



Tejas Networks Limited

24<sup>th</sup> Annual General Meeting

Day/Date: Friday, June 28, 2024

Time: 15:00 hours IST

**Board of Directors:**

Mr. N. Ganapathy Subramaniam – Chairman.

Mr. P R Ramesh – Independent Director.

Prof. Bhaskar Ramamurthi – Independent Director, Chairman – Stakeholders Relationship Committee.

Ms. Alice G Vaidyan – Independent Director, Chairman – Audit Committee.

Mr. Anand Athreya – MD and CEO.

Mr. Arnob Roy – Chief Operating Officer and Executive director.

Mr. Sumit Dhingra – Chief Financial Officer.

Mr. N R Ravikrishnan – Company Secretary.

**Moderator:** Dear Shareholders, Good afternoon and a very warm welcome to the 24th Annual General Meeting of Tejas Networks Limited through. As a reminder, for the smooth conduct of the Meeting, the Shareholders will be in the mute mode, and audio and video will be opened when they will speak at the AGM as per the pre-registration. Please note that, per the requirements, the proceedings of the Annual General Meeting will be recorded and available on the website of the Company. I now hand over the proceedings to N. Ganapathy Subramaniam, Chairman of Tejas Networks Limited.

**N G Subramaniam:** Thank you, moderator. Good afternoon, shareholders. I would like to welcome you all to the 24<sup>th</sup> Annual General Meeting of Tejas Networks Limited. I thank all the members who have joined the meeting today. Shareholders may please note that this meeting is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. Participation of shareholders through video conference is being reckoned for the purpose of quorum as per the circulars issued by MCA and SEBI. The quorum being present, I call this meeting to order.

Before we start the main proceedings of the meeting, may I take this opportunity to introduce my fellow directors on the video conference. Mr. P. R. Ramesh, Independent Director.

Mr. Ramesh, you are on mute.

**P R Ramesh:** Good afternoon, I am P.R. Ramesh, Independent Director, participating in this Annual General meeting from Secunderabad. I am the Chairman of the Nomination and Remuneration Committee and also the Chairman of the Risk Committee.

**N G Subramaniam:** Thank you, sir. Professor Bhaskar Ramamurthi, Independent Director and Chairman of the Stakeholders Relationship Committee.

**Prof. Bhaskar Ramamurthi:** Good afternoon shareholders, this is Professor Bhaskar Ramamurthi, Independent Director and Chairperson of Stakeholders Relationship Committee and CSR Committee. I am attending the meeting from Chennai.

**N G Subramaniam:** Thank you sir. Mrs. Alice G. Vaidyan, Independent Director and Chairperson of the Audit Committee.

**Alice G. Vaidyan:** Good afternoon shareholders, this is Alice G. Vaidyan, Independent Director and Chairman of the Audit Committee attending the meeting from Mumbai.

**N G Subramaniam:** Anand Athreya, CEO and Managing Director of Tejas Networks.

**Anand Athreya:** Hi good afternoon shareholders. I am Anand Athreya, CEO and MD of Tejas Networks from Bangalore.

**N G Subramaniam:** Arnob Roy, Chief Operating Officer and Executive Director.

**Arnab Roy:** Hello, shareholders, this is Arnab Roy. I am the Chief Operating Officer of Tejas Networks.

**N G Subramaniam:** Sumit Dhingra, Chief Financial Officer.

**Sumit Dhingra:** Hello, shareholders, this is Sumit Dhingra, Chief Financial Officer of Tejas Networks.

**N G Subramaniam:** N.R. Ravi Krishnan, the Company Secretary.

**N.R. Ravi Krishnan:** Namaste, shareholders. I am Ravi Krishnan, Company Secretary of Tejas Networks.

**N G Subramaniam:** I confirm that the Chairperson of Audit Committee and Chairperson of the Stakeholders Relationship Committee are present for the meeting through the Video-Conference.

I confirm that the Statutory Auditors, Internal Auditors, Secretarial Auditor and Cost Auditors are present for the meeting through Video-Conference.

I now request N R Ravikrishnan, Company Secretary, to provide general instructions to the Shareholders regarding participation in this meeting.

**N R Ravikrishnan:** Good afternoon, everyone and thank you for joining at our 24<sup>th</sup> Annual General meeting today. Shareholders may note that this Annual General Meeting is being held through video conference in accordance with the Companies Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. Facility for joining this meeting through video conference or other audio-visual means is made available for the Shareholders. The Company has also provided webcast facility to view the live proceedings of this annual general meeting on the Company's website.

The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements, has been made available electronically for inspection by the Shareholders during the AGM. Shareholders seeking to inspect such documents can send their requests to [agm@tejasnetworks.com](mailto:agm@tejasnetworks.com). As the AGM is being held through video conference, the facility of appointment of proxies by the Shareholders is not applicable and hence the proxy register for inspection is not available. The Company has received requests from few Shareholders to register themselves as a speaker at the meeting.

Accordingly, the floor will be open for these Shareholders to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for questions and answers. It may be noted that the Company reserves the right to limit the number of Shareholders asking questions depending on the availability of time at the AGM.

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice. Shareholders who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity

to cast their votes during the meeting through the e-voting system provided by NSDL.

Shareholders can click on the vote tab on the video conference screen to avail this feature. Shareholders are requested to refer to the Instructions provided in the notice or appearing on the video conference page, for a seamless participation through video conference. In case Shareholders face any difficulty, they may reach out on the helpline numbers. Shareholders may also kindly note that this AGM is recorded. Thank you very much.

**N G Subramaniam:** Thank you, Ravi. The Company has taken all feasible efforts under the current circumstances to enable Shareholders to participate through video conference and vote at the Annual General Meeting. I thank all the Shareholders, colleagues on the Board, auditors and the management team for joining this meeting over video conference.

**Moderator:** Thank you so much, I would now request Chairman, to address the shareholders.

**N G Subramaniam:** Thank you, Moderator. Dear Shareholders, Good Afternoon! It gives me immense pleasure to welcome you all to your company's 24th Annual General Meeting. On behalf of the Board of Directors and everyone at Tejas Networks Limited, I would like to thank you for your trust and confidence and look forward to your continued support to the Board of Directors and the Management. The annual report for the year ended 31st March 2024 along with the Director's report and audited annual statements 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 year 2023-2024 followed by an outline of the overall business environment in which your company is operating. FY24 was a breakthrough year for your company with significant growth in revenues and order wins coupled with good progress on operational excellence and transformation. The summary of our FY24 financial performance is as follows.

Revenues from operations were at Rs. 2471 crores, a year-on-year growth of 168%.

Earnings before interest and income tax was Rs. 93 crores compared to a loss of Rs. 104 crores in the previous year.

Profit after tax was Rs. 63 crores compared to a loss of 36 crores in the previous year.

