by the Company on Corporate Social Responsibility during the year are 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 5' to this Report.

14. Green Initiatives

Electronic copies of the Annual report for the year 2022 and the Notice of the 22nd Annual General Meeting are sent only to Members whose email addresses are registered with the Company/ depository participant(s). To support the "Green Initiative", Members 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.

15. 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.

16. Acknowledgement

The Board place 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. We thank 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
June 27, 2022

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

Sd/-
Sanjay Nayak
Managing Director and CEO
(DIN: 01049871)

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, 2021 to March 31, 2022	USD	15.58	1.92	20.82	3.32	0.25	28.54	1.75	0.17	1.58	-	100%

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.
- 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.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in ₹)	Closing Rate (in ₹)
Tejas Communication Pte Ltd.	USD	74.40	75.79

- 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/-
Balakrishnan V
Chairman
(DIN:02825465)

Sd/-
Sanjay Nayak
Managing Director and CEO
(DIN:01049871)

Sd/-
Chandrashekar Bhaskar Bhawe
Director
(DIN:00059856)

Bengaluru
April 22, 2022

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

Sd/-
Venkatesh Gadiyar
Chief Financial Officer

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

Annexure – 2

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2022 are as follows:

(in ₹ crore)

Name of related party	Nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts /arrangements /transactions	Salient terms ¹	Amount
Tejas Communication Pte. Limited	Wholly-owned subsidiary	Sale of Goods	Ongoing	Based on transfer pricing guidelines	3.70
		Rendering of Services	Ongoing	Based on transfer pricing guidelines	2.36
		Purchase of goods	Ongoing	Based on transfer pricing guidelines	20.73
		Reimbursement of expenses	Ongoing	Based on transfer pricing guidelines	17.66
Nova Integrated Systems Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	0.40
Tata Advanced Systems Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	0.11
Tata Communications Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	25.45
		Rendering of Services	Ongoing	Purchase order	3.64
		Receiving of Services	Ongoing	Service Agreement	0.03
Tata Consultancy Services Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	3.08
Tata Teleservices (Maharashtra) Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	3.06
		Rendering of Services	Ongoing	Purchase order	0.86
		Receiving of Services	Ongoing	Service Agreement	0.00*
Tata Teleservices Limited	Subsidiary of ultimate holding company	Sale of Goods	Ongoing	Purchase order	3.31
		Receiving of Services	Ongoing	Service Agreement	0.01

Tata Communications (America) Inc.	Subsidiary of ultimate holding company	Rendering of Services	Ongoing	Purchase order	0.06
Tata Communications Lanka Limited	Subsidiary of ultimate holding company	Rendering of Services	Ongoing	Purchase order	0.01
Clonect Solutions Private Limited	Entity where a Director is interested	Subscription & Membership expense	Ongoing	Service Agreement	0.06
Darwinbox Digital Solutions Private Limited	Entity where a Director is interested	Professional charges	Ongoing	Service Agreement	0.07
Cloudsek Information Security Private Limited	Entity where a Director is interested	Professional charges	Ongoing	Service Agreement	0.12
Tejas Networks Limited Employees Group Gratuity Fund Trust	Post-employment benefit plan	Employee benefit	Ongoing	As per actuarial report	4.50
Panatone Fininvest Limited	Holding company	Issue of equity shares	One time	As per Securities Subscription Agreement	500.00
		Issue of share warrants	One time	As per Securities Subscription Agreement	337.50

¹Appropriate approvals have been taken for related party transactions.

*Amount below rounding off norm adopted by the Company.

Bengaluru
April 22, 2022

Sd/-
Balakrishnan V
Chairman
(DIN:02825465)

Sd/-
Sanjay Nayak
Managing Director and CEO
(DIN: 01049871)

Annexure – 3

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;	Replacement of existing AC units with high efficient units planned for during this Financial Year was postponed due to Covid-19. Proposals for replacement of existing old AC units with new energy efficient AC is under review and same will be implemented in the due course. Partial replacement of UPS with higher & efficient UPS been done during the FY. Replacement of other UPS with energy efficient higher capacity will be done due course.
The steps taken by the Company for utilizing alternate sources of energy;	No steps were undertaken by the Company for utilizing alternative sources of energy.
The capital investment on energy conservation equipment;	During year under review, the Company had not made any investment on the energy conservation equipment as the same were not warranted.

(B) Technology Absorption

- Tejas products are developed with high domestic value-addition through indigenous R&D, in-house IPR creation and local manufacturing. We have a strong commitment to R&D and over 50% of our employees are engaged in R&D activities. Today, all large private telecom operators, telecom PSUs and utilities use Tejas products in their pan-India networks in lieu of imported equipment from foreign multinational companies thereby realizing valuable foreign exchange savings for the country. Tejas is the leading domestic supplier of optical and data networking products for various government projects of national importance, having security/strategic implications such as Bharatnet, defence networks and smart cities. As one of the leading innovators in India's ICT sector, Tejas has generated 349 patents and 270+ semiconductor IPs that underpin our wide range of home-grown telecom products. In addition, Tejas is actively contributing to global 5G standards through its work in India's telecom standards organization (TSDSI) thereby ensuring that Indian requirements are effectively captured in all emerging telecom standards.

Tejas R&D team conceived, designed and developed the following leading-edge products in FY 2022:

- Developed XGS-PON ONT and MultiPON OLTs.
 - Upgraded DWDM platforms with 400Gbps/600Gbps line interfaces.
 - Developed IP/MPLS software functionality on our PTN access platform.
- 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, 2022 and March 31, 2021 towards development of the Company's products is as follows:

in ₹ crore

Particulars	Standalone	
	2022	2021
Capital Expenditure	4.78	12.23
Revenue expenditure	131.23	106.05
Total R & D expenditure	136.01	118.28
Total R&D expenditure/ Standalone Revenue net of taxes and components (%)	24.77%	23.07%

(D) Foreign Exchange earnings & outgo

in ₹ crore

Particulars	Standalone	
	2022	2021
Foreign exchange earnings	244.41	204.52
Foreign exchange outgo	368.10	201.79

Annexure – 4

Secretarial Audit Report - for the financial year ended March 31, 2022

[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)

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 March 31, 2022 (“**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;

Bengaluru

April 21, 2022

Note: This report is to be read with my letter of even date which is annexed as Annexure-2 hereto and forms an integral part of this report.

- 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; and

(vi) Other laws informed by the management of the Company as applicable to the Company is enclosed as Annexure-1 hereto.

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 Bombay Stock Exchange 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.

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 carried out unanimously, 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.
- the Company during the Audit period didn't have any material unlisted subsidiaries incorporated in India and therefore there is no requirement to undertake Secretarial Audit.

Sd/-

C. Dwarakanath

Company Secretary in Practice

FCS No: 7723; CP No: 4847

UDIN - F007723D000181919

Annexure – 1 to Secretarial Audit Report

List of Other Laws Applicable

A. Corporate laws

1. The Depositories Act, 1996 and regulation and bye-laws thereunder

B. Labour laws

1. Shops & Commercial Establishments Act of applicable states;
2. Child Labour (Prohibition and Regulation) Act, 1986;
3. Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
4. The Contract Labour (Regulation and Abolition) Act, 1970;
5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
6. The Employees' State Insurance Act, 1948;
7. The Employees Compensation Act, 1923;
8. The Equal Remuneration Act, 1976;
9. The Factories Act, 1948;
10. The Industrial Disputes Act, 1947;
11. The Industrial Employment (Standing Orders) Act, 1946;
12. The Maternity Benefit Act, 1961;
13. The Minimum Wages Act, 1948;
14. The Payment of Bonus Act, 1965;
15. The Payment of Gratuity Act, 1972;
16. The Payment of Wages Act, 1936; and
17. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959

C. Taxation laws

1. The Income Tax Act, 1961;
2. The Customs Act, 1961;
3. Service Tax under Chapter V of the Finance Act, 1994;
4. Goods & Service Tax Act, 2017
5. The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976;
6. The West Bengal Tax on Entry of Goods into Local Areas Act, 2012;
7. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975; and
8. The West Bengal State Tax on Professions, Trades, Calling and Employments Act, 1979.

9. The Maharashtra State Tax on Professions, Trades Callings and Employment Act, 1975; and
10. The West Bengal State Tax on Professions, Trades Callings and Employment Act, 1979

D. Intellectual property laws

1. The Patents Act, 1970; and
2. The Trade Marks Act, 1999

E. Environmental laws

1. The Water (Prevention and Control of Pollution) Act, 1974;
2. The Environment Protection Act, 1986; and
3. The Air (Prevention and Control of Pollution) Act, 1981;
4. The Water (Prevention & Control of Pollution) Cess Act, 1977 and Water (Prevention & Control of Pollution) Cess Rules, 1978

F. Laws & policies applicable to Telecommunication Sector

1. Notifications dated 10th February 2012 and 5th October 2012 of The Department of Information Technology, Ministry of Communications and Information Technology;
2. Electronic Hardware Technology Park Scheme;
3. Public Procurement Policy for Micro and Small Enterprises Order, 2012;
4. Karnataka Electronic System Design and Manufacturing Policy 2013;
5. Foreign Trade Policy 2015-2020;
6. Service Export from India Scheme;
7. Information Technology Act, 2000;
8. Telecom Regulatory Authority of India Act, 1997;
9. Indian Telegraph Act, 1885;
10. Indian Wireless Telegraphy Act, 1933; and
11. Telegraph Wires (Unlawful Possession) Act, 1950

G. Miscellaneous laws

1. The Prevention of Money Laundering Act, 2002;
2. The Micro, Small and Medium Enterprises Development Act, 2006; and
3. The Competition Act, 2002

Bengaluru
April 21, 2022

Sd/-
C. Dwarakanath
Company Secretary in Practice
FCS No: 7723; CP No: 4847

Annexure - 2 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 random test basis to ensure that 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 financial records and books of accounts of the Company.
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 list of laws applicable to the Company enclosed as Annexure-1 to the Secretarial Audit Report is as confirmed by the management of the Company. 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 21, 2022

Sd/-
 C. Dwarakanath
 Company Secretary in Practice
 FCS No: 7723; CP No: 4847

Annexure – 5

Corporate Social Responsibility

The practice of Corporate Social Responsibility Policy ('CSR') as a paradigm for firms and businesses to follow has evolved from its early days to the present day realities where it is a business requirement to be socially responsible. This evolution has been necessitated both due to the changed environment under which firms operate as well as the realisation that profits as the sole reason for existence can no longer hold good. The Company relentless pursuit has always been to not just become a leading telecom networking Company but also one that cares for society. The Company's mission is to build an inclusive society and to make a meaningful difference to the community around us. The Company partners with its stakeholders to create shared benefit by generating economic value, community investment and optimally utilizing the resources which are an integral part of our stakeholder engagement initiatives. It is this quest that enthruses us to approach our corporate responsibility with all seriousness. The Company aims to positively impact not just our financial performance, but our future generations as well. The projects undertaken during the year ended March 31, 2022 are within the broad framework of Schedule VII of the Act.

1. Brief outline on CSR Policy of the Company.

Tejas Networks Limited ('Tejas' or 'the Company') 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:

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	Amb. Leela K Ponappa	Chairperson, Independent	4	4
2	Balakrishnan V*	Member, Non-Independent	4	4
2	Sanjay Nayak	Member, Non-Independent	4	4
3	Arnob Roy	Member, Non-Independent	4	4



* Balakrishnan V resigned as the member of the Committee with effect from April 23, 2022.

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 and CSR Projects 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).

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 are stated below:

Sl. No.	Name of Institution	Impact Assessment
1	<p>Electronics City Industries Association Trust (ELCIA), Bengaluru</p> 	<p>Disaster Management – COVID 19 Relief Efforts - ₹ 0.05 crore</p> <ul style="list-style-type: none"> Tejas Networks contributed to Electronics City Industries Association Trust (ELCIA), Bangalore. The Trust works towards improving the quality of Government Schools in the vicinity of Electronics City by setting up innovative classrooms, providing furniture, building toilets, and making potable water available at the school premises, among other things. It supports 4550 students across 18 Government schools.
2	<p>Shyam Hospital, Bangarpet</p> 	<p>Disaster Management – COVID 19 Relief Efforts - ₹ 0.04 crore</p> <ul style="list-style-type: none"> Tejas Networks contributed to Shyam Hospital & Research Centre, Bangarpet to support the hospital in procuring oxygen concentrators and oxygen masks during the pandemic. The private hospital set up a dedicated Covid facility to meet the medical needs of patients during second wave of the pandemic.
3	<p>Sri Aurobindo Society, Puducherry</p> 	<p>Education - Development of Digital Platforms -Learning Management - ₹ 0.10 crore</p> <ul style="list-style-type: none"> Project Inclusion' aims to develop a Learning Management System and digital content for the training of teachers of students with Neuro-Developmental Disorder (NDD) so as to give them equal and quality education. The Project worked to strengthen inclusive education in Tripura, Dadra, Nagar and Haveli, Andaman and Nicobar Islands and Jharkhand. The quantitative outcomes of the project are Teachers oriented: 1,574; Screened cases of NDD: 1,273; Psychometric Assessment of Screened Cases of NDD: 1,656. Increased Awareness among teachers post training: 1% to 30%, Teachers correctly identified students with NDD: 71%, Teachers participated proactively by submitting case studies : 59%
4	<p>The International Institute of Information Technology, Bengaluru</p> 	<p>One time Education - Research Proposal on ML-based Network Node Reliability Prediction - ₹ 0.10 crore</p> <p>Two research contributions have been made so far in this CSR funded project.</p> <ul style="list-style-type: none"> A novel proposal for an implementable non-intrusive failure prediction mechanism for deployed network nodes using information from log files of those devices. It also proposed architecture for non-intrusive failure prediction. It then proposed a directed acyclic graph (DAG) based failure prediction mechanism. Numerical results show that the mechanism has near perfect accuracy in predicting failures of individual network nodes. Extending and generalizing the network node failure prediction mechanism by applying formal approach of data augmented Bayesian networks (BN). Data augmentation is applied to generate the conditional probabilities assuming power law distribution for failure occurrences. The BN uses these probabilities and predicts failures as events occur in real time. Numerical results show that network node failure prediction can be performed with high accuracy even with artificial data augmentation.

5	<p>Bharatiya Jain Sanghatana (BJS), Pune</p> 	<p>Disaster Management – COVID 19 Relief Efforts - ₹ 0.03 crore</p> <ul style="list-style-type: none"> • BJS is a registered non-profit social impact organization based in Pune, working in disaster response for the past 35 years. Its work has been widely acknowledged at the national and international levels by governments and several institutions of repute, including the World Health Organization. Since March 2020 BJS has been at the forefront of fighting the COVID pandemic in the country, working in close coordination with state governments, district administrations and municipal corporations across many states. • The Company contributed for purchase of oxygen concentrators under the “Oxygen Bank” initiative as part of BJS “Mission Rahat” COVID response program to make life-saving oxygen support immediately available to maximum needy COVID patients as an emergency relief measure. • The concentrators are then positioned in needy COVID hospitals free of cost as emergency measure to save as many lives as possible. Once the hospital's oxygen needs stabilize, concentrators are moved to other needy hospitals to benefit maximum COVID patients. When oxygen availability in cities (where most of the emergency needs exist today) stabilize over time, the machines are again moved to hospitals in taluk/rural areas to be of assistance to patients there. If necessary, concentrators are positioned at the homes of COVID patients as well.
6	<p>Katha, New Delhi</p> 	<p>Education - Initiative in creating a nation where every child is a Reader-Leader - ₹ 0.05 crore</p> <ul style="list-style-type: none"> • Katha creates programs for children to access and read holistic, relevant books and through education, become agents of change. Of 150 million children in school in India in K-5, 50% cannot read at grade level, leading to poor school performance and entrenched poverty. Katha programs encompass five elements: high-quality reading content creation which fosters critical thinking and problem-solving skills; story pedagogy, technology-powered portal, partnerships, and cultural inclusivity. Katha's mission is to empower socio-economically disadvantaged children as they read for joy and meaning and guide them towards creating a sustainable world.
7	<p>Usha Mahajan Memorial Service Organization</p> 	<p>Education - Shiksha Learning Centre - ₹ 0.09 crore</p> <ul style="list-style-type: none"> • The project “SHIKSHA LEARNING CENTRE” at Village Narwana Khas, Dharamshala, Kangra, Himachal Pradesh, under the supervision of “Usha Mahajan Memorial Social Service Organization, aims to contribute, strengthen basic education & nutritional content, delivery, outreach and outcome, with renewed focus on developing practices that nurture health, wellness and education.

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 of the company as per section 135(5) - ₹ 22.95 crore

7. (a) Two percent of average net profit of the company as per section 135(5)	₹ 0.46 crore
(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, 2022 (7a+7b- 7c)	₹ 0.46 crore

8. a) CSR amount spent or unspent for the financial year ended March 31, 2022

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.
0.46 crore	Nil	Nil	Nil	Nil	Not applicable

b) Details of CSR amount spent against ongoing projects for the financial year ended March 31, 2022:

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, 2022:

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)	0.46 crore
2	Total amount spent for the Financial Year	0.46 crore
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).

The Company has fully spend the entire amount of CSR of ₹ 0.46 crore for the year ended March 31, 2022 and there is "Nil" balance to be contributed as CSR contribution for the year ended March 31, 2022.

Bengaluru
April 22, 2022

Sd/-
Amb. Leela K Ponappa
Chairperson, CSR Committee

Sd/-
Sanjay Nayak
Managing Director and CEO

Certification by the Chief Financial Officer

I, Venkatesh Gadiyar, Chief Financial Officer, Tejas Networks Limited hereby 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 four directors of which two are independent director with the Chairman of the Committee being an Independent Director.
- The CSR Committee identifies the activities to be undertaken as per Schedule VII of the Companies Act, 2013 and recommend the amount of expenditure to be incurred on such activities and the locations for carrying out CSR activities.
- The Company has fully spent the amount of CSR that has to be contributed by the Company as prescribed under Section 135 of the Act and there is "NIL" amount that is unspent.
- The implementation and monitoring of CSR Policy, is in accordance and in compliance with CSR objectives and Policy of the Company.
- The CSR activities undertaken by the Company do not include the activities that are in the normal course of business of the Company nor carried out for fulfilment of any other statutory obligations under any law in force in India.
- The CSR activities have been carried out in India and not outside India.
- The CSR contribution has not been made to any political party either directly or indirectly nor on activities on sponsorship basis for deriving marketing benefits for its products or services.
- The CSR contribution is not made to benefit of the employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019 nor the employees' families either directly or indirectly.
- 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, 2022

Sd/-
Venkatesh Gadiyar
Chief Financial Officer

Annexure – 6

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 Members, dated May 29, 2014 and September 24, 2014, respectively, has adopted ESOP Plan 2014. ESOP Plan 2014 was subsequently modified pursuant to the Members' 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, 2022 are given below:

ESOP Plan 2014	
Options granted	69,26,635
Options vested	68,78,563
Options exercised	57,56,249
Total number of shares arising as a result of exercise of option	57,56,249
Options lapsed	1,08,880
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 Members 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 Members 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	₹ 37.42 crore
Total number of options in force	10,61,506
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 Members, dated June 27, 2016 and July 25, 2016, respectively has adopted ESOP Plan 2014-A. ESOP Plan 2014-A was subsequently modified pursuant to the Members resolution dated November 19, 2016. 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, 2022 are given below:

ESOP Plan 2014-A	
Options granted	19,78,215
Options vested	19,03,847
Options exercised	8,93,762
Total number of shares arising as a result of exercise of option	8,93,762
Options lapsed	1,38,725
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 Members 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	₹ 7.60 crore
Total number of options in force	9,45,728
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 Members, dated August 02, 2016 and August 29, 2016, respectively has adopted ESOP 2016. ESOP 2016 was subsequently amended pursuant to the Members resolution dated November 19, 2016. 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, 2022 are given below:

ESOP Plan 2016	
Options granted	26,26,415
Options vested	24,53,694
Options exercised	12,22,071
Total number of shares arising as a result of exercise of option	12,22,071
Options lapsed	3,19,705
Exercise price	Weighted average exercise price of options granted - ₹ 96.19/-
Variation of terms of options	Pursuant to a resolution of the Board of Directors dated September 23, 2016 and a resolution of the Members 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	₹ 11.76 crore
Total number of options in force	10,84,639
Employee wise details of options granted to:	No options were granted to the KMPs 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 2017”)

The Company pursuant to resolutions passed by the Board and the Members, dated August 02, 2017 and September 27, 2017, respectively has adopted RSU 2017. The Plan provides alternatives to grant stock units incentives such as RSU's and subject to applicable laws and conditions for exercise, the Eligible Employees shall be entitled to receive equity shares on exercise of such RSU's. The total number of RSU's to be granted to the Eligible Employees under RSU 2017 shall not exceed 30,00,000 (Thirty Lakhs). The RSU 2017 is compliant with the SEBI Regulations and the Act.

The details of the RSU 2017 as on March 31, 2022 are given below:

RSU 2017	
RSU granted	30,56,130
RSU vested	13,18,873
RSU exercised	9,22,966
Total number of shares arising as a result of exercise of RSU	9,22,966
RSU lapsed*	3,98,919
Exercise price	₹ 10/-
Variation of terms of RSU	Nil
Money realized by exercise of RSU	₹ 0.92 crore
Total number of units in force	17,34,245
Employee-wise detail of RSU's granted to:	
(i) Key managerial personnel	Sanjay Nayak 1,12,500 Arnob Roy 79,500 Venkatesh Gadiyar 40,000 N R Ravikrishnan 6,000
(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.

*a. RSU's lapsed indicate units which did not vest due to individual/ Company performance.

b. RSU lapsed can be re-issued and will form part of RSU pool to be granted

Annexure – 7

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, 2022 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, 2022:

Non-Executive Directors/ Independent Directors	Ratio to the median remuneration
Balakrishnan V	1.37
Dr. Gururaj Deshpande	-
Amb. Leela K Ponappa	0.76
Chandrashekhar Bhaskar Bhawe	0.79
N Ganapathy Subramaniam	-
A S Lakshminarayanan	-

Executive Directors	Ratio to the median remuneration
Sanjay Nayak	11.70
Arnob Roy	8.29

- 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, 2022

Directors, Chief Executive Officer, Chief Financial Officer, and Company Secretary	Percentage of increase in remuneration in the financial year
Balakrishnan V	35%
Dr. Gururaj Deshpande	-
Amb. Leela K Ponappa	63%
Chandrashekhar Bhaskar Bhawe	60%
N Ganapathy Subramaniam	-
A S Lakshminarayanan	-
Sanjay Nayak	18.93%
Arnob Roy	18.10%
Venkatesh Gadiyar, Chief Financial Officer	15.60%
N R Ravikrishnan, Company Secretary	13.70%

Notes:

- Median remuneration computation is based on a total employee headcount of 920
 - As a policy, Dr. Gururaj Deshpande, Non-Executive and Non-Independent Director has not been paid commission/ sitting fees from the Company.
 - 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..
 - N Ganapathy Subramaniam and A S Lakshminarayanan were appointed as Nominee Directors of Panatone Finvest Limited in the capacity of Non-Executive and Non-Independent Directors with effect from January 19, 2022.
 - For computations of increase, incentive remuneration has been considered based on accruals, and payments relating to earlier years have been excluded.
- c) The percentage increase in the median remuneration of employees for the financial year ended March 31, 2022 was 21.62%.
- d) The number of permanent employees on the rolls of the Company as on March 31, 2022, was 920 employees.
- e) Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- The average percentage increase in salaries excluding KMP is 14.57% and the average increase in salaries for KMP is 17.50%
 - Percentage increases for various categories are granted based on market trends and performance criteria.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company.
The Company affirms that the remuneration is as per the Remuneration Policy of the Company.
- g) 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 members 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.

Annexure – 8

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. In line with this, the Board during the year under review has revised certain Policies /Codes/Charters

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.	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. The policy was revised and adopted effective September 08, 2021.	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. The policy was revised and adopted effective July 21, 2021.	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 behaviour.	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. The policy was revised and adopted effective April 22, 2022.	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 Members 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

Annexure – 9

Confirmations and Disclosures

- i. The confirmations/ disclosures made by the Board of Directors for the year ended March 31, 2022, are based on the records and information as available with them, to the best of their knowledge and belief, according to information and explanations obtained from the management and forms part of the Annual Report for the year ended March 31, 2022.
- ii. Unless otherwise stated, the confirmation and disclosures made is as on March 31, 2022.
- iii. The term “Company” or “Tejas” shall mean and include “Tejas Networks Limited”.

The following disclosures/ confirmations are made to the extent applicable to the Company for the year ended March 31, 2022:

Directors (incl. Independent Directors)

- i. 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 Listing Regulations.
- ii. The appointment of the Directors on the Board is based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders. The appointments are in line with the statutory requirements of the Companies Act, 2013, Listing regulations, Company policy and employment contracts as entered into.
- iii. 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.
- iv. The annual remuneration payable to a single Non-executive Director does not exceed 50% cent of the total annual remuneration payable to Non-executive Director.
- v. 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 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.
- vi. The Independent Directors are paid remuneration by way of Sitting Fees and are also reimbursed of any out of pocket expenses incurred by them for the purpose of the Company. The Independent Directors have been paid Sitting fee of ₹1,00,000/- per meeting for attending each Board / Committee Meeting for the year ended March 31, 2022.
- vii. The Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, commission and reimbursement of expenses, as applicable.
- viii. 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.
- ix. 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.

- x. 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 for Independent Directors.

Composition of the Board

- i. The Composition of the Board is constituted in accordance with the requirements of the Companies Act, 2013 and Listing Regulations.
- ii. The offices held by the Directors are in compliance with the Companies Act, 2013 and the Listing Regulations.
- iii. There are no inter-se relationships between the Board members.
- iv. None of the Directors on the Board are member 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 Regulation 26 (1) of the Listing Regulations.
- v. None of the Independent Directors on the Board is an Independent Director in more than seven listed Companies as required under Regulation 25 (1) of the Listing Regulations.
- vi. All the Directors have disclosed their interest in other companies, directorship and membership of Committees and other positions held by them.

Financial Statements

- i. 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.
- ii. The Company has adopted all the applicable IND-AS and the adoption was carried out in accordance with applicable transition guidance.
- iii. The financial results for the year ended March 31, 2022 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.
- iv. The Accounting Software used for maintaining the financial statements including Books of Accounts and other relevant papers are in electronic mode and the said software has the features of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made with audit trail feature not been tampered with or disabled and the audit trail has been preserved by the company as per the statutory requirements for record retention.
- v. 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

- i. The Company has not entered into any materially significant related party transactions with its Directors, or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- ii. 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.
- iii. All Related Party Transactions are placed before the Audit Committee for review and approval including transactions which are of repetitive in nature and / or entered in the ordinary course of business and are at Arm's Length.
- iv. There are no material related party transactions made by the Company during the year that requires Members' approval under the Listing Regulations or of the Companies Act, 2013.
- v. The Company has filed the necessary return within the due dates as stipulated under the listing regulations and also updated the same in the website of the Company at <https://tejasnetworks.com/stock-exchange-filing-other-filing.php>
- vi. The Company has obtained prior approval of the Members of the Members for the related party transactions for the year 2023.

Audit Report / Certificates

- i. The Statutory Audit Report of M/s. Price Waterhouse Chartered Accountants LLP (Firm registration number No. 012754N/ N500016) for the year ended March 31, 2022 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.
- ii. The Secretarial Audit Report of Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor-(FCS No. 7723 and Certificate of Practice No. 4847), for the year ended March 31, 2022 does not contain any qualification, reservation or adverse remark.
- iii. The Annual Secretarial Compliance report issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor-(FCS No. 7723 and Certificate of Practice No. 4847), for the year ended March 31, 2022 states that the Company has complied with all the applicable SEBI Regulations and circulars/ guidelines issued thereunder.
- iv. The Corporate Governance certificate of Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor (FCS No. 7723 and Certificate of Practice No. 4847), for the year ended March 31, 2022 states that the Company has complied with the stipulations of Corporate Governance as stipulated in the Listing Regulations.
- v. The Auditors Certificate under SEBI (Share Based Employee Benefits) Regulations 2014 issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor - (FCS No. 7723 and Certificate of Practice No. 4847), states that the Company Employee based share schemes for the year ended March 31, 2022 have been implemented in accordance with the said regulations.
- vi. The Certificate of Non – disqualification of Directors for the year ended March 31, 2022 issued by Dwarakanath C,

Company Secretary in Practice and Independent Secretarial Auditor - (FCS No. 7723 and Certificate of Practice No. 4847) states that as on April 1, 2022, 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.

- vii. 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.

Internal Financial controls

- i. 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 stated that they did not note any significant deficiencies which could result in operational or financial risk to the Company.
- ii. 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 2022.

Corporate Social Responsibility

- i. The Company has fully spent the amount of CSR that has to be contributed by the Company as prescribed under Section 135 of the Companies Act, 2013 and there is no amount that is unspent.
- ii. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company and in pursuance of the statutory obligations as laid down in Section 135 of the Companies Act, 2013.
- iii. The CSR activities undertaken by the Company do not include the activities that are in the normal course of business of the Company.
- iv. The CSR activities undertaken by the Company have been carried out in India and not outside India.
- v. The CSR contribution made by the Company has not been made to any political party either directly or indirectly.
- vi. The CSR contribution made by the Company is not to the benefit of the of employees of the Company nor the employees' families.
- vii. The calculation of Net Profits for the purpose of determining the CSR contribution does not contain any profit arising from any overseas branch or branches of the Company nor any dividend received from other Companies in India.

Cyber Security

- i. 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.

- ii. 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.
- iii. 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 visualisation tools, automation and Artificial Intelligence (AI) capabilities.
- iv. The Company ensured information system resilience and implemented and periodically tested an enterprise-wide Business Continuity Plan and Disaster Recovery Plan.

Subsidiaries

- i. No Company has become or ceased to be joint venture or associate Company of the Company within the meaning of Section 2(6) of the Companies Act, 2013 .
- ii. There has been no material change in the nature of the business of the subsidiary including step-down subsidiary.
- iii. The Company does not have any material listed / non-listed Indian subsidiary whose income or net worth exceeds 10% of the consolidated income or net worth respectively in the immediate preceding accounting year.

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

- i. The Employee Stock Option Plans and Employee Restricted Stock Unit Plan are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.
- ii. No employee was granted options/ RSU / Shares during the year, equal to or exceeding 1% of the issued capital.
- iii. The Company did not grant any Stock Options under any of the ESOP plan of the Company after the implementation of the RSU plan.

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

- i. 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.
- ii. 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, 2022 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 "Nil" complaint has been received during FY 2022.

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"), issued and mandated by the Institute of Company Secretaries of India on Board Meetings and General Meetings and also, the Companies Act, 2013 as well the Listing Regulations on the Meeting of the Board of Directors 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, 2022.

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

- i. The Company as on March 31, 2022 has made payments to all MSME suppliers within a period of 45 days from the date of acceptance or the from the day of deemed acceptance.
- ii. There are no outstandings as on March 31, 2022 which exceeded 45 days from the date of acceptance or the day of deemed acceptance.
- iii. Refer to Note 29.2 of in the financials annexed to this report.
- iv. The company has registered in the platform with Receivables Exchange of India Limited (RXIL) as a "Buyer"for MSMEs.

Listing and Custodial Fees

- i. The annual listing fees for FY 2023 has been paid to both the Stock Exchanges where the shares of the Company are listed (i.e) theNational Stock Exchange of India Limited and the BSE Limited.
- ii. The annual custodial fees for FY 2023 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

- i. 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.
- ii. 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

- i. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC).
- ii. The Company has not entered into any agreement with any media Company and/or its associates.
- iii. 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.
- iv. 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.

- v. The Company has formulated a policy on maintaining and preserving timely and accurate records uploaded on the website of the Company.
- vi. The Company also complies with the non- mandatory requirement the Listing Regulations by having separate posts of Chairman and Managing Director and Chief Executive Officer.
- vii. Authorisation 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.
- viii. Constituted Senior Management Personnel (one level below CEO) in terms of Regulation 16(1) (d) of the Listing Regulations.
- ix. The Company does not deal in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.
- x. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.
- xi. The Company doesn't have a fixed hedging policy for foreign exchange risk.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

I. Overview

Tejas Networks designs, develops, manufactures and sells high performance carrier-class equipment required for building telecommunication networks. We provide an extensive portfolio of optical, broadband and data networking products, as well as wireless products, that are sold to telecommunications service providers, internet service providers, utility companies, defence and government entities. Our products are used to build high-speed communication networks that provide broadband services to homes and enterprises and carry data, voice and video traffic from mobile or fixed line networks over optical fibre. Our end-to-end product portfolio spans across "access" (i.e., the outer perimeter of a telecommunications network which connects to the end consumers), "metro" (i.e., networks that aggregate and distribute traffic collected from access networks within a large city or region) and "core" (i.e., networks that interconnect metro networks using high bandwidth transmission) networks.

Our portfolio of leading-edge telecom products includes carrier-grade multi-terabit optical transmission and switching, fiber broadband access, mobile and fixed wireless access as well as multi-gigabit Ethernet/IP switching and 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 optical transmission equipment 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 optical 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.

Industry Structure and Developments

A robust telecommunications infrastructure is now an essential service for delivering high-speed connectivity to people, homes, offices and governments. The global movement towards everything digital and proliferation of powerful mobile devices such as smart phones, tablets and IoT, rollout of new 4G and 5G networks for mobile and fixed broadband and increased penetration of high-speed, fiber-based home broadband is driving the global demand for all-pervasive, higher capacity fiber optic networks based. The telecom and internet service providers are investing

significant capex to upgrade their access and optical networks and this presents a robust growth opportunity for our industry. A combination of factors such as, increased adoption of high-speed home broadband, availability of newer generations of mobile broadband technologies, bandwidth-intensive applications such as high-speed business Ethernet, cloud connectivity, high-capacity wireless backhaul, and data center inter-connections are resulting in an expansion of the telecom equipment market. The continuing global trend of increased data consumption by consumers, enterprises and intelligent web-enabled devices (IoT) is a favorable driver for our business. 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 which requires higher-capacity wireless (4G/5G base stations), optical transmission and data networking equipment. The global outbreak of COVID-19 and stringent social distancing restrictions have accelerated this trend. As a result, telecom operators are increasing capital investments in mobile infrastructure, optical transmission and broadband access equipment to ensure that mobile and fixed broadband services are delivered with the requisite quality and in a cost-effective manner. Telecom service providers in most countries, including India, are on the verge of launching high-speed 5G mobile services while continuing to expand their 4G coverage. While optical capital expenditure is growing in large parts of the globe, India and other developing countries in SAARC, South East Asia, Africa and Americas have a particularly huge pent-up demand for cell-site fiberization to support increased data traffic from 4G and 5G base stations, compared to the more advanced markets. At the same time, unlike mobile data services, both developed and developing countries have a fairly low or moderate penetration of fiber broadband services, presenting significant growth opportunities for service providers in these countries to gain market share by aggressively investing in FTTX (fiber to the home/business) rollouts. As an always-on, high-speed broadband has emerged as a basic necessity in the post-Covid world, Governments around the globe, whether in India, United States or Europe are making public funds available for ubiquitous fiber broadband in order to bridge the growing urban-rural digital divide in their countries. Examples are the national rural broadband project (BharatNet) in India, RDOF (Rural Digital Opportunity Fund) in US and various Gigabit Network initiatives in EU. Besides these industry trends, we are also witnessing certain fundamental structural changes that are likely to allow newer companies with innovative offerings to disrupt and gain a larger share of the global 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 “less-trusted” vendors and exploring newer secure alternatives for their telecom equipment supplies. 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.

The demand for our telecom products will be driven by the following factors:

Broadly speaking, our telecom products can be classified into wireless and wireline segments. Our wireless products include 4G RAN (Radio Access Network) base station equipment comprising the BBU (Baseband Unit), typically located at the bottom of the cell tower, and an outdoor mounted RRH (Remote Radio Head) installed at the top of the cell tower and connects to mobile handsets in the vicinity. Our wireless products are based on LTE technology and compliant to global 3GPP standards for deployment in 4G networks today and 5G networks in the near future. Our wireline products can be further segmented into optical transmission, fiber broadband and secured Ethernet switches. Globally, mobile backhaul is one of the largest applications driving the demand for optical transmission products. Mobile backhaul is defined as the transport of cell phone traffic between the cellular base station and the mobile switching centre. In the case of 2G and 3G networks that were dominated by voice and low-speed data services, cellular traffic was largely backhauled over microwave radio but with the arrival of 4G and 5G networks that are dominated by higher-speed data traffic, optical fiber based backhaul has become the norm. The fiberisation trend is further accelerating with the advent of 5G due to a 10x increase in backhaul capacity requirements and a 10x densification of cell towers, since 5G requires more base-stations than 4G. In India, less than 35% of around 700,000 cell sites are currently fiberized (compared to 75-90% in developed countries) which is expected to increase to 70% by 2025. Overall, India has approximately 1013 million wireless subscribers today (source: TRAI statistics, April 2022) but the rural wireless tele-density is ~58% so there continues to be a latent demand for higher speed 4G services, especially in smaller towns and rural areas.

Similarly, there is also a large latent demand for FTTH (fiber-to-the-home) services in most parts of the world which is a driver for our fiber broadband access products based on GPON (2.5Gbps) and XGS-PON (10Gbps) technologies. For example, while the number of mobile broadband subscribers in India is close to 760 million, less than 28 million homes have a wired broadband connection as of April 2022 (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 100 million by 2027. 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 5 times the ARPU of their mobile broadband subscriber. A similar trend for growth of FTTx customers is being witnessed in other countries as well. In the developing countries, FTTx will be the first option for meeting the demand of high-speed wireline broadband services, while in the developed countries there is significant push to offer FTTx services to their rural customers, who do not have high-speed broadband coverage. Fixed Wireless Access based on 4G/LTE technology is also emerging as an alternative in areas where it is difficult to extend fiber to the customer premises. Adoption

of cloud services is growing today as there is more data residing in cloud data centers than in private enterprise servers. Globally, Carrier Ethernet has emerged as the de- facto technology of choice for business and data center connectivity due to its scalability, flexibility, low cost-per-bit and security features. Enterprise customers are increasingly migrating to higher- speed Ethernet services including 100GE/200GE connections that can be delivered from our optical transmission products. On the other hand with the arrival of 10G PON (XGS-PON), small and medium businesses are exploring the use of business-grade FTTx as a cost-effective alternative for broadband connectivity.

The Internet has emerged as a basic necessity in modern life around the world. However, approximately half of the world's population, living largely in rural and remote areas of developing countries, continue to remain unconnected to the Internet resulting in a growing “digital divide” between their rural and urban areas. With the onset of Covid-19 pandemic, countries have accelerated their have accelerated their national broadband initiatives to construct countrywide fiber- optic infrastructure and thereby bridge this gap. India's BharatNet is an ongoing multi-year, multi-billion dollar government project funded by a Universal Service Obligation Fund (USOF) that seeks to connect every village in the country (approximately 650,000) with a high-speed broadband connection using GPON technology in the next few years.. Other large government projects such as pan-India defence networks, network transformation projects in the power and rail sectors also have a large optical capex component. Our secured Ethernet switches are also widely deployed in such mission-critical networks especially for campus networking and surveillance applications in Smart Cities and Safe City projects.

Continuing Impact of COVID-19 pandemic

COVID-19 has severely impacted businesses around the globe. The Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended March 31, 2022.

During the year ended March 31, 2022, uncertainties caused by the pandemic has resulted in some delays in customer payments and new orders. Management expects potential delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue for the next few quarters, till the demand-supply situation in the semiconductor component industry stabilises.

The Company had capital infusion by way of issue of equity shares and share warrants during the year ended March 31, 2022 and the Company does not have borrowings as at year end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at March 31, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from COVID-19 pandemic and supply constraints in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

II. 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 ₹200.00 crore divided into 20,00,00,000 shares of ₹10 each.

During the year ended March 31, 2022, the Company has allotted equity shares under Private Placement to Panatone Finvest Ltd comprising of 1,93,79,845 equity shares of ₹10 each fully paid up at a premium of ₹248 per share. In addition, the Company has issued 19,29,719 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 ₹ 114.55 crores comprising of 11,45,49,908 equity shares of ₹10 each fully paid up, as on March 31, 2022.

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, 30,91,873 options have been granted and are outstanding as on March 31, 2022. The Company does not plan to grant any new options from the pool available from the aforesaid ESOP schemes.

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 10,84,290 RSUs were granted and an aggregate of 17,34,245 RSUs is outstanding as on March 31, 2022.

2. Other equity

Securities premium reserve

On standalone and consolidated basis, the share premium account increased from ₹951.27 crore as at March 31, 2021 to ₹1,456.24 crore as at March 31, 2022. The increase in share premium of ₹ 480.43 crore (net of issue expenses) was due to the preferential allotment of equity shares to Panatone Finvest Ltd and ₹ 9.51 crore was on account of exercise of employee stock options totaling to ₹489.94 crore. In accordance with Ind AS 102, a sum of ₹15.03 crore was transferred from employee stock compensation reserve to securities premium reserve.

Employee stock compensation reserve

On standalone and consolidated basis, the employee stock compensation reserve decreased from ₹33.12 crore as at March 31, 2021 to ₹ 29.29 crore as at March 31, 2022, on account of ESOP as well as RSU grants resulting in employee share based payment expenses of ₹11.20 crore (previous year ₹8.00 crore) as per Ind AS 102 and transferring ₹15.03 crore (previous year ₹8.80 crore) to securities premium reserve.

Retained earnings

On a standalone basis, the balance in retained earnings as at March 31, 2022 and March 31, 2021 was ₹(13.75) crore and ₹52.06 crore respectively. On a consolidated basis, the balance retained in the surplus as at March 31, 2022 and March 31, 2021 was ₹(12.51) crore and ₹52.28 crore respectively. The decrease during the current year on a standalone basis and consolidated basis was on account of loss to the extent of ₹65.81 crore and ₹64.79 crore respectively. 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 2022, the Board has reviewed and decided not to recommend any dividend.

Networth

On a consolidated basis our networth has increased to ₹1,592.75 crore as at March 31, 2022 compared to ₹1,134.20 crore as at March 31, 2021. Our book value per share increased to ₹139.05 as of March 31, 2022 from ₹121.64 as of March 31, 2021.

B. Application of funds

3. Property, plant and equipment

Additions to gross block

On a standalone basis and consolidated basis, during the year, we incurred expenditure on property, plant and equipment of ₹27.54 crore (previous year ₹13.62 crore), comprising ₹13.34 crore (previous year ₹8.78 crore) in Plant & Machinery- Cards/Prototypes and Others, ₹8.94 crore (previous year ₹1.68 crore) in Laboratory equipment, ₹2.48 crore (previous year ₹1.96 crore) in Computing Equipment, ₹1.46 crore (previous year ₹0.56 crore) in Servers, ₹0.53 crore (previous year ₹0.28 crore) in Networking equipment., ₹0.46 crore (previous year ₹0.22 crore) in Office Equipment, ₹0.22 crore (previous year ₹0.03 crore) in Electrical Installation, and ₹0.11 crore (previous year ₹0.11 crore) in Furniture and Fixtures.

Deductions to gross block

During the year, we deducted from the gross block ₹0.01 crore on Computing Equipment (₹0.02 crore in the previous year) and ₹Nil crore on Office Equipment (₹0.06 crore in the previous year).

Capital expenditure commitments

We have a capital expenditure commitment of ₹4.77 crore as at March 31, 2022, as compared to ₹ 1.29 crore as at March 31, 2021.

4. Intangible assets and Intangible under development

Our intangible assets comprises of computer software as well as product development expenditure. Additions of ₹6.98 crore was made in computer software, as against ₹2.72 crore in the previous year. During the year, ₹64.51 crore (previous year ₹68.14 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 ₹79.63 crore (previous year ₹65.64 crore) on account of capitalisation of employee benefit expense (refer note 22 of standalone/consolidated financials).

5. Inventories

On a standalone and consolidated basis, during the year ended March 31, 2022 inventory increased by ₹64.37 crore and the inventory balance was ₹278.02 crore as at March 31, 2022, compared to ₹213.65 crore as at March 31, 2021. Inventory days outstanding (based on gross revenues) increased to 166 days as at March 31, 2022 as against 134 days as at March 31, 2021.

We will continue to make use of the existing inventory during next year and try to reduce our inventory levels. However, due to the ongoing global shortage of semiconductor chips, which has resulted in significantly increased lead time for certain components, we may be required to place component orders in advance for certain long-lead items. Our focus will be on managing the inventory carefully and secure our supplies. However, the uncertainty in the semiconductor component industry can result in adverse impact on the execution of customers order and may impact revenues during FY 2023.

6. Financial assets

a) Investments

Investment in subsidiaries is carried at cost as per Ind AS 27, Separate Financial Statements. Investment includes ₹10.87 crore (previous year ₹10.87 crore) investment in the 100% subsidiary company Tejas Communications Pte Ltd.

Other investment comprise of investment in liquid mutual funds

amounting to ₹401.78 crore as at March 31, 2022 (previous year ₹37.37 crore), and investment in ELCIA ESDM cluster of ₹11,000/- as at March 31, 2022 (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 standalone basis, trade receivables amounted to ₹282.58 crore and ₹403.85 crore as of March 31, 2022 and March 31, 2021, respectively. On a consolidated basis, trade receivables amounted to ₹292.16 crore and ₹414.00 crore as of March 31, 2022 and March 31, 2021, 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, Days sales outstanding (DSO) decreased by 85 days primarily due to better collection during the year and ECL provision of ₹88 Crore to 174 days as at March 31, 2022, compared to 259 days as at March 31, 2021.

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

During the year we have made a ECL provision of ₹ 74 Crore, due to the continual delay in collecting the amount on account of the long outstanding receivable from one PSU customer. We expect the significant balance to be collected in FY 2023.

We use a provision matrix to compute the expected credit loss allowance for trade receivables. The movement in ECL during FY 2022 is as follows:

Particulars	in ₹ crore	
	Standalone	Consolidated
Loss allowance as on April 01, 2021	39.47	50.06
Changes in loss allowance	87.91	87.88
Loss allowance as on March 31, 2022	127.38	137.94

c) Cash and cash equivalents

Particulars	in ₹ crore			
	Standalone		Consolidated	
	2022	2021	2022	2021
Bank balances and deposits with original maturity up to three months	45.50	52.44	47.56	53.43
Bank balances other than above				
Deposits with original maturity of more than 3 months and upto 12 months	299.68	164.09	299.68	164.09
Deposits with original maturity of more than twelve months	0.22	1.54	0.22	1.54
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-	1.15	-
Investment in mutual funds	401.78	37.37	401.78	37.37
Deposits with financial institutions disclosed under other current financial assets	351.79	108.00	351.79	108.00
Cash and cash equivalents including margin money	1,100.12	363.44	1,102.18	364.43

Our cash and cash equivalents comprise deposits with banks and financial institutions with high credit-ratings assigned by various credit-rating agencies. Investment in mutual funds are placed with reputed Indian Mutual Fund where we have no or negligible risk to capital.

On a standalone basis, during the year our total cash and cash equivalents (including investment in liquid mutual funds and deposits with financial institutions) improved by ₹736.68 crore and stood at ₹1,100.12 crore as at March 31, 2022, as compared to ₹363.44 crore as at March 31, 2021. On a consolidated basis, during the year our total cash and cash equivalents (including investment in liquid mutual funds and deposits with financial institutions) improved by ₹737.75 crore and stood at ₹1,102.18 crore as at March 31, 2022, as compared to ₹364.43 crore as at March 31, 2021. The increase in the cash and cash equivalents was primarily due to amounts collected towards issuance of fresh Equity/share warrants through private placement amounting to ₹837.50 crore. Our cash and cash equivalents comprise balances with banks in current accounts, EEFC accounts and deposits with original maturity of less than three months. Other bank balances comprise of deposits with banks with original maturity of more than three months but less than twelve months and balances held as margin money or security against bank facilities or guarantees. Investment in mutual funds as at March 31, 2022 includes ₹347.88 crore in Tata Liquid Fund Direct Plan Growth, ₹3 crore in Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option, ₹12.64 crore in Axis liquid fund Direct Growth - CFDG, ₹12.03 crore in Aditya Birla Sun Life Liquid Fund - Growth Direct Plan, ₹10.85 crore in ICICI Prudential Liquid Fund Direct Plan Growth, ₹10.10 crore in Nippon India Interval Fund - Quarterly Plan - Series I - Direct Growth Plan and ₹5.28 crore in Nippon India Money Market Fund- Direct Growth Plan.

Deposits with financial institutions as at March 31, 2022 comprise of deposit with Bajaj Finance Limited of ₹306 crore, deposit with Mahindra and Mahindra Financial Services Limited of ₹20.79 crore and HDFC Limited of ₹25 crore.

d) Other financial assets

The details of other financial assets are as follows:

Particulars	in ₹ crore			
	Standalone		Consolidated	
	2022	2021	2022	2021
Non-current				
Security deposits	5.45	5.33	5.49	5.37
Current				
Security deposits	0.61	0.29	0.61	0.29
Interest accrued but not due	0.96	1.01	0.96	1.01
Foreign exchange forward contracts	0.60	1.00	0.60	1.00
Other Receivables	8.05	-	8.05	-
Total	15.67	7.63	15.71	7.67

Interest accrued but not due of ₹0.96 crore on the deposits kept with financial institutions and banks as on March 31, 2022 (previous year ₹1.01 crore)

During the current year, Company has entered to forward contracts to cover the exchange risks. As on March 31, 2022 the forward contract receivables is ₹0.60 crore (previous year ₹1.00 crore).

Further, the balance of other receivables, comprises of primarily outstanding balances from component sales, is ₹8.05 crore as on March 21, 2022 (previous year ₹Nil).

7. Other assets

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

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Non-current				
Pre-paid gratuity contributions (asset)	0.23	0.11	0.23	0.11
Prepaid expenses	0.43	0.20	0.43	0.20
Capital Advances	6.93	0.09	6.93	0.09
Balances with government authorities	15.60	6.58	15.60	6.58
Current				
Advances to suppliers	32.62	38.90	32.57	35.38
Advances others	0.03	0.02	0.03	0.02
Balances with government authorities	38.90	11.93	38.90	11.94
Prepaid expenses	2.73	2.24	2.82	2.26
Advances to employees	0.10	0.54	0.12	0.72
Total	97.57	60.61	97.63	57.30

During the year, on a consolidated basis advances to suppliers stood at ₹32.57 crore as at March 31, 2022 from ₹35.38 crore as at March 31, 2021 primarily due to advance payment to few vendors to secure the inventory on time.

8. Tax assets

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Income Tax Asset (net)	35.63	62.61	35.63	62.61
Deferred Tax Asset	111.33	56.72	111.33	56.72
Total	146.96	119.33	146.96	119.33

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
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)	16.71	3.50	16.71	3.50
Lease Liabilities	6.90	7.65	6.90	7.65
Unabsorbed depreciation and allowances under section 35 (2AB)	48.67	7.05	48.67	7.05
MAT credit	44.14	44.14	44.14	44.14
Total deferred tax assets	116.42	62.34	116.42	62.34
Right of use assets	(5.09)	(5.62)	(5.09)	(5.62)
Net deferred tax assets	111.33	56.72	111.33	56.72

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 ₹2.49 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 ₹ 35 crore for various Assessment Years.

On Standalone basis the Company continues to pay the income tax on MAT basis. During the current year, since the company had business loss, the company has not accrued any income tax. However, the company has recognized deferred tax amounting to ₹54.61 crore on account of timing differences and creation of asset based on carry forward of losses.

9. Financial liabilities

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

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Trade payables for goods & services	116.70	98.29	111.57	92.22
Lease Liabilities	19.76	21.90	19.76	21.90
Due to employees	15.55	16.35	17.72	16.98
Capital Creditors	4.59	0.95	4.59	0.95
Accrual for expenses	-	28.52	-	29.15
Unpaid dividend	0.03	0.03	0.03	0.03
Other liabilities	0.14	0.15	0.14	0.15
Total	156.77	166.19	153.81	161.38

Trade payables for goods & services stood at ₹111.57 crore as at March 31, 2022 as compared to ₹92.22 crore as at March 31, 2021 on a consolidated basis. On a consolidated basis, amount due to employees increased from ₹16.98 crore as at March 31, 2021 to ₹17.72 crore as at March 31 2022, comprising of the employee compensation benefits (including yearend performance linked variable pay) payable as of the respective year end. On a consolidated basis, our days payable outstanding (DPO) decreased by 13 days to 102 days as at March 31, 2022, compared to 115 days as at March 31, 2021. For FY 2022, Accrual for expenses are grouped under Trade payables for goods & services

10. Other liabilities

The details of other financial liabilities are as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Advances received from customers	6.60	1.25	7.02	1.65
Deferred revenue	3.30	2.07	3.30	2.07
Statutory dues	8.33	6.50	8.33	6.67
Total	18.23	9.82	18.65	10.39

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.

11. Provisions

The details of provisions are as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Non-current provisions				
Warranty	0.49	0.69	0.49	0.69
Current provisions				
Compensated absences	5.21	4.70	5.47	4.70
Warranty	1.45	0.52	1.45	0.52
Total	7.15	5.91	7.41	5.91

The provision for warranty represents estimated warranty cost on the products 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 vary as and when warranty claim arises, which can typically be up to three years.

III. Results of our operations

Our statement of function wise profits and losses is as below

in ₹ crore except for share data

Particulars	Standalone				Consolidated			
	2022	%	2021	%	2022	%	2021	%
Revenue net of taxes and component sales {Revenues(net)} (A)	549.14	100.0	512.71	100.0	550.59	100.0	514.82	100.0
Cost of Sales	312.13	56.8	258.05	50.3	312.13	56.7	258.05	50.1
Manufacturing Expenses	17.54	3.2	14.07	2.7	17.54	3.2	14.07	2.7
Service Expenses	46.76	8.5	30.57	6.0	46.92	8.5	30.57	5.9
Total Cost of Goods Sold (B)	376.43	68.5	302.69	59.0	376.59	68.4	302.69	58.8
Gross Profit (C) = (A) - (B)	172.71	31.5	210.02	41.0	174.00	31.6	212.13	41.2
Operating Expenses:								
Research & Development (Gross)	131.23	23.9	106.05	20.7	131.23	23.8	106.05	20.6
Less: R&D Capitalized	(79.63)	(14.5)	(65.64)	(12.8)	(79.63)	(14.5)	(65.64)	(12.8)
Research & Development (Net)	51.60	9.4	40.41	7.9	51.60	9.4	40.41	7.8
Selling, Distribution & Marketing	81.15	14.8	79.89	15.6	81.20	14.7	79.16	15.4
Allowance for expected credit loss	87.91	16.0	12.49	2.4	87.76	15.9	14.80	2.9
General & Administrative	33.63	6.1	22.64	4.4	33.90	6.2	22.83	4.4
Operating Expenses (Net) (D)	254.29	46.3	155.43	30.3	254.46	46.2	157.20	30.5
Profit/ (Loss) from operations (EBITDA) (E) = (C) - (D)	(81.58)	(14.9)	54.59	10.6	(80.46)	(14.6)	54.93	10.7
Other Income	40.10	7.3	24.81	4.8	40.17	7.3	24.85	4.8
Foreign exchange loss/(gain)	(3.15)	(0.6)	1.43	0.3	(3.13)	(0.6)	1.44	0.3
Finance costs	3.03	0.6	3.58	0.7	3.19	0.6	3.70	0.7
Depreciation and amortization	76.79	14.0	52.12	10.2	76.78	13.9	52.12	10.1
Profit/ (Loss) before tax	(118.15)	(21.5)	22.27	4.3	(117.13)	(21.3)	22.52	4.4
Tax expense:								
Current tax	0.19	0.0	-	-	0.19	0.0	-	-
Deferred tax (benefit)/expense	(54.61)	(9.9)	(15.02)	(2.9)	(54.61)	(9.92)	(15.02)	(2.9)
Profit/ (Loss) for the year	(63.73)	(11.6)	37.29	7.3	(62.71)	(11.4)	37.54	7.3
Earnings/ (Loss) per share (Par Value ₹ 10 each)								
(a) Basic	(6.07)		4.03		(5.97)		4.05	
(b) Diluted	(6.07)		3.96		(5.97)		3.99	

Revenue

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Product revenue (net of taxes and component sales)	478.44	466.97	479.49	468.34
Service revenue				
Installation and commissioning revenue	16.97	8.32	16.97	8.32
Annual maintenance revenue	48.71	33.63	49.02	34.37
Other service revenue	5.02	3.79	5.11	3.79
Total services revenue	70.70	45.74	71.10	46.48
Revenue (net of taxes and component sales)	549.14	512.71	550.59	514.82

All the below discussions are based on consolidated financials

Revenue from operations

Our revenue from operations (net of taxes and component sales) increased by 6.9% from ₹514.82 crore for FY 2021 to ₹550.59 crore for FY 2022.

In FY 2022, our India business grew by 13.2% YoY overall. Within that, we saw growth in the India-Government segment (9% YoY growth), led by business from the critical infrastructure segment. The India-private segment grew 15% YoY, and we secured new application wins in major telecom operators and contributed to 47% of the total revenues on a larger revenue base compared to 43% in the previous year.

During the year total export revenue share was 36% on a larger revenue base as against 40% during the previous year. On an absolute basis, international revenue declined 2.5% YoY, primarily shipment could not be effected on account of semi conductor shortage.

Sale of products

Our revenue from the sale of products grew by 2.4% from ₹468.34 crore for FY 2021 to ₹479.49 crore for FY 2022. The revenue increase was primarily due to increase in our India critical infrastructure revenues and India private revenue. Product revenues were 87% of net revenues for the year ended March 31, 2022 (previous year 91%).

Sale of services

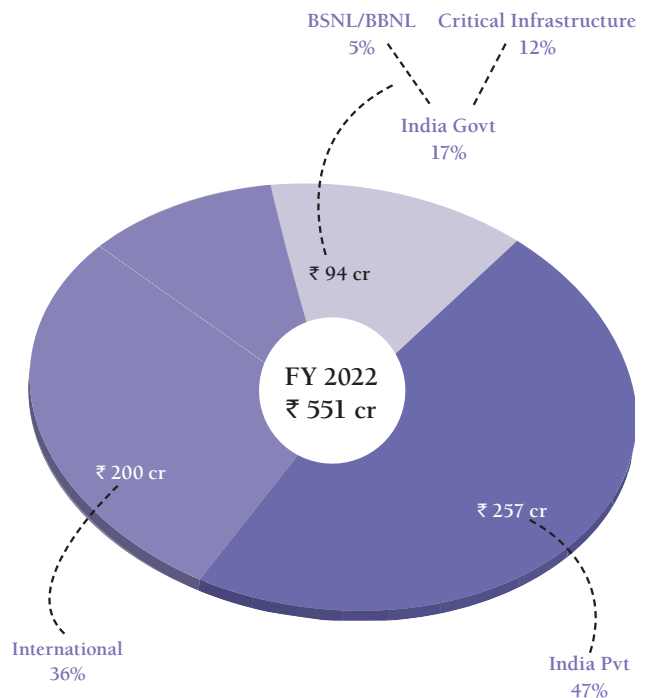
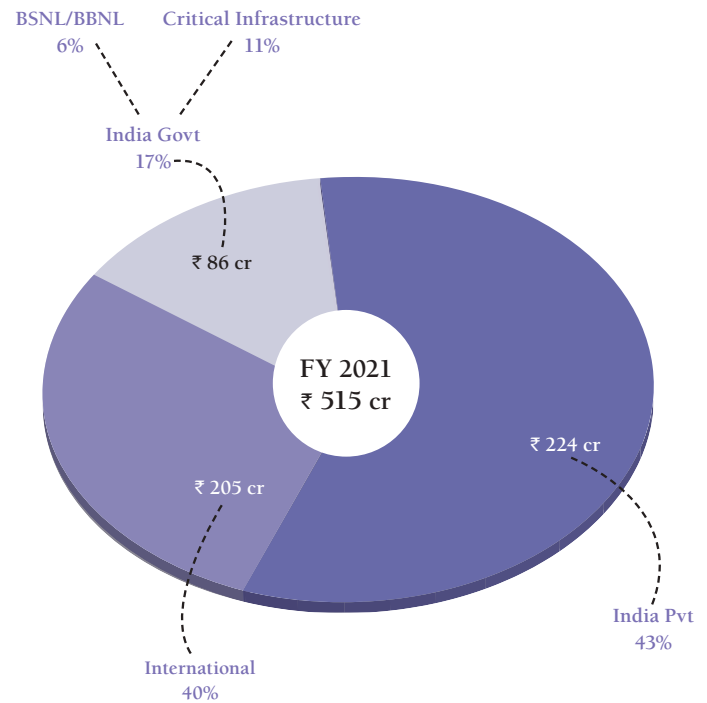
Our revenue from the sale of services grew by 53% from ₹46.48 crore for FY 2021 to ₹71.10 crore for FY 2022. During the year, we had higher AMC revenues compared to the previous year and it contributed to 69% of the total service revenues and also doubled our installation and commissioning revenues compared to previous year. Service revenues were 13% of net revenues for the year ended March 31, 2022 (previous year 9%).

Geographic segment

Out of total revenue, excluding component sales, 64% (previous year 60%) came from India, and 36% (previous year 40%) came from International locations.

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.

The net revenue contribution of our top-two customers during FY 2022 was 33% as against 26% during the previous year.

We saw strong order inflows during the year and our backlog increased to ₹1,175 crore as of March 31, 2022 (₹ 679 crore as of March 31, 2021). Our backlog represents the PO's received from the customers which remain unexecuted as of March 31, 2022 and consists of product as well as service orders. Out of this, the Company expects to recognize revenue of around 68% within the next one year and the remaining thereafter.

Cost of materials consumed

Our cost of materials consumed increased by 8.2% from ₹268.74 crore for FY 2021 to ₹290.74 crore for FY 2022,

We saw a margin pressure due to increase in component cost, semiconductor components have increased price worldwide, and we could not pass on all of it to our customers, as a result saw a dip in our gross margins as well.

Function wise expenses

- Our manufacturing expenses increased by 24.7% from ₹14.07 crore for FY 2021 to ₹17.54 crore for FY 2022 primarily due to increase in employee benefit expenses and subcontractor charges. As a percentage of our net revenues, the manufacturing expenses in FY 2022 increased to 3.2% from 2.7% in FY 2021.
- Our service expenses grew by 53.5% from ₹30.57 crore for FY 2021 to ₹46.92 crore for FY 2022 primarily due to increase in employee benefit expenses and increase in installation cost on account of increase in service revenue. As a percentage of our net revenues the services expenses in FY 2022 increased to 8.5% as compared to 5.9% in FY 2021.
- As a result, our gross profit in absolute terms declined by 18% from ₹212.13 crore for FY 2021 to ₹174.00 crore for FY 2022. During the year the gross margin declined by 960 basis points to 31.6% of net revenues primarily due to higher component costs.
- Our research and development expenses on a gross basis increased by 23.7% from ₹106.05 crore (20.6% of net revenues) for FY 2021 to ₹131.23 crore (23.8% of net revenues) for FY 2022 primarily attributable to increased employee benefit expenses and technical consultancy charges. Our research and development expenses, net of capitalisation grew by 27.7% from ₹40.41 crore for FY 2021 to ₹51.60 crore for FY 2022. As of March 31, 2022 we have filed for 350 patents of which 137 have been granted.
- Our selling and marketing expenses grew by 2.6% to ₹ 81.20 (14.7% of net revenues) during FY 2022 from ₹ 79.16 crore (15.4% of net revenues) during FY 2021. This is primarily on account of the increase in employee benefit expenses.
- Allowance for expected credit loss has been increased from ₹ 14.80 crore in FY 2021 to ₹ 87.76 crore in FY 2022. Current year provisioning is primarily on account provisioning of ₹ 74 crore, for all such receivables which were aged more than 3 years due to the continual delay in collecting the amount on account of the long outstanding receivable from one PSU customer. However we expect the significant balance to be collected in FY 2023.
- Our general and administrative expenses grew by 48.5% to ₹33.90 crore (6.2% of net revenues) during FY 2022 from ₹22.83 crore (4.4% of net revenues) during FY 2021 primarily on account of increased employee benefit expenses and professional charges.

Employee benefits expense

Our gross employee benefits expenses grew by 17.6% from ₹181.97 crore for FY 2021 to ₹214.06 crore for FY 2022. This was primarily due to 14.5 % increase in amount of salaries and wages from ₹161.52 crore for FY 2021 to ₹184.96 crore for FY 2022, which was due to annual increment and new hirings.

The employee benefit expense includes share based compensation expense (for ESOP/RSU granted), recognised in accordance with Ind AS 102 of ₹11.20 crore for FY 2022 compared to ₹8.00 crore for FY 2021.

Other Expenses

Our other expenses excluding allowance for expected credit loss increased by 33.92% to ₹98.08 crore for FY 2022 from ₹73.24 crore for FY 2021. These was primarily due to increase in travel expenses from ₹2.00 crore in FY 2021 to ₹4.00 crore in FY 2022, increase in installation and commissioning expenses from ₹5.11 crore in FY 2021 to ₹12.63 crore in FY 2022, primarily due to increase in installation and commissioning revenue and increase in legal and professional expenses primarily on account of technical consultancy from ₹12.04 crore in FY 2021 to ₹20.70 crore in FY 2022.

Earnings before exceptional items, interest, tax, depreciation and amortization

Our earnings before interest, tax, depreciation and amortization ("EBITDA") as a % of net revenues declined during the year to (14.6)% compared to 10.7% in the previous year. The EBITDA decrease was primarily on account lower gross margin and increase in operating cost of which manpower costs are almost quasi fixed in nature. When the revenue comes down the particular threshold we do not have the corresponding way to absorb fixed cost, with that the profitability get declined with the decline in revenues. Also EBITDA declined further due to increase in ECL provisioning during the year (ECL was 15.9% of net revenue).

Finance Costs

Our finance costs decreased by 13.8%, from ₹3.70 crore for FY 2021 to ₹3.19 crore for FY 2022.

Depreciation and amortization

Our depreciation and amortization costs increased by 47.3%, from ₹52.12 crore for FY 2021 to ₹76.78 crore for FY 2022. This was attributable to increase in amortisation of intangible assets by an amount of ₹21.48 crore on account of higher capitalisation of product development and, increase in depreciation on property, plant and equipment amount by ₹2.24 crore and increase in amortization of right-to-use assets by ₹0.94 crore.

Other income

Other income increased from ₹24.85 crore for FY 2021 to ₹40.17 crore for FY 2022. This was primarily on account of increase in treasury income on deposits kept with banks and financial institutions and with Mutual funds. During the year other income includes ₹2.49 crore of interest income recognized on the income tax refund (previous year ₹ 10.04 crore) on account of the receipt of the order giving effect issued by Assessing Officer for certain Assessment years.

Profit before tax

As a result of the foregoing, our profit before tax decreased by 620.1% from a profit before tax of ₹22.52 crore for FY 2021 to a loss before tax of ₹117.13 crore for FY 2022. As a % of net revenues, our profit before tax for FY 2022 was (21.3)% compared to 4.4% for FY 2021. Excluding Allowance for expected credit loss cost, the profit before tax decreased by 178.7% compared to FY 2021.

Tax expense

On Standalone basis the Company continues to pay the income tax on MAT basis. During the current year, since the company had business loss, the company has not accrued any income tax. However, the company has recognized deferred tax amounting to ₹54.61 crore on account of timing differences creation of asset based on carry forward of losses.

Profit after tax

As a result of the foregoing, our profit declined by 267.0% from a profit of ₹37.54 crore for FY 2021 to a loss of ₹62.71 crore for FY 2022. As a % of net revenues, our profit/(loss) after tax for FY 2022 was (11.4)% compared to 7.3% for FY 2021.

Earnings per share (EPS)

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

Particulars	Standalone			Consolidated		
	2022 (₹)	2021 (₹)	% Decrease	2022 (₹)	2021 (₹)	% Decrease
Basic	(6.07)	4.03	(250.7)	(5.97)	4.05	(247.2)
Diluted	(6.07)	3.96	(253.2)	(5.97)	3.99	(249.7)

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

in No's

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Basic	10,50,19,617	9,25,53,796	10,50,19,617	9,25,53,796
Diluted	10,50,19,617	9,41,28,273	10,50,19,617	9,41,28,273

On a consolidated basis, our basic and diluted EPS declined by 247.2% and 249.7% respectively on a year on year basis. The increase in weighted average basic share numbers for the year ended March 31, 2022 was on account of the shares allotted through private placement and pursuant to the exercise of employee stock options and RSUs by the eligible employees.

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 cash flow generated from operations. We are a debt free company and we believe our cash and equivalent and internal accruals, as well as the existing limits available with our banks, are sufficient to take care of our working capital.

in ₹ crore

Particulars	Standalone		Consolidated	
	2022	2021	2022	2021
Cash generated from operating activities	24.13	80.74	26.04	83.31
Movement in working capital	(71.96)	81.01	(72.65)	79.11
Less: Taxes paid	(29.28)	4.77	(29.28)	4.77
Net cash generated from/(used in) operating activities	(18.55)	156.98	(17.33)	157.65

Cash flows from investing activities				
Capital expenditure	(117.37)	(82.52)	(117.35)	(82.52)
Other investing activities	(710.40)	(84.74)	(710.40)	(84.74)
Net cash (used in) investing activities	(827.77)	(167.26)	(827.75)	(167.26)
Cash flows from financing activities				
Proceeds from ESOP/RSU	11.44	5.70	11.44	5.70
Proceeds from Issue of Share Warrant/ Equity shares through Private Placement (Net of Issue Expenses)	837.31	-	837.31	-
Others	(9.16)	(9.03)	(9.32)	(9.14)
Net cash generated/(used in) financing activities	839.59	(3.33)	839.43	(3.44)
Closing cash and cash equivalents	1,100.12	363.44	1,102.18	364.43

On a consolidated basis, the net cash outflow from operations for FY 2022 was ₹17.33 crore, as compared to generation of ₹157.65 crore for FY 2021. The decrease in operating cash flows is primarily due to increase of inventories by ₹64.37 crore as compared to the previous year. The free cash outflow for FY 2022 was ₹134.68 crore as compared to a free cash flow of ₹75.13 crore for FY 2021. The capital expenditure comprises of expenditure on property, plant and equipment and expenditure on intangible assets (including Product under development). 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 ₹839.43 crore for FY 2022, as compared to utilisation of ₹ 3.44 crore for FY 2021. During FY 2022, the Company received ₹11.44 crore towards exercise of ESOP and RSUs by employees (Previous year the Company received ₹5.70 crore) and ₹837.31 crore towards Proceeds from Issue of Share Warrant/ Equity shares through Private Placement (Net of Issue Expenses). (Previous year the Company received ₹Nil).

The closing cash and cash equivalents including the investment in liquid mutual funds and deposits with financial institutions stood at ₹1,102.18 crore as at March 31, 2022, as compared to ₹364.43 crore as at March 31, 2021.

Key Financial Ratios

Sl. No.	Particulars	Standalone			Consolidated			Reasons for variance in excess of 25%
		2022	2021	Variance	2022	2021	Variance	
1	Current Ratio	10.24	5.86	75%	10.45	6.07	72%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants on private placements during the year resulting in an increase in current assets as at the year end.
2	Debt-equity ratio	0.01	0.02	(59)%	0.01	0.02	(59)%	Issuance of shares and warrants on private placements during the year resulting in an increase in equity as at the year end.
3	Debt service coverage ratio	13.75	14.16	(3)%	13.87	14.50	(4)%	Not applicable
4	Return on Equity Ratio	(0.04)	0.03	(224)%	(0.04)	0.03	(221)%	Loss incurred during the year
5	Inventory turnover ratio	1.26	1.15	10%	1.26	1.15	10%	Not applicable
6	Trade Receivables turnover ratio	1.60	1.24	29%	1.56	1.23	27%	Higher allowance for expected credit loss
7	Trade payables turnover ratio	3.08	2.05	51%	3.22	2.05	57%	Increased on account of increased purchases
8	Net capital turnover ratio	0.35	0.66	(47)%	0.35	0.65	(46)%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants on private placements during the year resulting in an increase in current assets as at the year end.
9	Net (loss)/profit ratio	(0.12)	0.07	(263)%	(0.11)	0.07	(260)%	Loss incurred during the year
10	Return on Capital employed	(0.06)	0.02	(364)%	(0.06)	0.02	(358)%	Loss incurred during the year and Issuance of shares and warrants on private placements during the year resulting in an increase in equity as at the year end.
11	Return on Investment	(0.07)	0.02	(432)%	(0.07)	0.02	(414)%	Loss incurred during the year

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 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 by debt service.
- 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 divided 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 turnover by average inventory.
- vi. Debtors 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 turnover 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 net sales by the average 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 capital employed.
- 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 net worth.

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 2022, Government of India has expanded the Production Linked Incentive (PLI) scheme to cover telecom and networking equipment and the company's products have been approved under this scheme. The company may also be eligible to receive additional PLI incentives for design-led manufacturing as per recent amendments announced by DoT. 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. The Company is a Government recognised exporter and is eligible for various export incentives under the Merchandise Export Incentive Scheme (MEIS) which has been extended till March 31, 2022. 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 optimise 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, 2022, we have filed 350 Patents and 137 Patents were granted (48 were granted by IPO, 80 by USPTO and 9 by EPO) and 173 patent applications (160 with IPO and 13 with USPTO) were pending for approval with patent authorities and 40 international applications were filed under PCT.

V. COMPETITION AND STRENGTHS

Tejas has been successfully competing against many of the world's leading telecom equipment vendors from China, USA and Europe 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 summarised 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 customisable products and also provides a time-to-market advantage. Our products utilize a programmable software-defined hardware architecture implemented with programmable semiconductor devices, 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.

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 reputed Electronics Manufacturing Services (EMS) companies, which enables us to stay asset-light and cost-efficient in our production. 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.. 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 others 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.

Customer Retention and Significant Repeat Business:

We have a history of high client retention across our clients, both in India and Internationally and we derive a significant proportion of our revenues from repeat business, built on our successful execution of prior engagements. Once we win a customer for a particular application and prove our credentials, we try and increase our wallet share from the customer by expanding into new regions and by positioning other products from our end-to-end optical and access product portfolio. By offering highly responsive and high quality technical support as well as supply chain support, we are able to forge strong relationships with our clients and win repeat business from them, since they prefer to expand their networks with their existing suppliers, who have been performing well and on whose products their operations teams have been well trained. In the current fiscal year, a significant proportion of our net revenues from operations were from existing clients. In addition, some of our top revenue generating customers over the last three years have been using our products for over a decade.

Professional Management with Industry Experience:

We have a strong and experienced management team with deep industry knowledge. Our key management personnel comprising our Chief Executive Officer, Chief Technology Officer and Chief Operating Officer have advanced degrees in engineering from US universities and have an average of over 30 years of global experience. Several key members of our management team have been with us for more than ten years and have extensive experience in the industry. During the fiscal year 2022, we have added experienced sales leaders for Western

Europe and CIS regions. We have built our management team to include personnel having deep experience in R&D, Sales, Marketing, Support, Supply Chain Management, Finance, Human Resources, Administration etc. Our R&D leadership team has experience in optical communication systems, networking protocols, wireless and radio, FPGA design, embedded system software, application software, high-speed PCB design, thermal and mechanical design, product management, quality and test engineering and reliability engineering, working both in India as well as internationally.

Technology and Thought Leadership:

Tejas has been actively participating various technology and industry forums and Tejas management personnel are well respected thought-leaders. Our CEO was the Chairman of India's leading trade and advocacy body, Federation of Indian Chamber of Commerce and Industry (FICCI) sectoral committee for Science, Technology and Innovation from January 2020 till December 2021 and has also been a Co-Chairman of the Telecom Export Promotion Council (TEPC) of India in the past. He has also represented the domestic telecom industry as a member of CII National Committee on Telecom & Broadband and as the Chairman of sub-committee on Globally Relevant 5G eco-system. Tejas is one of the founding members of India's Telecom Standards Organisation (TSDSI) that aims at developing and promoting India-specific requirements, standardising solutions for these requirements and contributing to global standardisation 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. We also hold membership in international standards bodies such as 3GPP. Our other management leaders are also on the Governing council of Telecom Export Promotion Council of India (TEPC).

Favorable Policy Environment in India for Domestic Telecom Product Companies:

Government focus on building an "Atmanirbhar Bharat" that is self-reliant in core technology areas is expected to benefit domestic telecom equipment companies like us with strong R&D capabilities and in-house IPR. Both Central and State Governments in India are investing in telecommunications infrastructure projects such as Bharatnet Phase-II and III and Smart and Safe Cities, which have a significant telecom component. Government of India is expanding the scope of BharatNet to connect every one of the 650,000 villages in the country in the next few years.. India's largest public sector operator is building a pan-India 4G network for which our company, as part of an Indian consortium, has successfully completed POC (proof of concept) testing of its indigenous RAN product. In addition, we stand to benefit from Government policies such as Performance Linked Incentive ("PLI") scheme for telecom equipment and 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 has been approved under both PLI and Trusted Sources mandate.

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 set for certain target applications, that have a large market potential. Our unique software-defined hardware architecture gives a competitive edge to our products and enables us to win against global competitors. TJ1400, our ultra-converged broadband access/edge product, is a unique offering that enables a broadband operator to offer high-speed Internet services over fiber (FTTx)/copper (Ethernet)/fixed and mobile wireless (LTE) while also integrating packet and optical transmission functions. 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/1 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. With our efficient R&D processes and investments, we have developed an end-to-end product portfolio, starting from the edge of the network (fiber or wireless access) and going all the way to multi-terabit capacity optical metro core networks. Our products are optimised for building converged services networks that support multiple applications such as mobile backhaul, wholesale and enterprise bandwidth services, broadband access, critical infrastructure and optical network modernisation. Unlike competitive offerings in this space, all our products can be managed from a single Network Management System (NMS) that can provision services across multiple technology layers viz., Ethernet, MPLS-TP, IP, DWDM, OTN and GPON/XGS-PON.

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, Vodafone-Idea, Tata Communications, Tata Tele services and Bharat Sanchar Nigam Limited, and many 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 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 a multiple pan-India telecom operators for their national FTTx rollout. 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. Further, the optical and data networking products business is characterised by a high-entry barrier because of the initial investment required in research and development, demand for skilled professionals across multiple domains and

the up-front time taken to successfully develop the networking products and solutions. Due to our extensive history of operations in India and incumbency with key customers, we stand to benefit from the high-entry barrier against domestic competition.

Focused Sales Model for International Markets:

We have a focused sales model, where we target specific regions where we have a strong product-market fit. Our focus regions are typically large, high-growth markets, where we get a fair market access and where the technical/product requirements are in the sweet spot of our products. In this regard, we have already made inroads with over 100 customer wins in South Asia, South-East Asia, Africa and Americas, and we will continue to expand our sales investments and market share in these geographies. Since our products utilize a programmable software-defined hardware™ architecture, we are able to customize them to meet market-specific requirements of features and performance. Furthermore, we intend to increase our international sales and market share by leveraging the efforts of India's Telecom Export Promotion Council ("TEPC") and by becoming a part of large telecom export projects that the Government of India may secure using government to government line of credit and sovereign loans from EXIM Bank of India, especially for Africa, ASEAN and SAARC countries. We also use OEM channels (Original Equipment Manufacturer) and local System Integrators (SI) to gain access to those markets which we do not serve directly. The recent geo-political developments have motivated our customers to consider a diversification of their sourcing from specific countries so as to reduce their supply chain risks and address their security concerns. We have proven ourselves to be a very credible alternative and are seeing increased interest from our customers as a source of trusted, reliable, high-quality, technically-sound and cost-competitive products.

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. 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 700,000 systems since inception and our products have consistently delivered a field uptime exceeding 99.999% since 2008.

VI. OPPORTUNITIES

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 \$15.2 Billion in 2022 to \$32.7 Billion by 2027. Similarly, the global TAM for Tejas's wireless products is estimated to grow from \$2.4 Billion in 2022 to \$30.5 Billion by 2027. All of the major geographic markets in the world are significant addressable markets for these product segments.

Emergence of 5G and High-Speed Broadband Access Networks:

The telecom industry is witnessing an increasing adoption of high-speed mobile and fixed broadband technologies. Mobile networks have evolved from 2G/3G to 4G/5G technologies. 5G will put additional demands on the optical transmission network due to an explosion in the number of network-enabled IoT devices, greater fiberisation and densification of cell sites and a "cloudified" RAN architecture with an optical fronthaul. In wired broadband networks, broadband access speeds are growing with increased use of fiber-based networks. On fiber-based access networks, popularly referred to as Fiber-to-the-Home/Curb/Premises (FTTx), next-generation PON (NG-PON) technologies can deliver up to ten gigabits of access speed to a fixed residence, cell tower or a business location. The growth of the Internet of Things ("IoT") is leading to an increase in the number of networking end points and is expected to have a significant impact on data traffic and optical equipment demand in the coming years. The recent pandemic caused by COVID-19 has 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.

Emergence of High-Bandwidth Applications:

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 200G, 400G and 600G 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.

Pent-up Demand for Fiberisation in India:

The rapid increase in data and broadband traffic is driving the need for operators to increase backhaul capacities. As a result, globally microwave-based mobile backhaul technology is trending down in favor of optical-fiber based backhaul. Compared to other developed countries and many emerging economies, India is vastly underserved in terms of fiber connectivity to cell-sites, with less than 35% connectivity. Hence, with the advent of 4G/LTE and 5G, a larger proportion of an Indian operator's capex will continue to go into optical networking especially in the aggregation and metro

networks and India is expected to be one of the world's fastest growing optical networking market for many years. In addition, while India has over 760 million mobile broadband connections, less than 28 million homes have wired broadband connections. Large private operators are therefore planning to roll out pan-India fiber-to-the-home (FTTx) networks based on GPON technology to serve this market and it is projected that over the next few years, over 100 million homes in India will have a fiber broadband connection.

Increasing Government Investments in Broadband Networks:

Government of India has rolled out one of the largest greenfield networks for rural broadband connectivity called Bharatnet on GPON-based fiber broadband technology. BharatNet project utilises funds from the Universal Service Obligation Fund (USOF) to invest in building a pan-India rural broadband network. In BharatNet Phase-1, 100,000 gram panchayats have been connected and Phase-2, which is being implemented by the center as well as many state governments, will extend this connectivity to another 150,000 villages. In FY 2021, Government of India has announced plans to extend BharatNet to every one of the 650,000 villages in the country by 2023. In addition, as per ITU, similar national optical networking projects are being undertaken by the governments of over 150 countries around the world, both in the developing and developed economies of the world which will significantly boost global optical equipment spending in the next 3-5 years. Optical equipment and Ethernet switches are also used in other government networks such as those for defence and smart/safe cities.

Optical Network Modernisation:

The rapid growth of data traffic in telecom networks is driving the need to replace ageing and inefficient TDM infrastructure in aggregation and metro networks with modern-day optical equipment built on Ethernet, IP and various packet technologies. However, given the large installed base of such TDM equipment (especially in markets like USA and across sectors such as utility and financials globally) it is operationally difficult for operators to replace this infrastructure abruptly and there is a clear need to make this transition smoother. Coupled to this is a large access network infrastructure using legacy TDM interfaces which the operators want to retain to avoid the risk of customer churn. Given all this, the optical network modernization requires packet transport network (PTN) equipment with advanced capabilities such as high-capacity circuit emulation, high quality packet synchronisation and scalable sub-50ms protection switching for thousands of services. In advanced markets such as USA there is a significantly large opportunity and demand for cost-effective solutions that can address this optical network modernization challenge.

VII. 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. Our gross margins and revenues are a function of our product and geographical mix that can sometimes turn unfavorable 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 we compete against several equipment suppliers who are much

larger than us in size and have far greater significant financial and marketing strengths, these competitors may offer lower prices, offer long-term low cost financing, run expensive campaigns to attract customers or announce other attractive offers that we may not be able to match and hence impact 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, revenue 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 that require significant amount of resources which may not always be possible. 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.

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 in the 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. But despite our best efforts, for certain specific functionality, we have 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 ongoing global semiconductor chip shortage has increased lead times and costs for many components used by us, including those which are single-sourced. Inventories also poses a risk to our business. To mitigate this, we have to take long-term forecasting and inventory actions with our suppliers, while we may not have similar forecast from all our customers. Any failure on our part to forecast, plan, procure and manage the requirement of chips and the rest of our inventories could have an adverse impact on our business, with either excess levels of inventories or shortage of inventory to meet our customer demand.

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 level or our inability to attract new talent could make it difficult to execute our business.

Environment 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.

Liquidity Risk:

The 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 risk if we do not generate enough cash flow from operations, and the free cash flows.

Pandemic Risk COVID-19:

We are exposed to the business risk due to the global outbreak of COVID-19 pandemic. This has resulted in an unprecedented global health crisis, economic crisis, logistics and supply chain disruptions, governmental restrictions, lock-downs and new compliance requirements and international geo-political and trade tensions. With no specific clarity on the extent of impact and the timelines of making the vaccines available to all, there is a significant amount of uncertainty on the extent of economic slowdown, the time for economic recovery and businesses, including ours, will be exposed to such uncertainties. We have seen delays in customer orders, delays in execution of ongoing projects and orders, delays in payments by customers and logistics and supply chain challenges to keep our operations running smoothly. While we have made all efforts and resumed our operations as well as customer support to as normal as possible in the current situation, we will be exposed to the overarching impact of this pandemic. We will continue to monitor the situation and business outlook, while closely watching our cash position and expenses and respond appropriately with corrective actions.



CORPORATE GOVERNANCE REPORT

Corporate Governance Report

The Corporate Governance 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, 2022.

Unless otherwise stated, the disclosure made in this report is for the year ended March 31, 2022.

The term "Company" or "Tejas" shall mean and include "Tejas Networks Limited".

The Corporate governance is concerned with set of principles, ethics, values, morals, rules regulations and procedures etc wherein it establishes a system whereby directors are entrusted with duties and responsibilities in relation to the direction of the company's affairs. The importance of Corporate Governance lies in its contribution both to business prosperity and accountability and hinges on total transparency, integrity of the Management and the Board of Directors. Strong corporate governance founded on values is the bedrock of the sustained performance for the Company and fuels the Company's vision to achieve the respect of stakeholders.

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

- i. Integrity, Fairness and Excellence.
- ii. Responsible leadership with accountability and responsibility.
- iii. Good board practices and its commitment.
- iv. Effective corporate governance structure with effective control environment.
- v. Relationship with stakeholders with well-defined stakeholders rights.

Corporate Governance Framework at Tejas

Tejas Corporate Governance focuses on creating and sustaining a deep relationship of trust, ethics and transparency with all stakeholders. The Company follows ethical business standards in all its operations globally and considers stakeholders as partners in its journey forward despite business challenges and economic volatilities. The norms and processes of Corporate Governance reflect the commitment towards integrity and ethics and disclose timely and accurate information regarding the financial and operational performance, as well as the leadership and governance structure. Over the years, the stakeholder commitment has enhanced the respect and recall of the Company brand nationally and internationally. The corporate governance framework ensures that the Company makes timely disclosures and shares accurate information regarding the financials and performance, as well as disclosures related to the leadership and governance of the Company.

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

- i. Compliance and act in the spirit of law which is ethical, legal and statutorily right and not just the letter of law which is convenient and comfortable.
- ii. Transparent procedures and practices with high level of integrity and decisions based on adequate information and build simple, transparent processes driven by business needs of all stakeholders to earn trust and respect from the stakeholders.
- iii. Ensure independence of the Board and effectiveness of the Management with well-defined policies on tenure of

Directors, rotation of Auditors and a Code of Conduct for Directors and Senior Management.

- iv. 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.
- v. Well-defined corporate structure that establishes checks and balances and delegate decision making to appropriate levels in the organisation though the Board always remains in effective control of affairs.

In line with the commitment to good Corporate Governance practices and compliance with the provisions of 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. The Company has complied with all applicable norms of Corporate Governance as applicable to Listed Public Company as envisaged under the Act, the Listing Regulations and applicable Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

1. The Board of Directors

The Board is at the helm of our Corporate Governance practices and comprises of highly experienced persons of repute and eminence, who ensure that the sound standards of corporate governance is nurtured. 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. The Board has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole and seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of stakeholders are fulfilled. It also sets out standards of corporate behavior and ensures compliance with laws and regulations impacting the Company's business.

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 operations of the Company are conducted under the supervision and directions of the Board within the framework set by the Act and its Memorandum and Articles of Association, SEBI Guidelines and Listing Regulations and it has delegated the operational conduct of the business to the MD and CEO of the Company.

a. Composition of the Board

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") mandates the following:

- i. The Company shall have an optimum combination of Executive and Non- Executive Directors with at least one Woman Director and not less than fifty percent of the Board of Directors shall comprise of Non-Executive Directors;
- ii. Where the Chairperson of the Board of Directors is a Non-Executive Director, atleast one-third of the Board of Directors shall comprise of Independent Directors and where the listed entity does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors
- iii. Where the regular non-executive chairperson is a promoter of the listed entity at least half of the board of directors of the listed entity shall consist of independent directors.

In line with the Listing Regulations, the Company has an optimal combination of Executive and Non-Executive Directors. As on

March 31, 2022, the Company has 8 Directors and the composition of the Board is as provided herein below. The Chairman of the Board is a Non-executive and Independent Director and 75% of the Board strength are Non-executive Directors. The Independent Directors constitute 38% of the Board strength with one woman member who is an Independent Director. The profile of directors is available 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 Director	3	37
Executive Director (MD & CEO/ WTD & COO)	2	25
Independent Directors	3	38

The composition of the Board and the Directorships held by them as on March 31, 2022 are as follows:

Name of the Director	Age	Executive / Non-executive	Position	Name of Indian listed companies	All Companies around the world ¹	Committee memberships ²	Chairperson of Committee ²
Balakrishnan V ³	58	Non-Executive / Independent	Chairman	Tejas Networks Ltd.	10	3	-
Dr. Gururaj Deshpande ⁴	72	Non-Executive/ Non- Independent	Director	Tejas Networks Ltd.	3	-	1
Amb. Leela K Ponappa	76	Non-Executive / Independent	Director	Tejas Networks Ltd.	1	1	-
Chandrashekhar Bhaskar Bhawe	71	Non-Executive/ Independent	Director	Tejas Networks Ltd. Avenue Supermarkets Limited Mahindra and Mahindra Financial Services Limited Max Bupa Health Insurance Company Limited Tata Consultancy Services Limited	6	-	3
N. Ganapathy Subramaniam ⁵	63	Non-Executive/ Non- Independent	Nominee Director	Tata Elxsi Limited Tata Communications Limited Tejas Networks Ltd.	4	-	-
A. S. Lakshminarayanan	61	Non-Executive/ Non- Independent	Nominee Director	Tata Teleservices Limited Tata Communications Limited Tejas Networks Ltd.	3	1	-
Sanjay Nayak	58	Executive	MD/ CEO	Tejas Networks Ltd.	3	1	-
Arnob Roy	58	Executive	WTD/ COO	Tejas Networks Ltd.	1	1	-

Notes:

¹Directorships in companies around the world (listed, unlisted and private limited companies) including Tejas Networks Limited and its subsidiaries.

²The disclosure includes membership/chairperson of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies (listed and unlisted).

³ Resigned with effect from April 23, 2022.

⁴ Resigned with effect from June 28, 2022.

⁵ Appointed as Non-Executive and Non-Independent Chairman with effect from May 18, 2022.

b. Appointment and Tenure of the Board

The Board, on recommendations of the Nomination and Remuneration committee, subject to the approval of the Members, 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 Members for their approval.

The main criteria followed by the Board for appointment includes:

- i. The composition and size of the Board, which 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;
- ii. 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;
- iii. The avoidance of any present or potential conflict of interest;
- iv. 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:

- i. **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.
- ii. **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.
- iii. **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 members 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 are noted and confirmed in the subsequent Board Meeting.

The notice of Board / Committee Meetings is given in advance and the Meetings are held in Bangalore. 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 reducing paper consumption, the Company sends the Board / Committee Agenda in electronic form.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director and CEO apprises the Board at every Meeting of the overall performance of the Company, followed by presentation(s) by COO, Chief Technology Officer and the Senior Management. A detailed functional Report is also presented at the Board Meeting(s).

The Board in general considers and discuss on

- i. 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
- ii. 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.
- iii. The Company's governance practices and effective monitoring of the Management and its accountability to the Company and the Members.
- iv. Board succession planning and strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations;

In accordance with the Notification issued by the Ministry of Corporate Affairs, all the meetings of the Board for FY 2022 were held through Video-Conference.

During FY 2022, eight meetings of the Board were held on

1.	April 21, 2021	5.	October 20, 2021
2.	July 21, 2021	6.	January 19, 2022
3.	July 29, 2021	7.	March 14, 2022
4.	September 08, 2021	8.	March 30, 2022

The maximum gap between any two Board meetings did not exceed 120 days during the year. The attendance of Directors at Board Meeting for the year ended March 31, 2022 and at the 21st Annual General Meetings held on June 25, 2021 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	7	8			
Balakrishnan V [#]	Yes									8	8	100
Dr. Gururaj Deshpande [@]	Yes			LOA						8	7	88
Amb. Leela K Ponappa	Yes									8	8	100
Chandrashekhar Bhaskar Bhawe	Yes									8	8	100
N. Ganapathy Subramaniam [*]	NA	NA	NA	NA	NA	NA	NA			2	2	100
A. S. Lakshminarayanan [*]	NA	NA	NA	NA	NA	NA	NA			2	2	100
Sanjay Nayak	Yes									8	8	100
Arnob Roy	Yes									8	8	100

Attended through video conference LOA: leave of absence NA: Not Applicappable
^{*}Appointed wef January 19, 2022 [#]Resigned wef April 23, 2022 [@]Resigned wef June 28, 2022

d. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and the Listing Regulations to formally assess its own performance with the aim to improve the effectiveness of the Board and the Committees. The results of the evaluation were shared with the Board, Chairman of respective Committees and the individual Directors and the Board and Committees have agreed on an action plan to further improve the effectiveness and functioning of the Board and Committees.

The following criteria were adopted in carrying out the evaluation:

Evaluation of the Committees - The Committees were evaluated on the structure, composition, its participation, fulfilment of the functions and duties assigned to it by the Board, applicable regulatory framework, frequency and adequacy of time allocated for the meetings, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and effectiveness of its recommendation for the decisions of the Board.

Evaluation of the Board -The performance evaluation of the Board including the Non-Independent Directors as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Directors and Non-Executive Directors.

Evaluation of the Independent Directors - The performance evaluation of Independent Directors were based on criterias, such as attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

Evaluation of the Chairman - The performance evaluation of Chairman were based on criterias such as leadership, effective engagement with other Board members during and outside the meetings, allocation of time provided to other Board members at the meetings, effective engagement with Members during general meetings, etc.

Evaluation of Executive Director - The performance evaluation of the Executive Directors of the Company was carried out by the Chairman and other Directors and it is based on various criteria, including leadership style, standards of integrity, fairness and transparency demonstrated, identification of strategic aim, future demands and opportunities, resource staffing to meet short term and long term goals, engagement with Board and Committee members, updating Board on significant issues, commitment to organizational values, vision and mission, adaptation to meet changing circumstances, knowledge and sensitivity of stakeholders' needs within and outside the Company demonstrated and effective communication skills.

The Directors expressed their satisfaction with the evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

e. Core competencies of the Board

During the year under review, the Board has assessed the list of core skills/expertise/competencies in the context of companies business and sector for it to function effectively. The Board has identified the following as its core competencies.

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.

Technological expertise Background in technology, anticipation of technological trends, suggestions and creation of emerging business ideas.

Industry experience or knowledge Knowledge and experience in telecom sector to provide strategic guidance to the management.

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.

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.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and 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 Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

2. Independent Directors

The Company has three (3) Independent Directors as on March 31, 2022 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.