Earnings per share was at Rs. 3.71 compared to a negative Rs. 2.46 in the previous financial year.

Order book at the end of the year was Rs. 8,221 crores.

In FY24, your company was awarded two significant wireline and wireless equipment contracts in its history. The cash position of the company remains strong at Rs. 641 crores in cash and cash equivalents and with short-term borrowings of Rs. 1744 crores for working capital purposes. The proposed amalgamation with Saankhya Labs is approved by our equity shareholders and unsecured creditors at a meeting organized by the National Company Law Tribunal (NCLT), which is currently underway.

Following the approval under the Government of India's Design Linked PLI scheme for Telecom and Networking products, the company received Rs. 32.66 crore as incentives for FY23 during this year. In FY24, Tejas collaborated with Tata Consultancy Services Limited and the Center for Development of Telematics in the Design, Development and Rollout of an indigenous telecom stack for BSNL. BSNL awarded the mandate to TCS to supply, install and commission the pan-India 4G, 5G mobile network. Tejas is the supplier for 4G, 5G, baseband, and radio units for this network. Spanning over 100,000 sites, this is possibly one of the most complex and challenging network rollouts in the world due to its scale, technical complexity, stringent performance standards, and integration with a host of existing technologies. I am proud to note that your company has stepped up and is well on track to deliver on this project in the coming year. I commend the team for rising to the challenge and for their outstanding all-round execution across all operational functions, including R&D, supply chain, network services and program management.

In FY24, the company also completed supplies of its state-of-the-art TJ1400 access and aggregation routers for BSNL's pan-India wireline network for unified backhaul of its full range of mobile, broadband and enterprise services. Carrier Switching and Routing is another complex technology area that your company has recently ventured into that has a large global addressable market. With a countrywide deployment of 13,000+ nodes, this is the largest such network in India that has been built solely using indigenously designed, developed and manufactured routers. With an extensive portfolio of world-class products and combined with our proven expertise in building large-scale networks, I believe that your company has laid the foundation and the launchpad to be a top-tier global telecom and networking OEM from India.

Let me move on to give you some business outlook. The key drivers of our business, such as expanding network connectivity, growing data usage, and advancing communication technologies, continue to be favorable. While 5G and FTTx rollouts have been gathering pace globally, these technologies have a multi-year capex runway, both in India and in many parts of the world. The average data consumption per user is growing exponentially due to the availability of more sophisticated devices and higher bandwidth applications, such as streaming video, online gaming, and virtual reality simulations. Generative AI and Spatial Computing Technologies are enabling new applications and driving a second wave of digitalization in enterprises and consumer-facing industries. This in turn is expected to result in a massive surge in data traffic in networks and data centers globally and will call for a significant network capacity scaling and fresh network build-outs in the next few years. Your company is closely tracking these technology trends and is extending and advancing its extensive portfolio of wireless, optical, and packet products to make them future ready. Besides creating a complex range of state-of-the-art baseband and radio products for 5G networks, aligning to the 3GPP standards, we are also introducing advanced hardware and software capabilities in our wireline products to make them more scalable, flexible, and intelligent.

Saankhya Labs is bolstering our competencies in adjacent technology areas, such as satellite communications, broadcast, and fabless semiconductor designs and SOCs. We believe that these new products and feature additions, we are well

positioned to win new customers and gain market share in existing accounts. As of 31st March, 2024, Tejas and Saankhya had cumulatively filed 446 global patent applications and owned a rich portfolio of 350 plus semiconductor IPs. The company has been expanding its international presence and seeking to elevate its global branding through targeted physical, digital marketing campaigns. Thanks to these efforts, your company won several reputed international awards this year for its innovative products and solutions, notably the NetworkX Award in Paris for global leadership in PON-based Smart City Services and the prestigious Public Company of the Year Award from Light Reading USA. As one of the fastest growing economies in the world with a large home market, success in India serves as a strong reference to many parts of the world.

As an R&D driven company, we recognize that human intelligence is a core asset that drives the organization's long-term success. As of March 31st, 2024, on a consolidated basis, the company had 1980 employees on its rolls which is nearly 40% increase over the last fiscal. Over 60% of our employees are in R&D. Our company is committed to its mission of creating value for all its stakeholders and to positively impact the environment and the community at large.

Our company is taking steps towards reducing carbon footprint and ensuring that our products are engineered to operate in an environment-friendly manner throughout their life cycle. Our business operations too are geared to minimize negative environmental externalities. In summary, FY23-24 was a transformative year for the company, which will serve as a solid launchpad for future growth and success. The company has significantly expanded its execution capabilities to deliver projects at scale while continuing to follow an asset light manufacturing model. We have added both breadth and depth to our world-class portfolio to be able to address a large share of the global telecom equipment market. The fundamental drivers of our business remain robust and there are several near to medium term opportunities on the horizon which hold significant promise in terms of their potential to generate meaningful revenues for the company and sustain our sales momentum in the coming years.



On behalf of the Board of Directors of Tejas Networks, I thank the respective governments, nodal agencies of India, the Government of Karnataka and all the other government agencies and governments of various countries where we have business operations. We are grateful to all our customers, employees, shareholders, suppliers and bankers for their consistent and tireless support even in the most challenging times. The Board also places on record its deep appreciation and gratitude to Chandrashekhhar Bhave and Sanjay Nayak who retired and Amur Lakshminarayanan who stepped down from the Board of Directors this year. The company immensely benefited from their rich experience and invaluable guidance over the years. We look forward to the future with tremendous optimism and confidence as we strive to build India's global telecom and networking company that we can all be proud of in the years to come. Thank you so much.

**Moderator:**

Thank you, Chairman. I would now request Anand Athreya, Chief Executive Officer and Managing Director to address the shareholders.

**Anand Athreya:**

Dear Shareholders, Good afternoon! I will be providing an overview of the company's key highlights, milestones and outlining our future plans. So FY24, as Chairman said, we delivered a robust financial performance with revenue growth, profitability and strong order inflow. Our revenue from operations was Rs. 2471 crores, with a year-over-year growth of 168%. And the EBIT was Rs. 93 crores, and the profit after tax was around Rs. 63 crores. We had a strong order book of Rs. 8221 crores, with a year-over-year growth of 325%. We received Rs. 7599 crores PO from TCS to supply 4G and 5G equipment for the BSNL pan-India project. We also received Rs. 696 crores PO for BSNL's pan-India Metro Access and Aggregation Network (MAAN) project. We also benefited from the government provided Design Linked PLI scheme. We received Rs. 32.66 crores as PLI incentives for FY23 in FY24. You are eligible to receive incentives from FY23 to FY27 subject to meeting all of the investment thresholds. As the Chairman said, the amalgamation with Saankhya Labs has been approved by the equity shareholders and unsecured creditors.