The constitution of the Independent Directors as on March 31, 2022 are in accordance with the Act and the Listing Regulations and consist of:

- i. Balakrishnan V (Resigned with effect from April 23, 2022)
- ii. Amb. Leela K Ponappa
- iii. Chandrashekhar Bhaskar Bhave

a. Appointment

The following is the policy adopted by the Board in the appointment of Independent Directors:

- i. The appointment and tenure of Independent Directors to be in line with the requirements with the Act and the Listing Regulations and must not be disqualified from being appointed as Director in terms of the applicable provisions of the Act and the Listing Regulations.
- ii. The Independent Director must meet the baseline definition and criteria on independence as set out in the Act and Listing Regulations and other applicable regulations.
- iii. The Independent Directors 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 Directors from the Board.
- v. At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors 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.

b. 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 judgement on matters of strategy, risk management, controls and business performance. The Independent Directors of the Company generally meet among themselves after every quarterly Board meeting, without the presence of the Executive Directors/ Non-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 were 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.

c. 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.

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.




















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 of the Committees. The meetings of each Board Committee are convened by the Company Secretary in consultation with the respective Committee Chairperson. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

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 Chairman 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.

The composition of committees as on March 31, 2022:

Name of the Director	Category	Audit Committee	Nomination and Remuneration Committee	Stakeholders relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
Balakrishnan V*	Independent					
Dr. Gururaj Deshpande#	Non-Executive & Non- Independent	-			-	
Amb. Leela K Ponappa	Independent			-		
Chandrashekhar Bhaskar Bhawe	Independent			-	-	
N. Ganapathy Subramaniam	Non-Executive & Non- Independent	NA	NA	NA	NA	NA
A. S. Lakshminarayanan	Non-Executive & Non- Independent	NA	NA	NA	NA	NA
Sanjay Nayak	Executive	-	-			-
Arnob Roy	Executive	-	-			-
Total		3	4	4	4	4

 Chairman/Chairperson  Member * Resigned wef April 23, 2022 # Resigned wef June 28, 2022 NA - Not Applicable

I. Audit Committee

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") and Companies Act, 2013 broadly mandates the following:

- Every listed entity shall constitute a qualified and independent Audit Committee in accordance with the terms of reference and the committee have minimum three directors as members with two-thirds of the members of Audit Committee shall be independent directors.
- All members of Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise.
- The Chairperson of the Audit Committee shall be an independent director and he shall be present at Annual general meeting to answer shareholder queries.
- The Company Secretary shall act as the secretary to the 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 members of the audit 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 roles and responsibilities and detailed terms of reference of the Audit Committee is available on the website of the Company at www.tejasnetworks.com/policies-codes.php.

Composition of the Committee

The Committees are constituted in accordance with the Act and the Listing Regulations consisting of majority of Independent Directors with the Audit Committee consisting entirely of the Independent Directors to deal with specific areas / activities as mandated by applicable regulations and by the Charter.

During FY 2022, five meetings of the Audit Committee were held on:

1.	April 21, 2021	4.	January 19, 2022
2.	July 21, 2021	5.	March 14, 2022
3.	October 20, 2021		

All the meetings of the Committee for FY 2022 were held through Video-conference. The meetings of the Committee are attended by the Chief Executive Officer, Chief Financial Officer, Statutory Auditors and Internal Auditors as special invitees.

a. Composition of the Committee

The Composition and the attendance of the members of Audit Committee for the year ended March 31, 2022 are as follows:

S.No	Name of the Director	Category	Chairperson/ Member	Attendance
1	Chandrashekhar Bhaskar Bhawe	Independent	Chairperson	100%
2	Balakrishnan V*	Independent	Member	100%
3	Amb. Leela K Ponappa	Independent	Member	100%

*Balakrishnan V has resigned as a member of the Committee with effect from April 23, 2022.

b. Roles, responsibilities and the 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.

Functions of the Audit Committee

In general, the following functions were performed by the Audit Committee of the Board

Financial Statements	<ul style="list-style-type: none"> Reviewed Quarterly, Half yearly and Annual Standalone and Consolidated financial statements of the Company prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under the Companies Act, 2013, read with the relevant rules thereunder 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. Reviewed the Management Discussion and the analysis of financial condition and results of operations; Ensuring that the Company's financial statements are fairly presented in conformity with IND AS, based on the review and discussions with the Management and that there is no material discrepancy or weakness in the Company's internal control over financial reporting.
Auditors	<ul style="list-style-type: none"> Assessed the performance of the Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors and the nature and scope of the audit, the audit engagement to ascertain adequacy and its appropriateness in line with the requirements of SEBI, MCA and other regulatory bodies. Reviewed with the statutory auditors the adequacy and effectiveness of the Company's legal, regulatory and ethics compliance programs. Reviewed and approved the audit fees and fees payable for other services rendered by the Statutory Auditors during the year under review and also recommended to the Board the remuneration and terms of appointment of the internal, secretarial and cost auditors and monitored auditor's independence, performance, and effectiveness Ensuring an effective and independent internal audit function, which works to provide assurance regarding the adequacy and operation of internal controls and processes intended to safeguard the Company's assets, effective and efficient use of the Company's resources and, timely and accurate recording of all transactions Review of the internal financial control.
Related party transactions	<ul style="list-style-type: none"> Reviewed and approved transactions of the Company and its subsidiaries with the related parties, approved specific arrangements/ transactions and recommended to the Board for approval as and when necessary. Granted omnibus approval from time to time for the related party transactions, with the maximum limit per transaction and maximum limit in the aggregate proposed to be entered into by the Company during fiscal year 2023. Granted omnibus approval to cover unforeseen Related Party transactions and review of Related Party Transactions entered into by the Company for previous quarter and recommended to the Board for approval as and when necessary. Recommended to the Board for the approval of the shareholders, the related related party transactions proposed to be entered for FY 2023. Reviewed, the Related Party Transaction Policy and policy for determining materiality of disclosures.
Financial and Accounting	<ul style="list-style-type: none"> Reviewed the treasury policy and the process adopted by the Management on impairment of assets including financial assets and goodwill. Reviewed and recommended to the Board the amounts to be written off as Bad Debts as well as the write –off of assets. Scrutiny of inter-corporate loans and investments
Other matters	<ul style="list-style-type: none"> Undertook an annual performance evaluation of its own effectiveness. Reviewed the code on fair disclosures and investor relations, and insider trading policy, whistle blower, vigil mechanism, POSH etc. and recommended the changes thereof, if required. Reviewed the risk assessment and minimisation procedures to ensure that executive Management controls risk through means of a properly defined framework and risk management systems, etc. Reviewing its own charter, structure, processes, membership periodically, and recommending proposed changes to the Board for approval. Reviewed the utilization of funds in accordance with Regulation 32 of Listing Regulations for funds raised through preferential issue. Any other function as assigned by the Board in accordance with the Audit Committee Charter.

II. Nomination and Remuneration Committee

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) and Companies Act, 2013 broadly mandates the following:

- i. Every listed entity shall constitute the Nomination and Remuneration Committee comprising at least three Directors with all the directors shall be non-executive directors and with at least two-thirds of the Directors shall be independent directors.
- ii. The chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

In accordance with the listing regulations and requirements of the Act, the Nomination and Remuneration Committee of the Company is constituted comprising of three – fourths of the Members of the Committee as Independent. 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 of the Nomination and Remuneration Committee is available on the website of the Company at <https://www.tejasnetworks.com/policies-codes.php>

During FY 2022, four meetings of the Committee were held on:

1.	April 21, 2021	3.	October 20, 2021
2.	July 21, 2021	4.	January 19, 2022

All the meetings of the Committee for FY 2022 were held through Video-conference. The meetings of the Committee are attended by the Chief Executive Officer, Chief Operating Officer as special invitees.

Functions of the Nomination and Remuneration Committee

In general, the following functions were performed by the Nomination and Remuneration Committee of the Board:

Compensation	<ul style="list-style-type: none"> 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. 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.
Succession planning	Review of the succession plans for key leadership positions, and helped to shape and monitor the development plans of key leadership personnel including recommending to the Board the appointment and removal of senior management.
Nomination process	<ul style="list-style-type: none"> 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.
Board/ Performance evaluation	Formulating the criteria for determining qualifications, attributes and independence of a Director and for performance evaluation of Board as a whole and developing leadership.
Other matters	<ul style="list-style-type: none"> Devising a policy on diversity of Board of Directors. Any other function as assigned by the Board in accordance with the Nomination and Remuneration Committee Charter.

a. Composition of the Committee

The Composition and the attendance of the members of Nomination and Remuneration Committee for the year ended March 31, 2022 are as follows:

S.No	Name of the Director	Category	Chairperson/ Member	Attendance
1	Amb. Leela K Ponappa	Independent	Chairperson	100%
2	Balakrishnan V*	Independent	Member	100%
3	Chandrashekhar Bhaskar Bhawe	Independent	Member	100%
4	Dr. Gururaj Deshpande#	Non-Independent	Member	75%

* Resigned wef April 23, 2022

Resigned wef June 28, 2022

b. Roles, responsibilities and 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 organisation 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 Committee's charter and policy are available on our website at <https://www.tejasnetworks.com/policies-codes.php>.

III. Stakeholders Relationship Committee

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013 broadly mandates the following:

- i. The Board of Directors shall constitute a Stakeholders Relationship Committee comprising of at least three directors with one member being an Independent Director.
- ii. The Chairperson of this Committee shall be a Non-Executive Director.

In accordance with the listing regulations and requirements of the Act, the Stakeholders Relationship Committee of the Company is constituted comprising of one of the Member of the Committee as Independent with the Chairperson being Non-Executive 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 and policy are available on the website of the Company at www.tejasnetworks.com/policies-codes.php.

During FY 2022, four meetings of the Committee were held on:

1.	April 21, 2021	3.	October 20, 2021
2.	July 21, 2021	4.	January 19, 2022

All the meetings of the Committee for FY 2022 were held through Video-conference. The meetings of the Committee are attended by the Chief Executive Officer, Chief Operating Officer as special invitees.

a. Composition of the Committee

The Composition and the attendance of the members of Stakeholders Relationship Committee for the year ended March 31, 2022 are as follows:

S. N	Name of the Director	Category	Chairperson/ Member	Attendance
1	Dr. Gururaj Deshpande*	Non-Independent	Chairperson	75%
2	Balakrishnan V*	Independent	Member	100%
3	Sanjay Nayak	Non-Independent	Member	100%
4	Arnob Roy	Non-Independent	Member	100%

* Resigned wef April 23, 2022

Resigned wef June 28, 2022

b. Roles, responsibilities and 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:

- i. 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.
- ii. Review of measures taken for effective exercise of voting rights by Members.
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- iv. 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.
- v. 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 Members of the company.
- vi. Members Engagement initiatives.
- vii. Such other matters as may be required under various statutes and/or as may be assigned by the Board of Directors from time to time.

The Committee's charter and policy are available on the website of the Company at www.tejasnetworks.com/policies-codes.php.

c. Details of Shareholders/ Investors Complaints

During the year ended March 31, 2022, there were no complaint received by Company from Shareholders / Investors.

S.No	Nature of Complaint	Received	Redressed
1	Non- Receipt of Share Certificates	-	-
2	Demat Requisition Form	-	-
3	IPO Related	-	-
4	Others	-	-

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 share transfers and all other investor related activities are handled by Link Intime India Private Limited, Registrar and Share Transfer Agents.

IV. Corporate Social Responsibility Committee

Section 135 of the Companies Act, 2013 mandates the following:

A company shall constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

- i. The Board's report shall disclose the composition of the Corporate Social Responsibility Committee.
- ii. The Corporate Social Responsibility Committee shall formulate a Corporate Social Responsibility Policy as specified in Schedule VII of the Companies Act, 2013, recommend the amount of expenditure to be incurred on the CSR activities and monitor the Corporate Social Responsibility Policy of the company from time to time.

The Corporate Social Responsibility Committee is constituted in accordance with the requirements of Act comprising of 50% of Independent Directors with the Chairperson being Independent Director. The Company Secretary acts as Secretary to the Committee with the Chief Financial Officer and the Chief Human Resource Officer are invited as special invitees.

During FY 2022, four meetings of the Committee were held on:

1.	April 21, 2021	3.	October 20, 2021
2.	July 21, 2021	4.	January 19, 2022

All the meetings of the Committee for FY 2022 were held through Video-conference. The meetings of the Committee are attended by the Chief Executive Officer, Chief Operating Officer as special invitees.

a. Composition of the Committee

The Composition of Corporate Social Responsibility Committee and the attendance of the Members for the year ended March 31, 2022 are as follows:

S.No	Name of the Director	Category	Chairperson/ Member	Attendance
1	Amb. Leela K Ponappa	Independent	Chairperson	100%
2	Balakrishnan V*	Independent	Member	100%
3	Sanjay Nayak	Non-Independent	Member	100%
4	Arnob Roy	Non-Independent	Member	100%

* Resigned wef April 23, 2022

b. Roles, responsibilities and the terms of reference of the Committee

The Corporate Social Responsibility Committee is empowered to perform the functions of the Board relating to:

- Formulate and recommend to the Board a CSR Policy that shall indicate the activities to be undertaken by the Company towards the CSR initiatives and recommend the amount of expenditure to be incurred on the CSR activities referred hereinabove.
- Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects.
- Monitor and provide guidance on the Company's policies on environment management, social responsibilities, health and safety, product stewardship, community development, principles of managing branded operations, etc.
- Provide guidance on welfare activities including eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.

The Committee's charter and policy are available on Company's website at www.tejasnetworks.com/policies-codes.php.

c. Corporate Social Responsibility obligation of the Company

The Corporate Social Responsibility obligation of the Company as laid down by the Board for the year ending March 31, 2022 are as follows:

- The Company made Corporate Social Responsibility contribution of ₹46.00 lakhs being 2% of the average profit of the company computed in accordance with Section 198 of the Companies Act, 2013.
- The Company shall make Corporate Social Responsibility contributions to projects or programs of Healthcare, Education, Disaster Management including COVID relief measures and other areas in accordance with the Corporate Social Responsibility Policy of the Company.
- The projects shall be implemented or executed through implementing agencies that are duly registered under Companies Act, 2013 and other applicable regulations.
- The funds shall be utilised in the manner as deemed fit by the Company subject to the limits approved by the Corporate

Social Responsibility Committee in respect of each project or programs.

- The Impact report, if applicable, in respect of each project or program funded by the Company under Corporate Social Responsibility shall be placed before the Committee in its meeting held immediately after the closing of each accounting year.

d. CSR Activities and Impact Assessment

The Company, through its CSR Committee, is committed to improve the social infrastructure of the country and to reduce disparities through interventions in reducing hunger and poverty, education, skill building and also in pandemic relief efforts. The Company has contributed to the following areas based on need assessment:

- COVID-19 relief effort : Purchase of oxygen concentrators and infrastructure like oxygenated beds etc.
- Education: To improve access to education through improving quality of learning by providing a better school infrastructure, better teaching learning process etc.
- Skill development: Enhancing employability of youth by enhancing training capacity, improved infrastructure of skill development centers.
- Research and Development: Research in high-speed network routers/switches Failure Prediction applying ML/AI Techniques.

All CSR projects have defined goals and milestones which are tracked as per the periodicity defined for the project. The progress is compared with the baseline data that is gathered before the commencement of the project through an onsite evaluation as well as the reports generated from the project. The indirect impacts that accrue are also factored and documented in the reporting process which were subsequently vetted for Impact Assessment and discussed during the Committee meetings.

e. Corporate Social Responsibility report for the year ended March 31, 2022

The CSR committee Report as required under the Act forms part of the Annexure - 5 of the Board report.

V. Risk Management Committee

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") broadly mandates the following:

- The Risk Management Committee shall have minimum three members with majority of them being members of the Board of Directors, including at least one independent director.
- The Chairperson of the Risk management committee shall be a member of the board of directors and senior executives of the listed entity may be members of the committee.

The Risk Management Committee is constituted in accordance with the requirements of Listing Regulations with three-fourth comprising of Independent Directors with the Chairperson being Independent Director and the Chief Operating Officer performing the role of the Chief Risk Officer. Meetings of Risk Management Committee 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 Committee met two times during the financial year 2022 and all the meetings of the Committee were held through Video-conference. The Committee's charter is available on Company's website at www.tejasnetworks.com/policies-codes.php.

a. Composition of the Committee

The Composition of Risk Management Committee and the attendance of the Members for the year ended March 31, 2022 are as follows:

S.No	Name of the Director	Category	Chairperson/Member	Attendance
1	Balakrishnan V*	Independent	Chairperson	100%
2	Amb. Leela K Ponappa	Independent	Member	100%
3	Chandrashekhar Bhaskar Bhawe	Independent	Member	100%
4	Dr. Gururaj Deshpande#	Non-Independent	Member	75%

* Resigned wef April 23, 2022.

Resigned wef June 28, 2022.

b. Roles, responsibilities and the terms of reference of 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 Company has a comprehensive Risk policy and a Risk Register detailing with the risks that the Company faces 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. The functions of Risk Management Committee shall inter-alia include 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.

c. Functions of the Risk Committee

In general, the following functions were performed by the Risk Committee of the Board

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 counterparty 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.
COVID - 19	Review assessment and mitigation of risks arising due to COVID-19, covering areas of employee engagement and safety, business continuity and resilience, cybersecurity, impact on growth, supply chain, financial position, service delivery, productivity of new projects and immigration policies.
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, related system controls, GDPR and similar regulation requirements, risks and progress of mitigation actions.

Report of the Risk Management Committee

The Risk Management committee Report as required under the Listing 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 ('KMP'), Senior Management

Personnel (SMP) 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 ('Committee') is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, KMP and SMP 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.

In determining the remuneration of the KMP and Executive Committee Members, the Nomination and Remuneration Committee considers the following:

- The relationship between remuneration and performance;
- The balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals;
- The remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- The remuneration including annual increment and performance bonus, is decided based on the criticality of the roles and responsibilities, the Company's performance vis-a-vis the annual budget achievement, individuals performance vis-a-vis KRAs/ KPIs, industry benchmarks and current compensation trends in the market.

a. Remuneration of Non-Executive / Independent Directors

The remuneration of the Non-Executive / Independent Directors is determined within the limits prescribed under Section 197 read with the rules framed thereunder and Schedule V to the Companies Act, 2013 and Listing Regulations. 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 any expenses for attending meetings of the Board and its Committees. The basis of determining the amount of commission payable to the Independent Directors 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. Where the Company has profits in a financial year, then the payment of commission to the Independent Directors shall be based on the approval of the shareholder's subject to the overall maximum limit of 1% per annum or such other percentage as may be specified by the Act and in case of no profits or its profits are inadequate in a financial year, subject to the ceilings provided under Section II of Part II of Schedule V to the Companies Act, 2013.

The Independent Directors are paid Sitting fees for attending each meeting of the Board/ Committees of the Board at ₹1,00,000/- per meeting within the overall limits prescribed under the Act, including reimbursement of out of pocket expenses. The Independent Directors 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 are also entitled for the Payment of commission on an annual basis, of such sum as may be approved by the Board, subject to the approval of Members and within ceiling prescribed under the Act. In line with the internal guidelines of the Company, no payment is made towards Sitting fees or commission to the Non-Executive Directors of the Company and also the Non-Executive Directors who are in employment with any other Tata Group of Companies.

The aggregate amount of remuneration (commission) was arrived at using the following criteria:

Nature	Amount
Board Meeting Attendance Fees (per meeting)	
• Independent Directors	₹ 1,00,000/-
• Nominee Directors	₹ 20,000/-
Directors Commission	
• Fixed Fees for each Independent Director - per annum.	₹ 5,00,000/-
• Non-Executive Chairman Fees - per annum	₹10,00,000/-
• Chairperson – Audit Committee - per annum	₹ 3,00,000/-
• Chairperson – Other Committees - NRC, SRC, CSR, Risk - per annum	₹ 1,00,000/-
• Members – Board committees – per annum.	₹ 50,000/-

The remuneration paid to Independent Directors for the year ended March 31, 2022.

in ₹ crore except Unit data

Name	Remuneration	Sitting fee	Total	No. of shares held
Balakrishnan V	0.22	0.08	0.30	1,76,133
Amb. Leela K Ponappa	0.13	0.08	0.21	Nil
Chandrashekhar Bhaskar Bhawe	0.13	0.08	0.21	Nil

b. Remuneration for 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 (55% of gross compensation), performance-linked variable pay (45% of gross compensation), 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. In case of no profits or inadequate profits in any financial 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 term of Executive Directors is generally for a period of five years, and are liable to retire by rotation. Their tenure is approved by the shareholders and renewed for similar periods from time to time. However, the Board reserves the right to increase/decrease the period as it may deem fit.

The details of remuneration paid to the Managing / Executive Directors for the year ended March 31, 2022 are mentioned below:

Particulars of remuneration	Sanjay Nayak Managing Director and CEO	Arnob Roy Executive Director and COO
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1.82	1.28

Allowances and perquisites	0.74	7.88
Contribution to Retiral Funds	0.11	0.07
Total	2.67	9.23
Restricted Stock Units granted during the year	112500	79500
Stock Options exercised during the year	-	340000
Restricted Stock Units exercised during the year	42941	-
No. of. Shares held	23,43,470	6,04,200
Term of Service Contract	Five (5) years with effect from January 1, 2020 till December 31, 2024.	Five (5) years with effect from March 25, 2019 till March 24, 2024.
Notice period	3 months	2 months

Note:

- Salary includes fixed pay and performance linked variable pay of FY 2021 but paid in FY 2022.
- In view of no 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, 2022.
- The value of perquisites includes the perquisite value of stock options/RUs 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/RUs granted during the period is not included.

- 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.
- The retirement benefit shall include benefits such as provident fund and gratuity.
- No loan is granted to the Executive Directors.

c. Remuneration for Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

The structure of the remuneration package for KMP and SMP are designed to balance short term operational performance with the medium and long term objective of creating sustainable value for the Company, while taking into account the interests of its stakeholders. To ensure that highly skilled and qualified KMP/ SMP can be attracted and retained, the Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar in size and complexity. The Company's total compensation for Key Managerial Personnel and Senior Management Personnel consists of fixed compensation, performance-linked variable pay benefits 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, trends in the market value of 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 are linked directly to the Company's and individual's performance as against the pre-agreed objectives for the year. Benefits include statutory benefits like contribution to the provident fund, gratuity and other benefits like include Health insurance, Personal Accident insurance etc.

Particulars of remuneration	Venkatesh Gadiyar Chief Financial Officer	Kumar Sivarajan Chief Technology Officer	Sukhvinder Kumar Global Manufacturing Operations- President*	N R Ravikrishnan Company Secretary
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.71	1.11	0.85	0.51
Allowances and perquisites	0.43	NIL	5.36	0.10
Contribution to Retiral Funds	0.04	0.06	0.05	0.03
Total	1.18	1.17	6.26	0.64
Restricted Stock Units granted during the year	40,000	54,000	33,000	6,000
Stock Options exercised during the year	8,438	NIL	1,19,000	NIL
Restricted Stock Units exercised during the year	19,894	NIL	34,526	4,557
No. of Shares held	2,97,008	14,53,184	1,26,698	20,561
Notice period	2 months	2 months	2 months	2 months

Note:

- Salary includes fixed pay, retiral benefits for FY 2022 and performance linked variable pay of FY 2021 but paid in FY 2022.
- The value of perquisites includes the perquisite value of stock options/RUs 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/RUs 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.

* Resigned with effect from May 16, 2022.

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 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. The retirement benefits shall include benefits such as provident fund and gratuity.

5. Stakeholders Engagement and Relations

An important factor in the Company's value creation for its stakeholders is to have meaningful partnerships and be responsive to their perspectives. Effective communication of information is an essential component of Corporate Governance and is a vital tool in the Stakeholders engagement and the relations. The Company always believes in leading from the front with emerging best practices in Stakeholders engagement and relations and building a relationship of mutual understanding with domestic and foreign investors/analysts. The Company holds regular interactions with investors, employees, customers, regulators and engages with communities and associations to remain informed and focuses on prompt, continuous and efficient communication to all its stakeholders and interacts with them 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 stakeholders 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

The key stakeholders of the Company are

- 1. Customers/ Clients** – The Company engages with its customers/clients through regular interactions either in

person or through digital and social medias and also through other channels available for raising queries and grievances. 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.

- 2. 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 creation, strategy sharing and disclosure of non-financial metrics and also highlighting Governance and ethical and compliance practices followed with full transparency.
- 3. Employees** – The Company continuously engages across its Employees by periodic communication meetings anchored by senior leaders and also an online portal to raise queries 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.
- 4. Regulators** – The Company engages with the Regulators through periodic meetings, E-mails, letters etc and also participating in various forums and meetings.. This develops a compliance culture and continuous engagement with adherence to regulations and directives 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 with regulators and responding in a time-bound manner.
- 5. Society** – The Company engages with the Society on social development schemes through Corporate Social Responsibility Schemes such as CSR and sustainability initiatives. The initiatives and practices covers 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

6. 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
2021	June 25, 2021	3.00 P.M.	Through Video Conference	No Special resolution passed.
2020	July 28, 2020	4.00 P.M	Through Video Conference	Continuation of directorship of Amb. Leela K Ponappa, (DIN: 07433990) as Independent Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2019	July 25, 2019	3.00 P.M	Registered Office	<ul style="list-style-type: none"> Re-appointment of Sanjay Nayak (DIN: 01049871) as Chief Executive Officer and Managing Director of the Company. Appointment of Arnob Roy (DIN: 03176672) as Director liable to retire by rotation and as Chief Operating Officer and Whole time Director of the Company. To borrow in excess of paid-up capital and free reserves of the Company.

(ii) Extraordinary General Meetings

The date, time and venue of last three Extra-Ordinary General Meetings (EGMs) are as follows:

Year ended	Date	Time (IST)	Venue	Special Resolution
2021	August 25, 2021	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. Issuance of equity shares and warrants on a private placement basis to Panatone Finvest Limited (a subsidiary of Tata Sons Private Limited).

(iii) Resolution(s) passed through Postal Ballot

During the year ended March 31, 2022, the Company has issued a Notice of the Postal Ballot dated March 14, 2022 for the approval of the Members for:

- Appointment of N. Ganapathy Subramaniam (DIN: 07006215) as Non-Independent and Non-Executive Director (liable to retire by rotation) of the Company and as Nominee Director of Panatone Finvest Limited.
- Appointment of A. S. Lakshminarayanan (DIN: 08616830) as Non-Independent and Non-Executive Director (liable to retire by rotation) of the Company and as Nominee Director of Panatone Finvest Limited.
- Approve entering into Material Related Party Transactions with Tata Communications Limited, a related party of the Company.
- Approve entering into Material Related Party Transactions with Tata Consultancy Services Limited, a related party of the Company.

The details of the postal ballot is available on the website at www.tejasnetworks.com/shareholders.php.

7. 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**

- 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 2022, 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

- 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

- 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.
- 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

- 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 2022.
- 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 Reporting of internal auditor directly to the Audit Committee.

Bengaluru
May 03, 2022

Sd/-
C. Dwarakanath
Company Secretary in Practice
C.P: 4847; FCS: 7723
UDIN: F007723D000258578

CEO / CFO 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, 2022, 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, 2022.
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, 2022

Sd/-
Sanjay Nayak
Managing Director & CEO
DIN: 01049871

Sd/-
Venkatesh Gadiyar
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, 2022 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	Balakrishnan Venkatraman	02825465	09/11/2009
2	Dr. Gururaj Deshpande	01979383	24/04/2000
3	Amb. Leela Krishnamurthy Ponappa	07433990	16/02/2016
4	Sanjay Nayak	01049871	06/05/2000
5	Chandrashekhar Bhaskar Bhawe	00059856	25/03/2019
6	Arnob Roy	03176672	25/03/2019

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 20, 2022

Sd/-
C. Dwarakanath
Company Secretary in Practice
C.P: 4847; FCS: 7723
UDIN: F007723D000170105

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, 2022, 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, President- Global Manufacturing Operations and the Company Secretary.

Bengaluru
April 22, 2022

Sd/-
Sanjay Nayak
Managing Director and CEO
DIN: 01049871



SHAREHOLDERS' INFORMATION

Shareholders' Information

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. The Company 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.

Board Meeting

The tentative calendar of the Board Meeting for the approval of financial results and closure of Trading Window for FY 2023 is:

Quarter Ending	Date of the Board Meeting	Date of the Trading Window Closure
June 30, 2022	July 25, 2022	June 15, 2022 to July 27, 2022
September 30, 2022	October 21, 2022	September 15, 2022 to October 25, 2022
December 31, 2022	January 18, 2023	December 15, 2022 to January 20, 2023
March 31, 2023	April 21, 2023	March 15, 2023 to April 25, 2023

Annual General Meeting

Date and time	July 26, 2022, Tuesday, 4.00 p.m IST
Mode	Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
Transcripts	www.tejasnetworks.com/annual-general-meeting.php
E-Voting date	July 21, 2022 to July 25, 2022
Book Closure date	July 19, 2022 to July 26, 2022 (both days inclusive)

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, Members holding shares in physical form are requested to dematerialize their securities. The Company's 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 LinkIntime India Private Limited, our Registrar and Share Transfer Agents.

The Members can visit the below mentioned websites of the Depositories viz., NSDL or CDSL for understanding the procedure of dematerialization of shares: NSDL website: nsdl.co.in/services/demat.php. and CDSL website: www.cdslindia.com In case of any queries, you may contact the Company or its Registrar and Share Transfer Agent.

During the year, the Company entered into a strategic partnership with Panatone Finvest Limited by means of which the Company raised funds of upto ₹ 837.50 crore and made preferential allotment of equity shares and share warrants at ₹ 258 per share to Panatone Finvest Limited in accordance with the share subscription agreement, entered into between Panatone Finvest Limited and the Company. Pursuant to this, Panatone Finvest Limited is the sole promoter of the Company and Akashastha Technologies Limited and Tata Sons Private Limited as members of the Promoter Group of the Company with effect from October 29, 2021.

The address of the Registered Office of the Company is Plot No 25, J P Software Park, 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.

The equity shares held in physical and demat form as on March 31, 2022 are as follows:

Description	No. of Members ¹	No. of Shares	% to Equity
Physical Shares	123	218,639	0.19
Dematerialized Shares	1,05,326	11,43,31,269	99.81
Total	1,05,449	11,45,49,908	100.00

¹The total number of holders will not tally with the number of Members, since Members can have multiple demat accounts with same PAN. The number of Members based on PAN as on March 31, 2022 is 1,03,525.

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_RTAMB/P/CIR/2021/655 dated November 3, 2021 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 documents / details are furnished to the RTA

- i. Permanent Account Number (PAN).
- ii. Nomination – Details of nomination shall be furnished in hard copy or through electronic mode with e-signature.
- iii. Contact – Postal address with PIN, Mobile number, E-mail address.
- iv. Bank account details – Bank name and branch, bank account number, IFS Code.
- v. Specimen signature.

The folios wherein any one of the above stated documents/ details are not available on or after April 1, 2023, the said folios shall be frozen by RTA and the said folios shall be restored to normal status only after furnishing by the holders of Physical securities all the completed documents/ details as stated. Further, those securities that were frozen on or after April 1, 2023 and continues to remain frozen till December 31, 2025, post that such securities will be referred by RTA/ Company to the administering authority under Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

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), Notification S.O. 3814(E) dated September 17, 2021, on linking PAN with Aadhaar number to March 31, 2022, to

- i. accept only valid PANs and
- ii. verify that the PAN in the existing folios are valid; i.e. whether it is linked to the Aadhaar number of the holder.

Further, if the folios in which PAN is / are not valid as on the notified cut-off date of March, 31, 2022 or any other date as may be specified by the CBDT, the folios shall be frozen by RTA. Further, those folios which are so frozen as on March, 31, 2022 or any other date as may be specified by the CBDT, then such frozen folios will be referred by RTA/ Company to the administering authority under Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

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 stakeholders. The Company focuses on prompt, continuous and efficient communication to all its stakeholders and interacts with Stakeholders through multiple channels of communication such as

result announcements, annual report, media 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 Vishwavani. These results are also made available on the Company's website at www.tejasnetworks.com/stock-exchange-filing-other-filing.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 held both in India and overseas to communicate directly with all investors. The management participates in the press call and earnings call every quarter, after the announcement of results. During FY 2022, the Company had participated in five Earnings/Analysts Call. The transcripts of the quarterly earnings calls with Analysts have also been published on its website.

(b) Website

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 Regulation 46 of LODR Regulations is made available on the Company's website at www.tejasnetworks.com/investor-relations.php.

(c) Press Releases and Analysts'/Investors' presentations

The Company sends the copy of press releases/official media releases to stock exchanges and also disseminates the same on the Company's website at www.tejasnetworks.com/financial-results.php. The Company makes detailed presentation to the Analysts and Institutional Investors on the quarterly / annual financial results.

(d) Annual Report

The Annual Report containing audited standalone and consolidated financial statements together with Directors' Report, Auditor's Report and other important information are circulated to Members entitled thereto and is also made available on the Company's website at www.tejasnetworks.com/annual-general-meeting.php.

(e) Chairman's speech

The Chairman speech of the 22nd Annual General Meeting will be made available on the Company's website at www.tejasnetworks.com/shareholders_agm.php.

(f) Stock Exchange filings

All price sensitive information and matters that are material to Members are disclosed to the respective Stock Exchanges where the securities of the Company are listed. 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) 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 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 (R&T Agent) handles matters like transfer of shares, change of address etc.

Listing of Equity Shares

The name of the Stock Exchanges at which Company Equity Shares are listed and Stock Code is 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.

Investor Complaints

The details of the complaints resolved during the fiscal ended March 31, 2022 are as follows:

Nature of complaints	Received	Resolved	Closing
Non- Receipt of Share Certificates	-	-	-
Demat Requisition Form	-	-	-
IPO Related	-	-	-
Others	-	-	-

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 Members may note that the share transfers and all other investor related activities are handled by LinkIntime India Private Limited, our Registrar and Share Transfer Agents. For any escalations, the Members may write to company at corporate@tejasnetworks.com

Movement in shareholding for the year ended March 31, 2022

Date of Allotment	Details	Number of Shares allotted	Total number of equity shares
April 01, 2021	Opening balance		9,32,40,344
April 21, 2021		38,234	9,32,78,578
May 27, 2021		1,60,628	9,34,39,206
June 23, 2021	Allotment by way of exercise of ESOP/RSU	1,49,057	9,35,88,263
July 21, 2021		1,19,259	9,37,07,522
September 08, 2021	Allotment of Equity shares to Panatone Finvest Limited on preferential basis	1,93,79,845	11,30,87,367
September 24, 2021		8,33,385	11,39,20,752
October 20, 2021		25,607	11,39,46,359
November 24, 2021		52,065	11,39,98,424
December 23, 2021	Allotment by way of exercise of ESOP/RSU	1,07,289	11,41,05,713
January 19, 2022		8,667	11,41,14,380
February 24, 2022		2,92,681	11,44,07,061
March 23, 2022		1,42,847	11,45,49,908

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, 2022 are as follows:

Name of the Shareholder	Number of shares	%
Panatone Finvest Limited	4,25,80,104	37.17
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	57,63,697	5.03
East Bridge Capital Master Fund I Ltd	47,93,508	4.18
Kedia Securities Private Limited	39,00,000	3.40
East Bridge Capital Master Fund Limited	27,57,033	2.41
Kuwait Investment Authority Fund F238	24,88,000	2.17
Sanjay Nayak	23,43,470	2.05
Consilium Extended Opportunities Fund L.P.	20,46,711	1.79
Cascade Capital Management Mauritius	20,13,184	1.76
Samena Spectrum Co	19,41,649	1.70
Kumar N Sivarajan	14,53,184	1.27

Shareholding pattern

The total shareholding of the Company for the year ended March 31, 2022 increased due to allotment of shares consequent to the exercise of ESOP and RSU by the eligible employees and preferential issue made by the Company. The total share capital as on March 31, 2022 is ₹ 1,14,54,99,080 comprising of 11,45,49,908 equity shares of ₹ 10/- each.

Category	Number of equity shares held	Percentage of holding
Promoters and Promoter Group	4,25,80,104	37.17
Public		
Institutions		
Mutual Funds	59,72,237	5.21
Foreign Portfolio Investors	1,60,48,155	14.01
Financial Institutions/ Banks	101	0.00
Non-Institutions		
Individuals	2,50,87,563	21.90
Bodies Corporate	73,38,978	6.41
Director or Director's Relatives	31,23,803	2.73
LLP	21,25,294	1.86
Others	1,22,73,673	10.71
Total	11,45,49,908	100

Distribution of Shareholding as on March 31, 2022

No. of Shares held		Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
From	To				
1	500	98,638	93.54	64,10,351	5.60
501	1,000	3,102	2.94	24,37,168	2.13
1,001	2,000	1,680	1.59	25,05,513	2.19
2,001	3,000	624	0.59	15,87,717	1.39
3,001	4,000	273	0.26	9,76,965	0.85
4,001	5,000	272	0.26	12,84,345	1.12
5,001	10,000	391	0.37	29,19,417	2.55
10,001	and above	469	0.44	9,64,28,432	84.18
Total		1,05,449	100	1,14,54,99,080	100

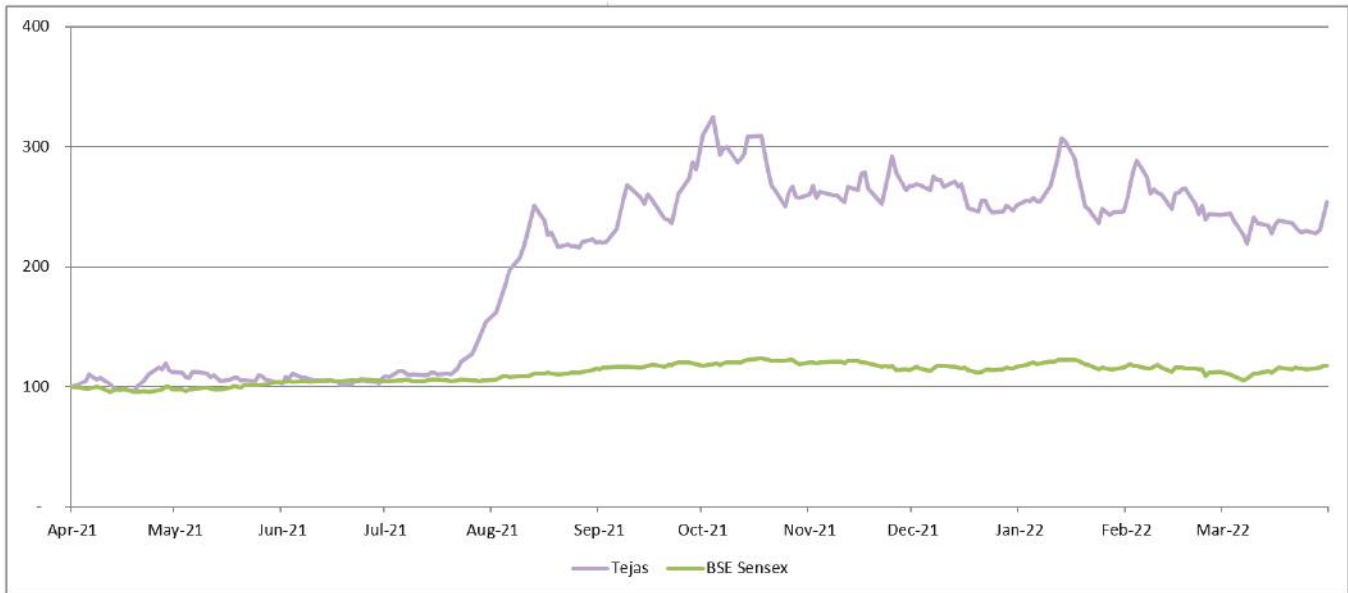
Stock Data

(a) Monthly High & Low prices at BSE & NSE

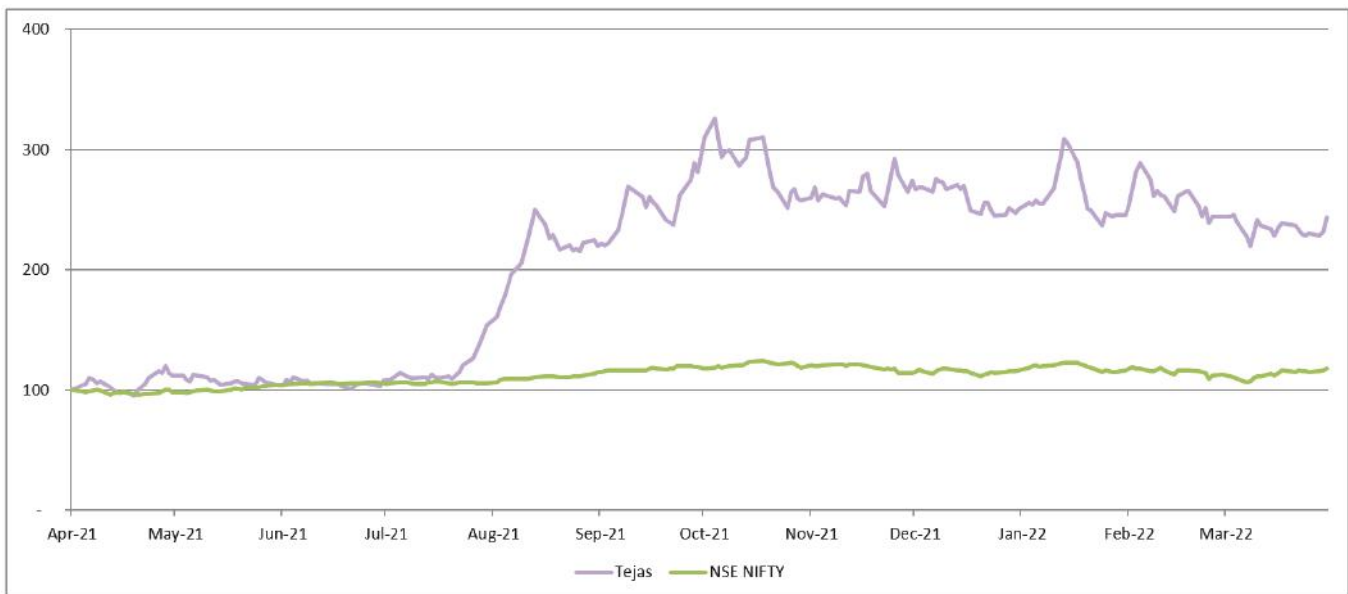
Month	NSE			BSE			Volume (A+B) (No.)
	High (₹)	Low (₹)	Volume A (No.)	High (₹)	Low (₹)	Volume B (No.)	
April 2021	203.00	157.15	80,88,033	204.35	157.00	14,82,660	95,70,693
May 2021	197.00	170.50	76,02,612	197.00	170.80	11,63,477	87,66,089
June 2021	187.20	167.55	66,22,398	187.95	163.15	11,09,256	77,31,654
July 2021	256.55	177.25	56,18,694	258.30	173.00	1,75,91,378	2,32,10,072
August 2021	434.95	269.35	90,36,326	439.00	271.20	36,99,223	1,27,35,549
September 2021	494.00	359.00	1,15,01,573	493.00	352.75	12,99,902	1,28,01,475
October 2021	570.50	403.65	1,12,83,445	570.20	404.00	20,81,135	1,33,64,580
November 2021	488.70	414.50	82,76,005	488.15	420.00	11,47,693	94,23,698
December 2021	472.00	400.00	64,21,212	471.35	397.20	9,15,247	73,36,459
January 2022	541.30	378.40	98,65,127	539.00	378.40	14,06,849	1,12,71,976
February 2022	492.75	388.65	59,89,352	492.00	393.00	8,01,475	67,90,827
March 2022	426.75	360.60	57,89,006	424.90	359.50	8,65,811	66,54,817
Total			19,96,07,983			3,35,64,106	12,96,57,889

(b) 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, 2021 and NSE Nifty 50 index, BSE Sensex index value on April 1, 2021 have been base lined to 100.

Investor Contacts

1. For queries relating to financial statements

Venkatesh Gadiyar
Chief Financial Officer
Tel: +91 80 4179 4600, Fax : +91 80 2852 0201
Email: corporate@tejasnetworks.com

2. 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

3. Investor correspondence

Santosh Kesavan
Head – Investor Relations
Tel: +91 80 4179 4600, Fax : +91 80 2852 0201
Email: ir@tejasnetworks.com

4. 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

5. Depository for equity shares in India

- a. 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
- b. Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor,
Dalal Street, Fort, Mumbai: 400001, India
Tel. +91 22 23023333 Fax: +91 22 22723199

6. Addresses of regulatory authority/ stock exchanges

- a. 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
- b. 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
- c. BSE Limited
Phiroze Jeejeebhoy Towers, Kala Ghoda
Mumbai 400001, India
Tel: +91 22 22721233, Fax: +91 22 22721919



RISK MANAGEMENT REPORT

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

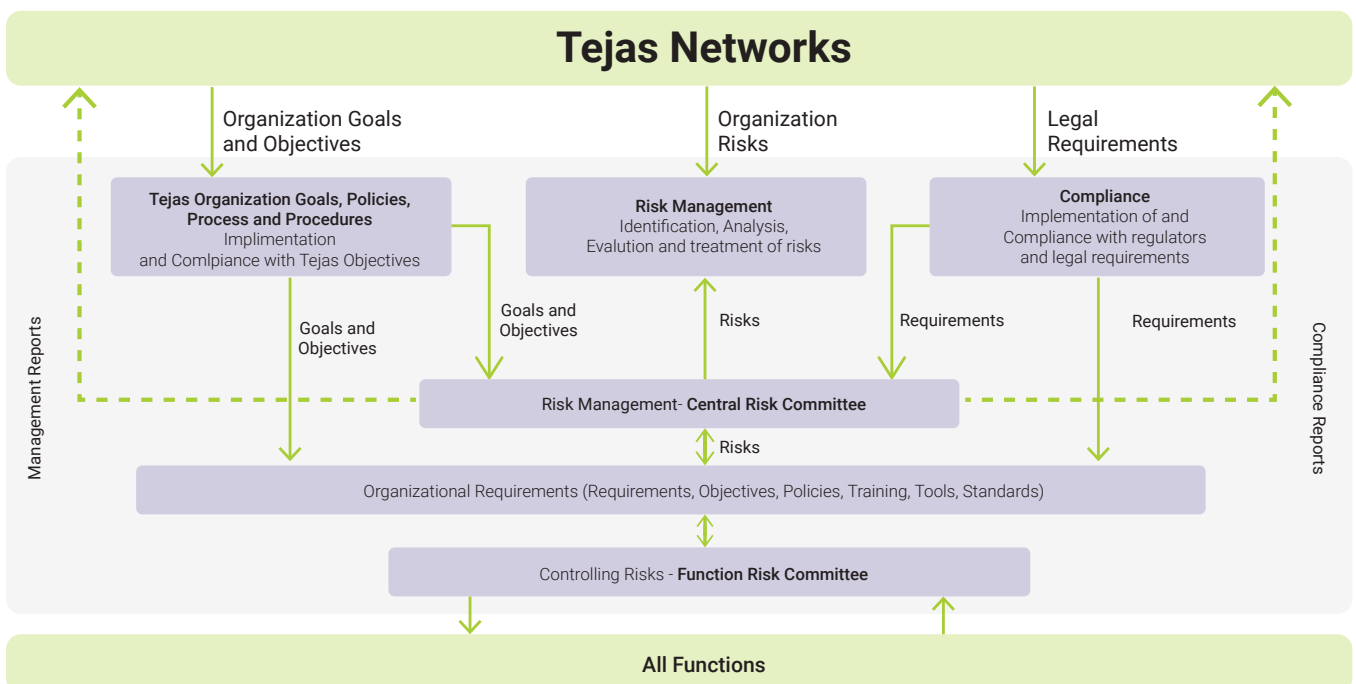
We have established a risk management framework to identify strategic, business and operational risks. The central risk committee is headed by our CFO and comprises of members from the senior management. The risk committee members identify all the risks, and address these risks to ensure there is minimal 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.

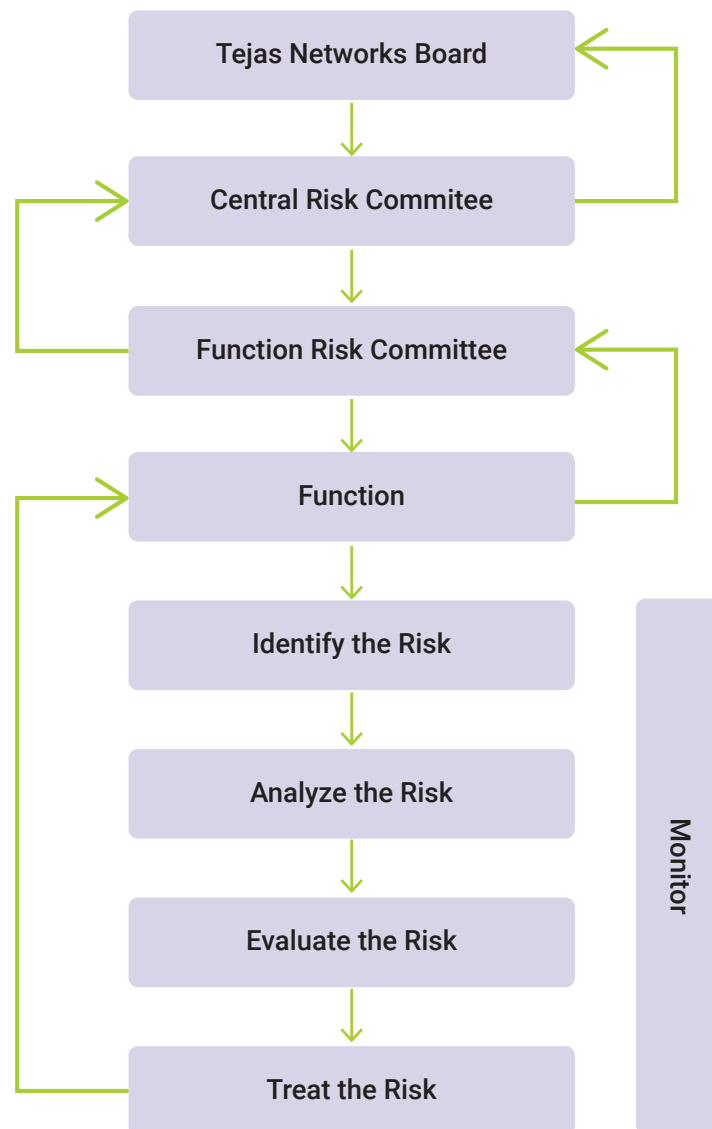
Employees and enablers are trained regularly to monitor these through various tools within the organization.

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 REPORT

Business Responsibility Report

About this Report

Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) prescribe that top 1000 companies based on market capitalization as per NSE / BSE as on March 31 of every financial year, are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. The BRR as stipulated under the Listing Regulations describes the initiatives taken by the Company from an environmental, social and governance perspective. The report has been prepared as prescribed and in accordance with said Listing Regulations and forms part of the Annual report.

About Tejas Networks Limited

Tejas Networks Limited is a global optical, broadband and wireless products company with a focus on deep technology and R&D. Tejas carrier-class products are used by telecom service providers, utilities, government and defence networks in 75+ countries. Tejas has an extensive portfolio of leading-edge products for building end-to-end broadband networks based on the latest technologies and global standards. Tejas products include carrier-grade optical transmission (based on DWDM/PTN/OTN technologies), fiber broadband (based on GPON/NG-PON), mobile and fixed wireless (based on LTE 4G/5G) as well as multi-gigabit Ethernet/IP switching and routing products that are fully designed and manufactured in India. Tejas products utilise a novel software defined hardware™ architecture that enables us to deliver highly differentiated network solutions. Tejas is also one of the leading innovators in India's ICT sector with 350 global patent filings and 300+ silicon IPs and is one of the largest spenders on R&D (as a percentage of annual revenues) among all publicly listed companies in India.

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:
L72900KA2000PLC026980
- Name of the Company:
Tejas Networks Limited
- Registered address:
J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bengaluru- 560100, Karnataka
- Website:
www.tejasnetworks.com
- E-mail ID:
corporate@tejasnetworks.com
- Financial Year reported:
April 1, 2021 –March 31, 2022
- Sector(s) that the Company is engaged in (industrial activity code- wise):
Manufacture of Communication Equipment - NIC Code: 263
- List three key products/services that the Company manufactures/ provides (as in balance sheet):
Communication Equipment, Communication Software, Support Services towards Communication equipment and Services.

9. Total number of locations where business activity is undertaken by the Company :

- Number of International Locations - 8
- Number of National Locations - 5

10. Markets served by the Company – Local/State/National/ International:

India, USA, Mexico, Africa, Middle East, South Asia, South East Asia and Europe.

SECTION B:

Financial details of the Company as on March 31, 2022

1. Paid- Up Capital (in INR)	₹ 114.55 crore
2. Total Turnover (in INR) (Consolidated)	₹ 550.59 crore
3. Total Profit/(Loss) after taxes (in INR) (Consolidated)	₹ (62.71) crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit before tax (%)	Please refer to Annexure-5 of Board's Report for details.
5. List of activities in which expenditure in 4 has been incurred	

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. The Company has two subsidiaries (including a stepdown subsidiary) as on March 31, 2022. Please refer to Annexure 1 to the Board's Report for further details.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such Subsidiary Company(s)?

Yes, Tejas Networks Limited encourages its Subsidiary Companies to participate in its group wide Business Responsibility (BR) initiatives on various activities. All subsidiary Companies are aligned to the activities under the aegis of Tejas Group.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

We do not mandate that our suppliers and partners participate in the Company's BR initiatives. However, they are encouraged to do so.

SECTION D:

BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

Particulars	Details
DIN Number	01049871
Name	Sanjay Nayak
Designation	Managing Director and CEO
Telephone Number	080-41796400

2. Principle-wise BR Policy/Policies

As per Regulation 34 of the Listing Regulations read with SEBI Circular No CIR/CFD/CMD/10/2015 dated 4th November 2015, the nine areas of Business Responsibilities are as follows:

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3	Businesses should promote the well-being of all employees.
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect, protect and make efforts to restore the environment.
Principle 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(b) Details of the BR head

Particulars	Details
DIN Number	NA
Name	N R Ravikrishnan
Designation	General Counsel, Chief Compliance Officer and Company Secretary
Telephone Number	080-41796400
E-mail ID	ravikrishnanr@tejasnetworks.com

Details of Compliance principle- wise (as per NVGs) BR policy / policies (reply in Y/N)

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Does the Company have the policy for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.tejasnetworks.com/policies-codes.php								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Y = Yes

All the policies are approved by the Board and duly signed by the Managing Director and CEO. These policies are based on guiding principles and core values. These policies are mapped to each principle hereunder:

S.No	Principle	Applicable policies
1	Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.	<ul style="list-style-type: none"> Whistle Blower Policy Code of Conduct
2	Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	<ul style="list-style-type: none"> Safety, Health and Environmental Policy Food Safety & Quality Policy
3	Principle 3 - Businesses should promote the well-being of all employees.	<ul style="list-style-type: none"> Safety, Health and Environmental Policy Policy on Prevention of Sexual Harassment at the work place
4	Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	<ul style="list-style-type: none"> CSR Policy Stakeholders Relationship Policy
5	Principle 5 - Businesses should respect and promote human rights.	<ul style="list-style-type: none"> Whistle Blower Policy. Policy on Prevention of Sexual Harassment at the work place
6	Principle 6 - Businesses should respect, protect, and make efforts to restore the environment.	<ul style="list-style-type: none"> Safety, Health and Environmental Policy Quality Policy
7	Principle 7 - Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.	<ul style="list-style-type: none"> Code of Conduct
8	Principle 8 - Businesses should support inclusive growth and equitable development.	<ul style="list-style-type: none"> CSR Policy
9	Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.	<ul style="list-style-type: none"> Food Safety & Quality Policy

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The Company does not have financial or manpower resources available for the task.	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA – Not applicable

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

Annually.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publishes the Business Responsibility Report. It is published on a yearly basis as part of the Annual Report. The same can be accessed at: www.tejasnetworks.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company 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. Our corporate philosophy seeks to ensure truth, transparency, accountability and responsibility and is committed to

meet the aspirations of all our stake holders. Our code of business principles reflects our continued commitment to ethical business practices, values and compliance to all laws of the land. Corporate governance is not merely compliance but also 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.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs / Others?

Our Code of Conduct and Whistle Blower policy covers not only the employees but also extended to cover Group/Joint Ventures/Suppliers/Contractors/ NGOs / Other stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During FY 2022, there were no share-related complaints received from shareholders of the Company.

Principle 2:- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

TJ1400, TJ1600 product lines. The product lines have several power saving features and are designed to minimize carbon footprint.

2. For each such product, provide the following details in respect of resource use (Energy, water, raw material etc.) per unit of product (optional):

The above products have several power saving features to lower the carbon footprint of the product. TJ1400 and TJ-1600 are designed using new generation field programmable chips (FPGAs) for reducing static power and clock enable/gating logic to reduce dynamic power in FPGAs. TJI 1400 has been used in providing the rural broadband connections under Bharat Net projects to more than 70000+ villages in India so far.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Our suppliers are categorized into three broad categories – People, Services and Products. Our contracts have appropriate clauses and checks to prevent the employment of child labor or forced labor in any form. We continue to engage with all supplier segments working within our boundary covering People and Services. We engage with local suppliers for our People and Services categories.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

We have a comprehensive engagement model, to meaningfully engage with our suppliers on material aspects. Regular capacity building and assessments are conducted for key suppliers. Today we have a very wide & well established supplier base

including number of suppliers from local & small producers and we continue to encourage the strengthening of the local buying from India.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our integration & testing facility does not produce any hazardous waste. The waste generated is only from packaging etc. Further in line with the requirements of ISO14001 environmental standards we re-use most of the packaging boxes for intermediate packing & movement. We re-use the packaging received from cable vendors & Sheet metal vendors for our Kit packaging. Most of our packaging use carton boxes instead of ply wood/ Hardwood packaging.

Principle 3: - Businesses should promote the well-being of all employees

The Company ensures a work environment that promotes well-being of all its employees. Focusing on health, safety and preventing discrimination are part of the Company's guiding principles on Employees' well-being. The Company provides equal employment opportunities to all irrespective of their caste, creed, gender, race, religion, disability etc., The Company respects the right of employees to freedom of association, participation, and collective bargaining and provides access to appropriate grievance redressal mechanisms. The Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. Women friendly policies were introduced like increased Maternity Leave, Adoption Leave, Paternity Leave and Medical Insurance for Parents. We have a mechanism in place to foster a positive work place environment free from harassment of any nature. We have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the work place. We follow a gender-neutral approach in handling complaints of sexual harassment. Our ASHI policy applies to everyone involved in the operations of the Company, including vendors and clients. We have also constituted an Internal Complaints Committee (ICC) in all locations across India to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The cases are heard and resolved by an independent group. The Company contributes to the medical insurance of its employees and also organises health check-ups for employees. The Company also enhances employee engagement through various initiatives on an ongoing basis. The Company is deeply committed to safety of its Employees at workplace and regularly organises mock fire drills and Fire Safety training classes at all its locations.

1. Please indicate the Total number of employees.

920

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Most of our employees work as full-time, permanent employees

3. Please indicate the Number of permanent women employees

119.

4. Please indicate the Number of permanent employees with disabilities

Being an equal opportunity employer, we encourage employees to disclose their disabilities and seek reasonable

accommodation to allow them to perform to their full potential. The number of employees who have voluntarily disclosed their disability status and the nature of disability stands at 2 as on March 31, 2022.

5. Do you have an employee association that is recognized by management?

Not applicable.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the number of complaints relating to Child Labour, Forced Labour, Involuntary Labour, sexual harassment in the last financial year and pending, as on the end of the financial year

Category	No.of. Complaints filed during the financial year	No.of. Complaints pending as on the end of the financial year
Child labour/ forced labour/ involuntary labour	Nil	Nil
Sexual Harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year.

Safety: We conduct periodic demonstration of mock drills related to safety and security of all employees to generate awareness.

Skill upgradation: Our training programs includes on-the-job training for all employees and class room sessions for about 50 per cent of our employee base.

Principle 4:- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Company is responsive to the requirements of all its Stakeholders and this is enshrined in our Corporate Values & Beliefs of Integrity, Passion, Quality, Respect and Responsibility. These values require that the Company acts as a responsible corporate citizen and change lives for the better and this is to be done in a manner that reflects humility. These values require us to provide everyone equal opportunities to progress and grow. The Company considers its employees, business associates, customers, shareholders/investors and communities surrounding its operations and regulatory authorities as its key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc. The Company's website, www.tejasnetworks.com contains comprehensive information about the Company. The Company also has designated an exclusive email-id for investor services ir@tejasnetworks.com. The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

1. Has the Company mapped its internal and external stakeholders

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to

engage with various stakeholders to understand their concerns and expectations

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company identifies underprivileged communities around its business locations as disadvantaged, vulnerable and marginalised stakeholders and continuously engages with all such stakeholders identifying their needs and priorities so as to serve these needs accordingly.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders.

Principle 5: Businesses should respect and promote human rights

The Company respects the rights and dignity of all individuals and upholds the principles of human rights. The Company's commitment to human rights and fair treatment is set out in its code of conduct. The policy provides conduct of operations with honesty, integrity and openness with respect for human rights and interests of employees. The Company believes that a sustainable organisation rests on a foundation of ethics and respect for human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company's Policy on Human Rights covers not only the Company but extends to its subsidiaries. The Company encourages its suppliers, contractors and others to follow the principles laid down in the five principles of its values and beliefs. Respecting human rights is fundamental to the Company's policies and business dealings and the Company is equally focussed on building awareness around promotion of human rights with every associate and supply chain partners. All employees and contractors are required to respect the human rights of fellow workers and communities where we operate. The Company does not employ child labours and does not permit any occurrence of forced or compulsory labour, conducts proper checks and audits to ensure that our contractors follow the same. The Company's business relationship with its Vendors/contractors encourages its vendors to comply with the relevant laws safeguarding labour rights and human rights.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Please refer Stakeholders Relationship Committee Report of the Corporate Governance Report provided in the Annual Report.

Principle 6 : Business should respect, protect, and make efforts to restore the environment

Tejas is committed to meeting ISO14001 Standard requirements and other relevant environmental regulations and undertakes continual improvements in its business management processes.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company encourages all its external stakeholders to strictly adhere to safety and restoration of the environment. Our major suppliers for EMS and PCB vendors, cable assembly vendors

comply with ISO 14001 standards and have a clear policy to safeguard the environment.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc**

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. While selecting components we choose energy efficient chip sets which consume less power. We customize the power supply to ensure we don't over engineer the energy requirement. Most of our Parts are ROHS 6/6 compliant & environmentally friendly. In Integration facility we ensured we use lot of daylight and minimize the consumption of power. The Company designs its products in such a way that the total carbon footprint is minimized. The use of next-generation chips that consume less power, programmable slew rate/drive strength, dynamically tristable DCI and HSTL/low power serial links wherever possible minimizes energy use.

3. **Does the company identify and assess potential environmental risks? Y/N**

As a responsible electronics product manufacturer, the Company ensures that its products meet international EU directives such as WEEE (Waste of Electrical and Electronics Equipment) and RoHS (restriction on the use of hazardous substances). The Company thus contributes to a circular economy through improvements in collection, treatment and recycling of electronics at the end of their life.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Tejas Networks 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.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Tejas has initiated various initiatives towards energy efficiency. The few to mention are 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.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

As the nature of Tejas production system is green, the emission and waste generated are well within the permissible limits.

7. **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no pending or unresolved show cause/legal notices from CPCB/SPCB as at the end of 2021-22.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Telecom Export Promotion Council (TEPC), India Electronics and Semiconductor Association (IESA), Federation of Karnataka Chamber of Commerce and Industry (FKCCI), Telecom Equipment Manufacturer Association (TEMA), Confederation of Indian Industry (CII), Federation of Indian Exporter Organization (FIEO), Federation of Indian Chambers of Commerce and Industry (FICCI), The Science, Indigenous Technology & Advanced Research Accelerator (SITARA), Voice of Indian Communication Technology Enterprises (VOICE).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

The Company through ISMA, SISMA and various other industry associations, participates in advocating matters for advancement of the industry's interest and public good. It supports various initiatives of the Government which include farmers welfare, environment, customer information and education.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Tejas Networks Limited ('Tejas' or 'the Company') has adopted Corporate Social Responsibility Policy ('CSR') initiatives so as to attain the sustained economic performance, environmental and social stewardship and strive for economic development that positively impacts the society at large. Tejas 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.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

The Company undertakes CSR project/programs identified by the CSR Committee and approved by the Board of Directors, in line with the CSR Policy. The CSR activity is carried out through external NGO and also by an organization of repute.

3. **Have you done any impact assessment of your initiative?**

Yes, the CSR committee internally performs a review and an impact assessment of its initiatives at the end of each year to understand the effectiveness of the programme in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

During FY 2022, the Company has spent an amount of ₹ 0.46 crore on various CSR activities encompassing various community development projects. Details of the projects undertaken are given in Annual Report on CSR Activities enclosed as Annexure '5' to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR Committee of the Board of Directors identifies and implements all CSR projects/ programs and periodic reports are provided for review by the committee. The responsibilities of the CSR Committee include formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken, Recommending the amount of expenditure for the CSR activities, and Monitoring CSR activities from time to time.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There were no customer complaints/consumer cases pending as on March 31, 2022.

2. Does the company display product information on the product label, over and above what is mandated as per local laws ?

Yes. Over and above the mandatory requirements, the Company also subscribes to various customer information requirements. Product Information about the physical dimensions and/or compositions/nutrient content is provided through the product labels/pack declaration and/or catalogues.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour against the Company.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, we conduct a customer satisfaction survey every year.



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 Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies 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, 2022, and total comprehensive income (comprising of loss 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 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 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.

Emphasis of Matter

4. We draw your attention to Note 39 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact (including recoverability of carrying value of assets) due to supply constraints and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of the this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the 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 intangibles under development)

Refer to notes 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 predominantly represents internal manpower costs incurred on such development projects. Up to the stage the products are ready to be put to use, the Company records the qualifying expenditure as 'intangible assets under development'. The Company tests Intangible Assets 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.

The determination of the recoverable values of intangible assets (including intangible assets under development) for 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 intangibles 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 under development) is considered necessary as at March 31, 2022.

We considered this a key audit matter as:

- a. The amounts involved were significant.
- b. The review of carrying values of intangible assets, including intangible assets under development involves significant management judgements and estimates such as expected future economic benefits, estimated profit margins and discount rates.

How our audit addressed the key audit matter

Our audit procedures, which involved applying materiality and 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 intangibles under development).
- Testing the capital funding request forms and other documentation to ensure that the projects were appropriately approved by the Chief Technical Officer and Finance Controller 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 employee cost.
- 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.

Based on our procedures performed above, we noted the management's assessment of the carrying value of intangible assets (including intangibles under development), to be reasonable.

Description

Assessment of recoverability of Deferred Tax Assets ("DTA") on tax losses and tax credits with respect to Minimum Alternate Tax ("MAT")

(Refer notes 2.14, 9(b), and 25 to the standalone financial statements.)

The Company has recognised DTA of ₹ 48.67 crores on unabsorbed depreciation and business losses carried forward from the previous years (together referred to hereinafter as "tax losses"). Further, the Company has also recognised DTA on tax credits with respect to Minimum Alternate Tax (MAT) aggregating to ₹ 44.14 crores.

DTA has been recognised on the basis of Company's assessment of availability of future taxable profit to be able to utilise such tax losses and tax credits. The recoverability of the DTA depends upon factors such as the projected taxable profits of business, the period considered for such projections, the rate at which those profits will be taxed, period over which tax losses will be available for recovery and the likely outcome of disputes pending with the tax authorities.

The assessment of DTA is considered a key audit matter as the amounts involved are material to the financial statements and significant estimates and judgement are involved in assessing the amount of DTA and also in relation to preparation of forecasts of future taxable profits based on the underlying business plans.

How our audit addressed the matter?

Our audit procedures, which involved applying materiality and sampling techniques, included the following:

- Evaluating the design and testing of the operating effectiveness of Company's controls relating to taxation and the assessment of carrying amount of DTA relating to unabsorbed tax losses and tax credits.
- Testing the appropriateness of the amount of DTA by tracing the tax losses and the tax credits to the income tax returns filed and assessment orders received by the Company and evaluating the judgement made by the Company on the amounts disputed by the Income Tax Authorities.
- Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment.
- Testing, whether projections prepared by the Company were consistent with our understanding and knowledge of current business and the general economic environment in which the Company operates and whether the tax losses and MAT can be utilized within the recoupment period.
- Assessing appropriateness of the assumptions used in the projections of future taxable profits.
- Reviewing the adequacy of disclosures made in the financial statements with regard to deferred taxes.

Based on the above procedures performed, our testing did not identify any significant exceptions with respect to the reasonableness of the assumptions and estimates used by the management in assessing the recoverability of DTA recognised in respect of tax losses and tax credits as at year end.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

7. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the 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 financial statements

9. Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. 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.

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 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

14. 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.

15. 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.
- 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) 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 29.1 to the financial statements;

- ii) The Company has made provision as at March 31, 2022, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. There are no other long-term contracts as at March 31, 2022 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, 2022.
 - iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 37 (vii) to the financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 37 (vii) to the 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) The Company has not declared or paid any dividend during the year.
16. 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: 22209136AHOXEJ1024

Place: Bengaluru
Date: April 22, 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(f) 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, 2022

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, 2022 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, 2022, 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. Also refer paragraph 4 of the main audit report on the audit of standalone financial statements.

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 22209136AHOXEJ1024

Place: Bengaluru
Date: April 22, 2022

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 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, 2022.

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) According to the information and explanations given to us and the records of the Company examined by us, 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 financial statements). Therefore, the provisions of clause 3(i)(c) of the Order are 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 and as represented by the management, 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 its financial statements does not arise.

ii. (a) The physical verification of inventory (excluding stocks with third parties) have 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 37 (ii) to the financial statements)

iii. (a) The Company has made investments by way of inter corporate deposits in three companies 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 investments made are not prejudicial to the Company's interest.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of service tax, and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise and value added tax as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

in ₹ crore

Name of the Statute	Nature of Dues	Amount (Gross)	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	2.38
Central Excise Act, 1944	Tax, interest and penalty	0.71	2012-13	CESTAT, Chennai	0.20
West Bengal Value Added Tax Act, 2003	Tax and interest	0.51	2014-15	West Bengal Sales Tax Appellate Revisionary Board	0.05
Customs Act, 1962	Tax	0.14	2018-19	Commissioner (Appeals), Chennai	0.14

Note: The disputed dues above does not include demands received by the Company from the Deputy Commissioner of Commercial Taxes, (DCCT) for ₹ 5.04 crore under the Karnataka Value Added Tax (KVAT) relating to FY 2016-17. Subsequent to the year end, the Company had filed a writ petition with the High Court of Karnataka and the High court has disposed the matter back to the DCCT.

viii. According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) The Company does not have any loans or other borrowings from any lender. Accordingly, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and 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) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the 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, joint ventures and associate companies.

(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, joint ventures or associate companies.

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 made a preferential allotment/ private placement of shares during the year, 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, except as described below:

Nature of securities	Purpose for which funds raised	Total Amount Raised	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks
Equity shares and Series A and Series B Warrants	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.	837.50	-	576.33	None

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, and according to the information and explanations given to us, 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, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not filed during the year. 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 according to the information and explanations given to us, 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 such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, 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. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting 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, and as represented by the management of the Company, the Group has six CICs as part of the Group as detailed in note 37(xi) to the 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) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 29.9 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable. Also refer note 33, to the standalone financial statements.

xxi. The reporting under clause 3(xxii) 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.

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 22209136AHOXEJ1024

Place: Bengaluru
Date: April 22, 2022

Standalone Balance Sheet

Particulars	Notes	in ₹ crore	
		As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	40.09	29.48
Right-of-use assets	4(a)	14.56	16.10
Intangible assets	4(b)	83.20	65.43
Intangible assets under development	4(b)	39.61	24.49
Financial assets			
(i) Investments	5(a)	10.87	10.87
(ii) Trade receivables	6	7.07	72.97
(iii) Other financial assets	8	5.67	6.87
Current Tax Asset (net)	9(a)	35.63	62.61
Deferred Tax Assets	9(b)	111.33	56.72
Other non-current assets	10	23.19	6.98
Total non - current assets		371.22	352.52
Current assets			
Inventories	11	278.02	213.65
Financial assets			
(i) Investments	5(b)	401.78	37.37
(ii) Trade receivables	6	275.51	330.88
(iii) Cash and cash equivalents	7(i)	45.50	52.44
(iv) Bank balances other than (iii) above	7(ii)	299.68	164.09
(v) Other financial assets	8	363.16	110.30
Other current assets	10	74.38	53.63
Total current assets		1,738.03	962.36
Total assets		2,109.25	1,314.88
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	117.82	96.51
Other equity	13	1,809.28	1,036.45
Total equity		1,927.10	1,132.96
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	14	11.95	17.07
Provisions	15	0.49	0.69
Total non - current liabilities		12.44	17.76
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	14	7.81	4.83
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		11.48	11.84
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		105.22	86.45
(iii) Other financial liabilities	17	20.31	46.00
Provisions	15	6.66	5.22
Other current liabilities	18	18.23	9.82
Total current liabilities		169.71	164.16
Total liabilities		182.15	181.92
Total equity and liabilities		2,109.25	1,314.88

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2022

for and on behalf of the Board of Directors of Tejas Networks Limited

Balakrishnan V
Chairman and Director
(DIN:02825465)

Chandrashekar Bhaskar Bhav
Director
(DIN:00059856)

Venkatesh Gadiyar
Chief Financial Officer

Sanjay Nayak
CEO and Managing Director
(DIN:01049871)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

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

Standalone Statement of Profit and Loss

in ₹ crore, except equity share and per equity share data

Particulars	Notes	Year Ended March 31,	
		2022	2021
I Revenue from operations	19	549.14	524.49
II Other Income	20	43.25	24.81
III Total income (I + II)		592.39	549.30
IV Expenses			
Cost of materials consumed	21A	290.74	268.74
Purchases of stock in trade		23.69	-
Changes in inventories of stock in trade	21B	(3.65)	-
Employee benefit expense	22	124.51	109.57
Finance costs	23A	3.03	3.58
Depreciation and amortization expense	4(c)	76.78	52.12
Allowance for expected credit loss	23B	87.91	12.49
Other expenses	24	107.53	80.53
Total expenses (IV)		710.54	527.03
V Profit/(Loss) before tax (III - IV)		(118.15)	22.27
VI Income tax expense	25		
Current tax		0.19	-
Deferred tax expense/(benefit)		(54.61)	(15.02)
Total tax expense (VI)		(54.42)	(15.02)
VII Profit/(Loss) after tax (V - VI)		(63.73)	37.29
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit obligation	22	(2.08)	2.21
Income tax relating to above		-	-
Other comprehensive income/(loss) for the year, net of tax (VIII)		(2.08)	2.21
IX Total comprehensive income/(loss) for the year (VII + VIII)		(65.81)	39.50
X Earnings/(Loss) per equity share (Refer Note No. 29.6)			
Equity shares of par value ₹ 10 each			
Basic		(6.07)	4.03
Diluted		(6.07)	3.96
Weighted average equity shares used in computing earnings per equity share			
Basic		10,50,19,617	9,25,53,796
Diluted		10,50,19,617	9,41,28,273

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2022

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Arnob Roy
COO and Whole Time Director
(DIN:03176672)

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

Standalone Statement of Changes in Equity

A. Equity Share Capital

Particulars	Note	in ₹ crore	
			Amount
As at April 1, 2020*			95.48
Increase in equity share capital on account of exercise of ESOP and RSU	12		1.03
As at March 31, 2021*			96.51
Increase in equity share capital on account of exercise of ESOP and RSU	12		1.93
Issue of equity shares under Private Placement			19.38
As at March 31, 2022*			117.82

*Includes forfeited shares of ₹ 3.27

B. Other Equity

Particulars	Notes	Reserves and Surplus				Total equity attributable to shareholders of the Company
		Securities premium	Employee stock compensation outstanding account	Retained earnings	Money received against share warrants	
Balance as at April 01, 2020		937.80	33.92	12.56	-	984.28
Profit for the year	13	-	-	37.29	-	37.29
Other comprehensive income/(loss)						
(Remeasurement of defined benefit obligation net of income tax)	13	-	-	2.21	-	2.21
Total comprehensive income for the year		-	-	39.50	-	39.50
Transaction with owners in their capacity as owners:						
Premium received on exercise of ESOP	13	4.67	-	-	-	4.67
Employee Share based payment expenses	22	-	8.00	-	-	8.00
Reclassification upon exercise of ESOP/RSU	13	8.80	(8.80)	-	-	-
Balance as at March 31, 2021		951.27	33.12	52.06	-	1,036.45
Balance as at April 01, 2021		951.27	33.12	52.06	-	1,036.45
(Loss)/Profit for the year	13	-	-	(63.73)	-	(63.73)
Other comprehensive (loss)/income						
(Remeasurement of defined benefit obligation net of income tax)	13	-	-	(2.08)	-	(2.08)
Total comprehensive (loss)/income for the year		-	-	(65.81)	-	(65.81)
Transaction with owners in their capacity as owners:						
Premium received on exercise of ESOP	13	9.51	-	-	-	9.51
Premium received on Issue of shares through Private placement	13	480.62	-	-	-	480.62
Private Placement Shares issue expense	13	(0.19)	-	-	-	(0.19)
Employee Share based payment expenses	22	-	11.20	-	-	11.20
Reclassification upon exercise of ESOP/RSU	13	15.03	(15.03)	-	-	-
Money received against share warrants		-	-	-	337.50	337.50
Balance as at March 31, 2022		1,456.24	29.29	(13.75)	337.50	1,809.28

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2022

for and on behalf of the Board of Directors of Tejas Networks Limited

Balakrishnan V
Chairman and Director
(DIN:02825465)

Chandrashekar Bhaskar Bhav
Director
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Venkatesh Gadiyar
Chief Financial Officer

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CEO and Managing Director
(DIN:01049871)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

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

Standalone Statement of Cash Flows

in ₹ crore

Particulars	Notes	Year Ended March 31,	
		2022	2021
Cash flows from operating activities			
Profit/(Loss) before tax for the year		(118.15)	22.27
Adjustments to reconcile net profit/(loss) to net cash generated by operating activities:			
Depreciation and amortization expense	4(c)	76.78	52.12
Allowance for expected credit loss	23B	87.91	12.49
Interest Income	20	(26.76)	(20.27)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	20	(0.48)	0.18
Gain on sale of current investment carried at fair value through statement of profit and loss	20	(8.57)	(2.81)
Finance costs	23A	3.03	3.58
Unrealized Exchange Difference on cash held in foreign currencies*		0.22	0.00
Unrealised Exchange Differences (Net)		(1.04)	5.19
Loss/ (profit) on sale of property, plant and equipment	20	(0.01)	(0.01)
Expense recognized in respect of equity-settled share-based payments	22	11.20	8.00
		24.13	80.74
Movements in working capital:			
(Increase)/decrease in inventories		(64.37)	38.34
(Increase)/decrease in trade receivables		35.04	22.70
(Increase)/decrease in other financial assets		(7.93)	4.75
(Increase)/decrease in other assets		(30.76)	(15.49)
Increase/(decrease) in trade and other payables		18.41	21.13
Increase/(decrease) in provisions		(0.95)	0.16
Increase/(decrease) in other financial liabilities		(29.82)	6.63
Increase/(decrease) in other liabilities		8.42	2.79
Cash generated from/(used in) operations		(47.83)	161.75
Income taxes refund/(paid)		29.28	(4.77)
a) Net cash generated from/(used in) operating activities		(18.55)	156.98
Cash flows from investing activities			
Expenditure on property, plant and equipment		(30.75)	(14.16)
Expenditure on intangible assets (including under development)		(86.62)	(68.36)
Sale proceeds of property, plant and equipment		0.01	0.01
Investments in Deposits with banks		(271.56)	(238.43)
Withdrawals of Deposits from banks		136.13	150.62
Investments in Deposits with financial institutions		(976.79)	(144.44)
Withdrawals of Deposits from financial institutions		733.00	121.46
Investments in liquid mutual funds		(2,369.67)	(555.05)
Redemption of liquid mutual funds		2,014.32	571.26
Interest received		24.16	9.83
b) Net cash (used in) investing activities		(827.77)	(167.26)
Cash flows from financing activities			
Proceeds from exercise of restricted stock units/ESOPs		11.44	5.70
Proceeds from Issue of Fresh Equity shares through Private Placement (Net of Issue Expense)		499.81	-
Proceeds from Issue of Share Warrants		337.50	-
Principal repayment on lease liabilities		(6.24)	(5.73)
Interest payment on lease liabilities		(2.10)	(2.29)
Finance costs paid		(0.82)	(1.01)
c) Net cash generated from/(used in) financing activities		839.59	(3.33)

in ₹ crore

Particulars	Notes	Year Ended March 31,	
		2022	2021
d) Net decrease in cash and cash equivalents		(6.72)	(13.61)
Cash and cash equivalents at the beginning of the year [Refer Note No. 7(i)]		52.44	66.05
Effects of exchange rate changes on the balance of cash held in foreign currencies*		(0.22)	0.00
Cash and cash equivalents at the end of the year [Refer Note No. 7(i)]		45.50	52.44

*[Refer Note No. 36]

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

for and on behalf of the Board of Directors of Tejas Networks Limited

Mohan Danivas S A
Partner
Membership no: 209136

Balakrishnan V
Chairman and Director
(DIN:02825465)

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(DIN:01049871)

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Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Place: Bengaluru
Date: April 22, 2022

Venkatesh Gadiyar
Chief Financial Officer

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

Notes to the standalone financial statements for the year ended March 31, 2022

1 Corporate Information

Tejas Networks Limited ('Tejas' or 'the Company') is an optical 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. The Company has branches in USA, Kenya, Mexico and UAE and has a subsidiary and step down subsidiary in Singapore and Nigeria respectively.

These financial statements have been approved by the Company's Board of Directors on April 22, 2022.

2 Significant Accounting Policies

This note provides a list of the significant 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 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 Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Standard issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Company has changed the classification/presentation of security deposits, in the current year.

Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	March 31, 2021 (as previously reported)	Increase/ Decrease	March 31, 2021 (restated)
Other Financial Assets (Non-current Assets)	1.54	5.33	6.87
Loans (Non-current Assets)	5.33	(5.33)	-
Other Financial Assets (Current Assets)	110.01	0.29	110.30
Other Current Assets (Current Assets)	53.46	0.17	53.63
Loans (Current Assets)	0.46	(0.46)	-

(vi) 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.

2.2 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.

2.2.1 Sale of manufactured goods and components

Revenue from sale of products is recognised when control over products is transferred in accordance with the contractual terms of sale 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 either the expected value method or 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 products or services to the customer.

Standard warranty is provided to customers upon sale of products and the same is accounted in accordance with Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* (Refer Note No. 2.11)

2.2.2 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 payments from customers, a contract asset is recognised. If the payments received 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.

2.3 Property, Plant and Equipment

2.3.1 Measurement

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses if any. 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.

2.3.2 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 & 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

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.

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.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

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.

Individual assets costing less than ₹ 25,000/- are fully depreciated in the year of purchase.

2.4 Intangible Assets

2.4.1 Software

Software is carried at cost less accumulated amortization and impairment losses, if any. 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.

2.4.2 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 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 (Refer Note No. 2.3).

Capitalized product development costs are recorded as intangible assets and amortised from the point at which the asset is ready for its intended use.

2.4.3 Amortization

The Company amortizes intangible assets with a finite useful life using the straight line method over the below periods:

Asset	Useful Life
Computer Software	Over the license period
Product development	24 months

2.4.4 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.

2.5 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.

2.6 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.

2.7 Investments and Other Financial assets

2.7.1 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.

2.7.2 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.

2.7.3 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.

2.7.4 Investment in Subsidiaries

Investment in Subsidiaries is carried at cost.

2.7.5 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.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The losses arising from impairment are recognized in the Statement of Profit and Loss.

2.7.6 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.

2.7.7 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.

2.8 Financial liabilities

2.8.1 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.

2.8.2 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.

2.8.3 Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

2.9 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.

2.10 Derivatives

Derivatives are initially recognized at fair value on the date the derivative contracts is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

Derivative contracts to hedge risks which are not designated as hedges are accounted for at fair value through profit or loss and related fair value gain or loss are included in other income/ expenses.

2.11 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.

2.12 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 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. 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.

2.13 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.

2.14 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.

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.

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.

2.15 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' and 'Tejas Restricted Stock Unit Plan 2017' ("RSU – 2017") 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

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.

2.16 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.

2.17 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. 29.3]

2.18 Leases

As a lessee

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 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 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.

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payment occurs.

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 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 or loss. Short term leases are leases where the lease term is 12 months or less.

2.19 Government grants

Grants from the government 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 deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

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.

The export incentives from the Government are recognized at their fair value where there is a reasonable assurance that the incentive will be received and the company will comply with all attached conditions.

2.20 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. Costs are assigned to individual items of inventory on the basis of weighted average method. 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.

2.21 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing component, when they are recognised at fair value. The Company holds trade receivable with the objective to collect 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.

Invoicing in excess of earnings are classified as contract liabilities which is disclosed as deferred revenue.

Trade receivables and unbilled revenue are presented net of impairment in the Balance Sheet.

2.22 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.

2.23 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.

2.24 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.

2.25 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.

2.26 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.

2.27 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.

2.28 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.

3 Critical estimates and judgements

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 cost including intangibles under development) and assessment of their carrying value - [Refer Note No. 2.4.2, Note No. 2.4.3 and Note No. 4(b)]
- (ii) Defined benefit obligations - Refer Note No. 22
- (iii) Impairment of trade receivables - Refer Note No. 27A
- (iv) Recognition and recoverability of deferred tax assets on tax losses and MAT - Refer Note No. 9(b)
- (v) Evaluation of tax litigation - Refer Note No. 29.1

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 - Cards/ Prototypes and Others	Servers	Total	Right-of-use asset*
Gross carrying value as of April 1, 2020	22.83	0.87	7.31	9.52	1.72	7.24	0.14	28.03	3.69	81.35	26.52
Additions	1.68	0.28	0.03	0.11	0.22	1.96	-	8.78	0.56	13.62	-
Deletions	-	-	-	-	0.06	0.02	-	-	-	0.08	-
Gross carrying value as of March 31, 2021	24.51	1.15	7.34	9.63	1.88	9.18	0.14	36.81	4.25	94.89	26.52
Accumulated depreciation as of April 1, 2020	(13.31)	(0.60)	(5.51)	(5.99)	(0.84)	(5.32)	(0.05)	(17.81)	(1.37)	(50.80)	(5.23)
Depreciation for the year	(3.93)	(0.12)	(0.69)	(0.98)	(0.35)	(1.56)	(0.04)	(6.28)	(0.74)	(14.69)	(5.19)
Accumulated depreciation on deletions	-	-	-	-	(0.06)	(0.02)	-	-	-	(0.08)	-
Accumulated depreciation as of March 31, 2021	(17.24)	(0.72)	(6.20)	(6.97)	(1.13)	(6.86)	(0.09)	(24.09)	(2.11)	(65.41)	(10.42)
Carrying value as of March 31, 2021	7.27	0.43	1.14	2.66	0.75	2.32	0.05	12.72	2.14	29.48	16.10
Gross carrying value as of April 1, 2021	24.51	1.15	7.34	9.63	1.88	9.18	0.14	36.81	4.25	94.89	26.52
Additions	8.94	0.53	0.22	0.11	0.46	2.48	-	13.34	1.46	27.54	4.59
Deletions	-	-	-	-	-	0.01	-	-	-	0.01	2.32
Gross carrying value as of March 31, 2022	33.45	1.68	7.56	9.74	2.34	11.65	0.14	50.15	5.71	122.42	28.79
Accumulated depreciation as of April 1, 2021	(17.24)	(0.72)	(6.20)	(6.97)	(1.13)	(6.86)	(0.09)	(24.09)	(2.11)	(65.41)	(10.42)
Depreciation for the year	(3.78)	(0.21)	(0.47)	(0.99)	(0.41)	(1.58)	(0.04)	(8.57)	(0.88)	(16.93)	(6.13)
Accumulated depreciation on deletions	-	-	-	-	-	(0.01)	-	-	-	(0.01)	(2.32)
Accumulated depreciation as of March 31, 2022	(21.02)	(0.93)	(6.67)	(7.96)	(1.54)	(8.43)	(0.13)	(32.66)	(2.99)	(82.33)	(14.23)
Carrying value as of March 31, 2022	12.43	0.75	0.89	1.78	0.80	3.22	0.01	17.49	2.72	40.09	14.56

* Right-of-use asset pertains to buildings. (Refer Note No. 29.5(i))

Notes:

(i) The Company had received approval under Modified Special Incentive Package Scheme (MSIPS) from the Ministry of Communication and Information Technology, Department of Information Technology, vide sanction letter no. 27(18)/2013-IPHW dated December 05, 2014. Under the said scheme, the Company as on March 31, 2022, has submitted claims aggregating to ₹ 8.98 (March 31, 2021 - ₹ 8.98) which has not been adjusted to the cost of respective assets in the absence of reasonable assurance that the amount will be received.

(ii) Contractual Obligation : Refer Note No. 29.1 (b) for contractual commitments for the acquisition of property, plant and equipment.

(iii) Refer Note No. 31 for information on property, plant and equipment pledged as security against fund and non-fund based facilities entered into by the Company.

Note No. 4(b): Intangible Assets

Particulars	in ₹ crore			
	Computer Software	Product Development	Total	Intangible Assets under development (IAUD) ¹
Gross carrying value as of April 1, 2020	19.22	244.13	263.35	64.09
Additions	2.72	68.14	70.86	65.64
Transfer	-	-	-	68.14
Deletions	-	32.77	32.77	37.10
Gross carrying value as of March 31, 2021	21.94	279.50	301.44	24.49
Accumulated amortization as of April 1, 2020	(17.94)	(218.60)	(236.54)	(37.10)
Amortization expenses for the year	(3.02)	(29.22)	(32.24)	-
Deletions	-	32.77	32.77	37.10
Accumulated amortization and impairment as of March 31, 2021	(20.96)	(215.05)	(236.01)	-
Carrying value as of March 31, 2021	0.98	64.45	65.43	24.49
Gross carrying value as of April 1, 2021	21.94	279.50	301.44	24.49
Additions	6.98	64.51	71.49	79.63
Transfer	-	-	-	64.51
Gross carrying value as of March 31, 2022	28.92	344.01	372.93	39.61
Accumulated amortization and impairment as of April 1, 2021	(20.96)	(215.05)	(236.01)	-
Amortization expenses for the year	(4.26)	(49.46)	(53.72)	-
Accumulated amortization as of March 31, 2022	(25.22)	(264.51)	(289.73)	-
Carrying value as of March 31, 2022	3.70	79.50	83.20	39.61

Remaining useful life for product development ranges from 1 to 24 months (March 31, 2021: 3 to 24 months)

Notes:

- Additions to Intangible Assets under development pertains to capitalization of employee benefit expense (Refer Note No. 22).
- Management has carried out an impairment evaluation of its intangible assets under development as at March 31, 2022 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 and discount rate. A decrease in projected revenue across individual CGUs by 6% to 16% (March 31, 2021: by 8% to 14%) would result in the recoverable amount being equal to the carrying amount. No reasonable possible change in the discount rate is likely to result in the recoverable amount of the CGUs being equal to their carrying amount.
- As at March 31, 2022, the net carrying amount of product development is ₹ 79.50 (March 31, 2021 – ₹ 64.45). 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 would be ₹ 48.17 as at March 31, 2022 (₹ 46.33 as at March 31, 2021). If the useful life were estimated to be 3 years, the carrying amount would be ₹ 102.04 as at March 31, 2022 (₹ 77.87 as at March 31, 2021).

(a) Intangible assets under development ageing schedule

As at March 31, 2022

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	33.28	6.32	0.01	-	39.61
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

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	20.83	3.66	-	-	24.49
Projects temporarily suspended	-	-	-	-	-

b) For Intangible assets under development, whose completion is overdue as compared to its original plan are given below. There are no projects under development which has exceeded its cost compared to its original plan.

As at March 31, 2022

in ₹ crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 4	4.69	-	-	-	4.69
Project 10	4.72	-	-	-	4.72
Project 11	2.41	-	-	-	2.41
Project 12	1.75	-	-	-	1.75
Project 13	0.77	-	-	-	0.77
Total	14.34	-	-	-	14.34

As at March 31, 2021

in ₹ crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	7.74	-	-	-	7.74
Project 2	2.79	-	-	-	2.79
Project 3	2.28	-	-	-	2.28
Project 4	-	2.11	-	-	2.11
Project 5	0.87	-	-	-	0.87
Project 6	0.69	-	-	-	0.69
Project 7	0.58	-	-	-	0.58
Project 8	0.54	-	-	-	0.54
Project 9	0.38	-	-	-	0.38
Total	15.87	2.11	-	-	17.98

Note No. 4(c): Depreciation and amortization expense

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	16.93	14.69
Depreciation on Right of use assets [Refer Note No. 4(a)]	6.13	5.19
Amortization of intangible assets [Refer Note No. 4(b)]	53.72	32.24
Total depreciation and amortization expense	76.78	52.12

Note No. 5: Investments

(all amounts in ₹ Crore, except equity share and per equity share data)

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-current investments (Unquoted)		
(i) Investment in subsidiaries		
Equity instruments of subsidiaries (at cost)		
14,64,340 (As at March 31, 2021: 14,64,340) equity shares fully paid up in Tejas Communication Pte Ltd, Singapore	6.69	6.69
Total equity instruments of subsidiaries	6.69	6.69
Preference shares of subsidiaries (at cost) ¹		
13,68,400 (As at March 31, 2021: 13,68,400) Redeemable Preference Shares fully paid up in Tejas Communication Pte Limited, Singapore	4.18	4.18
Total preference shares of subsidiaries	4.18	4.18
Total investments in subsidiaries	10.87	10.87

¹ Preference shares are redeemable only at the option of Tejas Communication Pte. Ltd and carry a cumulative right of dividend at a fixed rate 0.01% (\$0.0001 per share). This investment has been treated as investment in an equity instrument.