This slide kind of gives you the confidence that Tejas has a very comprehensive portfolio addressing several components of the network. If you look from left to right, left is all about broadband access, which is through mobility, or residential

broadband, or enterprise broadband, and Tejas has products in all these segments. And all of this traffic is backhauled using Metro Access and Aggregation Routing products, and then all of this traffic is again steered to Metro Core and Long-haul DWDM and Optical Transport Network. And eventually, it reaches network. So as you can see, Tejas has a very comprehensive portfolio to address a large and growing market.

Let me talk about some of the key customer wins in FY24. First, it's about India. In India, we won the largest BSNL pan-India rollout of 4G and 5G. It is one of the largest rollouts in the world. We are the sole supplier of the 4G/5G, baseband and radio products. And as of March 2024, we shipped close to 10,000 sites, plus sites, cell sites, you know, worth of radio equipment. The other project, which is also a large project, which is the indigenous rollout of IP/MPLS routers for BSNL Metro Access and Aggregation Network. And this we have deployed close to 13,000 plus routers. And, you know, it's all been managed by Tejas Management System. And it addresses and backhauls traffic for mobility, fiber broadband, Wi-Fi and IoT devices.

We also won a large opportunity with NSIL through our Saankhya subsidiary to enhance the maritime safety with their two-way MSS network. This is powered by Saankhya's SDR chips, and we have supplied to close to 2,500 vessels in FY24. The value of this particular deployment is that it enables real-time tracking, two-way messaging, SOS alerts and weather updates to ensure the safety, security and productivity of our fishermen.

Then we also had two key wins internationally. One is a provider called FibreConnect in Italy, where Tejas supplied end-to-end optical and broadband network on both optical transport/DWDM and GPON products. And FibreConnect is also using Tejas network management system called TejnMS.

The other significant win that we've had is strategic partnership with Telecom Egypt, where Tejas has been selected as one of the trusted suppliers to power Telecom Egypt's network. So in addition to supplying equipment, we will also help

Telecom Egypt in local manufacturing, R&D, training and technical support centers in Egypt.

So, the other thing that I want to talk about is Global Scale Manufacturing and Networking Services. In order to serve a network of those scales that I talked about, whether it's a 4G/5G wireless, or metro access and aggregation, we need to have a global scale manufacturing facility. So, the model that we have adopted is an asset-light business model, and we work with our EMS partners for manufacturing, and all of the sub-assemblies that they give us are assembled and manufactured and tested within Tejas facility in Bangalore. And we have the state-of-the-art facilities that meets global standards, such as TL9000, ISO, ANSI (USA) and IEC. And we also have several network services that we offer. We help customers build networks. We support and manage, offer services to support and manage the network. We also offer consultancy services for design, and we also do knowledge transfer to our customers through knowledge services.

In order to accomplish all the things that I said, we need to build a world-class team, both in R&D and other functions, and that's what we have. So, it is a complex, multidisciplinary skills that are required to make global and highly reliable state-of-the-art telecom products, which we have. As Chairman said greater than 60% of workforce is in R&D. We have very low attrition, thankfully. There is a good amount of gender diversity, which will continue to improve as we go. And 25% of our employees in R&D are postgraduates.

And we as a company, we are very conscious about ESG. So as far as the environmental goals we are ISO 14001 certified. We care about green procurement and all of our products are ROHS compliant and we are EPR registered for E-Waste Management and we do a constant assessment of our value chain partners.

From a social point of view, we have a lot of health and wellness programs and educational programs for our employees. We strictly adhere to safety standards for R&D and manufacturing facilities. We also participate in a lot of volunteering opportunities, blood donation camps and other activities.

In terms of governance, there is a very strong oversight through several boards and committees within Tejas. And we also do a lot of training and implementation of the Tata Code of Conduct. We also have a formalized supplier code of conduct. And there is a materiality assessment that happens on several ESG aspects regularly.

So, what is our competitive edge and our structural enablers. So, there are certain things that's happening in the industry today that are structural enablers that are benefiting Tejas. One is there is a movement of Disaggregation of Telecom Networks where the service providers and our customers are moving away from a full vertical stack to actually more disaggregated stacks where they get the best of breed from several suppliers and build their networks out. And the service providers and our customers are also evolving towards adoption of a lot of Open Networking Standard-Based Technologies. And there is also a growing demand of trusted equipment suppliers. So, from Tejas' point of view, our competitive edge is we have a very comprehensive end-to-end portfolio. It spans wireline, optical, and packet technologies. And we also have very innovative solutions. For example, one of our products is an ultra-converged broadband transport and routing solution where you not only have access, but you also have aggregation and routing solutions integrated in one box. And we also offer differentiated network solutions for a variety of applications.

In terms of business model, we have a very cost-efficient R&D, primarily out of India, and with world-class productivity. We also have asset-light manufacturing, and we also collaborate with global EMS partners to manufacture and supply our products.

What is our contribution to global standards: Networking is all about standardization. And there are standard bodies out of India, and there are also global international standards. And Tejas is proud to participate very actively in all of the standard bodies, such as ITU, 3GPP, ORAN, IEEE, Bharat 6G, and TSDSI. And in a lot of these standards, there are a lot of subcommittees, and in fact, a lot of the Tejas employees lead those subcommittees.

One of the other things that we are focusing on is to elevate our brand globally. As you can see, we are participating in a lot of international events, such as MWC, both in Barcelona and Las Vegas, Network X in Paris, CommunicAsia in Singapore, the India Mobile Congress, and AfricaCom. And we have also received many awards and recognitions for our products and our success stories.

So, one of the important things for Tejas is, we are creating a solid foundation for a company to become one of the largest telecom and networking companies in the years to come. And for this, you need a solid foundation for growth and scale. And you accomplish this with three things.

1. **Products** - We are investing heavily in R&D and products, which means we are investing constantly, developing new products, refreshing the products that we have across both wireline and wireless. We are continuously innovating, and have filed around 446 global patents of which 335 have been granted so far.
2. **People** - We are investing heavily in people, they are the hallmark of any great company. We have close to 1980 employees as of FY24, and it shows a 40% year-over-year growth. And over 60% of our employees are in R&D, and there's a lot of training, hiring that happens to ensure that we treasure the asset, which is the people.
3. **Manufacturing** - And in order to achieve the kind of growth that we want to get to, it's important to scale up manufacturing. As I said earlier, we follow an asset-light model where we do what we need to do, but work with EMS partners to build good products coming out of our factories. And in fact, all of the radios and all of the routers actually come out of our factories. If you look at 10,000 plus sites of wireless equipment and also 13,000 plus routers, they've all been shipped from our factories here in Bangalore.

So what are the Robust Demand Drivers for our business going forward: As you can see, there are lots of applications today that are driving network usage and network bandwidth. And Tejas gets to benefit immensely from these. You hear a lot about generative AI. It's all about compute, it's all about data. So that is driving

a lot of data growth. And you have virtual reality and spatial computing. You have multiplayer gaming. And we also have streaming video. And all of these things together drive bandwidth. So you can see that the growth in network traffic is exponential, almost three to four X, you know, between 2024 and 2030. We serve, the following markets, the mobility, the 4G and the 5G mobile broadband, multi-gigabit fiber, broadband, the IoT cloud and Edge Computing, all of these use cases and applications drive and benefit from bandwidth growth. And we know we have to provide the equipment to be able to build those networks.

So what is our strategy - Our strategy is actually very simple. We want to have a rich product portfolio, we want to create a world class wireline and wireless products to address a lot of our customers including global carrier networks. We also would like to expand to adjacent markets such as enterprise and other data centers. And we want to offer solutions that are very differentiated.

In order to accomplish this, we have a strong R&D. We are investing in go-to-market, which means in order to achieve a leadership position in both in India, both domestic and government, you know, government and private, we also want to leverage the Tata brand and also our global telco relationship to break into global tier ones as we go, right. And we want to use these large reference wins that we had in India to tap similar opportunities globally. So you will see us continuously investing in go-to-market with sales and marketing to actually have a presence globally.

And in order to be able to supply to our customers, as I said, we have an operation that is on a global scale. We want to capitalize, and thanks to the government of India's PLI scheme, we are benefiting from it and we are contributing to that and we want to expand our EMS partnerships to build scale and to serve our customers.

So if I were to say four words, we are insanely focused and we are executing ruthlessly for an exciting future. FY24 has been a landmark year for Tejas. We've won two of the largest deals in wireline and wireless in our history with a strong year-end order book. We are also transforming ourselves internally for scale. We are expanding R&D, manufacturing, partnerships to deliver large projects. We are

very technology focused to serve multiple products and multiple customers. And there is a favorable business outlook as I said because of demand and bandwidth and hence we can serve our customers. We want to develop a global brand and explore group synergies that we have. Thank you.

**N G Subramaniam:** Thank you, Anand. I now request our company secretary Mr. Ravikrishnan to provide a summary of the Auditor's report please.

**N R Ravikrishnan:** Thank you Chairman Sir. The Statutory Auditors, (M/s. Price Waterhouse Chartered Accountants LLP) and the Secretarial Auditor (Mr. C Dwarakanath, Practicing Company Secretaries), has expressed unqualified opinion in the respective audit reports for the financial year 2023-24. There were no qualifications, observations or adverse comments on financial statements and matters, which have any material bearing on the functioning of the Company. The Statutory Auditors' report on standalone financial statements and consolidated financial statements are available in the annual report. Secretarial Auditor report is enclosed as Annexure III to the Board's report of the annual report. Thank you Chairman Sir.

**N G Subramaniam:** Thank you, Ravi. As the Notice is already circulated to all the Shareholders, with the consent of Shareholders I take the Notice convening the meeting as read. Before we proceed, I am pleased to bring to your notice that, as required under the Companies Act, 2013, the Company had provided you all the facility to cast your vote electronically, on all resolutions set forth in the Notice. Shareholders who have not cast their vote electronically and who are participating in this meeting will have an opportunity to cast their votes through the e-voting system provided by NSDL. Shareholders may please note that there will be no voting by show of hands. Further, Shareholders can seek clarifications and/ or offer comments on items of business, if any.

The results on the AGM resolutions shall be declared not later than two working days from the conclusion of the Annual General Meeting of the Company. We now take up the resolutions as set forth in the Notice. The floor will be open for any questions by Shareholders after all the resolutions are tabled.

Resolution number one, adoption of audited standalone financial statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors report thereon.

Resolution number two, adoption of audited consolidated financial statements of the Company and its subsidiaries for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

Resolution number three, appointment of Mr. Arnob Roy as Director (liable to retire by rotation) of the Company.

Resolution number four, to approve the existing as well as the new material related party transactions with Tata Consultancy Services Limited.

Resolution number five, approve the increase in borrowings in excess of paid-up capital and free reserves.

Resolution number six, creation of charges on the movable and immovable properties of the Company, both present and future, in respect of the borrowings.

Resolution number seven, is the ratification of the remuneration of cost auditors. The text of the resolutions along with the explanatory statement is provided in the notice circulated to the shareholders.

I now request Ravi to please take over.

**N R Ravikrishnan:** Thank you Chairman Sir, before we go live with the Questions & Answer session, here are some points to note for your convenience. Kindly turn on your video when you are projected on the broadcast screen, unmute yourself, and proceed to ask the question. Please mention your name, Folio Number, and the location from where you are joining. Each shareholder will have two minutes for their questions. To avoid repetition, the Board will respond to all the questions at the end. Once you



have asked your question, you can log off and continue to watch the proceedings.  
Thank you so much.

**Moderator:** Thank you so much, the floor is now open for questions. We will first invite speaker shareholder number one Arun Kumar Bopanna, please unmute your audio and you can go ahead with your question. Mr. Bopanna, please go ahead.

**Arun Kumar Bopanna:** Yeah, coming, coming. Hello.

**Moderator:** Yes, sir, we can hear you.

**Arun Kumar Bopanna:** Good afternoon, everybody. Thanks to Ravi Krishnan for arranging the VC and the cordial relations. Chairman, sir, I missed you at the TCS AGM. Anyway, the physical meetings are much better. Even today it is digital. The internet went off and I am speaking from the telephone now (Inaudible)

**Moderator:** Mr. Bopanna, we are unable to hear you. It seems there is a connection issue with Mr. Bopanna. We will move to our next speaker member number two, Mr. Manoj Kumar Gupta. Mr. Gupta, please unmute your audio and you can go ahead with your question.

Mr. Gupta please unmute your audio, we will wait for connection from Mr. Gupta. It seems there is a connection issue with Mr. Gupta as well. We will move next to our speaker shareholder number three, Mr. Naveen Bothra.

Mr. Bothra, we have sent a prompt on your screen, please accept that. You can unmute your audio and you can go ahead with your question.

**Naveen Bothra:** Yeah, very warm greetings to our chairman NGS sir. Warm greetings NGS sir. Very warm wishes to our Managing Director Mr. Anand Athreyaji and other distinguished board members and management team of Tejas. I am Naveen Bothra, attending this 24th virtual AGM of the company from Delhi. First of all, sir, I would like to place on record my sincere gratitude to you, NGS sir, and convey my heartiest congratulations to the whole team at Tejas for their untiring efforts in

the fantastic wealth creation journey of the company, being more than 5x in market cap in less than three years of Tata's taking over. We as long-term investors would also like to acknowledge the contributions of our founder and ex-MD Mr. Sanjay Nayak in this tremendous growth journey and request the team to convey our feelings to him as well.

To the leadership team, congratulations for achieving the highest ever leadership team led by Mr. Anand congratulations for the highest ever net revenues, with a record order book of more than Rs. 8,000 crores congratulations, Mr. Anand.