(ii) Other Investments (Unquoted) [FVTPL]

	March 31, 2022	March 31, 2021
Equity instruments of others		
Investment in ELCIA ESDM Cluster (No. of shares 1100) (Refer Note No: 36)	0.00	0.00
Total other investments	0.00	0.00

5(b) Current investments (Quoted) [FVTPL]

Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Aditya Birla Sun Life Liquid Fund - Growth Direct Plan	3,50,686	12.03	80,801	2.68
Axis Liquid Fund - Direct Growth (CFDG)	53,448	12.64	23,841	5.45
DSP Liquidity Fund - Direct Plan - Growth	-	-	1,031	0.30
ICICI Prudential Liquid Fund - Direct Plan - Growth	3,44,166	10.85	85,949	2.62
Nippon India Money Market Fund - Direct Growth Plan Growth Option - LQAG	15,767	5.28	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG	5,763	3.00	24,774	12.47
Nippon India Interval Fund - Quarterly Plan - Series I - Direct Growth Plan Growth Option - DCAG	35,55,504	10.10	-	-
Tata Liquid Fund Direct Plan - Growth	10,35,206	347.88	42,672	13.85
Total current investments		401.78		37.37
Non Current Investments				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		10.87		10.87
Aggregate amount of impairment in the value of investments		-		-
Current Investments				
Aggregate amount of quoted investments and market value thereof		401.78		37.37
Aggregate amount of unquoted investments		-		-
Aggregate amount of impairment in the value of investments		-		-

Note No. 6: Trade Receivables

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Non-current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	7.71	84.84
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Allowance for expected credit loss (Refer Note No. 27A (i))	(0.64)	(11.87)
Total non-current	7.07	72.97

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	381.89	358.48
Receivables from related parties considered good - unsecured (Refer Note No. 29.8(iii))	20.36	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Allowance for expected credit loss(Refer Note no. 27A (i))	(126.74)	(27.60)
Total current	275.51	330.88

Ageing as at March 31, 2022

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 Trade receivables – considered good	-	7.71	-	-	-	-	-	7.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	7.71	-	-	-	-	-	7.71

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 Trade receivables – considered good	9.62	153.73	75.88	46.23	59.10	34.70	22.99	402.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	9.62	153.73	75.88	46.23	59.10	34.70	22.99	402.25

Ageing as at March 31, 2021

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 Trade receivables – considered good	-	84.84	-	-	-	-	-	84.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	84.84	-	-	-	-	-	84.84

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 Trade receivables – considered good	1.58	214.42	30.37	13.35	43.24	41.06	14.46	358.48
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	1.58	214.42	30.37	13.35	43.24	41.06	14.46	358.48

Note No. 7: Cash and Bank Balances

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
(i) Cash and cash equivalents		
(a) Balances with banks		
(i) In current accounts	30.20	32.60
(ii) In EEFC accounts	15.30	19.84
Total cash and cash equivalents	45.50	52.44
(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	296.77	148.23
Balances held as margin money or security against fund and non-fund based banking arrangements	2.88	15.83
Total other bank balances	299.68	164.09

The details of balances with banks (all in India, unless stated otherwise) and deposits with financial institutions as on Balance Sheet dates are as follows:

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
a) Current Accounts		
Axis Bank	0.79	0.01
Citibank	0.04	0.04
Citibank, Dubai	0.05	0.10
Citibank, Mexico	0.01	-
Citibank, USA	1.07	1.64
HDFC Bank	-	6.61
ICICI Bank	0.00	0.11
Kotak Mahindra Bank	13.78	3.40
Standard Chartered Bank	14.18	20.39
Standard Chartered Bank, Nairobi	0.27	0.08
State Bank of India	0.01	0.22
	30.20	32.60

b) EEFC Accounts		
Citibank	0.45	4.60
Standard Chartered Bank	14.85	15.24
	15.30	19.84
c) Balances with banks in unpaid dividend account		
Axis Bank	0.03	0.03
	0.03	0.03
d) Deposits with original maturity of more than three months but less than twelve months		
Axis Bank	153.76	41.49
Citibank	0.44	-
ICICI Bank	-	39.80
IndusInd Bank	47.76	45.00
Karnataka Bank	70.00	-
Kotak Mahindra Bank	12.17	7.96
Standard Chartered Bank	2.64	4.08
Yes Bank	10.00	9.90
	296.77	148.23
e) Balances held as margin money or security against fund and non-fund based banking arrangements for less than twelve months		
Axis Bank	0.45	3.37
Citibank	-	0.63
Kotak Mahindra Bank	1.78	8.94
State Bank of India	0.65	-
Standard Chartered Bank	-	2.89
	2.88	15.83
Total cash and cash equivalent (a+b)	45.50	52.44
Total other bank balances with maturity more than three months but less than twelve months (c+d+e)	299.68	164.09
f) Deposits with remaining maturity of more than twelve months (Refer Note 8)		
Axis Bank	-	0.19
Citibank	0.22	-
	0.22	0.19
g) Balances held as margin money or security against fund and non-fund based banking arrangements with remaining maturity of more than twelve months (Refer Note 8)		
Citibank	-	1.35
	-	1.35
h) Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months (Refer Note 8)		
Citibank	1.15	-
	1.15	-
i) Deposits with financial institutions (Refer Note No. 8)		
Bajaj Finance Limited	306.00	60.00
HDFC Limited	25.00	48.00
Mahindra & Mahindra Financial Services Limited	20.79	-
	351.79	108.00

Movements in deferred tax assets

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(2AB)	MAT credit	Total
As at April 01, 2020 (Charged)/Credited	21.98	2.30	17.42	-	41.70
- to statement of profit and loss	(18.48)	(0.27)	(10.37)	44.14	15.02
As at March 31, 2021 (Charged)/Credited	3.50	2.03	7.05	44.14	56.72
- to statement of profit and loss	13.21	(0.22)	41.62	-	54.61
As at March 31, 2022	16.71	1.81	48.67	44.14	111.33

Note: During the year, the Company has recognised the deferred tax asset on MAT credit amounting to ₹ NIL (March 31, 2021 : 44.14) based on Management's estimate of future taxable profits.

Note No. 8: Other Financial Assets

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-current financial assets		
Security deposits	5.54	5.42
Less: Provision	(0.09)	(0.09)
	5.45	5.33
Deposits with original maturity of more than twelve months		
(i) In deposit accounts	0.22	0.19
(ii) Balances held as margin money or security against fund and non-fund based banking arrangements	-	1.35
Total non-current financial assets	5.67	6.87
Current financial assets		
Security deposits	0.61	0.29
Deposits with financial institutions	351.79	108.00
Interest accrued but not due	0.96	1.01
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-
Foreign exchange forward contracts	0.60	1.00
Other Receivables	8.05	-
Total current financial assets	363.16	110.30

Note No. 9: Tax assets

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
9(a) Current Tax Asset (net)		
Advance Income Tax (net)	35.63	62.61
	35.63	62.61
9(b) Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	16.71	3.50
Lease liabilities	6.90	7.65
Unabsorbed depreciation and allowances under section 35(2AB)	48.67	7.05
MAT credit	44.14	44.14
Total deferred tax assets	116.42	62.34
Right-of-use assets	(5.09)	(5.62)
Net deferred tax assets	111.33	56.72

Note No. 10: Other assets

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Other non-current assets		
Pre-paid gratuity contributions (asset) (Refer Note No -22)	0.23	0.11
Prepaid Expenses	0.43	0.20
Capital Advances	6.93	0.09
Balances with government authorities	15.60	6.58
Total other non-current assets	23.19	6.98
Other current assets		
Advances to suppliers	29.82	30.21
Advances to suppliers - related parties (Refer Note No. 29.8)	2.80	8.69
Advances others	0.03	0.02
Balances with government authorities	38.90	11.93
Prepaid expenses	2.73	2.24
Advances to employees	0.10	0.54
Total other current assets	74.38	53.63

Note No. 11: Inventories

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Raw material - components including assemblies and sub-assemblies [including goods in transit ₹ 0.28 (March 31, 2021: ₹ 0.37)]	274.37	213.65
Traded Goods	3.65	-
Total inventories*	278.02	213.65

*Net of write down of inventories amounting to ₹ 7.68 (March 31, 2021 ₹ 10.44).

Note No. 12: Equity Share Capital

Particulars	in ₹ crore, except share data	
	Number of Shares	Equity Share Capital
a) Authorised Capital		
Equity Share Capital of ₹ 10/- each		
As at April 01, 2020	17,64,52,000	176.45
Changes in equity share capital during the year		
Increase during the year	-	-
As at March 31, 2021	17,64,52,000	176.45
Changes in equity share capital during the year		
Increase during the year	2,35,48,000	23.55
As at March 31, 2022	20,00,00,000	200.00
b) Issued, Subscribed and Paid up Capital		
Equity Share Capital of ₹ 10/- each		
Fully paid shares		
As at April 1, 2020	9,22,10,835	92.21

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. 30 (v))	10,29,509	1.03
As at March 31, 2021	9,32,40,344	93.24
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. 30 (v))	19,29,719	1.93
Issue of equity shares under Private Placement (Refer (b) below)	1,93,79,845	19.38
As at March 31, 2022	11,45,49,908	114.55
c) Forfeited shares (to the extent of amount paid up)*		
As at April 1, 2020	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2021	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2022	3,27,27,930	3.27
Particulars	As at	
	March 31, 2022	March 31, 2021
Total Equity Share Capital (b+c)	117.82	96.51

* 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, based on the approval of the Board of Directors, as follows:

- 1,93,79,845 equity shares, having face value of ₹ 10/- each, at a price of ₹ 258 per Equity Share, aggregating to ₹ 500 ("Subscription Shares");
- 3,68,21,706 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of ₹ 258 per equity share aggregating to ₹ 950 ("Series A Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until expiry of 11 (eleven) months from the date of allotment of the warrants ("Series A Warrants"); and
- 1,55,03,876 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of ₹ 258 per equity share aggregating to ₹ 400 ("Series B Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing after the expiry of 12 (twelve) months from the date of allotment of the warrants until expiry of 18 (eighteen) months from the date of allotment of the warrants ("Series B Warrants");

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 Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

Post the balance sheet date, on April 8, 2022, the balance 75% of the exercise price of Series A Warrants amounting to ₹ 712.50 was received against allotment of 3,68,21,706 number of equity shares. The balance 75% of Series B Warrants shall be payable at the time of allotment of equity shares pursuant to exercise of rights attached to Series B Warrants to subscribe to equity share. The amount paid against Series B Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.

c) Details of shares held by promoters at the end of the year

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited		
Number of shares held	4,25,80,104	-
% holding in that class of shares	37.17%	-
% Change during the year (*)	0.01%	-
* Shares were issued for the first time during the year, hence the percentage change computed with respect to the date of issue. Refer note 12(b) above.		

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

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited (holding company)		
Number of shares held	4,25,80,104	-

e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited		
Number of shares held	4,25,80,104	-
% holding in that class of shares	37.17%	-

Nippon Life India Trustee Ltd.-A/C Nippon India Small Cap Fund		
Number of shares held	57,63,697	57,63,697
% holding in that class of shares	5.03%	6.18%
Cascade Capital Management, Mauritius		
Number of shares held	20,13,184	1,65,13,184
% holding in that class of shares	1.76%	17.71%
Samena Spectrum Co.		
Number of shares held	19,41,649	94,41,649
% holding in that class of shares	1.70%	10.13%
Consilium Extended Opportunities Fund L.P.		
Number of shares held	20,46,711	53,59,887
% holding in that class of shares	1.79%	5.75%
East Bridge Capital Master Fund I Ltd		
Number of shares held	47,93,508	47,93,508
% holding in that class of shares	4.18%	5.14%

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. 30) and commitments for the issue of shares:

Particulars	As at	
	March 31, 2022	March 31, 2021
in Nos		
Equity shares of ₹ 10/- each		
ESOP Schemes	30,91,873	44,93,791
Outstanding at the end of the year	30,91,873	44,93,791
Options available for grant	-	-
RSU	20,77,034	26,07,036
Outstanding at the end of the year	17,34,245	12,13,491
Units available for grant	3,42,789	13,93,545
Share Warrants (Refer (b) above)	5,23,25,582	-
Commitments for the issue of shares	5,23,25,582	-

Note No. 13: Other Equity

Particulars	As at	
	March 31, 2022	March 31, 2021
in ₹ crore		
Securities premium	1,456.24	951.27
Retained earnings	(13.75)	52.06
Employee stock compensation outstanding account	29.29	33.12
Money received against share warrants	337.50	-
Total Other Equity	1,809.28	1,036.45

(i) Securities premium in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	951.27	937.80
Premium received upon exercise of ESOP	9.51	4.67
Premium received on Issue of shares through Private placement Private Placement Shares issue expense	480.62	-
Reclassification upon exercise of ESOP/RSU	(0.19)	-
	15.03	8.80
Closing Balance	1,456.24	951.27

(ii) Retained earnings in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	52.06	12.56
(Loss)/Profit for the period	(63.73)	37.29
Items of other comprehensive income recognized directly in retained earnings		
Remeasurements of the post employment benefit obligation	(2.08)	2.21
Closing Balance	(13.75)	52.06

(iii) Employee stock compensation outstanding account in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	33.12	33.92
Share based payment expenses	11.20	8.00
Reclassification upon exercise of ESOP/RSU	(15.03)	(8.80)
Closing Balance	29.29	33.12

(iv) Money received against share warrants (Refer Note No. 12(b)) in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	-	-
Transaction during the year	337.50	-
Closing Balance	337.50	-

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.

Note No. 14: Lease Liabilities

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Lease Liabilities	11.95	17.07
Total non-current	11.95	17.07
Current		
Lease Liabilities	7.81	4.83
Total current	7.81	4.83

Net Debt Reconciliation in ₹ crore

Particulars	Lease Liabilities
Debt as on April 01, 2020	27.88
Interest expense	2.29
Repayment of interest and principal	(8.02)
Discount on leases	(0.25)
Debt as on March 31, 2021	21.90
Acquisitions - finance leases	4.59
Interest expense	2.10
Repayment of interest and principal	(8.34)
Discount on leases	(0.49)
Debt as on March 31, 2022	19.76

Note No. 15: Provisions in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-current provisions		
Other provisions		
Warranty	0.49	0.69
Total non-current provisions	0.49	0.69
Current provisions		
Compensated absences	5.21	4.70
Other provisions		
Warranty	1.45	0.52
Total current provisions	6.66	5.22

* The amount of provision of ₹ 5.21 (March 31, 2021 ₹ 4.70) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Particulars	As at	
	March 31, 2022	March 31, 2021
Leave obligation not expected to be settled within the next 12 months	4.07	3.90

Movement in Warranty

Provision for warranty has been estimated based on past history of claims settled.

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	1.21	3.48
Unwinding of interest on provisions	0.11	0.29
Additions/(reversals)	3.76	(1.34)
Utilisation	(3.14)	(1.22)
Closing balance	1.94	1.21
Disclosed as:		
Non-current	0.49	0.69
Current	1.45	0.52
	1.94	1.21

Note No. 16: Trade Payables

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Total outstanding dues of micro and small enterprises (MSME) (Refer Note No. 29.2)	11.48	11.84

Total outstanding dues of creditors other than micro and small enterprises	105.22	86.45
Total trade payables	116.70	98.29
Notes: Trade Payable includes the amounts due to related parties [Refer Note No. 29.8]	5.53	6.57

Ageing as at March 31, 2022

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	-	9.43	-	-	-	-	9.43
(ii) Others	19.92	64.01	9.64	2.24	0.12	9.29	105.22
(iii) Disputed dues – MSME	-	-	0.09	0.28	0.98	0.70	2.05
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	19.92	73.44	9.73	2.52	1.10	9.99	116.70

Ageing as at March 31, 2021

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	-	9.86	-	-	-	-	9.86
(ii) Others	-	55.31	11.56	3.61	0.45	15.52	86.45
(iii) Disputed dues – MSME	-	-	0.30	1.25	0.43	-	1.98
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	65.17	11.86	4.86	0.88	15.52	98.29

Note No. 17: Other Financial Liabilities

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Current		
Due to employees	15.55	16.35
Capital Creditors	4.59	0.95
Accrual for expenses	-	28.52
Unpaid dividend	0.03	0.03
Other liabilities	0.14	0.15
Total current	20.31	46.00

Note No. 18: Other Current Liabilities

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Advances received from customers	6.60	1.25
Deferred revenue	3.30	2.07
Statutory dues	8.33	6.50
Total other current liabilities	18.23	9.82

Note No. 19: Revenue from Operations

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Revenue from contract with customers (Refer Note No. 29.4)		
Sale of goods		
“Manufactured goods - Optical and Data Networking products including multiplexers*"	478.44	466.97
Component sales	-	11.78
	478.44	478.75
Rendering of services		
Installation and commissioning revenue	16.97	8.32
Annual maintenance revenue	48.71	33.63
Other service revenue	5.02	3.79
	70.70	45.74
Total revenue from operations	549.14	524.49

*Includes sale of certain traded goods

Note No. 20: Other Income

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Interest income from banks on deposits	24.11	10.16
(Loss)/Gain on current investment carried at fair value through statement of profit and loss	0.48	(0.18)
Gain on sale of current investment carried at fair value through statement of profit and loss	8.57	2.81
Unwinding of discount on fair valuation of financial assets	0.16	0.07
Net gain on foreign currency transactions and translation	3.15	-
Export Incentive	2.54	1.27
Other non-operating income		
Bad debts recovered	0.99	0.02
Profit on sale of property, plant and equipment	0.01	0.01
Interest on income tax refunds	2.49	10.04
Miscellaneous income	0.75	0.61
Total other income	43.25	24.81

Note No. 21A: Cost of Materials Consumed

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Opening stock	213.65	248.74
Add: Purchases	351.46	233.65
	565.11	482.39
Less: Closing stock	274.37	213.65
Cost of materials consumed*	290.74	268.74

*including write down of inventories.

Note No. 21B: Changes in inventories of stock in trade

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Opening stock - stock in trade	-	-
Closing stock - stock in trade	3.65	-
Changes in inventories of stock in trade	(3.65)	-

Note No. 22: Employee Benefit Expense

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Salaries and wages, including performance incentives	175.21	154.99
Contribution to provident and pension funds [Refer (i) below]	8.30	6.77

Gratuity expenses [Refer (iii) below]	2.51	2.17
Employee share based payment expenses [Refer Note No. 30 (vii)]	11.20	8.00
Staff welfare expenses	6.92	3.28
	204.14	175.21
Less: Capitalized during the year [Refer Note No. 4(b) and Note No. 29.7(i)]	79.63	65.64
Total employee benefit expenses	124.51	109.57

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. 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:

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Provident Fund Contributions	7.40	5.96
Employee Pension Scheme	0.90	0.81
Total	8.30	6.77

(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 ₹ 5.21 (March 31, 2021 – ₹ 4.70) 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.

Compensated absence expense recorded in Statement of Profit and Loss are as follows:

Particulars	Year Ended March 31,	
	2022	2021
Compensated absence expense/(gain) included in salaries and wages	1.10	0.81
Actuarial assumptions for long-term compensated absences		
Discount rate	7.49%	7.07%
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	Year Ended March 31,	
	2022	2021
Actuarial assumptions for defined benefit plan		
Discount rate	7.49%	7.07%
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:

Particulars	Present value of obligation	Fair value of plan assets	in ₹ crore
			Net amount
As at April 1, 2020	19.58	(19.58)	-
Current service cost	2.17	-	2.17
Interest expense/(income)	1.34	(1.34)	-
Total amount recognised in profit or loss under employee benefit expenses	3.51	(1.34)	2.17
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.77)	-	(0.77)
Actuarial (Gain)/ Losses due to experience adjustments on DBO	(1.03)	-	(1.03)
Return on Plan Assets (Greater) / Lesser than Discount rate	-	(0.41)	(0.41)
Total amount recognised in other comprehensive income	(1.80)	(0.41)	(2.21)
Employer contributions/ premiums paid	-	-	-
Benefit payments	(1.28)	1.21	(0.07)
As at March 31, 2021 (Refer Note No. 10)	20.01	(20.12)	(0.11)

Particulars	Present value of obligation	Fair value of plan assets	in ₹ crore
			Net amount
As at April 1, 2021	20.01	(20.12)	(0.11)
Current service cost	2.48	-	2.48
Interest expense/(income)	1.44	(1.62)	(0.18)
Total amount recognised in profit or loss under employee benefit expenses	3.92	(1.62)	2.30
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-

Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.84)	-	(0.84)
Actuarial (Gain)/ Losses due to experience adjustments on DBO	2.04	-	2.04
Return on Plan Assets (Greater) / Lesser than Discount rate	-	0.88	0.88
Total amount recognised in other comprehensive income	1.20	0.88	2.08
Employer contributions/ premiums paid	-	(4.50)	(4.50)
Benefit payments	(1.58)	1.58	-
As at March 31, 2022 (Refer Note No. 10)	23.55	(23.78)	(0.23)

b) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Year Ended March 31,	
	2022	2021
Discount Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	(8.46%)	(7.84%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	9.85%	9.06%
Salary Growth Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	9.74%	8.92%
Decrease by 100 basis points (March 31, 2021 100 basis points)	(8.5%)	(7.85%)
Attrition Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	0.02%	(0.28%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	(0.02%)	0.31%
Mortality Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	(0.00%)	(0.01%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	0.00%	0.01%

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,	
	2022	2021
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, 2023 are ₹ 2.98.

The weighted average duration of the defined benefit obligation is 12.24 years (March 31, 2021: 12.44 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31,	
	2022	2021
Year 1	1.39	1.58
Year 2	1.67	1.62
Year 3	1.99	2.02
Year 4	2.41	1.13
Year 5	1.00	1.53
Year 6-10	9.38	7.67
Year 10 and above	38.06	26.58

Note No. 23A: Finance Cost

Particulars	Year Ended March 31,	
	2022	2021
Interest expense		
(i) Unwinding of discount on fair valuation of financial liabilities	2.21	2.57
Other finance cost	0.82	1.01
Total finance cost	3.03	3.58

Note No. 23B: Allowance for expected credit loss

Particulars	Year Ended March 31,	
	2022	2021
Allowance for expected credit loss (Refer Note No. 27(A)(i))	87.91	12.49
Total Allowance for expected credit loss	87.91	12.49

Note No. 24: Other Expenses

Particulars	Year Ended March 31,	
	2022	2021
Installation and commissioning expenses	12.47	5.11
Other processing charges	1.19	0.98
Power and fuel	5.09	4.56
Housekeeping and security	2.55	2.44
Lease rentals	1.65	1.84
Repairs and maintenance - machinery	0.43	0.33
Repairs and maintenance - others	2.73	1.70
Sub-contractor charges	10.19	9.46
Insurance	1.28	1.36
Rates and taxes	5.58	0.21
Communication	0.92	1.12
Royalty	0.16	0.11
Travelling and conveyance	3.70	1.73
Printing and stationery	0.18	0.14
Freight and forwarding	10.24	11.27
Sales expenses	-	0.10
Sales commission	6.68	10.75
Business promotion	0.83	0.41
Director sitting fees	0.28	0.12
Director commission	0.48	0.32
Legal and professional	14.35	8.94
Auditors remuneration and out-of-pocket expenses		
Audit Fee (including fees for limited reviews)	0.53	0.54
Tax Audit Fee	0.03	0.03
Certification matters	0.09	0.17
Auditors out-of-pocket expenses	0.01	0.03
Net loss on foreign currency transactions and translation	-	1.43
Provision for warranty	3.76	(1.34)
Expenditure on corporate social responsibility (Refer Note No. 33)	0.46	0.98
Reimbursement of expenses to subsidiary (Refer Note No. 29.8)	17.66	12.30
Subscription and Membership	1.44	1.44
Miscellaneous expenses	2.57	1.95
Total other expenses	107.53	80.53

Note: Other expenses include R&D expenses under various line items [Refer Note No. 29.7 (ii)].

Note No. 25: Income Tax Expense

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
a. Current tax		
Adjustments for tax of prior periods	0.19	-
Total current tax expense	0.19	-
b. Deferred tax		
Decrease/(increase) in deferred tax assets	(54.61)	(15.02)
Total deferred tax (benefit)/expense	(54.61)	(15.02)
Total income tax (benefit)/expense	(54.42)	(15.02)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Profit/(Loss) before income tax expense	(118.15)	22.27
Tax expense /(credit) determined based on the statutory tax rate [i.e.34.944% (March 31, 2021: 34.944%)]	(41.29)	7.78
Reconciling items:		
Expenses disallowed for tax purposes	1.87	2.20
Mark-to-market loss/(gain) on mutual fund investments not considered for tax purposes	(0.13)	0.06
MAT credit recognised	-	(44.14)
Adjustments for tax of prior periods	0.19	-
Previously unrecognised DTA created during the current year	(14.37)	-
Deferred tax assets written down (including relating to current year)	-	18.31
Others	(0.69)	0.77
Income tax benefit	(54.42)	(15.02)

Note No. 26: Fair Value Measurement

(i) Financial instruments by category and fair value hierarchy

in ₹ crore

	Level	March 31, 2022		March 31, 2021	
		FVPL	Amortized cost	FVPL	Amortized cost
Financial assets					
Investments					
- Mutual Funds	1	401.78	-	37.37	-
- Others (Refer Note No. 36)	3	0.00	-	0.00	-
Trade receivables	3	-	282.58	-	403.85
Cash and cash equivalents		-	45.50	-	52.44
Bank balances other than cash and cash equivalents		-	299.68	-	164.09
Other financial assets					
- Deposits with remaining maturity of more than twelve months		-	0.22	-	1.54
- Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months		-	1.15	-	-
- Deposits with financial institutions		-	351.79	-	108.00
- Security deposits		-	6.06	-	5.62
- Interest accrued but not due	3	-	0.96	-	1.01
- Other Receivables	3	-	8.05	-	-
- Foreign Exchange Forward Contracts	2	0.60	-	1.00	-
Total Financial Assets		402.38	995.99	38.37	736.55
Financial liabilities					
Lease liabilities	3	-	19.76	-	21.90
Trade payables	3	-	116.70	-	98.29
Other financial liabilities					
- Capital Creditors		-	4.59	-	0.95
- Due to employees		-	15.55	-	16.35
- Accrual for expenses		-	-	-	28.52
- Unpaid dividend		-	0.03	-	0.03
- Other liabilities		-	0.14	-	0.15
Total Financial liabilities		-	156.77	-	166.19

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 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.

(ii) Valuation Technique

- The fair values of security deposits and non-current trade receivables 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.

(iii) 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 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.

(iv) 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), trade payables, capital creditors, cash and cash equivalents and other financial assets 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. 27: 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.

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) Expected credit loss for trade receivables under simplified approach

	in ₹ crore
Loss allowance as on April 01, 2020	(26.98)
Changes in loss allowance	(12.49)
Loss allowance as on April 01, 2021	(39.47)
Changes in loss allowance	(87.91)
Loss allowance as on March 31, 2022 (Refer Note No. 6 & 23B)	(127.38)

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 and deposits with banks and inter-corporate deposits placed with financial institutions. As a policy, the Company places its cash and cash equivalents and deposits with well established banks and financial institutions.

Management has evaluated and determined expected credit loss for security deposits and other financial assets to be immaterial.

During the year ended March 31, 2022, the Company has assessed the recoverability of overdue trade receivables from certain public sector customers and in view of delays in collections has made an additional provision of ₹ 74.31 crore towards all such receivables which were aged more than 3 years.

(ii) Sensitivity Analysis

The sensitivity of profit or loss to changes in the loss allowance

Particulars	in ₹ crore	
	Impact on profit/(loss) after tax	
	March 31, 2022	March 31, 2021
Increase in credit loss rate by 10%	(2.16)	(1.03)
Decrease in credit loss rate by 10%	1.83	1.03

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, 2022	March 31, 2021
Cash and cash equivalents	45.50	52.44
Other bank balances - deposits with maturity more than 3 months but less than 12 months and margin money	299.68	164.09
Deposits with financial institutions	351.79	108.00
Deposits with maturity more than 12 months	0.22	1.54
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-
Current investments - mutual funds	401.78	37.37

(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 March 31, 2022	in ₹ crore				
	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Trade payables	116.70	-	-	-	116.70
Due to employees	15.55	-	-	-	15.55
Capital Creditors	4.59	-	-	-	4.59
Lease Liabilities	4.57	4.69	4.36	10.31	23.93
Unpaid Dividend	0.03	-	-	-	0.03
Other liabilities	0.14	-	-	-	0.14
	141.58	4.69	4.36	10.31	160.94

Contractual maturities of financial liabilities March 31, 2021	in ₹ crore				
	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Trade payables	98.29	-	-	-	98.29
Due to employees	16.35	-	-	-	16.35
Capital Creditors	0.95	-	-	-	0.95
Accrual for expenses	28.52	-	-	-	28.52
Lease Liabilities	3.25	3.39	7.07	14.05	27.76
Unpaid Dividend	0.03	-	-	-	0.03
Other liabilities	0.15	-	-	-	0.15
	147.54	3.39	7.07	14.05	172.05

(iv) The Company has from time to time in the normal course of business entered into factoring agreements with bankers for some of the trade receivables on a non-recourse basis. As at March 31, 2022 the trade receivable does not include receivables amounting to ₹ 24.60 (March 31, 2021: ₹ Nil) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements (Refer Note No. 6).

	1,100.12	363.44
Less: Non current deposits and balances held as margin money or security against fund and non-fund based banking arrangements	3.10	18.72
	1,097.02	344.72

(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, 2022	March 31, 2021
Rupee		
Fund/ Non Fund based	109.73	165.14

The above facilities are fungible between fund based and non-fund based.

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, during the current year, the Company has entered into forward exchange contracts on export receivables 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 at the end of the reporting period expressed in Rupees crore are as follows:

Particulars	March 31, 2022			March 31, 2021		
	USD	MYR*	Others	USD	MYR*	Others
in ₹ crore						
Assets						
Trade receivables	122.88	14.53	0.20	72.31	53.43	0.01
Balance in EEFC account	15.30	-	-	19.84	-	-
Balance with banks outside India	1.07	-	0.33	1.64	-	0.18
Net exposure to foreign currency risk (assets)	139.25	14.53	0.53	93.79	53.43	0.19
Liabilities						
Trade payables	54.79	0.10	0.01	40.45	0.15	0.19
Net exposure to foreign currency risk (liabilities)	54.79	0.10	0.01	40.45	0.15	0.19
Net exposure to foreign currency risk	84.46	14.43	0.52	53.34	53.28	-

* MYR stands for Malaysian Ringgit.

(ii) 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	
	March 31, 2022	March 31, 2021
in ₹ crore		
USD Sensitivity		
INR/USD - Increase by 5% (March 31, 2021 5%)*	(3.49)	(2.20)
INR/USD - Decrease by 5% (March 31, 2021 5%)*	3.49	2.20
MYR Sensitivity		
INR/MYR - Increase by 5% (March 31, 2021 5%)*	(0.60)	(2.20)
INR/MYR - Decrease by 5% (March 31, 2021 5%)*	0.60	2.20

* Holding all other variables constant.

Note No. 28: 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 has issued share warrants to its holding company which is expected to be converted to equity share capital as per applicable terms.

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.

Debt equity ratio	in ₹ crore	
	March 31, 2022	March 31, 2021
Net Debt*	(1,080.36)	(341.54)
Equity	1,927.10	1,132.96
Debt equity ratio	-	-

*Net Debt represents the balance of borrowing (including lease liabilities) reduced by cash and cash equivalent, other bank balances including deposits more than 12 months, deposits with financial institutions and investment in liquid mutual funds. The Company has no 'net debt' as at March 31, 2022 and March 31, 2021

Note No. 29: Additional Information to Financial Statements

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
29.1 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	46.65
Disputed Income Tax Demands * (Refer Note 2 and 3 below)	-	-
Disputed CST and VAT Demand *	5.55	15.67
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	4.77	1.29

* These cases are pending at various forums with the respective 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.

Note 1: During FY 2018-19 and 2019-20, the Company received demand orders for ₹ 42.92 crore towards additional duty and penalty from the Customs Excise and Service Tax Appellate Tribunal (CESTAT) on the applicability of excise duty on software used in the multiplexer products pertaining to FY 2002-03 to FY 2009-10. Further, an additional penalty on certain officers of the Company amounting to ₹ 0.90 crore was raised. The Company has filed a stay application before the Honourable Supreme Court and has also filed an appeal before CESTAT.

During the current year, the Company has received a demand order for ₹ 3.32 crores for FY 2010-11 to FY 2013-14 on similar matters. The Company is in the process of filing appeals with the concerned authorities.

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 2012-13 to 2018-19. During the year 2019-20 and 2020-21 certain other agencies sent notices as part of their preliminary inquiries, which were duly responded / attended by the Company and its officials. In FY 2019-20, the assessments for AY 2012-13 to 2018-19 were carried out and the Company received Income Tax demands for ₹ 25.62 crore (after adjusting carry forward losses of earlier years) and ₹ 0.48 crore for AY 2017-18 and AY 2018-19, respectively.

Pursuant to the Company's application for rectification of certain errors in the aforesaid orders, during the quarter ended September 30, 2020, the Company received rectification orders for AY 2012-13 to AY 2018-19 under section 154 of the IT Act. Certain brought forward losses which were not considered in the earlier demand

orders were allowed and other computation errors were corrected in the rectification orders resulting in a cumulative net refund position. The Company has also filed appeal against the orders for the aforementioned assessment years disputing certain disallowances. The Company is of the view that the outcome of these proceedings/ notices has no material adverse impact on the Company's financial statements.

Note 3: In July, 2017, the Income Tax Department (Department) initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act) and in March 2018, also sent a show cause notice to the company under Section 276(C) 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 IT Act from the Special Court for Economic Offences, to which the Company has responded. Post the ongoing proceedings initiated by the Department, during FY 2019-20 and FY 2020-21, certain other agencies sent notices as part of their preliminary inquiries, which were duly responded by the Company and its officials. 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.

29.2 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:

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end ¹	11.48	11.84
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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	-	-
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	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-

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	-	-
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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.

29.3 Segment Information

(i) The Company's business activity primarily falls within a single business segment 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 Company's performance as a single business segment and not at any other disaggregated level.

(ii) Geographical information

in ₹ crore

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
I. Revenues*		
India	348.30	321.64
International [#]	200.84	202.85
	549.14	524.49

* Determined based on location of customers

[#] International includes Africa (March 31, 2021: Africa and South East Asia regions) which individually contribute to more than 10% of the total revenues.

Revenues of approximately ₹ 179.50 are derived from two external customers (March 31, 2021: ₹ 193.86 from three external customer) each exceeding 10% of the total revenue.

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
II Total Carrying amount of non current assets, by geographical location		
India*	177.46	135.50
International	-	-

* Includes an amount of ₹ 14.56 (March 31, 2021: 16.10) being Right of use assets pursuant to adoption of Ind AS 116.

29.4 Revenue from contract with customers

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenue from contracts with 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. 19).

in ₹ crore

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
India-PSU	93.35	85.85
India-Private	254.95	235.79
International	200.84	202.85
	549.14	524.49

(ii) 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, 2020	2.60	0.29
Less: Revenue accrued during the year	10.35	0.14
Add: Invoicing in excess of earned revenue during the year	9.82	-
Add: Advances received during the year	-	1.10
Balance as on March 31, 2021	2.07	1.25
Less: Revenue accrued during the year	5.66	1.84
Add: Invoicing in excess of earned revenue during the year	6.89	-
Add: Advances received during the year	-	7.19
Balance as on March 31, 2022	3.30	6.60

(iii) Performance obligations and remaining performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2022, is approximately ₹ 1,175. Out of this, the Company expects to recognize revenue of around 68% 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.

(iv) Reconciliation of revenue recognised with Contract price

Particulars	Year Ended March 31,	
	2022	2021
Contract Price	549.14	524.49
Less adjustments for:		
Variable consideration	-	-
Revenue from operations	549.14	524.49

29.5 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:

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Right of use Assets		
Buildings	14.56	16.10
Total	14.56	16.10

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Lease Liabilities		
Current	7.81	4.83
Non-Current	11.95	17.07
Total	19.76	21.90

Additions to right-of-use assets during the current financial year is ₹ 4.59 (March 31, 2021: NIL).

(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	Year ended March 31,	
		2022	2021
Depreciation charge of Right of use Assets			
Buildings	4(c)	6.13	5.19
Total		6.13	5.19
Other costs			
Interest expense (included in finance costs)	23A	2.10	2.29
Expenses relating to short term leases (included in other expenses)*	24	1.65	1.84
Total		3.75	4.13

*includes maintenance expenses

The total cash outflow for leases for the year ended March 31, 2022 is 9.99 (March 31, 2021: ₹ 9.86).

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 exercisable only by the Company.

The Company has not provided any residual value guarantees in any of the leasing arrangements.

29.6: Earnings/(Loss) per share

in ₹ crore except for share data or as otherwise stated

Particulars	Year Ended March 31,	
	2022	2021
Basic		
Net profit/(loss) for the year attributable to the equity share holders	(63.73)	37.29
Weighted average number of equity shares	10,50,19,617	9,25,53,796
Par value per share (₹)	10	10
Earnings/(loss) per equity share - Basic (₹)	(6.07)	4.03
Diluted		
Net profit/(loss) for the year attributable to the equity share holders	(63.73)	37.29

Weighted average number of equity shares for Basic EPS	10,50,19,617	9,25,53,796
Add: Share warrants and bonus element on Share Options/RsUs issued to employees*	-	15,74,477
Weighted average number of equity shares - for diluted EPS	10,50,19,617	9,41,28,273
Par value per share (₹)	10	10
Earnings/(loss) per equity share - diluted (₹)	(6.07)	3.96

* Potentially issuable equity shares, on account of Share Options/RsUs issued to employees and share warrants, 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.

29.7: Product Development Cost

(i) Product development costs capitalized during the year with regard to the development of various modules of products are being amortised in accordance with the Company's policy.

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Amount transferred to Product Development	64.51	68.14
Additions to Intangible assets under development	79.63	65.64

(ii) 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, 2022.

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Eligible capital expenditure	84.41	77.87
Eligible revenue expenditure	52.36	32.71
TOTAL	136.77	110.58

Eligible capital expenditure includes R&D manpower salaries/ wages towards product development amounting to ₹ 79.63 (March 31, 2021: 65.64).

29.8: Related party transactions

(i) Details of related parties:

Description of relationship	
Ultimate Holding Company (w.e.f October 29, 2021)	Tata Sons Private Limited
Holding Company/ Controlling Entity (w.e.f October 29, 2021)	Panatone Finvest Limited
Subsidiary	Tejas Communication Pte Limited, Singapore
Step-down subsidiary	Tejas Communications (Nigeria) Limited, Nigeria

Subsidiaries of Ultimate Holding Company (w.e.f October 29, 2021)	Tata Communications Limited	Post-employment benefit plan for the benefit of employees (Other related parties)	Tejas Networks Limited Employees Group Gratuity Fund Trust
	Tata Consultancy Services Limited	Key Management Personnel	
	Tata Teleservices (Maharashtra) Limited	Executive Directors	Sanjay Nayak, CEO and Managing Director Arnob Roy, Chief Operating Officer and Whole Time Director
	Tata Teleservices Limited	Independent Directors	Balakrishnan V Leela K Ponappa Chandrashekar Bhaskar Bhawe
	Tata Advanced Systems Limited	Non - Executive Directors & Non - Independent Director	Gururaj Deshpande N. Ganapathy Subramaniam (w.e.f January 19, 2022) Amur Swaminathan Lakshminarayanan (w.e.f January 19, 2022)
	Tata Communications (America) Inc., United States of America		
	Nova Integrated Systems Limited		
Entities where Directors are interested (with whom the Company has transactions) (Other related parties)	Tata Communications Lanka Limited, Sri Lanka		
	Clonect Solutions Private Limited		
	Darwinbox Digital Solutions Private Limited		
	Cloudsek Information Security Private Limited		
	Deshpande Foundation		
Akshaya Patra Foundation			
ICT Academy			

(ii) Transaction with related parties during the year

Particulars	Year Ended March 31, 2022				
	Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Ultimate Holding Company	Other Related Parties	Total
Revenue from operations	-	6.06	39.98	-	46.04
Purchase of goods and services	-	20.73	-	-	20.73
Reimbursement of expenses	-	17.66	-	-	17.66
Communication	-	-	0.04	-	0.04
Subscription Charges	-	-	-	0.06	0.06
Professional Charges	-	-	-	0.19	0.19
Contribution to post employment benefit plans	-	-	-	4.50	4.50
Proceeds from Issue of Fresh Equity shares through Private Placement	500.00	-	-	-	500.00
Proceeds from Issue of Share Warrants (Refer Note No. 12(b) and 13(iv))	337.50	-	-	-	337.50

Particulars	Year Ended March 31, 2021				
	Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Ultimate Holding Company	Other Related Parties	Total
Revenue from operations	-	2.94	-	-	2.94
Reimbursement of expenses	-	12.30	-	-	12.30
Subscription Charges	-	-	-	0.05	0.05
Professional Charges	-	-	-	0.19	0.19
Expenditure on Corporate Social Responsibility	-	-	-	0.40	0.40

Transactions with Key Management Personnel is as follows:	Year Ended March 31,	
	2022	2021
Short-term employee benefits	2.66	2.88
Post-employment benefits	0.05	0.05
Employee share-based payment	2.00	0.77
Directors' Sitting fees	0.28	0.12
Directors' Commission	0.48	0.32

(iii) Balances from/to related parties are as follows:

Particulars	Year Ended March 31, 2022				
	Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Ultimate Holding Company	Key Management Personnel	Total
Trade receivables, unbilled receivables and contract assets	-	2.05	18.31	-	20.36
Other financial assets and other assets	-	2.80	-	-	2.80
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	-	5.53	1.65	-	7.18
Investment	-	10.87	-	-	10.87
Short term employee benefits payable	-	-	-	0.07	0.07
Directors' Commission payable	-	-	-	0.48	0.48

Particulars	Year Ended March 31, 2021				
	Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Ultimate Holding Company	Key Management Personnel	Total
Trade receivables, unbilled receivables and contract assets	-	-	-	-	-
Other financial assets and other assets	-	8.69	-	-	8.69
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	-	6.57	-	-	6.57
Investment	-	10.87	-	-	10.87
Short-term employee benefits payable	-	-	-	0.63	0.63
Directors' Commission payable	-	-	-	0.32	0.32

29.9 Ratios

Sl. No.	Particulars	Numerator Includes	Denominator Includes	Ratio FY 22	Ratio FY 21	% Variance	Reasons for variance in excess of 25%
1	Current Ratio	Total current assets	Total current liabilities	10.24	5.86	75%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants during the year resulting in an increase in current assets as at the year end.
2	Debt-equity ratio	Lease Liabilities	Total equity	0.01	0.02	-59%	Issuance of shares and warrants during the year resulting in an increase in equity as at the year end.
3	Debt service coverage ratio	Profit/(Loss) after tax (adjusted for) Depreciation and amortization expense Allowance for expected credit loss Other non-cash items Finance costs	Debt service (lease payments for the current year)	13.75	14.16	-3%	Not applicable
4	Return on Equity Ratio	Profit/(Loss) after tax	Average equity	(0.04)	0.03	-224%	Loss incurred during the year
5	Inventory turnover ratio	Cost of materials consumed	Average Inventories	1.26	1.15	10%	Not applicable
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	1.60	1.24	29%	Higher allowance for expected credit loss
7	Trade payables turnover ratio	Purchases (others) Purchases of stock in trade	Average Trade payables	3.08	2.05	51%	Increased on account of increased purchases

8	Net capital turnover ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	0.35	0.66	-47%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants during the year resulting in an increase in current assets as at the year end.
9	Net (loss)/profit ratio	Profit/(Loss) after tax	Revenue from operations	(0.12)	0.07	-263%	Loss incurred during the year
10	Return on Capital employed	Earnings before interest and tax	Total equity Lease Liabilities	(0.06)	0.02	-364%	Loss incurred during the year and Issuance of shares and warrants during the year resulting in an increase in equity as at the year end.
11	Return on Investment	Earnings before interest and tax	Average Total Assets	(0.07)	0.02	-432%	Loss incurred during the year

29.10 Private Placement

The Company has made a preferential allotment/ private placement of shares during the year, 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, except as described below:

Nature of securities	Purpose for which funds raised	Total Amount Raised	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks
Equity shares and Series A and Series B Warrants	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.	837.50	-	576.33	None

Note No. 30: 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.

(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 (v)(c) 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 (v)(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.

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, 2021 and March 31, 2022.

(v) Summary of options under various plans:

Particulars	March 31, 2022		March 31, 2021	
	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	16,29,950	65	21,24,436
Granted during the year	-	-	-	-
Exercised during the year*	65	5,68,444	65	4,82,609
Forfeited during the year	65	-	65	11,877
Outstanding at the end of the year	65	10,61,506	65	16,29,950
Exercisable at the end of the year	65	10,61,506	65	16,29,950
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		10.22 years		10.96 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 - ₹ 110.42)

(b) ESOP Plan 2014-A				
Outstanding at the beginning of the year	85	12,70,132	85	13,79,749
Granted during the year	-	-	-	-
Exercised during the year*	85	3,24,404	85	94,872
Forfeited during the year	85	-	85	14,745
Outstanding at the end of the year	85	9,45,728	85	12,70,132
Exercisable at the end of the year	85	9,45,728	85	12,70,132
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		4.43 years		5.52 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 - ₹ 110.42)

Particulars	March 31, 2022		March 31, 2021	
	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	15,93,709	85 -110	18,73,683
Granted during the year	-	-	-	-
Exercised during the year*	85 -110	5,06,870	85 -110	1,69,856
Forfeited during the year	85 -110	2,200	85 -110	1,10,118
Outstanding at the end of the year	85 -110	10,84,639	85 -110	15,93,709
Exercisable at the end of the year	85 -110	10,84,639	85 -110	15,86,355
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		4.84 years		5.93 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 - ₹ 110.42)

(i) During FY 2020-21, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors approved extension of exercise period of the Employee Stock Option Plan 2014-A and Employee Stock Option Plan 2016 in respect of employees who have not exercised the Stock Options that had vested as per the plan in vogue by another 4 years.

(ii) The incremental fair value of the options which were modified amounted to ₹ 2.21 crore, which has been recognized in the Statement of Profit and Loss for the financial year ended March 31, 2021.

(iii) 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	ESOP Plan 2014-A	ESOP Plan 2016
Share price on the date of Modification	84.65	84.65
Exercise price	85.00	85 & 110
Risk Free Interest Rate	5.91%	5.91%
Expected Life	5-12Years	5-12Years
Exercise period from the date of vesting	8 years	8 years
Expected Annual Volatility of Shares	60.9%	60.9%
Expected Dividend Yield	1.18%	1.18%

Particulars	March 31, 2022		March 31, 2021	
	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	12,13,491	10	16,84,501
Granted during the year	10	10,84,290	10	20,500
Exercised during the year*	10	5,30,002	10	2,82,172
Forfeited during the year	10	33,534	10	2,09,338
Outstanding at the end of the year	10	17,34,245	10	12,13,491
Exercisable at the end of the year	10	3,77,533	10	4,68,258
RSU available for grant**	10	3,42,789	10	13,93,545
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		4.50 years		4.01 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 - ₹ 110.42)

** Includes 3,42,789 RSUs lapsed (March 31, 2021 - 3,65,385) which can be re-issued and will form part of RSU pool to be granted.

(vi) 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	March 31, 2022	March 31, 2021
RSU Plan 2017		
Weighted Average share price on the date of grant	289.06	94.55
Exercise price	10.00	10.00
Risk Free Interest Rate	6.07% to 6.60%	5.86% to 5.96%
Expected Life	5-7 Years	5-8 Years
Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	50% to 60%	60% to 61%
Expected Dividend Yield	0.21% to 0.57%	0.70% to 1.79%

(vii) Effect of share based payment transactions on the Statement of Profit and Loss:

in ₹ crore

	March 31, 2022	March 31, 2021
Equity-settled share-based payments (Refer Note No. 22)	11.20	8.00

Note No. 31: Assets pledged as security against fund and non-fund based banking arrangements

in ₹ crore

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
(i) Financial Assets			
Trade Receivables	6	275.51	330.88
Other financial assets	8	0.22	1.54

Other financial assets excluding deposits with financial institutions	8	10.76	2.01
Total financial assets		286.49	334.43
(ii) Non- Financial Assets			
Other current assets	10	74.38	53.63
Inventories	11	278.02	213.65
Total non- financial assets		352.40	267.28
(iii) Total current assets pledged as security			
		638.89	601.71
(iv) Non-current assets			
Property, plant and equipment	4(a)	40.09	29.48
Trade Receivables	6	7.07	72.97
Total Non-current assets pledged as security		47.16	102.45
(v) Total assets pledged as security			
		686.05	704.16

The Company has multiple banking arrangements with banks who have extended fund based and non-fund based facilities and have 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. The aggregate of fund and non-fund based facilities available as at March 31, 2022 aggregates to ₹ 103.27 (March 31, 2021: ₹ 103.35).