Sir, I have the following points for your consideration. In the annual report, page number 11, as well as in the investors' presentation, Mr. Anand talked about this one. So I would like to have your views on reshaping the future of connectivity at Tejas. We say on Page 11 that “At Tejas Networks, we are shaping the telecom networks to effectively address the trends of softwarization and cloudification, edge computing and AI/ML.” And again, we are saying that we aspire to be one of the top global telecom and networking product companies by transforming connectivity through our innovation-led approach. Mr. Anand spoke about it in his investor presentation, and we appreciate that very much. But your brief views regarding this, sir, will be helpful. Sir, if we may say, now is BSNL, what is New-Next to achieve our above aspiration. Would like to have your thoughts, where we are in this aspirational journey and where do we see ourselves in the coming 5 years' time.

Next, coming to my point number two and three, I would like to pick up from my last year's AGM speech the point number two and three which are still going fast and I think has humongous opportunity. Sir, In the last AGM you have indicated as to how this innovative product is progressing. Further, as per a news item in the Business Standard dated 22nd June 2024 TRAI has also recommended for inclusion of D2M-DTT services in the proposed National Broadcasting Policy (NBP 2024) and we @ Saankhya have the patented chip for this. Sir help us understand the potential of this innovative product platform at Saankhya under the current scenario and the roadmap ahead as to how this is going to shape up for us at Saankhya Tejas.

Number three, regarding the fabless chip design capabilities of Saankhya Labs. I would like to, we all know, that NVIDIA briefly became the most valuable company, overtaking Microsoft and Apple. The volatility continues. But in the last 18 to 24 months, the AI chips and the semiconductor companies have created tremendous wealth in the global markets of the USA and Europe and NVIDIA is one of them, and briefly, touched, the most valuable company tag. So in this paradigm shift of value and wealth creation from software-led technology to AI, Generative AI technology has come in a very short span of time in the last 18 months. So, my question is that we @ Saankhya labs do have the Fabless Chip Design capabilities and approved by GOI under its DLI Scheme. Tata Group is also going to invest more than 1 trillion rupees in semiconductor business. NGS Sir, so in this scenario, kindly help us understand as to how we are planning to harness our these capabilities for potential revenue generation.

So in conclusion, thanks to Mr. Ravi Krishnanji and his team for a smooth onboarding in this virtual meeting and sending the physical documents in time. Sir, I have already voted in favor of all the resolutions and would like to propose a vote of thanks to the distinguished board. I wish the team at Tejas, under your experience, guidance and Anand's leadership, all the very best. Thank you very much, sir.

**N G Subramaniam:** Thank you, Mr. Bothra.

**Moderator:** Thank you so much. We will now invite our next speaker shareholder, Mr. Vasudev Ramasamy. Please unmute your audio.

**Vasudev Ramasamy:** Namaskaram NGS Sir how are you?

**N G Subramaniam:** Very nice, sir. Thank you. Good to hear your voice.

**Vasudev Ramasamy:** So nice to see you again after a long time. Good afternoon, Mr. Anand, other board members, team, and my professional colleague, Mr. Ravi. Vasudev Ramasamy from Delhi, sir. Congratulations to the team for the good set of numbers and the

awards and accolades earned during the year. Mr. Ravi Krishnan and his team has prepared a nice annual report a lot of work has gone into it. Thanks a lot, Mr. Ravi, for the physical copy as well and for a smooth on-boarding in this AGM. Oh Mr. Sumit Dhingra has joined as CEO, CFO. Welcome Mr. Sumit Dhingra. Incidentally, I mentioned the CEO, all the best for you. So, our company's R&D expenditure is Rs. 387 crores and it is 16.3% of our revenues. So, this shows that Tejas is a R&D led company. Congratulations to the team.

Sir, I have some few points for your consideration. If our opportunities in the other industries and way forward. See Mr. Anand in his communication to the shareholders has mentioned that our products are increasingly seeing traction. Please underline the word increasingly traction in multiple industry verticals such as banking and financial sectors, healthcare, hospitality and infrastructure. Sir, kindly share your learned views on the size of opportunities we are envisaging in the area say in five years' time to come.

So, point number two is generative AI. Sir, how do we see we at Tejas the disruptive technology of generative AI and what is the opportunity we are envisaging and how we are planning to harness this potential opportunity in our business kindly enlighten us, sir.

Service revenue, sir next point. In our annual report, page number 109, there is a mention about service revenue of Rs. 97 crores and other operating revenue of Rs. 156 crores. Sir, Mr. Anand has mentioned about the service revenue which is coming from Tejas NMS. Your brief idea about whether this will be a continuing and recurring nature and how do we see the future potential for this revenue, sir?

And my other question is, sir, we are seeing some news item about our Tejas dialogue with Bangladesh and also about India's taking part in Bharat 6G. All these things are that technologically how we are going to harness these things will be of help to us. NGS can throw light on these things. I wish the team at Tejas all the very best. Thanks for the opportunity.

**N G Subramaniam:** Thank you. Mr. Ramasamy.

**Moderator:** Thank you so much we will welcome our next speaker shareholder, Ms. Elizabeth Mascarenhas. Ms. Mascarenhas, please unmute your audio.

**Elizabeth Mascarenhas:** Hello.

**Moderator:** Yes, we can hear you.

**Elizabeth Mascarenhas:** Yes, thank you. Respected Chairman, Mr. N. Ganapathy Subramaniam, other members of the dais, my dear fellow shareholders, I am speaking from Mumbai, Mrs. C. E. Mascarenhas. I thank the company secretary, Mr. N.R. Ravi Krishnan and his team for sending me an annual report, also registering me as a speaker and giving me this platform to speak. Thank you. Our annual report is exhaustive, full of information, facts, figures, lots of pictures and self-explanatory, adhering to all the norms of corporate governance. Our annual revenues are up, PBT PAT, but last year we were in loss, this year we are in profit, operating profit. Good CSR work, very commendable. Also, good awards, I congratulate for awards and accolades. Now my queries.

My first one is, have we rated ESG? If so, which agencies have rated us and what is our score? Are we listed on any dedicated ESG platform? Second, which of our products, wireless, wireline or network management and monetary, gives us good revenue and have good demand?

Next is how much demand we get from data center as there is a lot of demand for high net in data and upgrading. Next question is do we use Generic AI, cloud, quantum computing ML in our operation. Why our company, I see our company one day becoming NVIDIA of USA. We have such good products and we develop on the way the NVIDIA has done, so we will become one of the most powerful companies, not only in India, but in the world and our government is very supportive. It is giving in the PLI one you will get the revenues from the PLI and also from Tata Sons who will be the great supporter.

My next question, what is our market share in routers? I have supported all the resolutions. I think this is only our 24<sup>th</sup> AGM. At the 25<sup>th</sup> AGM I want to see our company as the strongest company of India under the Tata band. With this I support all the resolutions, I wish you all very good luck and especially good health because health is wealth. So with this I conclude. Thank you so much for giving me this patient hearing. Thank you and Namaskaram.

**N G Subramaniam:** Thank you, Ma'am.

**Moderator:** Thank you so much. We have our next speaker shareholder Mr. Bharat Raj. Mr. Raj, please unmute your audio and you can go ahead with your question.

**Bharat Raj:** Hello. Yeah, very good afternoon Chairman, entire Board of Directors. I'm Bharat Raj, attorney from Hyderabad, sir. Sir, wonderful statement, speech. Every information you give, sir. Sir, may I have a few questions, sir? Please let me know. Sir, any plans of BSNL takeover of our company, sir? Please let me know, sir. How is Saankhya doing, sir? And how will the tariffs in China lead to a systematic shift, please let me know, sir. What is Tejas doing to give quality jobs and reducing poverty with public service crumbling? Please let me know, sir. How will the new semiconductor policy benefits for Tejas Network? Please let me know.

What are next-generation communication solutions, sir? Please let me know. Sir, what is the risk appetite of Tejas? How will you reduce the exposure to high risk investments?

Sir once again can we expect increase in dividend in this financial year, please let me know. End of the day the bread and butter for the shareholders is dividends, sir. Last year, I requested for the chairman provide dry fruit sweet box for the speaker, but the dry food sweet box is never fulfilled. And I bring to notice, sir, our Company Secretary never accessible, phone kare to office mein, they never connect, he's not there, he's busy. Sir, he's a company secretary, not a CM or PM, no, sir. He must be accessible for us, you know. Till now he has not called and he not called friendly, Bharat Raj, I send you a link, this is the speaker number is what is his job. Company Secretary or he is thinking MD sir. Give the instructions to

Company Secretary to be friendly with the shareholders. Sir once again my best wishes to all the best for coming here sir. God Bless you okay thank you very much for giving this opportunity thank you sir. One more request lastly give to Arun Bopanna last chance sir little communication we missed the Arun Bopanna speech I give you last thank you very much for giving this opportunity. Thank you.

**N G Subramaniam:** Thank you Mr. Bharat Raj. We will do so.

**Moderator:** Thank you so much. We will allow Mr. Arun Kumar Bopanna, our next speaker, to ask his question. Mr. Bopanna, we have unmuted you, you may go ahead with your question.

**Arun Kumar Bopanna:** Hello!

**Moderator:** Yes we can hear you, please go ahead.

**Arun Kumar Bopanna:** Video is not there?

**N G Subramaniam:** Not yet sir.

**Moderator:** Sir, we have saved your bandwidth so that you can go ahead with your question, you may go ahead.

**Arun Kumar Bopanna:** NGS Sir I missed you at the TCS AGM we always had a ball with the physical AGMs. This virtual I could not see or hear properly the MD's presentation. May I request you to send it to my email so that I can go through it at leisure.

And there are a lot of opportunities for Tejas Networks with Bridgital, IoT, Big Data, AI/ML, rise in Airports, Airport Traffic, High Speed Trains, etc. and even there is increase in smart phone from feature phones, and phones are going from prepaid to postpaid with better connectivity for data usage too.

We have a billion plus people as customers and I understand the market is projected to reach around 18,11 billion USD by 2030. Is it true? And I understand

the Government of India has an investment of Rs. 76,000 crores in the semiconductor ecosystem. Your comments on that?

Sir, Gartner has said that in the year 2025 we will see 2 billion new jobs generated by AI and ML, what will be Tejas' pie in that?

Are there any contributions from Tejas to Tata Communications and TTML (Tata Tele Maharashtra)? What will be the outcome of this?

Are we interested in the Gujarat semiconductor facility? Because it's going to be a leap in communication with the semiconductor industry and production. How will the new semiconductor policy benefit Tejas Network? What are next-gen communication solutions?

I believe any tariffs in China will have a seismic effect from our supplies, do we face any risk with tariffs in China? How will Tejas reset the customer preferences with consequences of technological advances? And a lot of capex is increasing, sir, but unless the average revenue per user increases, it won't justify the capex. So, do you see an increase in mobile tariffs in the near solution?

Lastly, sir, India is seeing unprecedented optimism. Tejas needs to play a crucial role with a generous slice of integrity and commitment of Tatas. In conclusion, I wish Tejas all the best to be a global leader in wireless communication, connecting the world for a better tomorrow. With this, I thank you very much. Thank you.

**N G Subramaniam:** Thank you, Dr. Bopanna. Operator, can you try Mr. Manoj Kumar Gupta as well?

**Moderator:** Sure, we have our next speaker shareholder, Mr. Manoj Kumar Gupta. Mr. Gupta, please unmute your audio and video and you can go ahead with your question, please.

**Manoj Kumar Gupta:** Hello, good afternoon respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta, I am an equity shareholder of Tejas Networks Limited.



First of all, I congratulate you that company under the umbrella of Tata, I face a sort of problem just right. To start such type of problems should not raise in future because you are in the technology. So what's, and I thank the company's secretary and the team to help us to join this meeting through VC. And the investors get a return on our investment after we come under the umbrella of Tatas. So what's your future plan for the company? And the railway network, metro network is going on, our beloved Prime Minister, visionary Prime Minister is always asking the states to start the metro project in their state, from Haryana to Tamil Nadu. In several states, new metro projects are coming, so how you will be benefited for that process, to supply your technology in the metro? And I totally agree with Dr. Bopanna, that new semiconductor plants are coming, so how we will be benefited. And I thank you and your team for excellent results. I warmly welcome your new MD. And have you planned to split the shares to increase the liquidity and market capitalization? Once again, thanks to the Company Secretary. Thank you.

**N G Subramaniam:** Thank you, Mr. Gupta.

**Moderator:** Chairman, that was the last question.

**N G Subramaniam:** What about Mr. Ravi Kumar? Has he not joined?

**Moderator:** Sir, Ravi Kumar Naredi had registered, however he has not joined.

**N G Subramaniam:** Okay.

**Moderator:** So that was the last question. I will now hand it over to you.

**N G Subramaniam:** Thank you all the shareholders and let me try and address some of the questions that have been asked by our beloved shareholders. Let me begin with Dr. Bopanna. First of all, I want to thank you for your unwavering support to us, as well as you know I have been following you and your literary and poetic skills are something that I envy. Thank you Dr. Bopanna. I think you have asked a few questions. Let me try and provide you some color. The risk appetite of Tejas is something that

you have started with. I think we are quite calibrated and we are having a very strong management and control process under our Chief Operating Officer, Mr. Arnob Roy. We don't compromise on investments that are required, whether it is for the products or business development or people or talent development, investment in labs, all of those things I think we are not making any compromise. We have really over-invested, I should say, in some of this. I think we do calibrate our risks and especially the risks that we have taken to venture from wireline business to wireless business and working very closely with TCS and BSNL is quite significant in terms of financial and investments and the working capital requirements that we have taken primarily to build a new market for Tejas and also satisfy the Atmanirbhar ambitions of Government of India. I think we are quite calibrated and I want to assure you that we take right calls in terms of what we can and how much we can as far as the risk is concerned.