Note No. 32: Statement of Function wise Profit and Loss (for additional information only)

Particulars	in ₹ crore	
	Year ended March 31,	
	2022	2021
Revenue		
Product sales	478.44	466.97
Component sales	-	11.78
Services	70.70	45.74
Net Revenue (A)	549.14	524.49
Cost of materials consumed (Refer Note i below)	312.13	269.83
Manufacturing Expenses	17.54	14.07
Service Expenses	46.76	30.57
Total Cost of Goods Sold (B)	376.43	314.47
Gross Profit (C) = (A) - (B)	172.71	210.02
Operating Expenses:		
Research & Development (Gross)	131.23	106.05
Less: R&D Capitalized	(79.63)	(65.64)
Research & Development (Net)	51.60	40.41
Selling, Distribution & Marketing	81.15	79.89
Allowance for expected credit loss	87.91	12.49
General & Administrative	33.63	22.64
Operating Expenses (Net) (D)	254.29	155.43

Profit/(loss) from operations (EBITDA) (E) = (C) - (D)	(81.58)	54.59
Other Income (Refer Note ii below)	40.10	24.81
Foreign exchange loss/(gain) (Refer Note iii below)	(3.15)	1.43
Finance costs	3.03	3.58
Depreciation and amortization	76.79	52.12
Profit/(loss) before tax	(118.15)	22.27
Tax expense:		
Current tax	0.19	-
Deferred tax expense/(benefit)	(54.61)	(15.02)
Profit/(loss) after tax	(63.73)	37.29
Other Comprehensive income/(loss)	(2.08)	2.21
Total comprehensive income/(loss) for the year	(65.81)	39.50
Earning/(loss) per share (Par Value ₹ 10 each)		
(a) Basic	(6.07)	4.03
(b) Diluted	(6.07)	3.96
Weighted average Basic Equity share outstanding	10,50,19,617	9,25,53,796
Weighted average Diluted Potential Equity share outstanding	10,50,19,617	9,41,28,273

i. The reconciliation of Cost of Sales between Schedule III and function wise profit and loss account is as follows:

Particulars	in ₹ crore	
	Year ended March 31,	
	2022	2021
Cost of material consumed as per Schedule III (Refer Note no. 21A and Note no. 21B)	310.78	268.74
Add: Considered separately under other expenses as per Schedule III (Refer Note No. 24)		
Other Processing Charges	1.19	0.98
Royalty	0.16	0.11
Total Cost of material consumed as per function wise profit and loss	312.13	269.83

ii. The reconciliation of Other Income between Schedule III and function wise profit and loss account is as follows:

Particulars	in ₹ crore	
	Year ended March 31,	
	2022	2021
Other income as per Schedule III (Refer Note No. 20)	43.25	24.81
Less: Net gain on foreign exchange considered separately in functional wise profit and losses (Refer Note iii below)	(3.15)	-
Other income as per function wise profit and loss	40.10	24.81

iii. The breakup of foreign exchange loss/(gain) is as under:

Particulars	in ₹ crore	
	Year ended March 31,	
	2022	2021
Net loss/(gain) on foreign currency transactions and translation others (other than considered as finance cost) (Refer Note No. 20, Note No. 24 and Note ii above)	(3.15)	1.43
Foreign exchange loss/(gain) as per function wise profit and loss	(3.15)	1.43

Note No. 33: Expenditure on corporate social responsibility (as per section 135 of the Act)

(a) Gross amount required to be spent by the Company during the year ₹ 0.46 (previous year ₹ 0.98).

(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
-	-	0.46	0.46	-

(c) There were no ongoing CSR projects under Section 135(6) of the Act during the year.

(d) Amount spent during the year: ₹ 0.46 (included under expenditure on corporate social responsibility note no. 24)

in ₹ crore

Particulars	Incurred	Yet to be incurred	Total
1. Construction / acquisition of any asset	(-)	(-)	(-)
2. On purposes other than (1) above	0.46	-	0.46
Previous year figures are in brackets	(0.98)	(-)	(0.98)

Particulars	Nature of Service	Year Ended March 31,	
		2022	2021
Katha	Katha has several programmes in place to help check poverty across the country. Katha brings children living in poverty into reading and quality education. Over the past three decades, through its many programmes, Katha has helped over one million children help themselves out of poverty.	0.05	0.13
International Institute of Information Technology (IIIT), Bengaluru	Developing the next generation teachers and industry ready students aligned to the Skill India Vision of the Government of India.	0.10	0.25
Sri Aurobindo Society, Puducherry	Project Inclusion aims to bring children with hidden disability who are unable to cope-up with the World around by giving them equal and quality education and aims to bring such children in forefront and makes Inclusive education a reality.	0.10	0.20
Bharatiya Jain Sanghatana (BJS)	BJS is a registered non-profit social impact organization based in Pune, working in disaster response for the past 35 years. Its work has been widely acknowledged at the national and international levels by governments and several institutions of repute, including the World Health Organization. Since March 2020 BJS has been at the forefront of fighting the COVID pandemic in the country, working in close coordination with state governments, district administrations and municipal corporations across many states.	0.03	-
Shyam Hospital And Research Centre	The hospital is located in Bangarpet town in Kolar district of Karnataka. The hospital was converted to a Covid Care Hospital, so that they could serve as many people as possible.	0.04	-
ELCIA Trust	ELCIA TRUST was established by the Electronics City Industries Association (ELCIA), in 2003 with the objective of effecting social improvement in the villages neighboring Electronics City industrial estate. With a vision to Nurture Growth, they focus on efforts on Education, Vocational training and Health & Hygiene programs for the benefit of the community. ELCIA Trust has worked tirelessly in combating COVID 19 pandemic.	0.05	-
Usha Mahajan Memorial Social Service	The project "SHIKSHA LEARNING CENTRE" at Village Narwana Khas, Dharamshala, Kangra, Himachal Pradesh, under the supervision of "Usha Mahajan Memorial Social Service Organization, aims to contribute, strengthen basic education & nutritional content, delivery, outreach and outcome, with renewed focus on developing practices that nurture health, wellness and education.	0.09	-
ICT Academy Of Tamilnadu	Developing the next generation teachers and industry ready students aligned to the Skill India Vision of the Government of India	-	0.15
Deshpande Foundation	Supports innovation for scalable impact for a sustainable, scalable social and economic impact through innovation and entrepreneurship	-	0.15
Akshaya Patra Foundation, Bengaluru	NGO run school meal programme facilitating education of underprivileged children in India	-	0.10
Total qualifying expenditure on corporate social responsibility		0.46	0.98

Note No. 34: Interest in subsidiaries

Name of the Company	Place of Business	% of Holding and voting power either directly or indirectly through subsidiary as at	
		March 31, 2022	March 31, 2021
Tejas Communications Pte Limited (wholly owned subsidiary since incorporation on June 14, 2001)	Singapore	100%	100%
Tejas Communications (Nigeria) Limited (wholly owned subsidiary of Tejas Communications Pte Limited, since incorporation on September 07, 2015)	Nigeria	100%	100%

Note No. 35: 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	March 31, 2022	March 31, 2021
Deposits with financial institutions				
Bajaj Finance	None	Investments in Term Deposits	306.00	60.00
HDFC Limited	None	Investments in Term Deposits	25.00	48.00
Mahindra & Mahindra Financial Services Limited	None	Investments in Term Deposits	20.79	-
			351.79	108.00

Note No. 36: Details of amounts rounded off

in ₹

Particulars	As at	
	March 31, 2022	March 31, 2021
Investment in ELCIA ESDM Cluster (Refer Note No. 5)	11,000/-	11,000/-
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	4,616/-

Note No. 37: Additional regulatory information required by Schedule III

(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) 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 of filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter

The Company 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 Company 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 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.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) 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 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 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 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

(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 Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, 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

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.

Core investment companies (CIC)

The group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

Note No. 38: 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 2022, the Board has reviewed and decided not to recommend any dividend.

Note No. 39: Impact of COVID-19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe. The situation is constantly evolving and Governments in certain states imposed various restrictions with the increase in number of COVID 19 cases during the year ended March 31, 2022. The Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended March 31, 2022.

During the year ended March 31, 2022, uncertainties caused by the pandemic has resulted in some delays in customer payments and new orders. Management expects potential delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue for the next few quarters, till the demand-supply situation in the semiconductor component industry stabilises.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2022

The Company had capital infusion by way of issue of equity shares and share warrants during the year ended March 31, 2022 and the Company does not have borrowings as at year end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at March 31, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from COVID-19 pandemic and supply constraints in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

Note No. 40 : Proposed acquisition of Saankhya Labs Private Limited

On March 30, 2022, the Company has signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Ltd. Bangalore for ₹ 283.94 crore in cash. The acquisition is expected to enhance the Company's Wireless offerings by adding 5G ORAN, 5G Cellular Broadcast and Satellite communication products to its product portfolio. The acquisition of shares is likely to be completed by June 30, 2022. The Company, upon obtaining all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a merger process or a secondary acquisition.

Note No. 41: Previous year's figures have been regrouped/reclassified wherever necessary to conform with the current year's classification / disclosure.

for and on behalf of the Board of Directors of Tejas Networks Limited

Balakrishnan V
Chairman and Director
(DIN:02825465)

Sanjay Nayak
CEO and Managing Director
(DIN:01049871)

Chandrashekar Bhaskar Bhawe
Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Venkatesh Gadiyar
Chief Financial Officer

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



CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements

Independent Auditors' 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 subsidiary and a step-down subsidiary (the Holding Company, its subsidiary and a step-down subsidiary together referred to as "the Group") (refer Note 2.2 and 29.8 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, 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, including a summary of significant accounting policies 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, 2022, of consolidated total comprehensive income (comprising of loss 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 other than the unaudited financial information as certified by the management and referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to the following Note 39 to the consolidated financial statements which explains the uncertainties and the management's assessment of the financial impact (including recoverability of carrying value of assets) due to the supply constraints and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. 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 year. 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 intangibles under development)

Refer to notes 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 predominantly represents internal manpower costs incurred on such development projects. Up to the stage the products are ready to be put to use, the Company records the qualifying expenditure as 'intangible assets under development'.

The Company tests Intangible Assets 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.

The determination of the recoverable values of intangible assets (including intangible assets under development) for 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 intangibles 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 under development) is considered necessary as at March 31, 2022.

We considered this a key audit matter as:

- a) The amounts involved were significant.
- b) The review of carrying values of intangible assets, including intangible assets under development involves significant management judgements and estimates such as expected future economic benefits, estimated profit margins and discount rates.

How our audit addressed the key audit matter

Our audit procedures, which involved applying materiality and 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 intangibles under development).
- Testing the capital funding request forms and other documentation to ensure that the projects were appropriately approved by the Chief Technical Officer and Finance Controller 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 employee cost.
- 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.

Based on our procedures performed above, we noted the management's assessment of the carrying value of intangible assets (including intangibles under development), to be reasonable.

Description

Assessment of recoverability of Deferred Tax Assets ("DTA") on tax losses and tax credits with respect to Minimum Alternate Tax ("MAT")

(Refer notes 2.15, 9(b) and 25 to the consolidated financial statements.)

The Company has recognised DTA of ₹ 48.67 crores on unabsorbed depreciation and business losses carried forward from the previous years (together referred to hereinafter as "tax losses"). Further, the Company has also recognised DTA on tax credits with respect to Minimum Alternate Tax (MAT) aggregating to ₹ 44.14 crores.

DTA has been recognised on the basis of Company's assessment of availability of future taxable profit to be able to utilise such tax losses and tax credits. The recoverability of the DTA depends upon factors such as the projected taxable profits of business, the period considered for such projections, the rate at which those profits will be taxed, period over which tax losses will be available for recovery and the likely outcome of disputes pending with the tax authorities.

The assessment of DTA is considered a key audit matter as the amounts involved are material to the financial statements and significant estimates and judgement are involved in assessing the amount of DTA and also in relation to preparation of forecasts of future taxable profits based on the underlying business plans.

How our audit addressed the key audit matter

Our audit procedures, which involved applying materiality and sampling techniques, included the following:

- Evaluating the design and testing of the operating effectiveness of Company's controls relating to taxation and the assessment of carrying amount of DTA relating to unabsorbed tax losses and tax credits.
- Testing the appropriateness of the amount of DTA by tracing the tax losses and the tax credits to the income tax returns filed and assessment orders received by the Company and evaluating the judgement made by the Company on the amounts disputed by the Income Tax Authorities.
- Assessing the reasonableness of the period of projections used in the deferred tax asset recoverability assessment.
- Testing, whether projections prepared by the Company were consistent with our understanding and knowledge of current business and the general economic environment in which the Company operates and whether the tax losses and MAT can be utilized within the recoupment period.
- Assessing appropriateness of the assumptions used in the projections of future taxable profits.
- Reviewing the adequacy of disclosures made in the financial statements with regard to deferred taxes.

Based on the above procedures performed, our testing did not identify any significant exceptions with respect to the reasonableness of the assumptions and estimates used by the management in assessing the recoverability of DTA recognised in respect of tax losses and tax credits as at year end.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

When we read the Board's report, if we conclude that there is a

material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms 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.
8. 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.
9. 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

10. 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.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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.
12. 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.
 13. 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.
 14. 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

15. We did not audit the financial information of a subsidiary and a step down subsidiary whose financial information reflect total assets of ₹ 24.97 crores and net assets of ₹ 16.87 crores as at March 31, 2022, total revenue of ₹ 28.49 crores, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 1.44 crores and net cash outflows net amounting to ₹ 0.16 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 a subsidiary and a step down subsidiary and our report in terms of sub-section (3) of Section 143 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 the financial information of subsidiaries certified by the Management.
16. This report does not contain a statement on the matter specified in 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 as, in our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to any of the subsidiary companies included in these Consolidated Financial Statements.

Report on Other Legal and Regulatory Requirements

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- 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.
 - In our opinion, proper books of account as required by law relating to 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.
 - 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.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding

Company, none of the directors of the Holding company, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

- 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.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 29.1 to the consolidated financial statements.
 - The Group has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on derivative contracts. There are no other long-term contracts as at March 31, 2022 for which there were material foreseeable losses.
 - During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - (a) The Management of the Holding Company which is a company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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, 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 37 (vii) to the consolidated financial statements).
 - (b) The Management of the Holding Company which is a company incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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, 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 37 (vii) to the consolidated financial statements); and
 - (c) Based on the audit procedures, that has been considered reasonable and appropriate in the

circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

- v. The Holding Company and its subsidiary companies, have not declared or paid any dividend during the year. Hence the question of our commenting on the same does not arise.

- 18. The Group has paid/ provided for managerial remuneration to the whole-time directors in accordance with the provisions of Section 197 read with Schedule V to the Act, where applicable

Place: Bengaluru
Date: April 22, 2022

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

Mohan Danivas S A
Partner
Membership No: 209136
UDIN: 22209136AHOXTC5143

Annexure A to Independent Auditors' Report

Referred to in paragraph 17(f) 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, 2022

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, 2022, we have audited the internal financial controls with reference to financial statements of Tejas Networks Limited (hereinafter referred to as the "Company" or "Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company, to whom reporting under Section 143(3)(i) of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which is a company 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 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, 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, 2022, 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. Also refer paragraph 4 of main audit report on the audit of Consolidated Financial Statements.

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

Mohan Danivas S A
Partner
Membership No: 209136
UDIN: 22209136AHOXTC5143

Place: Bengaluru
Date: April 22, 2022

Consolidated Balance Sheet

Particulars	Notes	As at	
		March 31, 2022	March 31, 2021
in ₹ crore			
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	40.09	29.48
Right-of-use assets	4(a)	14.56	16.10
Intangible assets	4(b)	83.20	65.43
Intangible assets under development	4(b)	39.61	24.49
Financial assets			
(i) Investments	5(a)	0.00	0.00
(ii) Trade receivables	6	7.07	72.97
(iii) Other financial assets	8	5.71	6.91
Current Tax Asset (net)	9(a)	35.63	62.61
Deferred Tax Assets	9(b)	111.33	56.72
Other non-current assets	10	23.19	6.98
Total non-current assets		360.39	341.69
Current assets			
Inventories	11	278.02	213.65
Financial assets			
(i) Investments	5(b)	401.78	37.37
(ii) Trade receivables	6	285.09	341.03
(iii) Cash and cash equivalents	7(i)	47.56	53.43
(iv) Bank balances other than (iii) above	7(ii)	299.68	164.09
(v) Other financial assets	8	363.16	110.30
Other current assets	10	74.44	50.32
Total current assets		1,749.73	970.19
Total assets		2,110.12	1,311.88
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	117.82	96.51
Other equity	13	1,812.43	1,037.69
Total equity		1,930.25	1,134.20
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	14	11.95	17.07
Provisions	15	0.49	0.69
Total non-current liabilities		12.44	17.76
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	14	7.81	4.83
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		11.48	11.84
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises		100.09	80.38
(iii) Other financial liabilities	17	22.48	47.26
Provisions	15	6.92	5.22
Other current liabilities	18	18.65	10.39
Total current liabilities		167.43	159.92
Total liabilities		179.87	177.68
Total equity and liabilities		2,110.12	1,311.88

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

for and on behalf of the Board of Directors of Tejas Networks Limited

Balakrishnan V
Chairman and Director
(DIN:02825465)

Sanjay Nayak
CEO and Managing Director
(DIN:01049871)

Chandrashekar Bhaskar Bhav
Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Place: Bengaluru
Date: April 22, 2022

Venkatesh Gadiyar
Chief Financial Officer

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

Consolidated Statement of Profit and Loss

in ₹ crore except equity share and per equity share data

Particulars	Notes	Year Ended March 31,	
		2022	2021
I Revenue from operations	19	550.59	526.60
II Other Income	20	43.30	24.85
III Total income (I + II)		593.89	551.45
IV Expenses			
Cost of materials consumed	21A	290.74	268.74
Purchases of stock in trade		23.69	-
Changes in inventories of stock in trade	21B	(3.65)	-
Employee benefit expense	22	134.43	116.33
Finance costs	23A	3.19	3.70
Depreciation and amortization expense	4(c)	76.78	52.12
Allowance for expected credit loss	23B	87.76	14.80
Other expenses	24	98.08	73.24
Total expenses (IV)		711.02	528.93
V Profit/(Loss) before tax (III - IV)		(117.13)	22.52
VI Income tax expense	25		
Current tax		0.19	-
Deferred tax expense/(benefit)		(54.61)	(15.02)
Total tax expense (VI)		(54.42)	(15.02)
VII Profit/(Loss) after tax (V - VI)		(62.71)	37.54
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit obligation	22	(2.08)	2.21
Income tax relating to above		-	-
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		0.89	(0.19)
Other comprehensive income/(loss) for the year, net of tax (VIII)		(1.19)	2.02
IX Total comprehensive income/(loss) for the year (VII + VIII)		(63.90)	39.56
X Earnings/(Loss) per equity share (Refer Note No. 29.6)			
Equity shares of par value ₹ 10 each			
Basic		(5.97)	4.05
Diluted		(5.97)	3.99
Weighted average equity shares used in computing earnings per equity share			
Basic		10,50,19,617	9,25,53,796
Diluted		10,50,19,617	9,41,28,273

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

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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Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Place: Bengaluru
Date: April 22, 2022

Venkatesh Gadiyar
Chief Financial Officer

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

Consolidated Statement of Changes in Equity

A. Equity Share Capital

Particulars	Note	Amount
As at April 1, 2020*		95.48
Increase in equity share capital on account of exercise of ESOP and RSU	12	1.03
As at March 31, 2021*		96.51
Increase in equity share capital on account of exercise of ESOP and RSU	12	1.93
Issue of equity shares under Private Placement		19.38
As at March 31, 2022*		117.82

* Includes forfeited shares of ₹ 3.27

B. Other Equity

Particulars	Notes	Reserves and Surplus				Exchange differences on translating the financial statements of a foreign operation	Total
		Securities premium	Employee stock compensation outstanding account	Retained earnings	Money received against share warrants		
Balance as at April 01, 2020		937.80	33.92	12.53	-	1.21	985.46
Profit for the year	13	-	-	37.54	-	-	37.54
Other comprehensive income/(loss)							
(Remeasurement of defined benefit obligation net of income tax)	13	-	-	2.21	-	-	2.21
Other comprehensive income/(loss) (Exchange differences on translation of foreign operations)	13	-	-	-	-	(0.19)	(0.19)
Total comprehensive income for the year		-	-	39.75	-	(0.19)	39.56
Transaction with owners in their capacity as owners:							
Premium received on exercise of ESOP	13	4.67	-	-	-	-	4.67
Employee share based payment expenses	22	-	8.00	-	-	-	8.00
Reclassification upon exercise of ESOP/RSU	13	8.80	(8.80)	-	-	-	-
Balance as at March 31, 2021		951.27	33.12	52.28	-	1.02	1,037.69
Balance as at April 1, 2021		951.27	33.12	52.28	-	1.02	1,037.69
(Loss)/Profit for the year	13	-	-	(62.71)	-	-	(62.71)
Other comprehensive (loss)/income (Remeasurement of defined benefit obligation net of income tax)	13	-	-	(2.08)	-	-	(2.08)
Other comprehensive (loss)/income (Exchange differences on translation of foreign operations)	13	-	-	-	-	0.89	0.89
Total comprehensive (loss)/income for the year		-	-	(64.79)	-	0.89	(63.90)
Transaction with owners in their capacity as owners:							
Premium received on exercise of ESOP	13	9.51	-	-	-	-	9.51
Premium received on Issue of shares through Private placement	13	480.62	-	-	-	-	480.62
Private Placement Shares issue expense	13	(0.19)	-	-	-	-	(0.19)
Employee share based payment expenses	22	-	11.20	-	-	-	11.20
Reclassification upon exercise of ESOP/RSU	13	15.03	(15.03)	-	-	-	-
Money received against share warrants		-	-	-	337.50	-	337.50
Balance as at March 31, 2022		1,456.24	29.29	(12.51)	337.50	1.91	1,812.43

The accompanying notes form an integral part of the Consolidated financial statements.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2022

for and on behalf of the Board of Directors of Tejas Networks Limited

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

Consolidated Statement of Cash Flows

in ₹ crore

Particulars	Notes	Year Ended March 31,	
		2022	2021
Cash flows from operating activities			
Profit/(Loss) before tax for the year		(117.13)	22.52
Adjustments to reconcile net profit/(loss) to net cash generated from operating activities:			
Depreciation and amortization expense	4(c)	76.78	52.12
Allowance for expected credit loss	23B	87.76	14.80
Interest Income	20	(26.76)	(20.27)
(Gain)/Loss on current investments carried at fair value through statement of profit and loss	20	(0.48)	0.18
Gain on sale of current investments carried at fair value through statement of profit and loss	20	(8.57)	(2.81)
Finance costs	23A	3.19	3.70
Unrealized Exchange Difference on cash held in foreign currencies*		0.22	0.00
Unrealised Exchange Differences (Net)		(0.16)	5.08
Loss/ (profit) on sale of property, plant and equipment	20	(0.01)	(0.01)
Expense recognized in respect of equity-settled share-based payments	22	11.20	8.00
		26.04	83.31
Movements in working capital:			
(Increase)/decrease in inventories		(64.37)	38.34
(Increase)/decrease in trade receivables		35.83	21.69
(Increase)/decrease in other financial assets		(7.93)	4.93
(Increase)/decrease in other assets		(33.94)	(11.95)
Increase/(decrease) in trade and other payables		18.79	17.70
Increase/(decrease) in provisions		(0.69)	(0.20)
Increase/(decrease) in other financial liabilities		(28.94)	5.16
Increase/(decrease) in other liabilities		8.60	3.44
Cash generated from/(used in) operations		(46.61)	162.42
Income taxes refund/(paid)		29.28	(4.77)
a) Net cash generated from/(used in) operating activities		(17.33)	157.65
Cash flows from investing activities			
Expenditure on property, plant and equipment		(30.74)	(14.16)
Expenditure on intangible assets (including under development)		(86.61)	(68.36)
Sale proceeds of property, plant and equipment		0.01	0.01
Investments in Deposits with banks		(271.56)	(238.43)
Withdrawals of Deposits from banks		136.13	150.62
Investments in Deposits with financial institutions		(976.79)	(144.44)
Withdrawals of Deposits from financial institutions		733.00	121.46
Investments in liquid mutual funds		(2,369.67)	(555.05)
Redemption of liquid mutual funds		2,014.32	571.26
Interest received		24.16	9.83
b) Net cash (used in) investing activities		(827.75)	(167.26)

in ₹ crore

Particulars	Notes	Year Ended March 31,	
		2022	2021
Cash flows from financing activities			
Proceeds from exercise of restricted stock units/ESOPs		11.44	5.70
Proceeds from Issue of Fresh Equity shares through Private Placement (Net of Issue Expenses)		499.81	-
Proceeds from Issue of Share Warrants		337.50	-
Principal repayment on lease liabilities		(6.24)	(5.73)
Interest payment on lease liabilities		(2.10)	(2.29)
Finance costs paid		(0.98)	(1.12)
c) Net cash generated from/(used in) financing activities		839.43	(3.44)
d) Net decrease in cash and cash equivalents		(5.65)	(13.05)
Cash and cash equivalents at the beginning of the year [Refer Note No. 7(i)]		53.43	66.48
Effects of exchange rate changes on the balance of cash held in foreign currencies*		(0.22)	0.00
Cash and cash equivalents at the end of the year [Refer Note No. 7(i)]		47.56	53.43
*[Refer Note No. 36]			

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

for and on behalf of the Board of Directors of Tejas Networks Limited

Mohan Danivas S A
Partner
Membership no: 209136

Balakrishnan V
Chairman and Director
(DIN:02825465)

Sanjay Nayak
CEO and Managing Director
(DIN:01049871)

Chandrashekar Bhaskar Bhav
Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Place: Bengaluru
Date: April 22, 2022

Venkatesh Gadiyar
Chief Financial Officer

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

Notes to the consolidated financial statements for the year ended March 31, 2022

1 Corporate Information

Tejas Networks Limited ('Tejas' or 'the Company') is an optical and data networking products Group 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 Group 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. The Group has branches in USA, Kenya, Mexico, UAE, Malaysia and South Africa and has a subsidiary and step down subsidiary in Singapore and Nigeria respectively. (Refer Note No. 29.8)

Tejas together with its subsidiaries/ step down subsidiary is hereinafter referred to as the "Group".

These consolidated financial statements have been approved by the Company's Board of Directors on April 22, 2022.

2 Significant Accounting Policies

This note provides a list of the significant 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. The financial statements are for the Group consisting of Tejas Networks Limited and its subsidiary/ step down subsidiary.

2.1 Basis of preparation

(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 Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116

- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Standard issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Company has changed the classification/ presentation of security deposits, in the current year.

Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	March 31, 2021 (as previously reported)	Increase/ Decrease	March 31, 2021 (restated)
Other Financial Assets (Non-current Assets)	1.54	5.33	6.87
Loans (Non-current Assets)	5.33	(5.33)	-
Other Financial Assets (Current Assets)	110.01	0.29	110.30
Other Current Assets (Current Assets)	53.46	0.17	53.63
Loans (Current Assets)	0.46	(0.46)	-

(vi) 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.

2.2 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 subsidiary/ step down subsidiary (Refer Note No. 29.8) 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.

2.3 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.

2.3.1 Sale of manufactured goods and components

Revenue from sale of products is recognised when control over products is transferred in accordance with the contractual terms of sale 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 either the expected value method or 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 products or services to the customer.

Standard warranty is provided to customers upon sale of products and the same is accounted in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets (Refer Note No. 2.12).

2.3.2 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 payments from customers, a contract asset is recognised. If the payments received 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.

2.4 Property, Plant and Equipment

2.4.1 Measurement

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses if any. 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.

2.4.2 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 & 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

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.

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.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

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.

Individual assets costing less than ₹ 25,000/- are fully depreciated in the year of purchase.

2.5 Intangible Assets

2.5.1 Software

Software is carried at cost less accumulated amortization and impairment losses, if any. 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 completion 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.

2.5.2 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 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 (Refer Note No. 2.4).

Capitalized product development costs are recorded as intangible assets and amortised from the point at which the asset is ready for its intended use.

2.5.3 Amortization

The Group amortizes intangible assets with a finite useful life using the straight line method over the below periods:

Asset	Useful Life
Computer Software	Over the license period
Product development	24 months

2.5.4 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.

2.6 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.

2.7 Financial instruments

Financial assets and financial liabilities are recognized when Group becomes 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.

2.8 Investments and Other Financial assets

2.8.1 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 amortized 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.

2.8.2 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.

2.8.3 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 payment 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.

2.8.4 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized 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.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The losses arising from impairment are recognized in the Statement of Profit and Loss.

2.8.5 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 derecognised.

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.

2.8.6 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.

2.9 Financial liabilities

2.9.1 Classification as debt or equity

Financial liability and equity instruments issued by the 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.

2.9.2 Subsequent Measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method unless at initial recognition, they are classified as fair value through profit or loss.

2.9.3 Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

2.10 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.

2.11 Derivatives

Derivatives are initially recognized at fair value on the date the derivative contracts is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

Derivative contracts to hedge risks which are not designated as hedges are accounted for at fair value through profit or loss and related fair value gain or loss are included in other income/expenses.

2.12 Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of 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.

2.13 Foreign Currency Transactions

(i) Functional and presentation currency

Items included in the consolidated financials statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financials statements are presented in Indian rupee, which is the Group's functional and presentation currency.

The functional currency of Tejas (parent Company) is INR and for Tejas Communications Pte Limited, Singapore is USD. The functional currency for Tejas Communications (Nigeria) Limited is Naira.

(ii) Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss. 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. 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.

Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

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.

2.14 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.

2.15 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 to 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.

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 consolidated financials 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.

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.

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdictions where the entities are located.

2.16 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 profit or 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 benefits which are denominated in currency other than in rupees, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and 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 Statement of profit and loss as past service cost.

(iv) Defined contribution plans

The Group pays defined contribution to publicly administered funds as per respective 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' and 'Tejas Restricted Stock Unit Plan 2017' ("RSU - 2017") 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 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.

2.17 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.

2.18 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. 29.3]

2.19 Leases

As a lessee

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 by the group 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 in the group, 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.

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payment occurs.

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.

2.20 Government grants

Grants from the government 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 recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

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.

The export incentives from the Government are recognized at their fair value where there is a reasonable assurance that the incentive will be received and the Group will comply with all attached conditions.

2.21 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. Costs are assigned to individual items of inventory on the basis of weighted average method. 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.

2.22 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing component, when they are recognised at fair value. The Group holds trade receivable with the objective to collect 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.

Invoicing in excess of earnings are classified as contract liabilities which is disclosed as deferred revenue.

Trade receivables and unbilled revenue are presented net of impairment in the Balance Sheet.

2.23 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.

2.24 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized 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 amortized 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.

2.25 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.

2.26 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.

2.27 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.

2.28 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.

2.29 Rounding of amounts

All amounts disclosed in the consolidated financials statements and notes have been rounded off to the nearest crore with two decimals as per the requirement of Schedule III, unless otherwise stated.

3 Critical estimates and judgements

The preparation of consolidated financials 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 consolidated financials statements.

The areas involving critical estimates and judgments are:

- i. Product Development costs (capitalisation of product development cost including intangibles under development) and assessment of their carrying value - [Refer Note No. 2.5.2, Note No. 2.5.3 and Note No. 4(b)]
- ii. Defined benefit obligations - Refer Note No. 22
- iii. Impairment of trade receivables - Refer Note No. 27A
- iv. Recognition and recoverability of deferred tax assets on tax losses and MAT - Refer Note No. 9(b)
- v. Evaluation of tax litigation - Refer Note No. 29.1

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										
	Labor atory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	Plant and Machinery - Cards/ Prototypes and Others	Servers	Total	Right-of-use asset*
Gross carrying value as of April 1, 2020	22.83	0.87	7.31	9.52	1.72	7.24	0.14	28.03	3.69	81.35	26.52
Additions	1.68	0.28	0.03	0.11	0.22	1.96	-	8.78	0.56	13.62	-
Deletions	-	-	-	-	0.06	0.02	-	-	-	0.08	-
Gross carrying value as of March 31, 2021	24.51	1.15	7.34	9.63	1.88	9.18	0.14	36.81	4.25	94.89	26.52
Accumulated depreciation as of April 1, 2020	(13.31)	(0.60)	(5.51)	(5.99)	(0.84)	(5.32)	(0.05)	(17.81)	(1.37)	(50.80)	(5.23)
Depreciation for the year	(3.93)	(0.12)	(0.69)	(0.98)	(0.35)	(1.56)	(0.04)	(6.28)	(0.74)	(14.69)	(5.19)
Accumulated depreciation on deletions	-	-	-	-	(0.06)	(0.02)	-	-	-	(0.08)	-
Accumulated depreciation as of March 31, 2021	(17.24)	(0.72)	(6.20)	(6.97)	(1.13)	(6.86)	(0.09)	(24.09)	(2.11)	(65.41)	(10.42)
Carrying value as of March 31, 2021	7.27	0.43	1.14	2.66	0.75	2.32	0.05	12.72	2.14	29.48	16.10
Gross carrying value as of April 1, 2021	24.51	1.15	7.34	9.63	1.88	9.18	0.14	36.81	4.25	94.89	26.52
Additions	8.94	0.53	0.22	0.11	0.46	2.48	-	13.34	1.46	27.54	4.59
Deletions	-	-	-	-	-	0.01	-	-	-	0.01	2.32
Gross carrying value as of March 31, 2022	33.45	1.68	7.56	9.74	2.34	11.65	0.14	50.15	5.71	122.42	28.79
Accumulated depreciation as of April 1, 2021	(17.24)	(0.72)	(6.20)	(6.97)	(1.13)	(6.86)	(0.09)	(24.09)	(2.11)	(65.41)	(10.42)
Depreciation for the year	(3.78)	(0.21)	(0.47)	(0.99)	(0.41)	(1.58)	(0.04)	(8.57)	(0.88)	(16.93)	(6.13)
Accumulated depreciation on deletions	-	-	-	-	-	(0.01)	-	-	-	(0.01)	(2.32)
Accumulated depreciation as of March 31, 2022	(21.02)	(0.93)	(6.67)	(7.96)	(1.54)	(8.43)	(0.13)	(32.66)	(2.99)	(82.33)	(14.23)
Carrying value as of March 31, 2022	12.43	0.75	0.89	1.78	0.80	3.22	0.01	17.49	2.72	40.09	14.56

* Right-of-use asset pertains to buildings. (Refer Note No. 29.5(i))

Notes:

(i) The Group had received approval under Modified Special Incentive Package Scheme (MSIPS) from the Ministry of Communication and Information Technology, Department of Information Technology, vide sanction letter no. 27(18)/2013-IPHW dated December 05, 2014. Under the said scheme, the Group as on March 31, 2022, has submitted claims aggregating to ₹ 8.98 (March 31, 2021 - ₹ 8.98) which has not been adjusted to the cost of respective assets in the absence of reasonable assurance that the amount will be received.

(ii) Contractual Obligation : Refer Note No. 29.1(b) for contractual commitments for the acquisition of property, plant and equipment.

(iii) Refer Note No. 31 for information on property, plant and equipment pledged as security against fund and non-fund based facilities entered into by the Group.

Note No. 4(b): Intangible Assets

Particulars	Computer Software	Product Development	Total	in ₹ crore
				Intangible Assets under development (IAUD) ¹
Gross carrying value as of April 1, 2020	19.22	244.13	263.35	64.09
Additions	2.72	68.14	70.86	65.64
Transfers	-	-	-	68.14
Deletions	-	32.77	32.77	37.10
Gross carrying value as of March 31, 2021	21.94	279.50	301.44	24.49
Accumulated amortization as of April 1, 2020	(17.94)	(218.60)	(236.54)	(37.10)
Amortization expenses for the year	(3.02)	(29.22)	(32.24)	-
Deletions	-	32.77	32.77	37.10
Accumulated amortization and impairment as of March 31, 2021	(20.96)	(215.05)	(236.01)	-
Carrying value as of March 31, 2021	0.98	64.45	65.43	24.49
Gross carrying value as of April 1, 2021	21.94	279.50	301.44	24.49
Additions	6.98	64.51	71.49	79.63
Transfers	-	-	-	64.51
Gross carrying value as of March 31, 2022	28.92	344.01	372.93	39.61
Accumulated amortization as of April 1, 2021	(20.96)	(215.05)	(236.01)	-
Amortization expenses for the year	(4.26)	(49.46)	(53.72)	-
Accumulated amortization as of March 31, 2022	(25.22)	(264.51)	(289.73)	-
Carrying value as of March 31, 2022	3.70	79.50	83.20	39.61

Remaining useful life for product development ranges from 1 to 24 months (March 31, 2021: 3 to 24 months)

Notes:

- Additions to Intangible Assets under development pertains to capitalization of employee benefit expense (Refer Note No. 22).
- Management has carried out an impairment evaluation of its intangible assets under development as at March 31, 2022 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 and discount rate. A decrease in projected revenue across individual CGUs by 6% to 16% (March 31, 2021: by 8% to 14%) would result in the recoverable amount being equal to the carrying amount. No reasonable possible change in the discount rate is likely to result in the recoverable amount of the CGUs being equal to their carrying amount.
- As at March 31, 2022, the net carrying amount of product development is ₹ 79.50 (March 31, 2021 – ₹ 64.45). 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 would be ₹ 48.17 as at March 31, 2022 (₹ 46.33 as at March 31, 2021). If the useful life were estimated to be 3 years, the carrying amount would be ₹ 102.04 as at March 31, 2022 (₹ 77.87 as at March 31, 2021).

(a) Intangible assets under development ageing schedule

As at March 31, 2022

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	33.28	6.32	0.01	-	39.61
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2021

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	20.83	3.66	-	-	24.49
Projects temporarily suspended	-	-	-	-	-

b) For Intangible assets under development, whose completion is overdue as compared to its original plan are given below. There are no projects under development which has exceeded its cost compared to its original plan.

As at March 31, 2022

in ₹ crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 4	4.69	-	-	-	4.69
Project 10	4.72	-	-	-	4.72
Project 11	2.41	-	-	-	2.41
Project 12	1.75	-	-	-	1.75
Project 13	0.77	-	-	-	0.77
Total	14.34	-	-	-	14.34

As at March 31, 2021

in ₹ crore

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	7.74	-	-	-	7.74
Project 2	2.79	-	-	-	2.79
Project 3	2.28	-	-	-	2.28
Project 4	-	2.11	-	-	2.11
Project 5	0.87	-	-	-	0.87
Project 6	0.69	-	-	-	0.69
Project 7	0.58	-	-	-	0.58
Project 8	0.54	-	-	-	0.54
Project 9	0.38	-	-	-	0.38
Total	15.87	2.11	-	-	17.98

Note No. 4(c): Depreciation and amortization expenses

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	16.93	14.69
Depreciation on Right of use assets [Refer Note No. 4(a)]	6.13	5.19
Amortization of intangible assets [Refer Note No. 4(b)]	53.72	32.24
Total depreciation and amortization expense	76.78	52.12

Note No. 5: Investments

in ₹ crore except for unit data or as otherwise stated

Particulars	As at			
	March 31, 2022	March 31, 2021		
5(a) Other Investments (Unquoted) (FVTPL)				
Equity instruments				
Investment in ELCIA ESDM Cluster (No. of shares 1100) (Refer Note No. 36)	0.00	0.00		
Total unquoted investments	0.00	0.00		
5(b) Current investments (Quoted) (FVTPL)				
Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Aditya Birla Sun Life Liquid Fund - Growth Direct Plan	3,50,686	12.03	80,801	2.68
Axis Liquid Fund - Direct Growth (CFDG)	53,448	12.64	23,841	5.45
DSP Liquidity Fund - Direct Plan - Growth	-	-	1,031	0.30
ICICI Prudential Liquid Fund - Direct Plan - Growth	3,44,166	10.85	85,949	2.62
Nippon India Money Market Fund - Direct Growth Plan Growth Option - LQAG	15,767	5.28	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG	5,763	3.00	24,774	12.47
Nippon India Interval Fund - Quarterly Plan - Series I - Direct Growth Plan Growth Option - DCAG	35,55,504	10.10	-	-
Tata Liquid Fund Direct Plan - Growth	10,35,206	347.88	42,672	13.85
Total Current investments		401.78		37.37
Non Current Investments				
Aggregate amount of quoted investments and market value thereof		-		-
Aggregate amount of unquoted investments		0.00		0.00
Aggregate amount of impairment in the value of investments		-		-
Current Investments				
Aggregate amount of quoted investments and market value thereof		401.78		37.37
Aggregate amount of unquoted investments		-		-
Aggregate amount of impairment in the value of investments		-		-

Note No. 6: Trade Receivables

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-Current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	7.71	84.84
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Allowance for expected credit loss (Refer Note No. 27A (i))	(0.64)	(11.87)
Total non current	7.07	72.97

Current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	402.59	379.22
Receivables from related parties considered good - unsecured (Refer Note No. 29.9(iii))	19.80	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Allowance for expected credit loss (Refer Note no. 27A (i))	(137.30)	(38.19)
Total current	285.09	341.03

Ageing as at March 31, 2022

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 Trade receivables – considered good	-	7.71	-	-	-	-	-	7.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	7.71	-	-	-	-	-	7.71

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 Trade receivables – considered good	9.62	154.55	75.88	46.23	59.10	35.91	41.10	422.39
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	9.62	154.55	75.88	46.23	59.10	35.91	41.10	422.39

Ageing as at March 31, 2021

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 Trade receivables – considered good	-	84.84	-	-	-	-	-	84.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	84.84	-	-	-	-	-	84.84

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 Trade receivables – considered good	1.58	215.09	30.65	13.35	44.42	41.06	33.07	379.22
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	1.58	215.09	30.65	13.35	44.42	41.06	33.07	379.22

Note No. 7: Cash and Bank Balances

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
(i) Cash and Cash Equivalents		
(a) Balances with banks		
(i) In current accounts	32.26	33.59
(ii) In EEFC accounts	15.30	19.84
Total cash and cash equivalents	47.56	53.43
(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	296.77	148.23
Balances held as margin money or security against fund and non-fund based banking arrangements	2.88	15.83
Total other bank balances	299.68	164.09

The details of balances with banks (all in India, unless stated otherwise) and deposits with financial institutions as on Balance Sheet dates are as follows:

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
a) Current Accounts		
Axis Bank	0.79	0.01
Citibank	0.04	0.04
Citibank, Dubai	0.05	0.10
Citibank, Mexico	0.01	-
Citibank, USA	1.07	1.64
HDFC Bank	-	6.61
ICICI Bank	0.00	0.11
Kotak Mahindra Bank	13.78	3.40
Standard Chartered Bank	14.18	20.38

Standard Chartered Bank, Nairobi	0.27	0.08
Standard Chartered Bank, Singapore	1.88	0.66
Standard Chartered Bank, Kuala Lumpur	0.11	0.10
Standard Chartered Bank, South Africa	0.07	0.24
State Bank of India	0.01	0.22
	32.26	33.59
b) EEFC Accounts		
Citibank	0.45	4.60
Standard Chartered Bank	14.85	15.24
	15.30	19.84
c) Balances with banks in unpaid dividend account		
Axis Bank	0.03	0.03
	0.03	0.03
d) Deposits with original maturity of more than three months but less than twelve months		
Axis Bank	153.76	41.49
Citibank	0.44	-
ICICI Bank	-	39.80
IndusInd Bank	47.76	45.00
Karnataka Bank	70.00	-
Kotak Mahindra Bank	12.17	7.96
Standard Chartered Bank	2.64	4.08
Yes Bank	10.00	9.90
	296.77	148.23
e) Balances held as margin money or security against fund and non-fund based banking arrangements for less than twelve months		
Axis Bank	0.45	3.37
Citibank	-	0.63
Kotak Mahindra Bank	1.78	8.94
State Bank of India	0.65	-
Standard Chartered Bank	-	2.89
	2.88	15.83
Total cash and cash equivalent (a+b)	47.56	53.43
Total other bank balances with maturity more than three months but less than twelve months (c+d+e)	299.68	164.09

f) Deposits with remaining maturity of more than twelve months (Refer Note 8)		
Axis Bank	-	0.19
Citibank	0.22	-
	0.22	0.19
g) Balances held as margin money or security against fund and non-fund based banking arrangements with original & remaining maturity of more than twelve months (Refer Note 8)		
Citibank	-	1.35
	-	1.35
h) Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months (Refer Note 8)		
Citibank	1.15	-
	1.15	-
i) Deposits with financial institutions (Refer Note No. 8)		
Bajaj Finance Limited	306.00	60.00
HDFC Limited	25.00	48.00
Mahindra & Mahindra Financial Services Limited	20.79	-
	351.79	108.00

Note No. 8: Other Financial Assets

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Non-current financial assets		
Security deposits	5.58	5.46
Less: Provision	(0.09)	(0.09)
	5.49	5.37
Deposits with original maturity of more than twelve months		
(i) In deposit accounts	0.22	0.19
(ii) Balances held as margin money or security against fund and non-fund based banking arrangements	-	1.35
Total non-current financial assets	5.71	6.91

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(2AB)	MAT credit	Total
As at April 01, 2020	21.98	2.30	17.42	-	41.70
(Charged)/Credited					
- to statement of profit and loss	(18.48)	(0.27)	(10.37)	44.14	15.02
As at March 31, 2021	3.50	2.03	7.05	44.14	56.72
(Charged)/Credited					
- to statement of profit and loss	13.21	(0.22)	41.62	-	54.61
As at March 31, 2022	16.71	1.81	48.67	44.14	111.33

Note:

During the year, the Company has recognised the deferred tax asset on MAT credit amounting to ₹ NIL (March 31, 2021 : 44.14) based on Management's estimate of future taxable profits.

Current financial assets		
Security deposits	0.61	0.29
Deposits with financial institutions	351.79	108.00
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-
Interest accrued but not due	0.96	1.01
Foreign exchange forward contracts	0.60	1.00
Other receivables	8.05	-
Total current financial assets	363.16	110.30

Note No. 9: Tax assets

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
9(a) Current Tax Asset (net)		
Advance Income Tax (net)	35.63	62.61
	35.63	62.61

9(b) Deferred Tax Assets

The balance comprises temporary differences attributable to:		
Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	16.71	3.50
Lease liabilities	6.90	7.65
Unabsorbed depreciation	48.67	7.05
MAT credit	44.14	44.14
Total deferred tax assets	116.42	62.34
Right-of-use assets	(5.09)	(5.62)
Net deferred tax assets	111.33	56.72

Note No. 10: Other assets

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Other non-current assets		
Pre-paid gratuity contributions (asset) (Refer Note No - 22)	0.23	0.11
Prepaid expenses	0.43	0.20
Capital Advances	6.93	0.09
Balances with government authorities	15.60	6.58
Total other non-current assets	23.19	6.98
Other current assets		
Advances to suppliers	32.57	35.38
Advances others	0.03	0.02
Balances with government authorities	38.90	11.94
Prepaid expenses	2.82	2.26
Advances to employees	0.12	0.72
Total other current assets	74.44	50.32

Note No. 11: Inventories

Particulars	in ₹ crore	
	As at	
	March 31, 2022	March 31, 2021
Raw material - components including assemblies and sub-assemblies [including goods in transit ₹ 0.28 (March 31, 2021: ₹ 0.37)]	274.37	213.65
Traded Goods	3.65	-
Total Inventories	278.02	213.65

*Net of write down of inventories amounting to ₹ 7.68 (March 31, 2021 ₹ 10.44).

Note No. 12: Equity Share Capital

Particulars	in ₹ crore except for share data or as otherwise stated	
	Number of Shares	Equity share capital
a) Authorised Capital		
Equity Share Capital of ₹ 10/- each		
As at April 01, 2020	17,64,52,000	176.45
Changes in equity share capital during the year		
Increase during the year	-	-
As at March 31, 2021	17,64,52,000	176.45
Changes in equity share capital during the year		
Increase during the year	2,35,48,000	23.55
As at March 31, 2022	20,00,00,000	200.00
b) Issued, Subscribed and Paid up Capital		
Equity Share Capital of ₹ 10/- each		
Fully paid shares		
As at April 1, 2020	9,22,10,835	92.21

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 30(v))	10,29,509	1.03
As at March 31, 2021	9,32,40,344	93.24
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 30(v))	19,29,719	1.93
Issue of equity shares under Private Placement (Refer (b) below)	1,93,79,845	19.38
As at March 31, 2022	11,45,49,908	114.55
c) Forfeited shares (to the extent of amount paid up)*		
As at April 1, 2020	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2021	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2022	3,27,27,930	3.27

Particulars	As at	
	March 31, 2022	March 31, 2021
Total Equity Share Capital	117.82	96.51

* 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, based on the approval of the Board of Directors, as follows:

- 1,93,79,845 equity shares, having face value of ₹ 10/- each, at a price of ₹ 258 per Equity Share, aggregating to ₹ 500 ("Subscription Shares");
- 3,68,21,706 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of ₹ 258 per equity share aggregating to ₹ 950 ("Series A Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until expiry of 11 (eleven) months from the date of allotment of the warrants ("Series A Warrants"); and
- 1,55,03,876 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of ₹ 258 per equity share aggregating to ₹ 400 ("Series B Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing after the expiry of 12 (twelve) months from the date of allotment of the warrants until expiry of 18 (eighteen) months from the date of allotment of the warrants ("Series B Warrants");

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 Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

Post the balance sheet date, on April 8, 2022, the balance 75% of the exercise price of Series A Warrants amounting to ₹ 712.50 was received against allotment of 3,68,21,706 number of equity shares. The balance 75% of Series B Warrants shall be payable at the time of allotment of equity shares pursuant to exercise of rights attached to Series B Warrants to subscribe to equity share. The amount paid against Series B Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.

c) Details of shares held by promoters at the end of the year

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited		
Number of shares held	4,25,80,104	-
% holding in that class of shares	37.17%	-
% Change during the year (*)	0.01%	

*Shares were issued for the first time during the year, hence the percentage change computed with respect to the date of issue. Refer note 12(b) above.