I think you had asked a lot of questions on AI/ML, deep tech, and whether there are a lot of jobs going to be created by AI/ML, and what will be the Tejas's share. It's good that at least, you know, the first time I've been hearing somebody saying that the AI/ML is creating more jobs, right? I know that in that sense that it's a very positive thinking, but from our perspective, we are focused on AI as a technology and how do we integrate the technology into our products to improve the resiliency, self-healing and computing on the edge. How we can leverage intelligence around it so that our products are performing well and behaving well and contributing to the sustainability goals of our company as well as our customers. I think that is where we are employing AI/ML in a very, very sophisticated, at the same time conforming to the international standards.

We are closely watching the evolution of Generative AI and how it can help us in the embedded technologies. Internally we are testing it out, we are doing some projects but whether Generative AI as a technology, how it will be productively employed for embedded technologies is something that we will calibrate and see based on the test project's outcome. We will adopt generative AI for such developmental work and happy to provide certain update during the course of the year or in the next AGM.

Then Tata Communications and TTML both are our long-term customers and they are using a number of our products like XGS-PON, PTN, OTN for access and aggregation networks that facilitates them to deliver advanced high SLA services to a wide range of their customers ranging from small, medium sized companies to large enterprises. So we will continue to nurture our relationships and partnerships with both the Tata Communications and TTML and including the possibility of developing any custom products for these companies.

I think lots of people who asked questions about semiconductors. I think you know in Saankhya Labs, we have a core competency in terms of fabless semiconductor chip design. Saankhya has basically designed the chip and then using third parties fabricated the chip and the chip has gone into their products such as the broadcast radio as well as other solutions including the fishing boat solutions that our CEO articulated in his presentation. It is a very niche capability and that is something that we will continue to nurture. There are synergies possible with other group companies on the semiconductor foray including Tata Electronics where they are also looking at semiconductor design in a big way. We are exploring such group synergies as pointed out by our CEO Anand Athreya. At this point in time, we will be very closely working with the group companies, semiconductor initiatives to see how we can contribute to them. At the same time, if there are opportunities to partner or leverage each other, we will do so.

Will it be a big leap for Tejas to become a predominant player? I think absolutely yes, it is going to be a very big leap. We are a small entrant at this stage. The OEMs are the top four, five companies are really, really big. They have invested heavily. They have been long-term players, we have a lot of respect for them. We have developed our products in a new way in the sense that architecturally we are banking on the fact that they are going to be software driven, more and more configurable as opposed to proprietary driven. So and as pointed out earlier, the world is also considering disaggregation of the network. So architecturally we are aligning to the future standards that are emerging in this particular area, which we hope will benefit Tejas in the medium to long term. There are key opportunities around the globe that we are targeting, like in terms of people who are looking for

equipment on the 4G side and on the 5G side. There is a window of opportunity in the Global South as well as in the established markets such as North America where they are all reconfiguring or recalibrating their networks for ease of interoperability and enhanced security and in that context we are exploring some of the opportunities there. It is going to be a big leap but we have taken the baby steps and as I mentioned in my outline speech we have created the strong foundation and we have the launch pad on which you know the BSNL success is going to be very important for us to secure reasonable market share for Tejas Networks.

I think with regards to next generation communications there are lots of questions. A couple of people asked those questions and as I mentioned that we are extremely focused on developing the future radio access networks which can be installed in a both aggregated and disaggregated manner conforming to 3GPP standards, ORAN and collaborations supporting 4G, 5G with a full interoperability to other equipment and other players and other enterprise systems.

Saankhya Labs, our subsidiary is someone with whom we are also working to ensure that can we move functionality into SOCs and how do we constantly reduce the weight of the radios that we are building and how we can meaningfully use these radios for real-life applications beyond the telecom industry. These are all pretty much the thinking and work that is going on right now. And these are all in early stages. It will take time to mature, but we are confident that we are having a differentiated approach to multi-purposing the products that we have to a variety of industries beyond networking, routing, switching and communications.

Then there were a few questions on investments in human capital. I do not want to say much except that there is a lot of focus. The workforce has almost doubled over the last couple of years and there was a 40% increase over the previous year. We continue to look for talent and if we come across anyone with the necessary skills and talent we are hiring them. At the same time, we are building the workforce organically through fresh hiring from the institutions and then going through the Tejas Academy and then putting it across.

Tariffs in China, I don't want to comment too much on it. But business is all about doing within the laws of the land. So, whatever be the laws of the land and if we want to operate in a market, we need to be competitive, taking into account the regulations of the market. Our sales team and our legal team are constantly ensuring that we are compliant to those standards that each of the markets and countries are looking for and we will continue to do so.

The resetting of the customer preference is a great question. I would say that customer preferences wise, I have to reset it every day. Customers keep changing their priorities every day. But at the same time, our challenge is to make sure that the products really work and are solid and robust. As you would have seen in the video, it's installed in about 75 countries. They're all kind of workaholic in the sense that they are highly rugged equipment that have to just work, never fail and be always on. So we are very happy with the way that the product is architected. And one of the things that we are really worried about is that some of the electronic components that we use are fast changing because our component suppliers are in the business of supplying new components, new capabilities and new products rapidly. The result is that we have to keep upgrading our products fairly quickly. So we too have to keep changing our products in order to adapt to the latest versions of their products. So we are encouraging our component suppliers to also be software driven so that it is more a software upgrade that we need as opposed to frequent hardware upgrades. So we will see how that happens.

BSNL is a very valued customer of ours and we are working very closely with them. As of 31st of March, as Anand mentioned, we have delivered about 10,000 sites worth of equipment. But as of today, we have delivered close to about 27,000 sites worth of equipment. So, a lot of work is going on, 24 X 7. The team is extremely aligned to deliver BSNL in a very, very quick time frame. The interoperability integration with the existing networks, they're all very complex. For every circle, we end up doing close to about 200 integrations. So it is going to take some time, but we are hopeful that we will complete the deliveries before the end of this year and make all of us proud.

And Saankhya as a company is doing good, it's a very niche company in semiconductor design, chip design is one, and broadcast capability is very unique. Along with IIT Kanpur, Prasar Bharti, and our customer and partner, Sinclair USA, they have developed this broadcast capability, which is something that we are piloting internally in India today for about a few cities to see how broadcast broadband convergence can actually yield better utilization of the spectrum and so on. So we will wait for the outcome of that pilot before scaling that particular business further.