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

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited (holding company)		
Number of shares held	4,25,80,104	-

e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at	
	March 31, 2022	March 31, 2021
Panatone Finvest Private Limited		
Number of shares held	4,25,80,104	-
% holding in that class of shares	37.17%	-

Nippon Life India Trustee Ltd.-A/C Nippon India Small Cap Fund		
Number of shares held	57,63,697	57,63,697
% holding in that class of shares	5.03%	6.18%
Cascade Capital Management, Mauritius		
Number of shares held	20,13,184	1,65,13,184
% holding in that class of shares	1.76%	17.71%
Samena Spectrum Co.		
Number of shares held	19,41,649	94,41,649
% holding in that class of shares	1.70%	10.13%
Consilium Extended Opportunities Fund L.P.		
Number of shares held	20,46,711	53,59,887
% holding in that class of shares	1.79%	5.75%
East Bridge Capital Master Fund I Ltd		
Number of shares held	47,93,508	47,93,508
% holding in that class of shares	4.18%	5.14%

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. 30) and commitments for the issue of shares:

Particulars	As at	
	March 31, 2022	March 31, 2021
Equity shares of ₹ 10/- each		
ESOP Schemes	30,91,873	44,93,791
Outstanding at the end of the year	30,91,873	44,93,791
Options available for grant	-	-
RSU	20,77,034	26,07,036
Outstanding at the end of the year	17,34,245	12,13,491
Units available for grant	3,42,789	13,93,545
Share Warrants (Refer (b) above)	5,23,25,582	-
Commitments for the issue of shares	5,23,25,582	-

Note No. 13: Other Equity

Particulars	As at	
	March 31, 2022	March 31, 2021
Securities premium	1,456.24	951.27
Retained earnings	(12.51)	52.28
Employee stock compensation outstanding account	29.29	33.12
Money received against share warrants	337.50	-
Foreign Currency Translation Reserve	1.91	1.02
Total Other Equity	1,812.43	1,037.69

(i) Securities premium

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	951.27	937.80
Premium received upon exercise of ESOP	9.51	4.67
Premium received on Issue of shares through Private placement	480.62	-
Private Placement Shares issue expense	(0.19)	-
Reclassification upon exercise of ESOP/RSU	15.03	8.80
Closing Balance	1,456.24	951.27

(ii) Retained earnings

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	52.28	12.53
(Loss)/Profit for the year	(62.71)	37.54
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of the post employment benefit obligation	(2.08)	2.21
Closing Balance	(12.51)	52.28

(iii) Employee stock compensation outstanding account

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	33.12	33.92
Share based payment expenses	11.20	8.00
Reclassification upon exercise of ESOP/RSU	(15.03)	(8.80)
Closing Balance	29.29	33.12

(iv) Foreign Currency Translation Reserve

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	1.02	1.21
Transaction during the year	0.89	(0.19)
Closing Balance	1.91	1.02

(v) Money received against share warrants (Refer Note No. 12b)

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening Balance	-	-
Transaction during the year	337.50	-
Closing Balance	337.50	-

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) 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, 2022	March 31, 2021
Non-Current		
Lease Liabilities	11.95	17.07
Total non-current	11.95	17.07
Current		
Lease Liabilities	7.81	4.83
Total current	7.81	4.83

Net Debt Reconciliation

Particulars	Lease Liabilities
Debt as on April 01, 2020	27.88
Interest expense	2.29
Repayment of interest and principal	(8.02)
Discount on leases	(0.25)
Debt as on March 31, 2021	21.90
Acquisitions - finance leases	4.59
Interest expense	2.10
Repayment of interest and principal	(8.34)
Discount on leases	(0.49)
Debt as on March 31, 2022	19.76

Note No. 15: Provisions

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-current provisions		
Other provisions		
Warranty	0.49	0.69
Total non-current provisions	0.49	0.69
Current provisions		
Provision for employee benefits		
Compensated absences*	5.47	4.70
Other provisions		
Warranty	1.45	0.52
Total current provisions	6.92	5.22

* The amount of provision of ₹ 5.47 (March 31, 2021 ₹ 4.70) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Leave obligation not expected to be settled within the next 12 months	4.07	3.90

Movement in Warranty

Provision for warranty has been estimated based on past history of claims settled.

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Opening balance	1.21	3.48
Unwinding of interest on provisions	0.11	0.29
Additions/(reversals)	3.76	(1.34)
Utilisation	(3.14)	(1.22)

Ageing as at March 31, 2022

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	-	9.42	-	-	-	-	9.42
(ii) Others	19.92	60.44	8.08	2.24	0.12	9.29	100.09
(iii) Disputed dues – MSME	-	-	0.10	0.28	0.98	0.70	2.06
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	19.92	69.86	8.18	2.52	1.10	9.99	111.57

Ageing as at March 31, 2021

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	-	9.79	-	-	-	-	9.79
(ii) Others	-	52.47	13.74	3.61	0.45	10.11	80.38
(iii) Disputed dues – MSME	-	-	0.09	0.28	0.98	0.70	2.05
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	62.26	13.83	3.89	1.43	10.81	92.22

Note No. 17: Other Financial Liabilities

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Current		
Due to employees	17.72	16.98
Capital Creditors	4.59	0.95
Accrual for expenses	-	29.15
Unpaid dividend	0.03	0.03
Other liabilities	0.14	0.15
Total other financial liabilities	22.48	47.26

Closing balance	1.94	1.21
Disclosed as:		
Non-current	0.49	0.69
Current	1.45	0.52
	1.94	1.21

Note No. 16: Trade Payables

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Total outstanding dues of micro and small enterprises (MSME) (Refer Note No. 29.2)	11.48	11.84
Total outstanding dues of creditors other than micro and small enterprises	100.09	80.38
Total trade payables	111.57	92.22

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	-	9.79	-	-	-	-	9.79
(ii) Others	-	52.47	13.74	3.61	0.45	10.11	80.38
(iii) Disputed dues – MSME	-	-	0.09	0.28	0.98	0.70	2.05
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	62.26	13.83	3.89	1.43	10.81	92.22

Note No. 18: Other Current Liabilities

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Advances received from customers	7.02	1.65
Deferred revenue	3.30	2.07
Statutory dues	8.33	6.67
Total other current liabilities	18.65	10.39

Note No. 19: Revenue from Operations

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Revenue from contract with customers (Refer Note No. 29.4)		
Sale of goods		
Manufactured goods - Optical and Data Networking products including multiplexers*	479.49	468.34
Component sales	-	11.78
	479.49	480.12
Rendering of services		
Installation and commissioning revenue	16.97	8.32
Annual maintenance revenue	49.02	34.37
Other service revenue	5.11	3.79
	71.10	46.48
Total revenue from operations	550.59	526.60

* Includes sale of certain traded goods

Note No. 20: Other Income

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Interest income from banks on deposits	24.11	10.16
(Loss)/Gain on current investments carried at fair value through statement of profit and loss	0.48	(0.18)
Gain on sale of current investments carried at fair value through statement of profit and loss	8.57	2.81
Unwinding of discount on fair valuation of financial assets	0.16	0.07
Net gain on foreign currency transactions and translation	3.13	-
Export Incentive	2.54	1.27
Other non-operating income		
Bad debts recovered	1.06	0.02
Profit on sale of property, plant and equipment	0.01	0.01
Interest on income tax refunds	2.49	10.04
Miscellaneous income	0.75	0.65
Total other income	43.30	24.85

Note No. 21A: Cost of Materials Consumed

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Opening stock	213.65	251.99
Add: Purchases	351.46	230.40
	565.11	482.39
Less: Closing stock	274.37	213.65
Cost of materials consumed*	290.74	268.74

*including write down of inventories.

Note No. 21B: Changes in inventories of stock in trade

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Opening stock - stock in trade	-	-
Closing stock - stock in trade	3.65	-
Changes in inventories of stock in trade	(3.65)	-

Note No. 22: Employee Benefit Expense

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Salaries and wages, including performance incentives	184.96	161.52
Contribution to provident and pension funds [Refer (i) below]	8.39	6.83
Gratuity expenses [Refer (iii) below]	2.51	2.17
Employee share based payment expenses [Refer Note No. 30 (vii)]	11.20	8.00
Staff welfare expenses	7.00	3.45
	214.06	181.97
Less: Capitalized during the year [Refer Note No. 4(b) and Note No. 29.7(i)]	79.63	65.64
Total employee benefit expenses	134.43	116.33

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. 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	
	Year Ended March 31,	
	2022	2021
Provident Fund Contributions	7.49	6.02
Employee Pension Scheme	0.90	0.81
Total	8.39	6.83

(ii). Compensated absence

The leave obligation covers the Group's liability for earned leave. The amount of the provision of ₹ 5.47 (March 31, 2021 - ₹ 4.70) 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.

Compensated absence expense recorded in Statement of Profit & Loss are as follows:

Particulars	Year Ended March 31,	
	2022	2021
Compensated absence expense/ (gain) included in salaries and wages	1.40	0.46
Actuarial assumptions for long-term compensated absences		
Discount rate	7.49%	7.07%
Salary escalation	6.50%	6.50%
Attrition	7.00%	7.00%

(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	Year Ended March 31,	
	2022	2021
Actuarial assumptions for defined benefit plan		
Discount rate	7.49%	7.07%
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:

Particulars	in ₹ crore		
	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2020	19.58	(19.58)	-
Current service cost	2.17	-	2.17
Interest expense/(income)	1.34	(1.34)	-
Total amount recognised in profit or loss under employee benefit expenses	3.51	(1.34)	2.17
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.77)	-	(0.77)
Actuarial (Gain)/ Losses due to experience adjustments on DBO	(1.03)	-	(1.03)

Return on Plan Assets (Greater) / Lesser than Discount rate	-	(0.41)	(0.41)
Total amount recognised in other comprehensive income	(1.80)	(0.41)	(2.21)
Employer contributions/ premiums paid	-	-	-
Benefit payments	(1.28)	1.21	(0.07)
As at March 31, 2021 (Refer Note No. 10)	20.01	(20.12)	(0.11)
Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2021	20.01	(20.12)	(0.11)
Current service cost	2.48	-	2.48
Interest expense/(income)	1.44	(1.62)	(0.18)
Total amount recognised in profit or loss under employee benefit expenses	3.92	(1.62)	2.30
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.84)	-	(0.84)
Actuarial (Gain)/ Losses due to experience adjustments on DBO	2.04	-	2.04
Return on Plan Assets (Greater) / Lesser than Discount rate	-	0.88	0.88
Total amount recognised in other comprehensive income	1.20	0.88	2.08
Employer contributions/ premiums paid	-	(4.50)	(4.50)
Benefit payments	(1.58)	1.58	-
As at March 31, 2022 (Refer Note No. 10)	23.55	(23.78)	(0.23)

b) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Year Ended March 31,	
	2022	2021
Discount Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	(8.46%)	(7.84%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	9.85%	9.06%
Salary Growth Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	9.74%	8.92%
Decrease by 100 basis points (March 31, 2021 100 basis points)	(8.5%)	(7.85%)
Attrition Rate		

Increase by 100 basis points (March 31, 2021 100 basis points)	0.02%	(0.28%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	(0.02%)	0.31%
Mortality Rate		
Increase by 100 basis points (March 31, 2021 100 basis points)	(0.00%)	(0.01%)
Decrease by 100 basis points (March 31, 2021 100 basis points)	0.00%	0.01%

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,	
	2022	2021
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, 2023 are ₹ 2.98.

The weighted average duration of the defined benefit obligation is 12.24 years (March 31, 2021: 12.44 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Year Ended March 31,	
	2022	2021
Year 1	1.39	1.58
Year 2	1.67	1.62
Year 3	1.99	2.02
Year 4	2.41	1.13
Year 5	1.00	1.53
Year 6-10	9.38	7.67
Year 10 and above	38.06	26.58

in ₹ crore

Note No. 23A: Finance Cost

Particulars	Year Ended March 31,	
	2022	2021
Interest expense		
(i) Unwinding of discount on fair valuation of financial liabilities	2.21	2.57
Other finance cost	0.98	1.13
Total finance cost	3.19	3.70

in ₹ crore

Note No. 23B: Allowance for expected credit loss

Particulars	Year Ended March 31,	
	2022	2021
Allowance for expected credit loss	87.76	14.80
Total Allowance for expected credit loss	87.76	14.80

in ₹ crore

Note No. 24: Other Expenses

Particulars	Year Ended March 31,	
	2022	2021
Installation and commissioning expenses	12.63	5.11
Other processing charges	1.19	0.98
Power and fuel	5.09	4.56
Housekeeping and security	2.55	2.44
Lease rentals	1.80	1.95
Repairs and maintenance - machinery	0.43	0.33
Repairs and maintenance - others	2.73	1.70
Sub-contractor charges	10.19	9.46
Insurance	1.28	1.36
Rates and taxes	5.60	0.22
Communication	1.04	1.19
Royalty	0.16	0.11
Travelling and conveyance	4.00	2.00
Printing and stationery	0.19	0.15
Freight and forwarding	10.24	11.28
Sales expenses	0.04	0.11
Sales commission	7.23	11.93
Business promotion	1.01	0.41
Director sitting fees	0.30	0.13
Director commission	0.48	0.32
Legal and professional	20.70	12.04
Auditors remuneration and out-of-pocket expenses		
Audit Fee (including fees for limited reviews)	0.63	0.63
Tax Audit Fee	0.03	0.03
Certification matters	0.09	0.17
Auditors out-of-pocket expenses	0.01	0.03
Net loss on foreign currency transactions and translation	-	1.44
Provision for warranty	3.76	(1.34)
Expenditure on corporate social responsibility	0.46	0.98
Subscription and Membership	1.44	1.44
Miscellaneous expenses	2.78	2.08
Total other expenses	98.08	73.24

in ₹ crore

Note 1: Other expenses include R&D expenses under various line items [Refer Note No. 29.7 (ii)].

Note No. 25: Income Tax Expense

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
a. Current tax		
Tax on profits for the year	-	-
Adjustments for tax of prior periods	0.19	-
Total current tax expense	0.19	-
b. Deferred tax		
Decrease/(increase) in deferred tax assets	(54.61)	(15.02)
Total deferred tax (benefit)/expense	(54.61)	(15.02)
Total Income tax (benefit)/expense	(54.42)	(15.02)

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

Particulars	in ₹ crore	
	Year Ended March 31,	
	2022	2021
Profit/(Loss) before income tax expense	(117.13)	22.52
Tax expense /(credit) determined based on the statutory tax rate [i.e.34.944% (March 31, 2021: 34.944%)]	(40.93)	7.87
Reconciling items:		
Expenses disallowed for tax purposes	1.87	2.20
Mark-to-market loss/(gain) on mutual fund investments not considered for tax purposes	(0.13)	0.06
MAT credit recognised	-	(44.14)
Adjustments for tax of prior periods	0.19	-
Previously unrecognised DTA created during the current year	(14.73)	-
Deferred tax assets written down (including relating to current year)	-	18.22
Others	(0.69)	0.77
Income Tax benefit	(54.42)	(15.02)

Note No. 26: Fair Value Measurement

(i) Financial instruments by category and fair value hierarchy

Particulars	Level	in ₹ crore			
		March 31, 2022		March 31, 2021	
		FVPL	Amortized cost	FVPL	Amortized cost
Financial assets					
Investments					
- Mutual Funds	1	401.78	-	37.37	-
- Others (Refer Note No. 36)	3	0.00	-	0.00	-
Trade receivables	3	-	292.16	-	414.00
Cash and cash equivalents		-	47.56	-	53.43
Bank balances other than cash and cash equivalents		-	299.68	-	164.09
Other financial assets					
- Deposits with remaining maturity of more than twelve months		-	0.22	-	1.54
- Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months		-	1.15	-	-
- Security deposits	3	-	6.10	-	5.66
- Deposits with financial institutions		-	351.79	-	108.00
- Interest accrued but not due	3	-	0.96	-	1.01
- Other receivables	3	-	8.05	-	-
- Foreign Exchange Forward Contracts	2	0.60	-	1.00	-
Total Financial Assets		402.38	1,007.67	38.37	747.73
Financial liabilities					
Lease liabilities	3	-	19.76	-	21.90
Trade payables	3	-	111.57	-	92.22
Other financial liabilities					
- Capital Creditors		-	4.59	-	0.95
- Due to employees		-	17.72	-	16.98
- Accrual for expenses		-	-	-	29.15
- Unpaid dividend		-	0.03	-	0.03
- Other liabilities		-	0.14	-	0.15
Total Financial liabilities		-	153.81	-	161.38

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 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.

(ii) Valuation Technique

- The fair values of security deposits and non-current trade receivables 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.

(iii) 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 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.

(iv) 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), trade payables, capital creditors, cash and cash equivalents and other financial assets 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. 27: 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.

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) Expected credit loss for trade receivables under simplified approach

	in ₹ crore
Loss allowance as on April 01, 2020	(35.30)
Changes in loss allowance	(14.76)
Loss allowance as on April 01, 2021	(50.06)
Changes in loss allowance	(87.88)
Loss allowance as on March 31, 2022 (Refer Note No. 6 & 23B)	(137.94)

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 and deposits with banks and inter-corporate deposits placed with financial institutions. As a policy, the Group places its cash and cash equivalents and deposits with well established banks and 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, security deposits and other financial assets to be immaterial.

During the year ended March 31, 2022, the Company has assessed the recoverability of overdue trade receivables from certain public sector customers and in view of delays in collections has made an additional provision of ₹ 74.31 crore towards all such receivables which were aged more than 3 years.

(ii) Sensitivity Analysis

The sensitivity of profit or loss to changes in the loss allowance

Particulars	in ₹ crore	
	Impact on profit/(loss) after tax March 31, 2022	March 31, 2021
Increase in credit loss rate by 10%	(2.16)	(1.22)
Decrease in credit loss rate by 10%	1.83	1.22

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, 2022	March 31, 2021
Cash and cash equivalents	47.56	53.43
Other bank balances - deposits with maturity more than 3 months but less than 12 months and margin money	299.68	164.09
Deposits with financial institutions	351.79	108.00
Deposits with remaining maturity more than 12 months	0.22	1.54
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	1.15	-
Current investments - mutual funds	401.78	37.37
	1,102.18	364.43

Less: Balances held as margin money or security against fund and non-fund based banking arrangements	3.10	18.72
Total liquid assets	1,099.08	345.71

(ii) Financing arrangements

The Group had access to the following undrawn facilities at the end of the reporting period:

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Rupee		
Fund/ Non Fund based	109.73	165.14

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 leases) as the impact of discounting is not significant.

Contractual maturities of financial liabilities- March 31, 2022	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Trade payables	111.57	-	-	-	111.57
Due to employees	17.72	-	-	-	17.72
Capital Creditors	4.59	-	-	-	4.59
Lease Liabilities	4.57	4.69	4.36	10.31	23.93
Unpaid dividend	0.03	-	-	-	0.03
Other liabilities	0.14	-	-	-	0.14
	138.62	4.69	4.36	10.31	157.98

Contractual maturities of financial liabilities- March 31, 2021	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Trade payables	92.22	-	-	-	92.22
Current maturities of long-term debt	-	-	-	-	-
Due to employees	16.98	-	-	-	16.98
Capital Creditors	0.95	-	-	-	0.95
Accrual for expenses	29.15	-	-	-	29.15
Lease Liabilities	3.25	3.39	7.07	14.05	27.76
Unpaid dividend	0.03	-	-	-	0.03
Other liabilities	0.15	-	-	-	0.15
	142.73	3.39	7.07	14.05	167.24

(iv) The Company has from time to time in the normal course of business entered into factoring agreements with bankers for some of the trade receivables on a non-recourse basis. As at March 31, 2022 the trade receivable does not include receivables amounting to ₹ 24.60 (March 31, 2021: ₹ Nil) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements (Refer Note No. 6).

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, during the current year, the Group has entered into forward exchange contracts on export receivables 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 at the end of the reporting period expressed in Rupees crore, are as follows

	March 31, 2022			March 31, 2021		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables	136.09	14.53	0.20	92.90	53.43	0.01
Balance in EEFC account	15.30	-	-	19.84	-	-
Balance with banks outside india	2.90	0.07	2.39	2.24	0.36	1.18
Net exposure to foreign currency risk (assets)	154.29	14.60	2.59	114.98	53.79	1.19
Liabilities						
Trade payables	54.84	0.10	0.01	24.95	0.15	0.19
Net exposure to foreign currency risk (liabilities)	54.84	0.10	0.01	24.95	0.15	0.19
Net exposure to foreign currency risk	99.45	14.50	2.58	90.03	53.64	1.00

* MYR stands for Malaysian Ringgit.

(ii) 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	
	March 31, 2022	March 31, 2021
USD Sensitivity		
INR/USD - Increase by 5% (March 31, 2021 5%)*	(4.10)	(3.71)
INR/USD - Decrease by 5% (March 31, 2021 5%)*	4.10	3.71
MYR Sensitivity		
INR/MYR - Increase by 5% (March 31, 2021 5%)*	(0.60)	(2.21)
INR/MYR - Decrease by 5% (March 31, 2021 5%)*	0.60	2.21

* Holding all other variables constant

Note No. 28: 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 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 Group has issued share warrants to its holding company which is expected to be converted to equity share capital as per applicable terms.

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	March 31, 2022	March 31, 2021
Net Debt*	(1,082.42)	(342.53)
Equity	1,930.25	1,134.20
Net Debt to equity ratio	-	-

*Net Debt represents the balance of borrowing (including lease liabilities) reduced by cash and cash equivalent, other bank balances including deposits more than 12 months, deposits with financial institutions and investment in liquid mutual funds. The Group has no 'net debt' as at March 31, 2022 and March 31, 2021.

Note No. 29: Additional Information to Financial Statements

in ₹ crore

Note	Particulars	As at	
		March 31, 2022	March 31, 2021
29.1 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	46.65
	Disputed Income Tax Demands * (Refer Note 2 and 3 below)	-	-
	Disputed CST and VAT Demand *	5.55	15.67
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	4.77	1.29

* 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.

Note 1: During FY 2018-19 and 2019-20, the Company received demand orders for ₹ 42.92 crore towards additional duty and penalty from the Customs Excise and Service Tax Appellate Tribunal (CESTAT) on the applicability of excise duty on software used in the multiplexer products pertaining to FY 2002-03 to FY 2009-10. Further, an additional penalty on certain officers of the Company amounting to ₹ 0.90 crore was raised. The Company has filed a stay application before the Honourable Supreme Court and has also filed an appeal before CESTAT.

During the current year, the Company has received a demand order for ₹ 3.32 crores for FY 2010-11 to FY 2013-14 on similar matters. The Company is in the process of filing appeals with the concerned authorities.

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 2012-13 to 2018-19. During the year 2019-20 and 2020-21 certain other agencies sent notices as part of their preliminary inquiries, which were duly responded / attended by the Company and its officials. In FY 2019-20, the assessments for AY 2012-13 to 2018-19 were carried out and the Company received Income Tax demands for ₹ 25.62 crore (after adjusting carry forward losses of earlier years) and ₹ 0.48 crore for AY 2017-18 and AY 2018-19, respectively.

Pursuant to the Company's application for rectification of certain errors in the aforesaid orders, during the quarter ended September 30, 2020, the Company received rectification orders for AY 2012-13

to AY 2018-19 under section 154 of the IT Act. Certain brought forward losses which were not considered in the earlier demand orders were allowed and other computation errors were corrected in the rectification orders resulting in a cumulative net refund position. The Company has also filed appeal against the orders for the aforementioned assessment years disputing certain disallowances. The Company is of the view that the outcome of these proceedings/notices has no material adverse impact on the Company's financial statements.

Note 3: In July, 2017, the Income Tax Department (Department) initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act) and in March 2018, also sent a show cause notice to the company under Section 276(C) 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. Post the ongoing proceedings initiated by the Department, during FY 2019-20 and FY 2020-21, certain other agencies sent notices as part of their preliminary inquiries, which were duly responded by the Company and its officials. 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.

29.2 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, 2022	March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end ¹	11.48	11.84
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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	-	-
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	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
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. 16 for disputed dues to MSMEs).

29.3 Segment Information

(i) The Group's business activity primarily falls within a single business segment 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

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
I. Revenues*		
India	350.84	321.64
International#	199.75	204.96
Total	550.59	526.60

* Determined based on location of customers

International includes Africa (March 31, 2021: Africa and South East Asia regions) which individually contribute to more than 10% of the total revenues.

Revenues of approximately ₹ 179.50 are derived from two external customers (March 31, 2021: ₹ 193.86 from three external customer) each exceeding 10% of the total revenue.

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
II Total Carrying amount of non current assets, by geographical location		
India*	177.46	135.50
International	-	-

* Includes an amount of ₹ 14.56 (March 31, 2021: 16.10) being Right of use assets pursuant to adoption of Ind AS 116.

29.4 Revenue from contract with customers

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenue from contracts with 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. 19)

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
India-PSU	93.35	85.85
India-Private	257.49	235.79
International	199.75	204.96
	550.59	526.60

(ii) 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, 2020	2.60	0.38
Less: Revenue accrued during the year	10.35	0.14
Add: Invoicing in excess of earned revenue during the year	9.82	-
Add: Advances received during the year	-	1.41
Balance as on March 31, 2021	2.07	1.65
Less: Revenue accrued during the year	5.66	1.84
Add: Invoicing in excess of earned revenue during the year	6.89	-
Add: Advances received during the year	-	7.21
Balance as on March 31, 2022	3.30	7.02

(iii) Performance obligations and remaining performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2022, is approximately ₹ 1,175. Out of this, the Company expects to recognize revenue of around 68% 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.

(iv) Reconciliation of revenue recognised with Contract price

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Contract Price	550.59	526.60
Less adjustments for:		
Variable consideration	-	-
Revenue from operations	550.59	526.60

29.5 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:

in ₹ crore

Particulars	As at	
	March 31, 2022	March 31, 2021
Right of use Assets		
Buildings	14.56	16.10
Total	14.56	16.10
Particulars	As at	
	March 31, 2022	March 31, 2021
Lease Liabilities		
Current	7.81	4.83
Non-Current	11.95	17.07
Total	19.76	21.90

Additions to right-of-use assets during the current financial year is ₹ 4.59 (March 31, 2021: NIL).

(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	Year ended March 31,	
		2022	2021
Depreciation charge of Right of use Assets			
Buildings	4(c)	6.13	5.19
Total		6.13	5.19
Other costs			
Interest expense (included in finance costs)	23A	2.10	2.29
Expenses relating to short term leases (included in other expenses)*	24	1.80	1.95
Total		3.90	4.24

*includes maintenance expenses

The total cash outflow for leases for the year ended March 31, 2022 is 10.14 (March 31, 2021: ₹ 9.97).

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 exercisable only by the Group.

The Group has not provided any residual value guarantees in any of the leasing arrangements.

29.6 Earnings/(Loss) per Share

in ₹ crore except for share data or otherwise stated

Particulars	Year Ended March 31,	
	2022	2021
Basic		
Net profit/(loss) for the year attributable to the equity shareholders	(62.71)	37.54
Weighted average number of equity shares	10,50,19,617	9,25,53,796
Par value per share (₹)	10.00	10.00
Earnings/(loss) per share - Basic (₹)	5.97	4.05
Diluted		
Net profit/(loss) for the year attributable to the equity shareholders	(62.71)	37.54
Weighted average number of equity shares for Basic EPS	10,50,19,617	9,25,53,796
Add: Share warrants and bonus element on Share Options/RSUs issued to employees*	-	15,74,477
Weighted average number of equity shares - for diluted EPS	10,50,19,617	9,41,28,273
Par value per share (₹)	10.00	10.00
Earnings/(loss) per equity share - diluted (₹)	(5.97)	3.99

* Potentially issuable equity shares, on account of Share Options/RSUs issued to employees and share warrants, 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.

29.7 Product Development Cost

(i) Product development costs capitalized during the year with regard to the development of various modules of products are being amortised in accordance with the Group's policy.

in ₹ crore

Particulars	Year Ended March 31,	
	2022	2021
Amount transferred to Product Development	64.51	68.14
Additions to Intangible assets under development	79.63	65.64

(ii) 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	Year Ended March 31,	
	2022	2021
Eligible capital expenditure	84.41	77.87
Eligible revenue expenditure	52.36	32.71
TOTAL	136.77	110.58

Eligible capital expenditure includes R&D manpower salaries/wages towards product development amounting to ₹ 79.63 (March 31, 2021: 65.64).

29.8 Interest in subsidiaries

Name of the Company	Place of Business	% of Holding and voting power either directly or indirectly through subsidiary as at	
		March 31, 2022	March 31, 2021
Tejas Communications Pte Limited (wholly owned subsidiary since incorporation on June 14, 2001)	Singapore	100%	100%
Tejas Communications (Nigeria) Limited (wholly owned subsidiary of Tejas Communications Pte Limited, since incorporation on September 07, 2015)	Nigeria	100%	100%

29.9 Related party transactions

(i) Details of related parties:

Description of relationship	
Ultimate Holding Company (w.e.f October 29, 2021)	Tata Sons Private Limited
Holding Company/ Controlling Entity (w.e.f October 29, 2021)	Panatone Finvest Limited
Subsidiaries of Ultimate Holding Company (with whom the Group has transactions) (w.e.f October 29, 2021)	Tata Communications Limited
	Tata Consultancy Services Limited
	Tata Teleservices (Maharashtra) Limited
	Tata Teleservices Limited
	Tata Advanced Systems Limited
	Tata Communications (America) Inc., United States of America
	Nova Integrated Systems Limited
	Tata Communications Lanka Limited, Sri Lanka
	Clonect Solutions Private Limited
	Entities where Directors are interested (with whom the Group has transactions) (Other related parties)
Post-employment benefit plan for the benefit of employees (Other related parties)	Tejas Networks Limited Employees Group Gratuity Fund Trust
Key Management Personnel	
Executive Directors	Sanjay Nayak, CEO and Managing Director Arnob Roy, Chief Operating Officer and Whole Time Director
Independent Directors	Balakrishnan V Leela K Ponappa Chandrashekar Bhaskar Bhave Gururaj Deshpande N. Ganapathy
Non - Executive Directors and Non - Independent Directors	Subramaniam (w.e.f January 19, 2022) Amur Swaminathan Lakshminarayanan (w.e.f January 19, 2022)

(ii) Transaction with related parties during the year

Particulars	Year Ended March 31, 2022			
	Holding Company/ Controlling Entity	Subsidiaries of Ultimate Holding Company (with whom the Group has transactions) (w.e.f October 29, 2021)	Other Related Parties	Total
Revenue from operations	-	41.46	-	41.46
Communication	-	0.04	-	0.04
Subscription Charges	-	-	0.06	0.06
Professional Charges	-	-	0.19	0.19
Contribution to post employment benefit plans	-	-	4.50	4.50
Proceeds from Issue of Fresh Equity shares through Private Placement	500.00	-	-	500.00
Proceeds from Issue of Share Warrants (Refer Note No. 12(b) and 13(iv))	337.50	-	-	337.50

Particulars	Year Ended March 31, 2021			
	Holding Company/ Controlling Entity	Subsidiaries of Ultimate Holding Company (with whom the Group has transactions) (w.e.f October 29, 2021)	Other Related Parties	Total
Revenue from operations	-	-	-	-
Reimbursement of expenses	-	-	-	-
Subscription Charges	-	-	0.05	0.05
Professional Charges	-	-	0.19	0.19
Expenditure on Corporate Social Responsibility	-	-	0.40	0.40

Transactions with Key Management Personnel is as follows:	Year Ended March 31,	
	2022	2021
Short-term employee benefits	2.66	2.88
Post-employment benefits	0.05	0.05
Employee share-based payment	2.00	0.77
Directors' Sitting fees	0.28	0.12
Directors' Commission	0.48	0.32

(iii) Balances from/to related parties are as follows:

Particulars	As at March 31, 2022			
	Holding Company/ Controlling Entity	Subsidiaries of Ultimate Holding Company	Key Management Personnel	Total
Trade receivables, unbilled receivables and contract assets	-	19.80	-	19.80
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	-	1.65	-	1.65
Short-term employee benefits payable	-	-	0.07	0.07
Directors' Commission payable	-	-	0.48	0.48

Particulars	As at March 31, 2021			
	Holding Company/ Controlling Entity	Subsidiaries of Ultimate Holding Company	Key Management Personnel	Total
Short-term employee benefits payable	-	-	0.63	0.63
Directors' Commission payable	-	-	0.32	0.32

29.10 Ratios

Sl. No.	Particulars	Numerator Includes	Denominator Includes	Ratio FY 22	Ratio FY 21	% Variance	Reasons for variance
1	Current Ratio	Total current assets	Total current liabilities	10.45	6.07	72%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants during the year resulting in an increase in current assets as at the year end.
2	Debt-equity ratio	Lease liabilities	Total equity	0.01	0.02	-59%	Issuance of shares and warrants during the year resulting in an increase in equity as at the year end.
3	Debt service coverage ratio	Profit/(Loss) after tax (adjusted for) Depreciation and amortization expense Allowance for expected credit loss Other non-cash items Finance costs	Debt service (lease payments for the current year)	13.87	14.50	-4%	Not applicable
4	Return on Equity Ratio	Profit/(Loss) after tax	Average equity	(0.04)	0.03	-221%	Loss incurred during the year
5	Inventory turnover ratio	Revenue from operations	Average Inventories	1.26	1.15	10%	Not applicable
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	1.56	1.23	27%	Higher allowance for expected credit loss
7	Trade payables turnover ratio	Purchases (others) Purchases of stock in trade	Average Trade payables	3.22	2.05	57%	Increased on account of increased purchases
8	Net capital turnover ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	0.35	0.65	-46%	Increase in cash inflow on account of proceeds received from issuance of shares and warrants during the year resulting in an increase in current assets as at the year end.
9	Net (loss)/profit ratio	Profit/(Loss) after tax	Revenue from operations	(0.11)	0.07	-260%	Loss incurred during the year
10	Return on Capital employed	Earnings before interest and tax	Total equity Lease liabilities	(0.06)	0.02	-358%	Loss incurred during the year and Issuance of shares and warrants during the year resulting in an increase in equity as at the year end.
11	Return on Investment	Earnings before interest and tax	Average Total Assets	(0.07)	0.02	-414%	Loss incurred during the year

29.11 Private Placement

The Company has made a preferential allotment/ private placement of shares during the year, 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, except as described below:

Nature of securities	Purpose for which funds raised	Total Amount Raised	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks
Equity shares and Series A and Series B Warrants	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.	837.50	-	576.33	None

Note No. 30: Employee Stock Option Plan (ESOP) and Restricted Stock Units (RSU)

(i) **Employees Stock Option Plan – 2014 (“ESOP Plan 2014”)** The Group 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.

(ii) **Employees Stock Option Plan – 2014-A (“ESOP Plan 2014-A”)** The Group 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 (v)(c) below)

(iii) **Employees Stock Option Plan – 2016 (“ESOP Plan 2016”)** The Group 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 (v)(c) below)

(iv) **Restricted Stock Unit Plan 2017 (“RSU Plan 2017”)** The Group 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.

As the Group has implemented RSU plan during the financial year 2017-18, the Group 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, 2021 and March 31, 2022.

(v) Summary of options under various plans:

Particulars	March 31, 2022		March 31, 2021	
	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	16,29,950	65	21,24,436
Granted during the year	-	-	-	-
Exercised during the year*	65	5,68,444	65	4,82,609
Forfeited during the year	65	-	65	11,877
Outstanding at the end of the year	65	10,61,506	65	16,29,950
Exercisable at the end of the year	65	10,61,506	65	16,29,950
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		10.22 years		10.96 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 ₹ 110.42)

b) ESOP Plan 2014-A				
Outstanding at the beginning of the year	85	12,70,132	85	13,79,749
Granted during the year	-	-	-	-
Exercised during the year*	85	3,24,404	85	94,872
Forfeited during the year	85	-	85	14,745
Outstanding at the end of the year	85	9,45,728	85	12,70,132
Exercisable at the end of the year	85	9,45,728	85	12,70,132
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		4.43 years		5.52 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 ₹ 110.42)

Particulars	March 31, 2022		March 31, 2021	
	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	15,93,709	85 -110	18,73,683
Granted during the year	-	-	-	-
Exercised during the year*	85 -110	5,06,870	85 -110	1,69,856
Forfeited during the year	85 -110	2,200	85 -110	1,10,118
Outstanding at the end of the year	85 -110	10,84,639	85 -110	15,93,709
Exercisable at the end of the year	85 -110	10,84,639	85 -110	15,86,355
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		4.84 years		5.93 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 ₹ 110.42)

(i) During FY 2020-21, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors approved extension of exercise period of the Employee Stock Option Plan 2014-A and Employee Stock Option Plan 2016 in respect of employees who have not exercised the Stock Options that had vested as per the plan in vogue by another 4 years.

(ii) The incremental fair value of the options which were modified amounted to ₹ 2.21 crore, which has been recognized in the Statement of Profit and Loss for the financial year ended March 31, 2021.

(iii) 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	ESOP Plan 2014-A	ESOP Plan 2016
Weighted Average share price on the date of Modification	84.65	84.65
Exercise price	85.00	85 & 100
Risk Free Interest Rate	5.91%	5.91%
Expected Life	5-12Years	5-12Years
Exercise period from the date of vesting	8 years	8 years
Expected Annual Volatility of Shares	60.9%	60.9%
Expected Dividend Yield	1.18%	1.18%

	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	12,13,491	10	16,84,501
Granted during the year	10	10,84,290	10	20,500
Exercised during the year*	10	5,30,002	10	2,82,172
Forfeited during the year	10	33,534	10	2,09,338
Outstanding at the end of the year	10	17,34,245	10	12,13,491
Exercisable at the end of the year	10	3,77,533	10	4,68,258
RSU available for grant**	10	3,42,789	10	13,93,545
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		4.50 years		4.01 years

* The weighted average share price during the year ended March 31, 2022 was ₹ 356.62 (March 31, 2021 ₹ 110.42)

** Includes 3,42,789 RSUs lapsed (March 31, 2021 - 3,65,385) which can be re-issued and will form part of RSU pool to be granted.

(vi) 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	Year ended March 31,	
	2022	2021
RSU Plan 2017		
Weighted Average share price on the date of grant	289.06	94.55
Exercise price	10.00	10.00
Risk Free Interest Rate	6.07% to 6.60%	5.86% to 5.96%
Expected Life	5-7 Years	5-8 Years
Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	50% to 60%	60% to 61%
Expected Dividend Yield	0.21% to 0.57%	0.70% to 1.79%

(vii) Effect of share based payment transactions on the Statement of Profit and Loss:

Assumptions	Year ended March 31,	
	2022	2021
Equity-settled share-based payments (Refer Note No. 22)	11.20	8.00

in ₹ crore

Note No. 31: Assets pledged as security against fund and non-fund based banking arrangements

Particulars	Note	As at	
		in ₹ crore	
		March 31, 2022	March 31, 2021
(i) Financial Assets			
Trade Receivables	6	275.51	330.88
Other financial assets	8	0.22	1.54

Other financial assets excluding deposits with financial institutions	8	10.76	2.01
Total financial assets		286.49	334.43
(ii) Non- Financial Assets			
Other current assets	10	74.38	53.63
Inventories	11	278.02	213.65
Total non- financial assets		352.40	267.28
(iii) Total current assets pledged as security		638.89	601.71
(iv) Non-current assets			
Property, plant and equipment	4(a)	40.09	29.48
Trade Receivables	6	7.07	72.97
Total Non-current assets pledged as security		47.16	102.45
(v) Total assets pledged as security		686.05	704.16

The Group has multiple banking arrangements with banks who have extended fund based and non- fund based facilities and have 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. The aggregate of fund and non-fund based facilities utilised as at March 31, 2022 aggregates to ₹ 103.27 (March 31, 2021: ₹ 103.35).

Note No. 32: Statement of Function wise Profits and Losses (for additional information only)

Particulars	in ₹ crore	
	Year ended March 31, 2022	2021
Revenue		
Product sales	479.49	468.34
Component sales	-	11.78
Services	71.10	46.48
Net Revenue (A)	550.59	526.60
Cost of materials consumed (Refer Note i below)		
Manufacturing Expenses	17.54	14.07
Service Expenses	46.92	30.57
Total Cost of Goods Sold (B)	376.59	314.47
Gross Profit (C) = (A) - (B)	174.00	212.13
Operating Expenses:		
Research & Development (Gross)	131.23	106.05
Less: R&D Capitalized	(79.63)	(65.64)
Research & Development (Net)	51.60	40.41
Selling, Distribution & Marketing	81.20	79.16
Allowance for expected credit loss	87.76	14.80
General & Administrative	33.90	22.83
Operating Expenses (Net) (D)	254.46	157.20
Profit/(loss) from operations (EBITDA) (E) = (C) - (D)	(80.46)	54.93
Other Income (Refer Note ii below)	40.17	24.85
Foreign exchange loss/(gain) (Refer Note iii below)	(3.13)	1.44
Finance costs	3.19	3.70
Depreciation and amortization	76.78	52.12
Profit/(Loss) before tax	(117.13)	22.52
Tax expense:		
Current tax	0.19	-
Deferred tax expense/(benefit)	(54.61)	(15.02)
Profit/(loss) after tax	(62.71)	37.54
Other Comprehensive income/(loss)	(1.19)	2.02
Total comprehensive income/(loss) for the year	(63.90)	39.56
Earning/(loss) per share (Par Value ₹ 10 each)		
(a) Basic	(5.97)	4.05
(b) Diluted	(5.97)	3.99
Weighted average Basic Equity share outstanding	10,50,19,617	9,25,53,796
Weighted average Diluted Potential Equity share outstanding	10,50,19,617	9,41,28,273

i. The reconciliation of Cost of Sales between Schedule III and function wise profit and loss account is as follows:

Particulars	in ₹ crore	
	Year ended March 31, 2022	2021
Cost of material consumed as per Schedule III (Refer Note No. 21A and 21B)	310.78	268.74
Add: Considered separately under other expenses as per Schedule III (Refer Note No. 24)		
Other Processing Charges	1.19	0.98
Royalty	0.16	0.11
Total Cost of material consumed as per function wise profit and loss	312.13	269.83

ii. The reconciliation of Other Income between Schedule III and function wise profit and loss account is as follows:

Particulars	in ₹ crore	
	Year ended March 31, 2022	2021
Other income as per Schedule III (Refer Note No. 20)	43.30	24.85
Less: Net gain on foreign exchange considered separately in functional wise profit and losses (Refer Note iii below)	(3.13)	-
Other income as per function wise profit and loss	40.17	24.85

iii. The breakup of foreign exchange loss/(gain) is as under:

Particulars	in ₹ crore	
	Year ended March 31, 2022	2021
Net loss/(gain) on foreign currency transactions and translation others (other than considered as finance cost) (Refer Note No. 20, Note No. 24 and Note ii above)	(3.13)	1.44
Foreign exchange loss/(gain) as per function wise profit and loss	(3.13)	1.44

Note No. 33: 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

Name of the entity	in ₹ crore	
	Net assets, i.e., total assets minus total liabilities	
	March 31, 2022	March 31, 2021
Parent Company		
Tejas Networks Limited		
As % of consolidated net assets	99.13%	98.68%
Amount	1913.38	1119.24
Subsidiaries		
Foreign		
Tejas Communication Pte. Ltd.		
As % of consolidated net assets	0.87%	1.32%
Amount	16.87	14.96
Total		
As % of consolidated net assets	100.00%	100.00%
Amount	1,930.25	1,134.20

Particulars	Share of profit or loss	
	March 31, 2022	March 31, 2021
	Parent Company	
Tejas Networks Limited		
As % of consolidated profit or loss	102.78%	99.36%
Amount	(64.45)	37.30
Subsidiaries		
Foreign		
Tejas Communication Pte. Ltd.		
As % of consolidated profit or loss	-2.78%	0.64%
Amount	1.74	0.24
Total		
As % of consolidated profit or loss	100.00%	100.00%
Amount	(62.71)	37.54

Particulars	Other Comprehensive Income		Total Comprehensive Income	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Parent Company				
Tejas Networks Limited				
As % of consolidated profit or loss	74.23%	82.67%	102.12%	98.51%
Amount	(0.88)	1.67	(65.26)	38.97
Subsidiaries				
Foreign				
Tejas Communication Pte. Ltd.				
As % of consolidated profit or loss	25.77%	17.33%	-2.12%	1.49%
Amount	(0.31)	0.35	1.36	0.59
Total				
As % of consolidated profit or loss	100.00%	100.00%	100.00%	100.00%
Amount	(1.19)	2.02	(63.90)	39.56

Note :- Details included above for Tejas Communication Pte. Ltd. Includes the relevant data for its subsidiary (Tejas Communications (Nigeria) Limited)

Note No. 34: Expenditure on corporate social responsibility (as per section 135 of the Act)

(a) Gross amount required to be spent by the Company during the year ₹ 0.46 (previous year ₹ 0.98).

(b) Amount unspent during the year:

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
-	-	0.46	0.46	-

(c) There were no ongoing CSR projects under Section 135(6) of the Act during the year.

(d) Amount spent during the year: ₹ 0.46 (included under expenditure on corporate social responsibility note no. 24)

in ₹ crore

Particulars	Incurred	Yet to be incurred	Total
1. Construction / acquisition of any asset	(-)	(-)	(-)
2. On purposes other than (1) above	0.46	-	0.46
Previous year figures are in brackets	0.98	(-)	0.98

Particulars	Nature of Service	Year Ended March 31,	
		2022	2021
International Institute of Information Technology (IIIT), Bengaluru	Developing the next generation teachers and industry ready students aligned to the Skill India Vision of the Government of India.	0.10	0.25
Sri Aurobindo Society, Puducherry	Project Inclusion aims to bring children with hidden disability who are unable to cope-up with the World around by giving them equal and quality education and aims to bring such children in forefront and makes Inclusive education a reality.	0.10	0.20
Katha	Katha has several programmes in place to help check poverty across the country. Katha brings children living in poverty into reading and quality education. Over the past three decades, through its many programmes, Katha has helped over one million children help themselves out of poverty.	0.05	0.13
Bharatiya Jain Sanghatana (BJS)	BJS is a registered non-profit social impact organization based in Pune, working in disaster response for the past 35 years. Its work has been widely acknowledged at the national and international levels by governments and several institutions of repute, including the World Health Organization. Since March 2020 BJS has been at the forefront of fighting the COVID pandemic in the country, working in close coordination with state governments, district administrations and municipal corporations across many states.	0.03	-
Shyam Hospital And Research Centre	The hospital is located in Bangarpet town in Kolar district of Karnataka. The hospital was converted to a Covid Care Hospital, so that they could serve as many people as possible.	0.04	-
ELCIA Trust	ELCIA TRUST was established by the Electronics City Industries Association (ELCIA), in 2003 with the objective of effecting social improvement in the villages neighboring Electronics City industrial estate. With a vision to Nurture Growth, they focus on efforts on Education, Vocational training and Health & Hygiene programs for the benefit of the community. ELCIA Trust has worked tirelessly in combating COVID 19 pandemic.	0.05	-
Usha Mahajan Memorial Social Service	The project "SHIKSHA LEARNING CENTRE" at Village Narwana Khas, Dharamshala, Kangra, Himachal Pradesh, under the supervision of "Usha Mahajan Memorial Social Service Organization, aims to contribute, strengthen basic education & nutritional content, delivery, outreach and outcome, with renewed focus on developing practices that nurture health, wellness and education.	0.09	-
ICT Academy Of Tamilnadu	Developing the next generation teachers and industry ready students aligned to the Skill India Vision of the Government of India	-	0.15
Deshpande Foundation	Supports innovation for scalable impact for a sustainable, scalable social and economic impact through innovation and entrepreneurship	-	0.15
Akshaya Patra Foundation, Bengaluru	NGO run school meal programme facilitating education of underprivileged children in India	-	0.10
Total qualifying expenditure on corporate social responsibility		0.46	0.98

Note No. 35: 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	
			March 31, 2022	March 31, 2021
Deposits with financial institutions				
Bajaj Finance	None	Investments in Term Deposits	306.00	60.00
HDFC Limited	None	Investments in Term Deposits	25.00	48.00
Mahindra & Mahindra Financial Services Limited	None	Investments in Term Deposits	20.79	-
			351.79	108.00

Note No. 36: Details of amounts rounded off

Particulars	As at	
	March 31, 2022	March 31, 2021
1. Investment in ELCIA ESDM Cluster (Refer Note No. 5)	11,000/-	11,000/-
2. Effects of exchange rate changes on the balance of cash held in foreign currencies	-	4,616/-

Note No. 37: 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.

(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

The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(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 PP&E, 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

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.

Core investment companies (CIC)

The group has five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.

Note No. 38: 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 2022, the Board has reviewed and decided not to recommend any dividend.

Note No. 39: Impact of COVID-19 Pandemic

The spread of COVID-19 has severely impacted businesses around the globe. The situation is constantly evolving and Governments in certain states imposed various restrictions with the increase in number of COVID 19 cases during the year ended March 31, 2022. The Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the quarter and year ended March 31, 2022.

During the year ended March 31, 2022, uncertainties caused by the pandemic has resulted in some delays in customer payments and new orders. Management expects potential delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue for the next few quarters, till the demand-supply situation in the semiconductor component industry stabilises.

The Company had capital infusion by way of issue of equity shares and share warrants during the year ended March 31, 2022 and the Company does not have borrowings as at year end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at March 31, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken

into account all possible impact of known events arising from COVID-19 pandemic and supply constraints in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

Note No. 40: Proposed acquisition of Saankhya Labs Private Limited

On March 30, 2022, the Company has signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Ltd. Bangalore for ₹ 283.94 crore in cash. The acquisition is expected to enhance the Company's Wireless offerings by adding 5G ORAN, 5G Cellular Broadcast and Satellite communication products to its product portfolio. The acquisition of shares is likely to be completed by June 30, 2022. The Company, upon obtaining all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a merger process or a secondary acquisition.

Note No. 41: Previous year's figures have been regrouped/ reclassified wherever necessary to conform with the current year's classification / disclosure.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)

for and on behalf of the Board of Directors of Tejas Networks Limited

Mohan Danivas S A
Partner
Membership no: 209136

Balakrishnan V
Chairman and Director
(DIN:02825465)

Sanjay Nayak
CEO and Managing Director
(DIN:01049871)

Chandrashekar Bhaskar Bhave
Director
(DIN:00059856)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

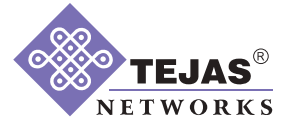
Place: Bengaluru
Date: April 22, 2022

Venkatesh Gadiyar
Chief Financial Officer

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



NOTICE OF THE ANNUAL GENERAL MEETING



June 27, 2022

Dear Member(s),

You are cordially invited to attend the 22nd Annual General Meeting of the Members of Tejas Networks Limited (“the Company”) to be held on Tuesday, July 26, 2022 at 4.00 P.M (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”).

The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013 read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide its Members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting is enclosed herewith.

Yours sincerely

Sd/-
N. Ganapathy Subramaniam
Chairman

Enclosures:

1. Notice of the 22nd Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting

Note: Attendees who require technical assistance to access and participate in the meeting through VC are requested to contact the helpline number:
+91 80 4179 4600 / +91 80 4179 4700

Tejas Networks Limited
CIN: L72900KA2000PLC026980
J P Software Park, Electronics City,
Hosur Road, Bengaluru - 560100.
Tel: +91 80 4179 4600
corporate@tejasnetworks.com
www.tejasnetworks.com

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting (“AGM”) of the Members of Tejas Networks Limited (the “Company”) will be held on Tuesday, July 26, 2022 at 4.00 P.M (IST) through VC/OAVM to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements

To receive, consider and adopt

The Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2022 together with the Reports of the Board of Directors and Auditors thereon.

2. Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation

To re-appoint Arnob Roy, who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution, with or without modification(s), as an **Ordinary resolution**:

“**RESOLVED THAT** Arnob Roy (DIN: 03176672) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

“**RESOLVED FURTHER THAT** the consent of the Members 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.”

3. Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) as Statutory Auditors of the Company.

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

“**RESOLVED THAT** pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) (“Price Waterhouse”) be and are hereby re-appointed as the Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this 22nd AGM till the conclusion of the 27th AGM to be held in the year 2027, at such remuneration as may be determined by the Board of Directors of the Company (including its committees thereof).”

“**RESOLVED FURTHER THAT** the consent of the Members of the Company 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 and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

SPECIAL BUSINESS

4. Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) including any amendment thereto or re-enactment thereof and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded to increase the authorised share capital of the Company from the existing ₹ 200,00,00,000/- divided into 20,00,00,000 equity shares of ₹ 10/- each to ₹ 260,00,00,000/- divided into 26,00,00,000 equity shares of ₹ 10/- each, ranking pari passu in all respect with the existing equity shares of the Company as per the memorandum and articles of association of the company.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Act, including any amendment thereto or re-enactment thereof and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded to alter the Memorandum of Association of the Company by deleting the existing Clause V of the Memorandum of Association and substituting the following new clause as Clause V.

“V. *The Authorised Share Capital of the Company is ₹260,00,00,000/- (Rupees Two Hundred and Sixty Crore Only) divided into 26,00,00,000 (Twenty-Six crore) equity shares of ₹ 10/- (Rupees Ten Only) each.*”

“**RESOLVED FURTHER THAT** for the purpose of bringing into effect and implementing the above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and may delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents as may be necessary in this regard.”

5. 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.

To consider and, if thought fit, to pass, with or without modification, the following resolutions as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof) and in accordance with the Memorandum and Articles of Association of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SEBI SBEB Regulations”), and subject further to such other approvals, permissions and sanctions as may

be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Members be and are hereby accorded to the Company to introduce and implement the 'Tejas Restricted Stock Unit Plan 2022' ("RSU 2022" or the "Plan"), either directly or through a trust to be set up by the Company, authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches, not exceeding 50,00,000 (Fifty Lakhs) restricted stock units ("RSUs") to such person(s) who are in employment of the Company including its subsidiaries, whether working in India or out of India, and to the directors of the Company and to such other persons as may from time to time be allowed to be eligible for the benefits of the RSUs under applicable laws and regulations prevailing from time to time, exercisable into not more than 50,00,000 (Fifty Lakhs) equity shares of face value of ₹ 10/- (Rupees ten only) each fully paid-up (as adjusted for any changes in the capital structure of the Company), at such price or prices and on such terms and conditions as may be fixed or determined by the Board in accordance with the RSU 2022."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot equity shares upon exercise of such RSUs from time to time in accordance with the Plan, and such equity shares shall rank pari passu in all respects with the existing equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate actions, such as rights issue, bonus issue, merger, sale of division of the Company or other similar events, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the RSU 2022 are passed on the eligible employees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the shares allotted under the RSU 2022 on the stock exchanges as per the provisions of the LODR, SEBI SBEB Regulations and other applicable laws and regulations."

"RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and may delegate all or any powers conferred herein, to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as also to execute such documents as may be necessary in this regard."

6. Appointment of P R Ramesh (DIN : 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with

Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), P R Ramesh (DIN : 01915274), who has submitted a declaration stating that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Non-executive, Independent Director of the Company not liable to retire by rotation, to hold office for a term of five consecutive years with effect from June 27, 2022 upto June 26, 2027".

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, P R Ramesh shall be entitled to receive the sitting fees/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director of the Company under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time."

"RESOLVED FURTHER THAT the consent of the Members 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."

7. Appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Prof. Bhaskar Ramamurthi (DIN : 01914155), who has submitted a declaration stating that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Non-executive, Independent Director of the Company not liable to retire by rotation, to hold office for a term of five consecutive years with effect from June 27, 2022 upto June 26, 2027."

"RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Prof. Bhaskar Ramamurthi shall be entitled to receive the sitting fees/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director of the Company under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time."

"RESOLVED FURTHER THAT the consent of the Members 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."

8. Ratification of the Remuneration of Cost Auditors

To consider and if thought fit to pass, the following resolution 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) read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Members hereby ratifies the remuneration of ₹ 1,50,000/- (Rupees One lakh fifty thousand only) plus taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit, payable to

GNV & Associates, Cost & Management Accountants, Bangalore (Firm Registration Number 000150), who are appointed by the Board of Directors of the Company, as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ended March 31, 2022.”

“RESOLVED FURTHER THAT the consent of the Members of the Company 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.”

June 27, 2022
Bengaluru

By Order of the Board
Sd/-
N R Ravikrishnan
General Counsel,
Chief Compliance Officer and Company Secretary
ACS Membership No: 7875

Notes:

1. Pursuant to the General Circulars issued by the Ministry of Corporate Affairs and by the Securities and Exchange Board of India (SEBI), Companies are allowed to hold AGM through VC, without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business under Item 2 to 8 of the Notice is annexed hereto. Additional information, pursuant to Regulation 36 of the LODR Regulations, in respect of the directors seeking appointment /reappointment at the AGM, forms part of this Notice.
3. In compliance with MCA and SEBI Circulars, of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website https://www.tejasnetworks.com/shareholders_agm.php, 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 July 19, 2022 to July 26, 2022 (both days inclusive).
5. Pursuant to the provisions of the Act, a Member 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 Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members 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 Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at www.tejasnetworks.com/disclosures.php. Members are requested to submit the details to their Depository Participants ("DPs") in case the shares are held by them in electronic form, and to the Registrar and share transfer agents ("RTA"), Link Intime India Private Limited, in case the shares are held in physical form.
7. To support the 'Green Initiative', Members 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 electronic form and with RTA in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone number, mobile number, permanent account number (PAN), mandates, nominations, power of attorney, bank details to their DPs in case the shares are held by them in electronic form and to RTA in case shares are held in physical form.
9. Members holding shares in physical form are requested to consider converting their holdings into dematerialized form to eliminate all risks associated with the physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard. Further, the Members who are 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 for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
10. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@tejasnetworks.com with a copy marked to evoting@nsdl.co.in.
11. In case of joint holders attending the AGM, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. Attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs. A person is considered as a Significant Beneficial Owner (SBO) if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a Company's shares or the right to exercise significant influence or control over the Company. If any Members holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and as specified in the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on February 08, 2019.
13. 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 Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. July 26, 2022. Members seeking to inspect such documents can send an email to agm@tejasnetworks.com.
14. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA of the Company.
15. Members 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 July 20, 2022 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 member 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 Members, 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.

16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office or at corporatate@tejasnetworks.com. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Act, read with applicable IEPF rules.
18. 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 Members 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.
19. The remote voting through electronic means will commence on July 21, 2022 at 9.00 am (IST) and will end on July 25, 2022 at 5.00 pm (IST). The Members 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 Member via remote e-voting, it cannot be changed subsequently or cast the vote again. However, a Member 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.
20. During the period when the facility for remote e-voting is provided, the Members of the Company holding the shares either in physical or in dematerialized form as on the relevant date (i.e) July 19, 2022 may opt to vote via remote electronic voting process.
21. 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 (ACS - 24319 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.
22. The results on above resolutions shall be declared not later than two working days from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions. The results of voting declared along with Scrutinizer's Report(s) will be published on the website of the Company (www.tejasnetworks.com) and on Service Provider's website NSDL (www.evoting.nsdl.com) and the same shall also be simultaneously communicated to the BSE Limited and the National Stock Exchange of India Limited.
23. Details of the process and manner of remote e-voting along with the User ID and Password is being sent to all the Members along with this Notice. In case of any queries / grievances relating to voting by electronic means, the Members / beneficial owners or in case any person, acquires shares of the Company and becomes a Member of the Company after dispatch of the notice and holding shares as of the cut-off date July 19, 2022 may obtain the login ID and password by sending a request to evoting@nsdl.co.in.
24. 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.

Explanatory statement

As required under section 102(1) of the Act, the following explanatory statement sets out all material facts relating to business mentioned under Items No. 2 to 8 of the accompanying Notice:

Item No.2 – Re-appointment of Arnob Roy (DIN: 03176672) as a Director liable to retire by rotation

Based on the terms of appointment, Executive Directors and Non Independent Directors are subject to retirement by rotation. Arnob Roy (DIN: 03176672) being the longest serving member on the Board retires by rotation and being eligible seeks reappointment. To the extent Arnob Roy is required to retire by rotation, he would need to be re-appointed as a Director.

Rationale in recommending the re-appointment of Arnob Roy as Non- Independent Director of the Company, liable to retire by rotation

- i. The Board of Directors of the Company is of the view that given Arnob Roy's skills, experience and expertise, it desirable and in the interest of and immense benefit to the Company to appoint Arnob Roy as a Non-Independent Director, liable to retire by rotation.
- ii. The Board of Directors of the Company have determined that Arnob Roy is a fit and proper person to be appointed as a Non-Independent Director, liable to retire by rotation, of the Company and is not debarred from being appointed as a Director by the Securities and Exchange Board of India or any other Statutory authority.
- iii. Arnob Roy has given his consent to act as a Director of the Company and a declaration to the effect that he is not disqualified from being appointed as a Non-Independent Director of the Company in terms of Section 164 of the Act.
- iv. Arnob Roy has over 35 years of high-technology industry experience in research & development, operations and sales. He worked as the Manager, research and development in Synopsys (India) Private Limited. He holds a Master of Science Degree from the University of Nebraska, Lincoln, USA and a Bachelor of Technology (Honors) Degree in Electronics and Electrical Communication Engineering from the Indian Institute of Technology, Kharagpur.
- v. The Nomination and Remuneration Committee of the Board has recommended the said appointment, subject to the approval of the Members.

Brief Terms and Conditions of the re-appointment

- i. Arnob Roy, will serve as a Non-Independent Director, liable to retire by rotation. 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 Members of the Company.
- ii. Arnob Roy will not be entitled to sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees.

Disclosure of Interest

Arnob Roy is not related to any Director or any Key Managerial Personnel of the Company. Except for Arnob Roy and his relatives, none of the Directors, Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the Ordinary Resolution at Item No. 2

Recommendation for the re-appointment as Arnob Roy Non-Independent Director (liable to retire by rotation) of the Company.

The Board has assessed the veracity of the declarations and other documents furnished by Arnob Roy and based on the same, has opined that Arnob Roy fulfils the conditions / criteria specified in the Act, the Rules and the SEBI Listing Regulations, for his appointment as a Non-Independent Director, liable to retire by rotation, of the Company and accordingly, recommends the appointment of Arnob Roy as a Non-Independent Director, liable to retire by rotation, of the Company and as proposed in the resolution set out at Item No. 2, for the approval by the Members, in compliance with the applicable provisions of law.

Item No. 3 - Re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N 500016) as Statutory Auditors of the Company.

M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N 500016) (hereinafter referred to as "Price Waterhouse") were appointed as statutory auditors of the Company at the 17th AGM held on September 27, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 22nd AGM to be held in the year 2022. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or re-appoint an audit firm as statutory auditors for not more than two(2)termsoffive(5)consecutiveyears. Based on the recommendations of the audit committee, the Board of Directors, at its meeting held on April 22, 2022, approved the re-appointment of Price Waterhouse as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 27th AGM to be held in the year 2027. The re-appointment is subject to approval of the Members of the Company.

The proposed remuneration to be paid to Price Waterhouse for audit services for the financial year ending March 31, 2023, is ₹ 54.00 lakh plus applicable taxes and out-of-pocket expenses. Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the audit committee. The above fee excludes the proposed remuneration to be paid to overseas audit firms for the purpose of statutory audit of overseas subsidiaries and branches.

The Board of Directors and the audit committee shall approve revisions to the remuneration of the statutory auditors for the remaining part of the tenure. The Board of Directors, in consultation with the audit committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

Price Waterhouse has consented to their appointment and confirmed that their appointment if made, would be in accordance with Section 139

read with Section 141 of the Act. Price Waterhouse has also confirmed that they have subjected themselves to the peer-review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'. Price Waterhouse has also furnished a declaration confirming its independence in terms of Section 141 of the Act and declared that it has not taken up any prohibited non-audit assignments for the Company.

Recommendation for the re-appointment of M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/ N500016) as Statutory Auditors of the Company

The Board has assessed the veracity of the declarations and other documents furnished by Price Waterhouse and after considering the evaluation of the past performance, experience and expertise of Price Waterhouse and based on the recommendation of the audit committee, has opined that Price Waterhouse fulfils the conditions/ criteria for their re-appointment of as Statutory Auditors of the Company and accordingly, recommends the re-appointment Price Waterhouse, as Statutory Auditors of the Company from the conclusion of the 22nd AGM till the conclusion of the 27th AGM to be held in the year 2027 and as proposed the resolution set out at Item No. 3, for the approval by the Members, in compliance with the applicable provisions of law.

Disclosure of Interest

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Brief profile of Price Waterhouse

Price Waterhouse Chartered Accountants LLP, (the "Firm") having a Firm Registration No. 012754N/ N500016, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1991 and was converted into a limited liability partnership in the year 2014. The Firm is primarily engaged in providing auditing and other assurance services to its clients and is a member firm of Price Waterhouse & Affiliates, a network of firms registered with the Institute of Chartered Accountants of India having Network Registration No. NRN/E/14. Price Waterhouse & Affiliates is a network of eleven separate, distinct and independent Indian chartered accountant firms, each of which is registered with the Institute of Chartered Accountants of India.

Item No. 4 - Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company

With a view to facilitate the Company's proposal to raise funds through issuance and allotment of equity shares and warrants which can be exercised into equity shares of the Company on a private placement basis, and in order to create adequate headroom for subsequent issuance of equity shares pursuant to exercise of employee stock options/ restricted stock units, it is proposed to increase the existing authorized capital of the Company from the existing ₹200,00,00,000/- (Rupees Two Hundred Crore) divided into 20,00,00,000 (Twenty Crore) equity shares of INR 10/- each to ₹260,00,00,000/- (Rupees Two Hundred and Sixty Crore) divided into 26,00,00,000 (Twenty-Six Crore) equity shares of ₹ 10/- each. Consequently, Clause V of the Memorandum of Association of the Company would also require alteration so as to reflect the increased authorised share capital.

Pursuant to the provisions of the Companies Act, 2013, the consent of the Members of the Company is required for the proposed increase in the authorized share capital and alteration of the Memorandum of

Association of the Company. Accordingly, the Board of Directors of the Company seeks the approval of Members of the Company for the same by way of a special resolution.

A draft copy of the altered Memorandum of Association can be inspected by the members before the meeting at Registered Office of the Company.

Disclosure of Interest

None of the directors and key managerial personnel of the Company/ their relatives are in any way, concerned or interested in this resolution, except to the extent of their shareholding in the Company.

Recommendation for the proposal to increase the Authorised share capital of the Company

The Board recommends the resolution set out at Item 4 of this Notice to the Members for their consideration and approval by way of Special Resolution

Item No. – 5 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

The Equity based compensation plans are an effective tool to reward the employees of the Company and its subsidiaries for their contribution to the growth of the Company, to create employee ownership in the Company, to attract new talents and to retain key resources and knowledge in the organization.

With this objective in mind, the Company intends to implement 'Tejas Restricted Stock Unit Plan 2022' ("RSU 2022" or "Plan") for the employees including directors of the Company and its subsidiaries.

Pursuant to Regulation 6 of the SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") Regulations, the details of the RSU 2022 are set out below:

i. Brief description of the Plan

With a view to reward and retain the best talent and to promote increased participation by the employees in the growth of the Company, the Board has recommended that the Company implement a restricted stock unit plan granting share based benefits to eligible employees of the Company and its subsidiary companies ("Eligible Employees").

This Plan provides alternatives to grant stock incentives such as RSUs, subject to applicable laws and conditions for exercise, the Eligible Employees of the Company shall be entitled to receive equity shares or equivalent monetary value of such equity shares in lieu of the shares underlying the RSU on exercise of such RSUs. This Plan shall be administered by the Board which includes any Committee of the Board, that administers the RSU 2022 either through itself or through a trust constituted for this purpose ("Administrator"). The Administrator's decisions, determinations and interpretations will be final and binding on all Eligible Employees and participants under the Plan. Each RSU shall be evidenced by an agreement that will specify the terms and conditions as the Administrator in its sole discretion will determine.

ii. Total number of RSUs to be granted

The total number of RSUs to be granted to the Eligible Employees under RSU 2022 shall not exceed 50,00,000 (Fifty Lakhs). To the extent permitted by applicable laws and the award agreement, the Eligible Employees who have been granted RSUs may be given the vested RSUs through issuance of Shares or paid an equivalent

amount. In respect of settlements of vested RSUs for shares, the Company shall issue the underlying quantum of shares corresponding to the number of RSUs exercised in accordance with the award agreement. Vested RSUs lapsed due to non-exercise and/or unvested RSUs that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Administrator is authorized to re-grant such lapsed / cancelled RSUs as per the provisions of RSU 2022, within overall ceiling. The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the RSUs granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

iii. Identification of classes of employees entitled to participate in RSU 2022

Eligible Employees of the Company including subsidiary companies whether working in India or abroad as defined in the Plan and as allowed under the SEBI SBEB Regulations, will be entitled to participate in the Plan, subject to the fulfilment of eligibility criteria as determined by the Administrator from time to time.

iv. Requirements of vesting and period of vesting

The RSUs granted on any date shall vest not earlier than 1 (one) year from the date of grant of RSUs as may be determined by the Administrator. The Administrator will, in its discretion, set the vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives. The Administrator may extend, shorten or otherwise vary the vesting period from time to time, in accordance with the applicable law. The vesting dates in respect of the RSUs granted under the Plan shall be determined by the Administrator and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of RSUs granted to an employee. RSUs shall vest essentially based on continuation of employment as per requirement of SEBI SBEB Regulations. Apart from that the Administrator may prescribe achievement of any performance conditions for vesting.

v. Maximum period within which the RSUs shall be vested

The Administrator will, in its discretion, set the Vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives. All the RSUs granted on any date shall vest not later than a maximum period of 4 years from the date of grant of RSUs or such other period as decided in the sole discretion of the Board from time to time.

vi. Exercise price or pricing formula

The Exercise price per restricted stock unit will be equal to the par value of ₹ 10/- each in accordance with the SEBI SBEB Regulations.

vii. Exercise period and the process of exercise

The Board shall decide the exercise period and the process of exercise and the same shall be detailed in the agreement with the employees. The RSUs shall be deemed exercised when the Company receives written or electronic notice of the exercise from the persons entitled to exercise the RSUs.

viii. Appraisal process for determining the eligibility of employees under the Plan

The appraisal process for determining the eligibility shall be decided from time to time by the Board. The broad criteria for appraisal and selection may include parameters like

tenure of association with the Company or its subsidiary company, performance during the previous years, position and responsibilities of the concerned employee, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance and other factors that may be deemed relevant for accomplishing the purpose of the Plan.

ix. Maximum number of RSUs to be issued per employee and in aggregate

Unless approved by the Members, the number of RSUs that may be granted to any specific Eligible Employee under the Plan, in any financial year and in aggregate under the RSU 2022 shall not exceed such number of RSUs representing 1% of the paid-up share capital of the Company.

x. Plan implementation

The Plan shall be implemented and administered by the Board either through itself or through a trust or both as it deems fit.

xi. Source of acquisition of shares under the Plan

The Plan involves new issue of shares by the Company.

xii. Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc

Nil.

xiii. Maximum percentage of secondary acquisition

Not applicable.

xiv. Accounting and Disclosure Policies

The Company shall follow the relevant Accounting Standard(s) as may be prescribed by Institute of Chartered Accountants of India or any other appropriate authorities from time to time, including the disclosure requirements prescribed therein.

xv. Method to value RSUs

The Company shall adopt fair value for the valuation of the RSUs granted as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.

A draft copy of the RSU 2022 plan can be inspected by the members before the meeting at Registered Office of the Company.

Disclosure of Interest

The Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in these Special Resolutions only to the extent of any RSUs that may be granted to Directors and Key Managerial Personnel of the Company and the resultant equity shares issued, as applicable.

Recommendation for the proposal to approve the RSU 2022 and grant of Restricted Stock Units under RSU 2022 to eligible employees of the Company and its subsidiaries.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations. The Board recommends the resolution set out at Item 5 of this Notice to the Members for their consideration and approval by way of Special Resolution.

Item No. – 6 Appointment of P R Ramesh (DIN: 01915274) as a Non-executive, Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on June 27, 2022 appointed P R Ramesh (DIN: 01915274) as a

Non-executive, Independent (Additional) Director of the Company, not liable to retire by rotation, for a term of five years i.e. from June 27, 2022 to June 26, 2027. A brief profile of P R Ramesh, in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided in the Annexure to this Notice.

Rationale in recommending the appointment of P R Ramesh as a Non-executive, Independent Director of the Company

- i. The Board of Directors of the Company are of the view that given P R Ramesh’s skills, experience and expertise, it is desirable and in the interest of and immense benefit to the Company to appoint P R Ramesh as an Non-executive, Independent Director of the Company, not liable to retire by rotation.
- ii. P R Ramesh retired as the Director of Deloitte & Touche Assurance & Enterprise Risk Services India Private Limited on 31st March 2020. He has also served as a member of Deloitte Global Board and Deloitte Asia Pacific Board and has over 40 years of the experience and served clients in manufacturing, banking and financial services, technology, media, telecommunications, energy and resources and consumer business sectors throughout his professional career.
- iii. P R Ramesh has been associated with various Regulatory bodies such as SEBI Committee on Disclosures and Accounting Standards; Committee for Reforming the Regulatory Environment for doing Business in India set up by Government of India; Technical Committee to review the form and presentation of the Balance Sheet of the Reserve Bank of India; Insurance Regulatory and Development Authority Standing Committee on Accounting Issues and Invitee to the Committee set up by the Reserve Bank of India (“RBI”) to assist in convergence to IFRS by banks and National Advisory Committee on Accounting Standards. He has also been member of Accounting Standards Board of ICAI, Vision and Restructuring Committee and Auditing Practices Committee of ICAI and the Secretarial Standards Boards of the Institute of Company Secretaries of India.
- iv. P R Ramesh has given his consent to act as a Director of the Company and a declaration to the effect that he is not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Act and is not debarred from being appointed as a Director by the Securities and Exchange Board of India or any other Statutory authority. He has also given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). P R Ramesh does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Brief Terms and Conditions of the appointment

- i. In accordance with the provisions of the Companies Act, 2013 and other applicable laws, P R Ramesh, will serve as a Non-executive, Independent Director of the Company, not liable to retire by rotation for a period of five years from June 27, 2022 to June 26, 2027.

- ii. 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 Members of the Company.
- iii. He will be entitled to receive the sitting fee/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

Disclosure of Interest

Except for P R Ramesh and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Recommendation for the appointment P R Ramesh (DIN: 01915274) as a Non-executive, Independent Director of the Company

In the opinion and based on the evaluation of the Board, P R Ramesh fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for the appointment of P R Ramesh (DIN: 01915274) as a Non-executive, Independent Director of the company and the Board recommends the resolution as set forth in the Item No. 6 of the Notice for the approval of the members.

Item No. 7 Appointment of Prof. Bhaskar Ramamurthi (DIN: 01914155) as a Non-executive, Independent Director of the Company

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on June 27, 2022 appointed Prof. Bhaskar Ramamurthi (DIN : 01914155) as a Non-executive, Independent (Additional) Director of the Company, not liable to retire by rotation, for a term of five years i.e. from June 27, 2022 to June 26, 2027 subject to the approval of the Members. A brief profile of Prof. Bhaskar Ramamurthi in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided in the Annexure to this Notice.

Rationale in recommending the appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155) as Non-executive, Independent Director of the Company

- i. The Board of Directors of the Company are of the view that given Prof. Bhaskar Ramamurthi’s skills, experience and expertise, it is desirable and in the interest of and immense benefit to the Company to appoint Prof. Bhaskar Ramamurthi as an Non-executive, Independent Director of the Company, not liable to retire by rotation.
- ii. Prof. Bhaskar Ramamurthi was the Director of IIT Madras from 2011 to 2022. An alumnus of IIT Madras and the University of California, Santa Barbara, Prof. Bhaskar Ramamurthi joined IIT Madras as a faculty member in 1986 and served at various key positions, including that of Dean (Planning).
- iii. Prof. Bhaskar Ramamurthi, a Fellow of Indian National Academy of Engineering (INAE) and IEEE, has won several

awards for his world-class research in electronics and communications engineering including the Tamil Nadu Scientist Award for Engineering and Technology for the year 2003 and the India Semiconductor Association Techno Visionary Award for the year 2011. Prof. Ramamurthi is an honorary Director of the Centre of Excellence in Wireless Technology (CEWiT), a public-private initiative at the IIT-M Research Park and has also served on the Board of Oil India Ltd.

- iv. Prof. Bhaskar Ramamurthi has given his consent to act as a Director of the Company and a declaration to the effect that he is not disqualified from being appointed as a Director of the Company in terms of Section 164 of the Act and is not debarred from being appointed as a Director by the Securities and Exchange Board of India or any other Statutory authority. He has also given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Prof. Bhaskar Ramamurthi does not hold by himself or for any other person on a beneficial basis, any shares in the Company

Brief Terms and Conditions of the appointment

- i. In accordance with the provisions of the Companies Act, 2013 and other applicable laws, Prof. Bhaskar Ramamurthi, will serve as a Non-executive, Independent Director of the Company, not liable to retire by rotation for a period of five years from June 27, 2022 to June 26, 2027.
- ii. 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 Members of the Company.
- iii. He will be entitled to receive the sitting fee/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

Disclosure of Interest

Except for Prof. Bhaskar Ramamurthi and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

June 27, 2022
Bangalore

Recommendation for the appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155) as a Non-executive, Independent Director of the Company

In the opinion of the Board, Prof. Bhaskar Ramamurthi fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for the appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155) as a Non-executive, Independent Director of the company and the Board recommends the resolution as set forth in the Item No. 7 of the Notice for the approval of the members.

Item No. 8 Ratification of the Remuneration of Cost Auditors

The Company is required, under the provisions of Section 148(3) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records conducted by a cost accountant in practice.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s GNV & Associates, Cost Accountants, (Firm Registration Number 000150), as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2022.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for approval of the remuneration of ₹ 1,50,000/- (Rupees One lakh Fifty Thousand Only) payable to the Cost Auditors, for the financial year ending March 31, 2022.

Disclosure of Interest

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 8 of the Notice.

Recommendations for the ratification of the remuneration

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

By Order of the Board
Sd/-

N R Ravikrishnan
General Counsel,
Chief Compliance Officer and Company Secretary
ACS Membership No: 7875

Additional information on directors recommended for appointment / reappointment as required under Regulation 36 of the LODR Regulations and applicable Secretarial Standards



Arnob Roy

Executive Director & Chief Operating Officer

Arnob Roy is the Co-founder, Executive Director and Chief Operating Officer of Tejas Networks. 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. Arnob Roy holds a Master's Degree in Science in Computer Science from the University of Nebraska, Lincoln, USA and a Bachelor's Degree in Technology in Electronics and Communication Engineering from the Indian Institute of Technology, Kharagpur.

Director Identification Number (DIN)	03176672
Date of Birth	August 8, 1963
Nationality	Indian
Date of appointment on the Board (Original)	March 25, 2019
Shares held as on March 31, 2022	6,04,200
Qualifications	<ul style="list-style-type: none"> • M.Sc - University of Nebraska, Lincoln, USA • B.Tech (Honors) (Degree in Electronics and Electrical Communication Engineering) - Indian Institute of Technology, Kharagpur
Directorship held in other public companies (excluding foreign companies and Section 8 companies)	Nil
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

For other details such a number of meetings of the Board attended during the year, remuneration drawn and relationship with other Directors and Key Managerial Personnel in respect of above director, please refer Corporate Governance Report which is a part of this Annual Report.



P R Ramesh

Non-executive, Independent Director

P R Ramesh was the Chairman of Deloitte India and has over 40 years of experience in the profession. Ramesh graduated in Commerce from Osmania University, Hyderabad and is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). Ramesh also served as a member of Deloitte Global Board and Deloitte Asia Pacific Board. He has also been associated with various Regulatory bodies, Industry Bodies and the Institute of Chartered Accountants of India. He has served clients in manufacturing, banking and financial services, technology, media, telecommunications, energy and resources and consumer business sectors throughout his professional career.

P R Ramesh has been associated with various Regulatory bodies such as SEBI Committee on Disclosures and Accounting Standards; Committee for Reforming the Regulatory Environment for doing Business in India set up by Government of India; Technical Committee to review the form and presentation of the Balance Sheet of the Reserve Bank of India; Insurance Regulatory and Development Authority Standing Committee on Accounting Issues and Invitee to the Committee set up by the Reserve Bank of India ('RBI') to assist in convergence to IFRS by banks and National Advisory Committee on Accounting Standards. He has also been member of Accounting Standards Board of ICAI, Vision and Restructuring Committee and Auditing Practices Committee of ICAI and the Secretarial Standards Boards of the Institute of Company Secretaries of India.

Director Identification Number (DIN)	01915274
Date of Birth	January 17, 1955
Nationality	Indian
Date of appointment on the Board (Original)	June 27, 2022
Shares held	Nil
Qualifications	<ul style="list-style-type: none"> • Commerce - Osmania University, Hyderabad • Fellow Member of the Institute of Chartered Accountants of India (ICAI)
Directorship held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> • Nestle India Limited • The Clearing Corporation of India Limited • NSE Investments Limited • Crompton Greaves Consumer Electricals Limited • Cipla Limited • Housing Development Finance Corporaation Limited • Butterfly Gandhimati Appliances Limited • Clearcorp Dealing Systems (India) Limited • Forum for Indian Accounting Research • Insolvency Research Foundation
Memberships/ Chairmanships of other committees of other public companies	<p>Nestle India Limited</p> <ul style="list-style-type: none"> • Audit Committee • Nomination and Remuneration Committee • Risk Management Committee <p>Cipla Limited</p> <ul style="list-style-type: none"> • Audit Committee • Stakeholders Relationship Committee <p>Crompton Greaves Consumer Electricals Limited</p> <ul style="list-style-type: none"> • Audit Committee • Risk Management Committee <p>Butterfly Gandhimati Appliances Limited</p> <ul style="list-style-type: none"> • Audit Committee • Risk Management Committee
Relationship between Directors/ Key Management Personnel and their relatives	Not related to any Directors/ Key Management Personnel and their relatives



Prof. Bhaskar Ramamurthi

Non-executive, Independent Director

Prof. Bhaskar Ramamurthi got his B.Tech in Electronics from IIT Madras in 1980, and his M.S. and Ph.D in Electrical Engineering from the University of California at Santa Barbara, in 1982 and 1985 respectively. After working at AT&T Bell Laboratories for a couple of years, he joined the faculty of his alma mater in 1986. He served as Director, IIT Madras during 2011-21. His areas of specialisation are Communications and Signal Processing. His research work is in Wireless Networks, Modulation, Wireless Data, and Audio and Video Compression. He heads the Centre of Excellence in Wireless Technology, located at the IIT-M Research Park, which is focused on emerging wireless standards and technologies. He is a holder of several patents related to 4G and 5G technologies and was national co-ordinator for the project to build an end-to-end 5G Test Bed. He has served as the Chairperson of TSDSI. He is a Fellow of the IEEE and INAE, and Hon. Fellow of RWTH Aachen, Germany.

Director Identification Number (DIN)	01914155
Date of Birth	April 17, 1959
Nationality	Indian
Date of appointment on the Board (Original)	June 27, 2022
Shares held	Nil
Qualifications	<ul style="list-style-type: none"> • M.S. and Ph.D in Electrical Engineering from the University of California at Santa Barbara • B.Tech in Electronics from IIT Madras
Directorship held in other companies (excluding foreign companies)	<ul style="list-style-type: none"> • IIT Madras Research Park • IITM Pravartak Technologies Foundation • Higher Education Financing Agency
Memberships/ Chairmanships of other committees of other public companies	Nil
Relationship between Directors/ Key Management Personnel and their relatives	Not related to any Directors/ Key Management Personnel and their relatives

Instructions for participation through Video-Conferencing

In accordance with the applicable provisions of the Companies Act, 2013 read with MCA Circulars, the Company is convening the 22nd AGM of the Members of the Company through VC / OAVM to transact the business as set forth in the Notice of the AGM.

The procedure and the manner for accessing the video-conferencing are as follows:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through VC/OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.tejasnetworks.com/annual-general-meeting.php. The Notice can also be accessed from the 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 the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. Members may access by following the steps mentioned below for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Member login where the EVEN of Company will be displayed. Please note that the members 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 to avoid last minute rush.
9. Members are encouraged to join the Meeting through Laptops for better experience.
10. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
11. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email ID mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at agm@tejasnetworks.com to reach on or before July 20, 2022. Those Members who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
12. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The speaker shall ensure being connected to a device with a video/camera same along with good internet speed for the same. Those speakers whose names are called out by the Chairman and are not available will not be allowed to speak later to ensure proceedings flow in a smooth manner.

Members Instructions for e-voting

The remote e-voting period begins on July 21, 2022 at 9:00 A.M. and ends on July 25, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e July 19, 2022, may cast their vote electronically. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 19, 2022.

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 Members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members 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 Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 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. 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 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 ‘Member’ 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. <div style="text-align: center;">  <p>NSDL Mobile App is available on  App Store  Google Play</p>   </div> <ol style="list-style-type: none"> Members/Member can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Members (holding securities in demat mode) login through their depository participants	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.

Important note: Members 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 Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

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

- 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 'Member' section.
- A new screen will open. You will have to enter your User ID, 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.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members 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 Members 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 Members 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 Members other than Individual Members are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- 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 Members 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.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - (d) Members 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 General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General 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 General 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.

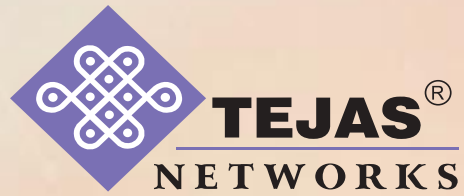
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting@tejasnetworks.com with a copy marked to evoting@nsdl.co.in.
2. 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.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to agm@tejasnetworks.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to agm@tejasnetworks.com. If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode.
3. Alternatively members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

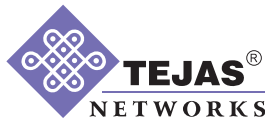


TEJAS NETWORKS LIMITED

Plot No. 25, JP Software Park, Electronic City Phase-1,
Hosur Road, Bengaluru, Karnataka - 560100

Tel : +91 080 4179 4600

Website: www.tejasnetworks.com



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 Bangalore-560100, Karnataka

Phone:+91-80-4179 4600 | Fax: +91-80-2852 0201

Website: www.tejasnetworks.com | Email:corporate@tejasnetworks.com

Addendum to the Notice of 22nd Annual General Meeting of the Company

Addendum to the Notice dated June 27, 2022 convening 22nd Annual General Meeting of Tejas Networks Limited (“Company”) scheduled to be held on Tuesday, July 26, 2022 at 4.00 P.M (IST) through Video Conferencing / Other Audit Visual Means (VC/OAVM):

NOTICE is hereby given that pursuant Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, the following item is added in the aforesaid Notice as Item No. 9 as a Special Business and this addendum shall be deemed to be an integral part of the original Notice dated June 27, 2022 and the notes provided therein:

SPECIAL BUSINESS:

9. 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.

To consider and, if thought fit, to pass, with or without modification, the following resolutions as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof) and in accordance with the Memorandum and Articles of Association of the Company, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”), and subject further to such other approvals, permissions and sanctions as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Members be and are hereby accorded to the Company to introduce and implement the ‘Tejas Restricted Stock Unit Plan 2022’ (“RSU 2022” or the “Plan”), either directly or through a trust to be set up by the Company, authorizing the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches, not exceeding 50,00,000 (Fifty Lakhs) restricted stock units (“RSUs”) to such person(s) who are in employment, including directors, whether working in India or out of India, of any existing or future subsidiary companies whether incorporated in or outside India and to such other persons as may from time to time be allowed to be eligible for the benefits of the RSUs under applicable laws and regulations prevailing from time to time, exercisable into not more

than 50,00,000 (Fifty Lakhs) equity shares of face value of ₹10/- (Rupees ten only) each fully paid-up (as adjusted for any changes in the capital structure of the Company), at such price or prices and on such terms and conditions as may be fixed or determined by the Board in accordance with the RSU 2022.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares upon exercise of such RSUs from time to time in accordance with the Plan, and such equity shares shall rank pari passu in all respects with the existing equity shares of the Company.”

“RESOLVED FURTHER THAT in case of any corporate actions, such as rights issue, bonus issue, merger, sale of division of the Company or other similar events, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the RSU 2022 are passed on the Eligible Employees.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the shares allotted under the RSU 2022 on the stock exchanges as per the provisions of the LODR, SEBI SBEB Regulations and other applicable laws and regulations.”

“RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and may delegate all or any powers conferred herein, to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as also to execute such documents as may be necessary in this regard.”

July 16, 2022
Bengaluru

By Order of the Board
Sd/-
N R Ravikrishnan
General Counsel,
Chief Compliance Officer and
Company Secretary
ACS Membership No: 7875

Notes:

- i. Pursuant to the General Circulars issued by the Ministry of Corporate Affairs and by the Securities and Exchange Board of India (SEBI), Companies are allowed to hold AGM through VC, without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
- ii. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the special business of the Notice is annexed hereto.
- iii. Relevant documents referred to in this Addendum to Notice of AGM are available electronically for inspection by the members on all working days during normal business hours upto the date of AGM.
- iv. This addendum to the Notice of AGM is available on the website of the Company.
- v. All the processes, notes and instructions relating to attending AGM through VC/OAVM and e-voting set out in the Notice of the AGM dated June 27, 2022 shall mutatis-mutandis apply for the resolution proposed in this Addendum to the Notice of AGM.
- vi. The approval sought from the Members of the Company by a Special Resolution as Item No. 5 in the Notice dated June 27, 2022 is for the employees of Tejas Networks Limited and the applicable provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), will apply and read as such.

Explanatory statement

As required under section 102(1) of the Act, the following explanatory statement sets out all material facts relating to special business of the accompanying Notice:

The Company has sought the approval of the Members by a Special Resolution as Item No.5 of the Notice of the AGM dated June 27, 2022 for the 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. Pursuant to the Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 dated August 18, 2021 which states that approval of shareholders by way of separate resolution in the general meeting shall be obtained by the company in case of grant of option, SAR, shares or other benefits, to employees of subsidiary or holding company, the Company is seeking the approval of the Members of the Company by a separate Special Resolution by way of an addendum to the Notice of the AGM dated June 27, 2022 as Item No. 9 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 (existing or future).

Item No. 9 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.

The Equity based compensation plans are an effective tool to reward the employees of the Company and its subsidiaries for their contribution to the growth of the Company, to create employee ownership in the Company, to attract new talents and to retain key resources and knowledge in the organization.

With this objective in mind, the Company intends to implement 'Tejas Restricted Stock Unit Plan 2022' ("RSU 2022" or "Plan") for the employees including directors of the Company and its subsidiaries, pursuant to the Regulation 6(3)(c) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the details of the RSU 2022 are set out below:

i. Brief description of the Plan

With a view to reward and retain the best talent and to promote increased participation by the employees in the growth of the Company, the Board has recommended that the Company implement a restricted stock unit plan granting share-based benefits to Eligible Employees of the Company and its subsidiary companies ("Eligible Employees").

This Plan provides alternatives to grant stock incentives such as RSUs, subject to applicable laws and conditions for exercise, the Eligible Employees of the Company and its subsidiary companies shall be entitled to receive equity shares or equivalent monetary value of such equity shares in lieu of the shares underlying the RSU on exercise of such RSUs. This Plan shall be administered by the Board

which includes any Committee of the Board, that administers the RSU 2022 either through itself or through a trust constituted for this purpose ("Administrator"). The Administrator's decisions, determinations and interpretations will be final and binding on all Eligible Employees and participants under the Plan. Each RSU shall be evidenced by an agreement that will specify the terms and conditions as the Administrator in its sole discretion will determine.

ii. Total number of RSUs to be granted

The total number of RSUs to be granted to the Eligible Employees of the Company and its Subsidiary companies under RSU 2022 shall not exceed 50,00,000 (Fifty Lakhs). To the extent permitted by applicable laws and the award agreement, the Eligible Employees who have been granted RSUs may be given the vested RSUs through issuance of Shares or paid an equivalent amount. In respect of settlements of vested RSUs for shares, the Company shall issue the underlying quantum of shares corresponding to the number of RSUs exercised in accordance with the award agreement. Vested RSUs lapsed due to non-exercise and/or unvested RSUs that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Administrator is authorized to re-grant such lapsed / cancelled RSUs as per the provisions of RSU 2022, within overall ceiling. The SEBI SBEB & SE Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the RSUs granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of

equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB & SE Regulations.

iii. Identification of classes of employees entitled to participate in RSU 2022

Eligible Employees of the Company including subsidiary companies whether working in India or abroad as defined in the Plan and as allowed under the SEBI SBEB & SE Regulations, will be entitled to participate in the Plan, subject to the fulfilment of eligibility criteria as determined by the Administrator from time to time.

iv. Requirements of vesting and period of vesting

The RSUs granted on any date shall vest not earlier than 1 (one) year from the date of grant of RSUs as may be determined by the Administrator. The Administrator will, in its discretion, set the vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives. The Administrator may extend, shorten or otherwise vary the vesting period from time to time, in accordance with the applicable law. The vesting dates in respect of the RSUs granted under the Plan shall be determined by the Administrator and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of RSUs granted to an employee. RSUs shall vest essentially based on continuation of employment as per requirement of SEBI SBEB & SE Regulations. Apart from that the Administrator may prescribe achievement of any performance conditions for vesting.

v. Maximum period within which the RSUs shall be vested

The Administrator will, in its discretion, set the Vesting criteria which may be based on the Participant's period of service and/or the attainment of specified performance objectives. All the RSUs granted on any date shall vest not later than a maximum period of 4 years from the date of grant of RSUs or such other period as decided in the sole discretion of the Board from time to time.

vi. Exercise price or pricing formula

The Exercise price per restricted stock unit will be equal to the par value of ₹ 10/- each in accordance with the SEBI SBEB & SE Regulations.

vii. Exercise period and the process of exercise

The Board shall decide the exercise period and the process of exercise and the same shall be detailed in the agreement with the employees. The RSUs shall be deemed exercised when the Company receives written or electronic notice of the exercise from the persons entitled to exercise the RSUs.

viii. Appraisal process for determining the eligibility of employees under the Plan

The appraisal process for determining the eligibility shall be decided from time to time by the Board. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company or its subsidiary company, performance during the previous years, position and responsibilities of the concerned employee, contribution towards strategic growth, contribution to team building and

succession, cross-functional relationship, corporate governance and other factors that may be deemed relevant for accomplishing the purpose of the Plan.

ix. Maximum number of RSUs to be issued per employee and in aggregate

Unless approved by the Members, the number of RSUs that may be granted to any specific Eligible Employee under the Plan, in any financial year and in aggregate under the RSU 2022 shall not exceed such number of RSUs representing 1% of the paid-up share capital of the Company.

x. Plan implementation

The Plan shall be implemented and administered by the Board either through itself or through a trust or both as it deems fit.

xi. Source of acquisition of shares under the Plan

The Plan involves new issue of shares by the Company.

xii. Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc

Nil.

xiii. Maximum percentage of secondary acquisition

Not applicable.

xiv. Accounting and Disclosure Policies

The Company shall follow the relevant Accounting Standard(s) as may be prescribed by Institute of Chartered Accountants of India or any other appropriate authorities from time to time, including the disclosure requirements prescribed therein.

xv. Method to value RSUs

The Company shall adopt fair value for the valuation of the RSUs granted as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.

A draft copy of the RSU 2022 plan can be inspected by the members before the meeting at Registered Office of the Company.

Disclosure of Interest

The Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in these Special Resolutions only to the extent of any RSUs that may be granted to Directors and Key Managerial Personnel of the Company and the resultant equity shares issued, as applicable.

Recommendation for the proposal for 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.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6(3)(c) of the SEBI SBEB & SE Regulations. The Board recommends the resolution set out at Item 9 of this Notice to the Members for their consideration and approval by way of Special Resolution.

By Order of the Board

Sd/-

N R Ravikrishnan
General Counsel,

Chief Compliance Officer and Company Secretary
ACS Membership No: 7875

July 16, 2022
Bengaluru