So then next is moving on to Mr. Manoj Kumar Gupta. Thank you, sir, for your questions. Future plans, I think I have enumerated some of this in the earlier responses, but then BSNL continues to be the big focus area. At the same time, there are significant opportunities coming our way in terms of both wireline as well as wireless product businesses. We are grabbing each one of these opportunities that are coming our way. So, including railways, metro network, etc. We have done a proof of concept for the railways with our 4G/5G network radios along with our partners that has gone successfully. So we are looking forward to the tender from railways and we will actively pursue any such opportunities that are coming our way.

Likewise, the opportunities which are there in the 4G network across the Global South, as we call them, such as in Africa, Latin America, Southeast Asia and also in the Pacific. They are all significantly smaller opportunities, but then when you put all the opportunities together, they are good and we are actively looking for integrators in each of these markets, wherein we will supply our radios, supply our equipment and install and plan the network through the system integrators. It is something that we are exploring. And as we speak, there are opportunities that I hope to see even in some of the established markets. But they are all the things that we are looking to increase our market share, let us say by a few percentage points every year.

And on the semiconductor side, we are really focused on building a chip that will optimize the performance of our radios and SOCs which will contribute to

wrapping functionalities within it so that the weight, etc., and the performance of the radios significantly improve.

Then the next shareholder Mr. Naveen Bothra, thank you sir for your continued support. I think you have been constantly engaging with us and our team is very happy interacting with you. I think you also wanted to meet me. Unfortunately, our schedules could not permit, so I could not meet with you. But I look forward to meeting with you during this financial year. Like BSNL, I think there are opportunities, but we are extremely focused on completing BSNL. I think our solutions are working well. Our product is integrated well. We look forward to completing it. Large deals such as BSNL is very difficult to get every year, but we are looking at every single opportunity that is coming our way.

As Anand updated, we had an opportunity to get into the Italian market, which is a good thing. While to begin with it is on the wireline side, the opportunity to go to wireless is probably there. But we are making some small beginnings in exploring overseas markets for the wireless space. I think direct to market D2M services I have already updated. We are doing a pilot in India. With Sinclair we are looking at international opportunities. There are proof of concepts that are being executed in a few countries. Hopefully, all of them will mature. And on the broadcast broadband convergence, there has to be consensus that needs to be built across the globe. Multiple standards are there at present. ATSC standards is one which is in the US, which is there. 3GPP is looking at it. And all these have to converge and then as they converge and as people really realize the benefits of broadband, broadcast convergence and direct to mobile, then I think this business will take off. But I want to assure you that with Saankhya Labs, we have been pioneers in building broadcast radios and the opportunity is there even to build an integrated radio of broadband and broadcast together. So they are all things that are in the making and we are closely watching this particular development in India and overseas.

I think I already addressed about Gen-AI and I do not want to comment too much on the chip design per se. But we are in the core business of making networks work, radios and switches and routers and we are going to be extremely focused

on this and see how we can exploit the AI/ML, and Gen AI technologies to our advantage, that's what we are focused on.

Cloud, AI/ML, all of these are technologies that are powering the consumption of increased data, which essentially means that the network traffic, the network utilization is going to go up and up. This means that every operator, every service provider is going to keep on investing in upgrading their network. As they upgrade their network or as they build out a new network, each one of them also give us the opportunity to go and position our products and services and that is the opportunity that we are looking at rather than really going after the cloud, AI/ML as a services or a product opportunity for Tejas. While we do integrate some of the technologies in our radios and in our solutions. And then you talked about Mr. Nayak contribution, we will certainly pass on your inquiry to Mr. Nayak as well.

Then the next one is I think Mr. Ramasamy. Thank you Mr. Ramasamy for your kind words as well as the questions that you have asked. Yes, truly you know R&D is our mainstay as a product company, a technology company. We have to keep increasing our R&D and investments. What we are investing is still probably not enough and we need to do more and we will continue to increase it as we advance ourselves into 5G advanced and 6G related technologies. Our team, along with Saankhya, is contributing significantly to innovation and development of standards both in the 5G and 6G areas. We are working very closely with TSDSI as well as Bharat 6G Alliance and a number of other organizations in advancing the innovations across capacity, coverage and experience elements of the network.

Then I think you had asked some specific questions on other services revenue. The other services revenue of Rs. 97 crores constitutes about Rs. 89 crores generated by Saankhya that includes product development services, essentially direct to mobile technology, broadcast radio, etc. for their customers and it is for both development services as well as implementation services. And then about Rs. 7.8 crores are from repair and return services, managed services to our wireline product customers. These services are provided basis specific requirements from our customers. Essentially these are types of services which are not very common but it happens as we develop the products specifically and customize the products



for our customers. I must tell you that some portion of such services will be there and it is not recommended to see the proportion right now and use it as a scale for the future. I think I will not recommend that. But then we are in the business of developing standards based products which can be implemented, there will be implementation services that will be surely associated with it. We would like to see the implementation services part keep going up. At the same time, custom development services is going to keep on coming down because we do not want to be developing custom products for one-off products unless it is for a very strategic opportunity or a strategic client or for a government which is really looking for developing such services and supporting the long-term investment that is required for it.

The other operating revenues includes the product design linked incentive from Indian government of Rs. 156.3 crores and export incentive of Rs. 23 lakhs. PLI incentives include Rs. 32.66 crore received for FY23 in this year and we have also recognized about Rs. 123.70 crore of PLI for FY24 as there is reasonable assurance that we will receive this grant. Because as we embarked on it in FY23, we adopted a conservative approach in terms of, because we were not sure how that will be calculated, etc. Given the precedence and given the experience of how this is going to work and how it is going to come in FY23, as per the accounting policies and standards, we have gone ahead and recognized the PLI incentive for this year. And the current PLI scheme is proposed for five years.

I think I have answered all the questions from all the shareholders. So, thank you all again for being there in the meeting. I believe that we have addressed these questions, should you have any additional queries or if I have missed out anything, please do feel free to contact our company secretary. And our company secretary will specially make a point to reach out to Mr. Bharat Raj to understand his concerns.

So let me now come to the last item on the agenda, the Board of Directors have appointed Mr. Dwarakanath C, Company Secretary in Practice as the Scrutinizer for the e-voting process. I hope all of you have taken part in the Polling. Further, I

hereby authorize N R Ravikrishnan, Company Secretary to declare the results of the voting and place the results on the website of the company at the earliest.

The resolutions as set forth in the notice shall be deemed to be passed today subject to receipt of the requisite number of votes. Further, the combined results of remote e-voting and electronic voting during the AGM along with the Scrutinizer's Report shall be communicated to the Stock Exchanges. The results shall also be placed on the websites of the Company and NSDL.

All the items of today's AGM have now been transacted. Thank you for attending the meeting and providing your inputs and blessings. With that, I declare that the 24th Annual General Meeting as closed.

*Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings*