

TEJAS NETWORKS LIMITED

Corporate Identity Number (CIN): L72900KA2000PLC026980

Registered Office: J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village,
 Begur Hobli, Bangalore - 560 100, Karnataka, India

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

Email: corporate@tejasnetworks.com | Website: www.tejasnetworks.com

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF TEJAS NETWORKS LIMITED PURSUANT TO ORDER DATED DECEMBER 07, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

MEETING	
Day	Friday
Date	February 09, 2024
Time	10.00 a.m. (IST)
Mode of Meeting	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
REMOTE E-VOTING	
Start Date and Time	Monday, February 05, 2024 at 9.00 a.m. (IST)
End Date and Time	Thursday, February 08, 2024 at 5.00 p.m. (IST)

E-VOTING DURING THE MEETING:

E-voting through VC/OAVM facility shall also be available to the equity shareholders of the Company during the meeting.

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with applicable SEBI Circulars and Annexure I to Annexure XVI (page nos. 33 to 212) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

FORM NO. CAA. 2
[Pursuant to Section 230 (3) and Rule 6 and 7]

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,

BENGALURU BENCH

CA (CAA) NO. 29/BB/ 2023

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013
READ WITH THE COMPANIES (COMPROMISES,
ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016
AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF
SAANKHYA LABS PRIVATE LIMITED AND SAANKHYA
STRATEGIC ELECTRONICS PRIVATE LIMITED WITH TEJAS
NETWORKS LIMITED AND THEIR RESPECTIVE
SHAREHOLDERS

TEJAS NETWORKS LIMITED, a company incorporated)
under the provisions of Companies Act, 1956 having)
Corporate Identity Number: L72900KA2000PLC026980)
and its registered office at J P Software Park, Plot No 25,)
Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur)
Hobli Bangalore - 560 100, Karnataka, India) **... Company / Transferee Company**

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF TEJAS NETWORKS LIMITED

To,
The Equity Shareholders of
Tejas Networks Limited

1. NOTICE is hereby given that, in accordance with the Order dated December 07, 2023 in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**Tribunal**") ("**Tribunal Order**"), a Meeting of the Equity Shareholders of the Company, will be held for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Saankhya Labs Private Limited ("**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**Transferor Company 2**") (Collectively hereinafter referred as "**Transferor Companies**") with Tejas Networks Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**Scheme**") on **Friday, February 09, 2024 at 10.00 a.m. (IST) ("Meeting")**.
2. Pursuant to the said Tribunal Order and as directed therein, the Meeting of the Equity Shareholders of the Company ("**Meeting**") will be held through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") without the physical presence of the equity shareholders at a common venue, following the operating procedures referred to in General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 3/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 9/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, Government of India and any other circular as may be issued in this regard (collectively referred to as "**MCA Circulars**"), the applicable provisions of the Companies Act, 2013 ("**Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India ("**SS-2**") to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act as amended:

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon’ble National Company Law Tribunal, Bengaluru Bench (**“Tribunal”**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in Scheme of Amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited with Tejas Networks Limited and their respective shareholders (**“Scheme”**) be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the amalgamation embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

RESOLVED FURTHER THAT the Board may delegate all or any of its powers herein conferred to any Director(s) and/or officer(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from equity shareholders of the Company.

3. **TAKE FURTHER NOTICE** that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes: (a) through e-voting system available at the Meeting to be held virtually (**“e-Voting at the Meeting”**); or (b) by remote electronic voting (**“remote e-Voting”**) during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of voting	Monday, February 05, 2024 at 9.00 a.m. (IST)
End of voting	Thursday, February 08, 2024 at 5.00 p.m. (IST)

4. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., **Wednesday, January 31, 2024 (“Cut-off Date”)** only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**“CAA Rules”**) along with all annexures to such statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Transferee Company and can be accessed at www.tejasnetworks.com the website of National Securities Depository Limited (**“NSDL”**) viz. www.nsd.co.in, being the agency appointed by the Transferee Company, which will provide the facility of voting to the Equity Shareholders through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting at the Meeting and the website of the Stock Exchanges i.e., BSE Limited (**“BSE”**) viz. www.bseindia.com and the National Stock Exchange of India Limited (**“NSE”**) viz. www.nseindia.com.

6. The Tribunal has appointed Mr. Uday Shankar R M, Advocate, to be the Chairperson for the said Meeting including for any adjournment or adjournments thereof and Mr. Pradeep Kulkarni, (Membership No. 7260 and CP No. 7835) Practicing Company Secretary, to be the Scrutinizer for the Meeting.
7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-

Uday Shankar R M

Chairperson appointed by the Tribunal for the Meeting

Bengaluru, December 31, 2023

Registered Office:

J P Software Park, Plot No 25, Sy. No 13, 14,17,18

Konnapana Agrahara Village, Begur Hobli,

Bangalore, 560 100, Karnataka India

CIN: L72900KA2000PLC026980

Website: www.tejasnetworks.com/

E-mail: coporate@tejasnetworks.com

Tel: +91-80-4179 4600/700/800

Fax: +91-80-2852 0201

Notes for meeting of Equity Shareholders of the Company

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Bengaluru Bench ("Tribunal") vide its Order dated December 07, 2023 ("Tribunal Order"), the Meeting of the equity shareholders of the Company is being conducted through video conferencing ("VC") / other audio-visual means ("OAVM") facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the Registered Office of the Company.
2. The Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the CAA Rules read with SEBI Listing Regulations in respect of the business set out in the Notice of the Meeting is annexed hereto. The Meeting will be conducted in compliance with the applicable provisions of the Tribunal Order, SEBI Listing Regulations, Act, SS-2 and other applicable laws.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e. **Wednesday, January 31, 2024** shall be entitled to exercise his/her / its voting rights on the resolution proposed in the Notice and attend the meeting. A person who is not a shareholder as on the cut-off date, should treat the Notice for information purpose only.
4. Since this Meeting is being held through VC / OAVM, physical attendance of equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Shareholders attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. Quorum for the Meeting shall be in terms of Section 103 of the Act.
7. In terms of the directions contained in the Order, the Notice convening the Meeting is being published by Company through advertisement in the Financial Express in English language, having nationwide circulation and in the Vishwavani in Kannada language having circulation in Bengaluru, indicating the day, date and time of the Meeting.
8. As per the directions of the Tribunal Order and in compliance with MCA and SEBI Circulars , the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent only through electronic mode to those shareholders **as on December 29, 2023** whose email addresses are registered with the Company/ Depositories/RTA. Physical copy of this Notice along with accompanying documents will be sent to those equity shareholders who request for the same.
9. The shareholders may note that the aforesaid documents are also available on the website of the Company at: www.tejasnetworks.com and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com, being the agency appointed by the Company to provide VC/OAVM and e-voting facility for the Meeting.

If so desired, shareholders may obtain a physical copy of the Notice and the accompanying documents free of charge, between 10:00 a.m. to 3:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting from the Registered Office of the Company. A written request in this regard, along with details of your shareholding in the Company, may be addressed to the Company Secretary at corporate@tejasnetworks.com.
10. Body Corporates are permitted to appoint authorised representative(s), in pursuance of Section 112 and 113 of the Act to attend the Meeting through VC / OAVM and cast their votes by electronic means. The voting by the said authorized representative(s) is permitted, provided that the authorisation, duly signed, is emailed to the Scrutinizer at pbk@sreedharancs.com with a copy marked to "NSDL" at evoting@nsdl.com and corporate@tejasnetworks.com not later than 48 hours before the scheduled time of the commencement of the Meeting.
11. Mr. Pradeep Kulkarni, (Membership No. 7260 and CP No. 7835), Practicing Company Secretary shall act as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
12. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting or to any other person so authorized by him (in writing), who shall countersign the

same. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: www.tejasnetworks.com and on the website of NSDL at www.evoting.nsdl.com. The result will simultaneously be communicated to the Stock Exchanges. The result will also be displayed at the registered office of the Company.

13. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the equity shareholders (which includes Public Shareholders) of the Company by e-voting, agree to the Scheme.
14. Documents for inspection as referred to in the Notice will be available electronically for inspection (without any fee) by the shareholders from the date of circulation of this Notice up to the date of Meeting. Shareholders seeking to inspect such documents can access the same on the website of the Company at: www.tejasnetworks.com.
15. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (“PAN”) and Bank Account details for shareholders holding securities in physical form. Further SEBI vide its circular dated November 03, 2021 and December 14, 2021 has mandated shareholders holding securities in physical form to furnish PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFS code) and Specimen signature before they could avail any investor service. The relevant forms prescribed by SEBI for furnishing the above details are available on the website of the Company. The concerned shareholders are requested to register / update the above mentioned details by submitting the prescribed forms duly filled and signed by the registered holders, by e-mail from their registered e-mail address to corporate@tejasnetworks.com or by submitting a physical copy thereof to the RTA, Link Intime India Private Limited (Unit: Tejas Networks Limited) C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Maharashtra, India.
16. Shareholders holding shares in dematerialised (“demat”) mode are requested to register / update their PAN, Nomination Details, Contact details (Address with PIN, Mobile number and Email address), Bank account details (bank name, branch name, account number and IFS code) and Specimen signature with the relevant Depository Participant.
17. Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.

Remote E-voting; Meeting through VC / OAVM; E-voting at the Meeting

18. The facility of attending Meeting through VC/OAVM is being provided by National Securities Depository Limited (NSDL). The facility of casting votes by a shareholder using electronic means, i.e. (i) remote e-voting and (ii) e-voting at the Meeting, (hereinafter referred to as “e-voting”) is also being provided by NSDL. The procedure for attending the Meeting through VC / OAVM and for e-voting is given in the Notes below.
19. Voting rights of a shareholder shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut- off date i.e. **January 31, 2024**.
20. The remote e-voting period will commence at **9:00 a.m. (IST) on Monday, February 05, 2024 and end at 5:00 p.m. (IST) on Thursday, February 08, 2024**. The remote e-voting module shall be disabled by NSDL thereafter. During the remote e-voting period, shareholders of the Company, holding shares either in physical form or demat form, as on the Cut-off date may cast their vote electronically.
21. Shareholders attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their vote at the Meeting. The shareholders who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
22. Only those shareholders, who are present in the Meeting through VC/OAVM and have not cast their vote through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available at the Meeting.
23. If any votes are cast by the shareholders through the e-voting available at the Meeting and if the same shareholders have not participated in the Meeting through VC / OAVM, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting at the Meeting is available only to the shareholders attending the Meeting.
24. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

25. Body Corporates / Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to send a certified true copy of the Board Resolution / Power of Attorney / Authority letter, etc. (PDF/ JPG Format) to Scrutinizer at pbk@sreedharancs.com and / or Company at corporate@tejasnetworks.com with a copy marked to evoting@nsdl.com. Alternatively, they can also upload the Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login in NSDL e-voting system. Alternatively, they can also send a physical copy of the Board Resolution / Power of Attorney/ Authority Letter, etc. at the registered office of the Company, addressed to Mr. N R Ravikrishnan, General Counsel, Chief Compliance Officer & Company Secretary of the Company.
26. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as speaker by sending their request on or before Friday, **February 02, 2024**, mentioning their name, demat account number / folio number, email id and mobile number at corporate@tejasnetworks.com. The shareholders who do not wish to speak during the Meeting but have queries may send their queries on or before **Friday, February 02, 2024** mentioning their name, demat account number / folio number, email id and mobile number at corporate@tejasnetworks.com. These queries will be addressed by the Company suitably. The Company reserves the right to restrict number of questions and number of speakers, as appropriate for smooth conduct of Meeting. Shareholders are requested to restrict their questions only to matters pertaining to the business set out in the Notice convening this Meeting.
27. Those shareholders who have registered themselves as speaker will only be allowed to express their views / ask questions during the Meeting.

INSTRUCTIONS FOR E-VOTING AND JOINING THE MEETING ARE AS FOLLOWS:

PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS:

1. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by listed entities, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the meeting. For this purpose, the Company has entered into an agreement with 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 remote e-Voting during the meeting will be provided by NSDL.
2. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. **January 31, 2024** may cast their vote by remote e-Voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the meeting as well as remote e-Voting during the meeting.

Any shareholder(s) holding shares in physical form or non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **December 29, 2023**, may obtain the User ID and Password by sending a request at evoting@nsdl.com. However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote. If a member has forgotten his/her/its password, the member can reset the password by using ‘Forgot User Details/Password’ or ‘Physical User Reset Password’ option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000.

In case of Individual Shareholder holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under ‘**Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**’

3. The remote e-Voting period commences on **Monday, February 05, 2024 at 9.00 a.m. (IST)** and ends on **Thursday, February 08, 2024 at 5.00 p.m. (IST)**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up Ordinary (equity) Share Capital of the Company as on the cut-off date i.e. **January 31, 2024**.

4. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the meeting and Members participating at the meeting, who have not already cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the meeting will also be eligible to participate at the meeting through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the meeting. The remote e-Voting module on the day of the meeting shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH VC/OAVM AND REMOTE E-VOTING ARE AS UNDER:

1. Members will be able to attend the meeting through VC/OAVM or view the live webcast of meeting provided by NSDL at www.evoting.nsdl.com by following the steps mentioned under 'Access CSDL e-Voting system'. After successful login, Member(s) can click on link of 'VC/OAVM' placed under 'Join General Meeting' menu against Company name. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the process as mentioned in paragraph titled "The instructions for remote e-Voting before/during the meeting" in the Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Members who need assistance before or during the Meeting, can contact NSDL on evoting@nsdl.com 022 - 4886 7000 and 022 - 2499 7000 or contact Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail ID: pallavid@nsdl.com

Process for those shareholders 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 shareholder, 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 corporate@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 corporate@tejasnetworks.com. If you are an Individual shareholders 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 shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com 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 shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE MEETING

The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access NSDL e-Voting system

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

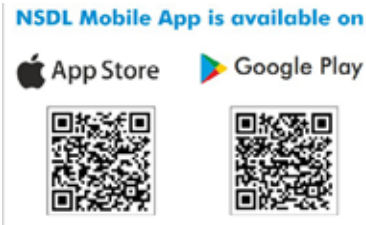
Details on Step 1 are mentioned below:

A. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>A. NSDL IDeAS facility</p> <p>If you are already registered, follow the below steps:</p> <ol style="list-style-type: none"> 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: eservices.nsdl.com/ either on a personal computer or on a mobile. 2. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value Added Services section. 4. Click on 'Access to e-voting' appearing on the left-hand side under e-voting services and you will be able to see e-voting page. 5. Click on options available against Company name or e-voting service provider – NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. <p>If you are not registered, follow the below steps:</p> <ol style="list-style-type: none"> a. Option to register is available at eservices.nsdl.com b. Select 'Register Online for IDeAS' Portal or click at eservices.nsdl.com/ SecureWeb/IdeasDirectReg.jsp c. Please follow steps given in points 1-5

	<p>B. e-voting website of NSDL</p> <ol style="list-style-type: none"> 1. Open web browser by typing the following URL: www.evoting.nsdl.com either on a personal computer or on a mobile phone. 2. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. 3. A new screen will open. You will need 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. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. <p>C. Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;">  </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected

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

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders 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.com or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders 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 1800 22 55 33

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

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder / 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 e-services i.e. IDeAS, you can log-in at eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- 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 S1***** and EVEN is 125127 for Ordinary (equity) shares then user ID is 125127S1*****

- 5) Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to log-in and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. 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 e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL and open the attachment i.e. a .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 e-mail ID is not registered, please follow steps mentioned in process for those shareholders whose e-mail 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) Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address.
- a) 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

Details on Step 2 are mentioned below:

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

1. After successful login at Step 1, you will be able to see 'EVEN' of all the companies in which you are holding shares and whose voting cycle and Meeting is in active status.
2. Select 'EVEN' of the Company, in case Ordinary (Equity) Shares - 125127 for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the Meeting are as under:

1. The procedure for remote e-Voting during the Meeting is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.
2. Only those Members/Shareholders, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote on such resolution(s) through e-Voting system at the Meeting.

General Guidelines for Shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries/grievances pertaining to remote e-Voting (before or during the Meeting), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-Voting user manual for Shareholders available in the 'Download' section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.com or contact Ms. Pallavi Mhatre, Senior Manager from NSDL at the designated e-mail ID: pallavid@nsdl.com

Other Instructions:

1. The Hon'ble Tribunal has appointed Mr. Pradeep Kulkarni (Membership No. 7260 and CP No. 7835) as the Scrutinizer.
2. The Scrutinizer shall immediately after the conclusion of voting at the Meeting unblock the votes cast through remote e-Voting (votes cast during the Meeting and votes cast prior to the Meeting) and make, not later than two (2) working days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Meeting or to any other person so authorized by him (in writing), who shall countersign the same.
3. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.tejasnetworks.com, at the Registered Office of the Company and on the website of NSDL www.evoting.nsdl.com. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

Sd/-

Uday Shankar R M

Chairperson appointed by the Tribunal for the Meeting

Bengaluru, December 31, 2023

Registered Office:

J P Software Park, Plot No 25, Sy. No 13, 14,17,18
Konnapanan Agrahara Village, Begur Hobli,
Bangalore, 560 100, Karnataka India
CIN: L72900KA2000PLC026980
Website: www.tejasnetworks.com
E-mail: coporate@tejasnetworks.com
Tel: +91-80-4179 4600/700/800
Fax: +91-80-2852 0201

FORM NO. CAA. 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,

BENGALURU BENCH

CA (CAA) NO. 29/BB/ 2023

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF SAANKHYA LABS PRIVATE LIMITED AND SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED WITH TEJAS NETWORKS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

TEJAS NETWORKS LIMITED, a company incorporated)
under the provisions of Companies Act, 1956 having)
Corporate Identity Number: L72900KA2000PLC026980)
and its registered office at J P Software Park, Plot No 25,)
Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur)
Hobli Bangalore - 560 100, Karnataka, India) ... **Company / Transferee Company**

STATEMENT UNDER SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES"), ACCOMPANYING THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF TEJAS NETWORKS LIMITED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH ("TRIBUNAL") DATED DECEMBER 07, 2023 ("TRIBUNAL ORDER")

1. **MEETING FOR THE SCHEME**

This is a statement accompanying the Notice convening the Meeting of Equity Shareholders of Tejas Networks Limited ("**Company**"), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Saankhya Labs Private Limited ("**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**Transferor Company 2**") and Tejas Networks Limited ("**Company**" or "**Transferee Company**") and their respective shareholders ("**Scheme**") ("**Meeting**"). The Scheme provides for: (i) the amalgamation of the Transferor Companies (*as defined in the Scheme*) with the Transferee Company and dissolution of Transferor Companies without winding up; and (ii) various other matters consequent and incidental thereto or otherwise integrally connected thereto.

The salient features of the Scheme are given in Paragraph IV of this Statement. The detailed terms of the arrangement may be referred in the Scheme, appended as '**Annexure I**'.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

2. **DATE, TIME AND MODE OF MEETING**

Pursuant to an order dated December 07, 2023, passed by the Hon'ble Tribunal in Company Application viz. CA (CAA) No. 29/BB/ 2023, the Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") on **Friday, February 09, 2024 at 10.00 a.m. (IST)**.

3. **BACKGROUND OF THE COMPANIES:**

A. **Particulars of the Transferee Company / Company (Tejas Networks Limited)**

- i. Tejas Networks Limited was incorporated on April 24, 2000, under the provisions of the Companies Act, 1956 under the name and style of “Tejas Networks India Private Limited” pursuant to certificate of incorporation issued by the Registrar of Companies, Karnataka. The name of the Company “Tejas Networks India Private Limited” was changed to “Tejas Networks India Limited” pursuant to conversion of the Company from private limited to public limited on October 23, 2002. A certificate of incorporation consequent upon conversion from private company to public company was issued by the Registrar of Companies, Karnataka. The name of the Company “Tejas Networks India Limited” was subsequently changed to “Tejas Networks Limited” on March 18, 2008. A certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Karnataka. The CIN of the Company is L72900KA2000PLC026980 and PAN is: AABCT1670M. The e-mail address of the Company is corporate@tejasnetworks.com and website is www.tejasnetworks.com. The Registered Office is at JP Software Park, Plot No.25, Sy No. 13, 14, 17, 18 Konnapana Agrahara Village, Begur Hobli, Bangalore – 560100, Karnataka, India. Originally the registered office of the Company was situated at Eden Rock Apartments, No. 2H,Yellappa Chetty Layout, Bengaluru - 560 042, Karnataka, India and thereafter it was shifted to Zone 2, 1st Floor, Khanija Bhavan, No. 49, Race Course Road, Bengaluru - 560 001, Karnataka, India on July 21, 2000 and thereafter it was shifted to No. 58, 1st Main Road, J.P. Nagar, 3rd Phase, Bengaluru - 560 076, Karnataka, India with effect from July 15, 2005 and thereafter it was shifted to 2nd Floor, GNR Tech Park, No. 46/4 Garvebhavi Palya, Kudlu Gate, Hosur Main Road, Bengaluru - 560 068, Karnataka, India with effect from November 17, 2011 and again it was shifted to J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18, Konnapana Agrahara Village, Begur Hobli, Bengaluru - 560 100, Karnataka, India with effect from May 16, 2012. The equity shares of the Company are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (“Stock Exchanges”).
- ii. During the last five years, there has been no change in the objects clause of the Company.
- iii. The main objects of the Company as set out in its Memorandum of Association are, *inter alia*, as follows:
 1. To engage in the business of providing, designing, developing, selling, and servicing of networking equipment and software in India and abroad.
 2. To develop, manufacture and deal in application tools of all kinds for internet-based applications, and to provide internet service, and deal with all kinds of software and hardware related to all fields to internet communications.
 3. To develop, manufacture, and deal in, export and import all kinds of computer software, application software, computer systems like data management systems, digital systems, storage systems, memory systems, information systems and the like.
- iv. 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. The Company products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and seamless software-enabled network transformation to its customers. The Company customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities.
- v. The share capital of the Company as on September 30, 2023 is as follows:

Particulars	Amount in INR
A. Authorised share capital	
26,00,00,000 equity shares of INR 10 each	260,00,00,000
TOTAL	260,00,00,000
B. Issued and subscribed and paid up share capital	
16,97,21,201 equity shares of INR 10 each, fully paid up	169,72,12,010
C. Add: Forfeited shares	3,27,27,930
TOTAL (B+C)	172,99,39,940

Subsequent to above there has been a change in the share capital of the Company, the same as on the date of this notice:

Particulars	Amount in INR
A. Authorised share capital	
26,00,00,000 equity shares of INR 10 each	260,00,00,000
TOTAL	260,00,00,000
B. Issued and subscribed and paid up share capital	
17,00,78,846 equity shares of INR 10 each, fully paid up	1,70,07,88,460
C. Add: Forfeited shares	3,27,27,930
TOTAL (B+C)	1,73,35,16,390

The Company has also issued restricted stock units / employee stock options. The exercise of such restricted stock units / employee stock options may result in an increase in the issued and subscribed and paid-up share capital of the Company.

- vi. The latest annual financial statements of the Company have been audited for the financial year ended on March 31, 2023. The consolidated and standalone financial statements (limited review) of the Company for the quarter and six months period ended September 30, 2023 are appended as 'Annexure II'.
- vii. The details of Promoters and Directors of the Company as on date of this Notice along with their addresses are mentioned herein below:

Name	Category	Address
Promoter & Promoter Group		
Panatone Finvest Limited	Promoter	Bombay House, 24 Homi Mody Street, Mumbai - 400 001, Maharashtra, India
Akashastha Technologies Private Limited	Promoter Group	Army & Navy Building, 148, M G Road, Opposite Kala Ghoda, Fort, Mumbai – 400 001, Maharashtra, India
Tata Sons Private Limited		Bombay House, 24 Homi Mody Street, Mumbai – 400 001, Maharashtra, India

Name	Category	Address
Directors		
Mr. N. Ganapathy Subramaniam	Nominee Director and Non-Executive Chairman	No. 171, Adarsh Vista, Vibhutipura, Basavanagar, Bangalore - 560 037, India
Mr. Chandrashekhar Bhaskar Bhave	Independent Director	64, Tower 4, Pebble Bay, 1 st Main, RMV 2nd Stage, Bangalore – 560 094, India
Mr. A S Lakshminarayanan	Nominee Director	1201, 12th Floor, Steesha Condominium, Mount Mary Road, Bandra (West), Mumbai, Maharashtra – 400 050, India
Prof. Bhaskar Ramamurthi	Independent Director	Directors Bungalow, IIT Madras Campus, Chennai - 600 036, Tamil Nadu, India
Mr. P R Ramesh	Independent Director	532, Defence Colony, Sainikpuri Secunderabad, Hyderabad – 500 094, Telangana, India
Mrs. Alice G Vaidyan	Independent Director	Flat No. 283, 28th Floor, Tahnee Heights, D wing, Jagmohandas Marg, Nepeansea Road, Mumbai – 400 006, Maharashtra, India
Mr. Anand Athreya	Managing Director and CEO	#23, Gruhalakshmi, Colony 1st Phase, Basaveshwaranagar, Bangalore – 560 079, India
Mr. Arnob Roy	Executive Director and COO	S-3, Assetz-27 Park Avenue Apartments, 24th Main, HSR Layout, Sector-1, Bangalore – 560 102, India

B. Particulars of the Transferor Company 1 (Saankhya Labs Private Limited)

- i. **Saankhya Labs Private Limited** was incorporated on December 29, 2006 under the provisions of the Companies Act, 1956 with Registrar of Companies, Karnataka with the name and style of “*Saankhya Labs Private Limited*”. The Transferor Company 1 is a deemed public limited company, as it is the subsidiary of Tejas Networks Limited i.e. the Transferee Company. The CIN of the Transferor Company 1 is U72200KA2006PTC041339 and PAN is: AAKCS5320A. The e-mail address of the Transferor Company 1 is vkk@saankhyalabs.com and website is www.saankhyalabs.com. The Registered Office is at 3rd Level, Mezaninne Floor, No 3, Infantry Road, Vasanth Nagar, Embassy Icon Building, Bangalore – 560 001, Karnataka, India. Originally the registered office of the Transferor Company 1 was situated at # 402-C, 5th Cross, 2nd Block, HRBR Layout, Kalyan Nagar, Bangalore - 560 043, Karnataka, India and thereafter it was shifted to No. 2353/1-4, 3rd Floor, "Dolphin", Hennur Main Road, Kacharakanahalli, Bangalore – 560 043, Karnataka, India on May 31, 2011 and thereafter it was shifted to JP and Devi Jambukeshwara Arcade, 69, Millers Road, Bangalore – 560 052, Karnataka, India with effect from April 26, 2013 and the same was again shifted to No.2353/1-4, 3rd Floor, "Dolphin", Hennur Main Road, Kacharakanahalli, Bangalore – 560 043, Karnataka, India with effect from June 01, 2014 and again it was shifted to 3rd Level, Mezaninne Floor, No 3, Infantry Road, Vasanth Nagar, Embassy Icon Building, Bangalore – 560 001, Karnataka, India with effect from January 1, 2018. The equity shares of the Transferor Company 1 are not listed on any stock exchange(s).
- ii. During the last five years, there has been no change in the name of Transferor Company 1.
- iii. The main objects of the Transferor Company 1 as set out in its Memorandum of Association are, *inter alia*, as follows:
1. *To carry on the business of software and hardware engineers, consultants and contractors and to provide services and solutions.*
 2. *To develop, design, architect, programme, implement, integrate, test, reproduce, manufacture, convert, alter, modify, export, import, purchase, sell, distribute, market or support and otherwise deal in, maintain and service all types of communication systems, electronic products, semiconductor integrated chips, micro-controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.*
 3. *To develop total and turnkey solutions for computer oriented and communication system-oriented problems involving hardware, software, integration and testing.*
 4. *To produce, manufacture, assemble, repair, procure, import, export, render technical assistance, provide services, training, and do other things for this purpose in the field of semiconductor devices, microcontrollers, digital signal processors, communication systems, computers and electronic systems, including hardware and software.*
- iv. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels.
- v. The share capital of the Transferor Company 1 as on September 30, 2023 and as on date of this Notice is as follows:

Particulars	Amount in INR
A. Authorised share capital	
1,07,28,000 equity shares of INR 10 each	10,72,80,000
36,85,700 Series C preference shares of INR 100 each	36,85,70,000
TOTAL	47,58,50,000
B. Issued and subscribed and fully paid-up share capital	
97,07,821 equity shares of INR 10 each	9,70,78,210
C. 10,06,120 equity shares of INR 10 each - Recoverable from SLPL ESOP Trust	(1,00,61,200)
TOTAL (B+C)	8,70,17,010

The Company holds 62,51,496 equity shares, aggregating to 64.40% of the total paid-up capital (including shares held by SLPL ESOP Trust) of the Transferor Company 1.

- vi. The latest annual financial statements of the Transferor Company 1 have been audited for the financial year ended on March 31, 2023. The consolidated (audited) and standalone financial statements (limited review) of the Transferor Company 1 for the six months period ended September 30, 2023 are appended as “Annexure - III”.
- vii. The details of Promoters and Directors of the Transferor Company 1 as on the date of this Notice along with their addresses are mentioned herein below:

Name	Category	Address
Promoter & Promoter Group		
Tejas Networks Limited	Promoter	J P Software Park, Plot No 25, Sy. No 13, 14, 17, 18 Konnapana Agrahara Village, Begur Hobli, Bengaluru – 560 100, Karnataka, India

Name	Category	Address
Directors		
Mr. N. Ganapathy Subramaniam	Nominee Director and Non-Executive Chairman	No. 171, Adarsh Vista, Vibhutipura, Basavanagar, Bangalore - 560 037, India
Mr. Chandrashekhar Bhaskar Bhave	Independent Director	64, Tower 4, Pebble Bay, 1 st Main, RMV 2nd Stage, Bangalore – 560 094, India
Prof. Bhaskar Ramamurthi	Independent Director	Directors Bungalow, IIT Madras Campus, Chennai - 600 036, Tamil Nadu, India
Mr. Arnob Roy	Nominee Director	S-3, Assetz-27 Park Avenue Apartments, 24th Main, HSR Layout, Sector-1, Bangalore – 560 102, India
Mr. Mark Andrew Aitken	Director	1536 Jordan Sawmill Road, 21120 US
Mr. Parag Naik	Managing Director and CEO	K-1406, Brigade Gateway 26/1, Dr. Rajkumar Road, Malleshwaram West – 560 055, India
Mr. Vishwakumara Kayargadde	Executive Director and COO	No. 442, 11th Cross, Bhuvaneshwari Nagar, Bengaluru – 560 024, India

C. Particulars of the Transferor Company 2 (Saankhya Strategic Electronics Private Limited)

- i. **Saankhya Strategic Electronics Private Limited** was incorporated on August 04, 2020 as private limited company under the provisions of the Companies Act, 2013 with Registrar of Companies, Karnataka with the name and style of “*Saankhya Strategic Electronics Private Limited*”. The CIN of the Transferor Company 2 is U72900KA2020PTC136822 and PAN is: ABEC51179C. The email address of the Transferor Company 2 is vkk@saankhyastrategic.com and website is www.saankhyastrategic.com. The Registered Office is at Embassy Icon, 3rd Floor, #3, Infantry Road, Bengaluru – 560 001, Karnataka, India. Originally the registered office of the Transferor Company 2 was situated at No. 442, 11th Cross, Bhuvaneshwari Nagar Hebbal, Kempapura, Bangalore – 560 024, Karnataka, India and thereafter it was shifted to No.3, Embassy Icon Building, Ground Floor, Infantry Road, Vasanth Nagar, Bangalore – 560 001, Karnataka, India on March 09, 2021 and thereafter it was shifted to Embassy Icon, 3rd Floor, #3, Infantry Road, Bangalore – 560 001, India Karnataka, India with effect from December 1, 2022. The equity shares of the Transferor Company 2 are not listed on any stock exchange(s).
- ii. During the last five years, there has been no change in the objects clause of the Company.
- iii. The main objects of the Transferor Company 2 as set out in its Memorandum of Association are, *inter alia*, as follows:

1. To design, develop, architect, programme, implement, integrate, test, reproduce, manufacture, produce, convert, alter, modify, export, import, purchase, sell, distribute, market or support and otherwise deal in, maintain and service all types of communication systems, electronic products, semiconductors integrated circuit/chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.
 2. To produce, manufacture, assemble, repair, procure, import, export, render technical assistance, provide services, training, and do other things for this purpose in the field of semiconductor devices, micro controllers, digital signal processors, communication systems, computers and electronic systems, including hardware and software.
- iv. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor, integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.
- v. The share capital of the Transferor Company 2 as on September 30, 2023 and as on date of this notice is as follows:

Particulars	Amount in INR
Authorised share capital	
1,00,000 Equity Shares of Rs. 10/- each	10,00,000
TOTAL	10,00,000
Issued and subscribed and fully paid up share capital	
1,00,000 Equity Shares of Rs. 10 each	10,00,000
TOTAL	10,00,000

As on the date the entire share capital of the Transferor Company 2 is held by Transferor Company 1.

- vi. The latest annual financial statements of the Transferor Company 2 have been audited for the financial year ended on March 31, 2023. The audited financial statement for the six months period ended September 30, 2023 of the Transferor Company 2 is appended as **"Annexure - IV"**. The Standalone and Consolidated Financial Statements shall be same for the Transferor Company 2.
- vii. The details of Promoters and Directors of the Transferor Company 2 as on the date of this Notice along with their addresses are mentioned herein below:

Name	Category	Address
Promoter & Promoter Group		
Saankhya Labs Private Limited	Promoter	3rd Level, Mezaninne Floor, No.3, Infantry Road, Vasanth Nagar, Embassy icon Building, Bengaluru – 560 001, Karnataka, India

Name	Category / Designation	Address
Directors		
Dr. Vishwakumara Kayargadde	Executive Director	No. 442, 11th Cross, Bhuvaneshwari Nagar, Bengaluru – 560 024, India
Mr. Parag Naik	Executive Director	K-1406, Brigade Gateway 26/1, Dr. Rajkumar Road, Malleshwaram West – 560 055, India
Mr. Hemant Mallapur	Executive Director	A-204, Cypress, Raheja Residency, 3rd Block, Koramangala, Bangalore – 560 034, India

4. **SALIENT FEATURES OF THE SCHEME**

The salient features of the Scheme are, *inter-alia*, as stated below. The capitalized terms used herein shall have the same meaning as ascribed in the Scheme:

- (i) This Scheme is presented under Sections 230 to 232, SEBI Scheme Circular and other applicable provisions of the Act read with Section 2(1B) and applicable provisions of the Income Tax Act (*as defined in the*

Scheme) and other applicable law, if any and provides for the amalgamation of the Transferor Companies (*as defined in the Scheme*) with the Company and dissolution of Transferor Companies without winding up and also provides for various other matters consequent and incidental thereto or otherwise integrally connected thereto;

- (ii) The 'Appointed Date' means the opening hours of July 1, 2022 or such other date as may be agreed by the Board of the Parties and 'Effective Date' is the date on which last of the conditions specified in Clause 17 (Conditions Precedent) of the Scheme are complied with or waived, as applicable;
- (iii) The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date;
- (iv) Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each equity shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date, as under:

On Amalgamation of the Transferor Company 1 with the Transferee Company

"112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company, credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1".

On amalgamation of the Transferor Company 2 with the Transferee Company

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company".

- (v) New Equity Shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company 1 pursuant to the Scheme, will be listed on BSE Limited and the National Stock Exchange of India Limited.
- (vi) Upon the Scheme becoming effective, Transferor Companies along with all its assets, liabilities, contracts, employees, records etc. being its integral part shall stand transferred to the Transferee Company as a going concern subject to the provisions of the Scheme.
- (vii) From the appointed date and up to the effective date, the Transferor Companies and Transferee Company shall carry on its business and activities with reasonable diligence and business prudence.
- (viii) Combination of the authorized share capital of the Transferor Companies with the authorized share capital of the Transferee Company and consequential increase in the authorized share capital of the Transferee Company as provided in Part II Clause 10 of the Scheme.
- (ix) **Dissolution of the Transferor Companies pursuant to the Scheme**
Upon the effectiveness of this Scheme, the Transferor Companies shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Companies shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the concerned RoC.
- (x) The effectiveness of the Scheme is contingent upon certain conditions as mentioned in the Scheme.

Note: The above details are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

5. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

The Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1. The Transferor Company 2 is a wholly owned subsidiary of Transferor Company 1.

The Board of the Company, Transferor Companies have common directors. Details of Directorship of Transferee Company and Transferor Companies is provided above.

6. BOARD APPROVALS

- i. The Board of Directors of the Company at its Board Meeting held on September 29, 2022, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. N. Ganapathy Subramaniam	Leave of Absence
Mr. Chandrashekhar Bhaskar Bhawe	In Favour
Mrs. Amb. Leela K Ponappa^	In Favour
Mr A.S Lakshminarayanan	In Favour
Prof. Bhaskar Ramamurthi	In Favour
Mr. P R Ramesh	In Favour
Mr. Sanjay Nayak*	In Favour
Mr Arnob Roy	In Favour

^ Retired wef February 16, 2023

*Retired wef June 21, 2023

- ii. The Board of Directors of the Transferor Company 1 at its Board Meeting held on September 29, 2022 by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. N Ganapathy Subramaniam	Leave of Absence
Mr. Vishwakumara Kayargadde	In Favour
Mr. Parag Naik	In Favour
Mr. Mark Andrew Aitken	In Favour
Mr. Sanjay Nayak*	In Favour
Mr. Arnob Roy	In Favour
Mr. Chandrashekhar Bhaskar Bhawe	In Favour
Prof. Bhaskar Ramamurthi	In Favour

*Retired wef June 21, 2023

- iii. The Board of Directors of the Transferor Company 2 at its Board Meeting held on September 29, 2022 by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. Vishwakumara Kayargadde	In Favour
Mr. Parag Naik	In Favour
Mr. Hemant Mallapur	In Favour

7. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

- i. Tejas Networks Limited (“Transferee Company”)

None of the Directors, KMPs of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their directorship and shareholding in the Transferee Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferee Company has not issued any debentures and hence, does not have Debenture Trustee.

ii. Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited (“Transferor Companies”)

None of the Directors, KMPs of the Transferor Companies and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their directorship and shareholding in the Transferor Companies, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferor Companies has not issued any debentures and hence, does not have Debenture Trustee.

8. **EFFECT OF SCHEME ON STAKEHOLDERS**

The effect of the Scheme on various stakeholders is summarised below:

i. Shareholders, Key Managerial Personnel, Promoter and Non-Promoter Shareholders

The effect of the Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company and the Transferor Companies are appended in the attached reports i.e. ‘**Annexure V, Annexure VI and Annexure VII**’, respectively, adopted by the respective Board of Directors of the Company and the Transferor Companies, respectively, at their meeting held on September 29, 2022, pursuant to the provisions of Section 232(2)(c) of the Act.

ii. Directors

a) Pursuant to the Scheme becoming effective, the Transferor Companies will be dissolved without winding up. Therefore, the office of the existing directors will cease on dissolution of the Transferor Companies. Further, there is no change in the Board of Directors of the Transferee Company.

Further, the Directors shall also be affected to the extent of the equity shares (if any) held by them in the Transferor Company 1. The effect of the Scheme on the interests of the Directors holding shares (if any) in the Transferor Company 1, is not different from the effect of the Scheme on other shareholders of the Transferor Company 1.

b) It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies.

iii. Employees

Pursuant to the Scheme and with effect from the Effective Date, the Transferee Company will engage, without any interruption in service, all employees engaged in or in relation to the Transferor Company 1 and Transferor Company 2, on the terms and conditions not less favourable than those on which they are engaged by the Transferor Company 1 and Transferor Company 2, immediately preceding the Effective Date.

iv. Creditors

Pursuant to the Scheme, all creditors of the Transferor Companies will become creditors of the Transferee Company. The rights of the creditors of the Transferee Company and Transferor Companies shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. There is no likelihood that the respective creditors of the Transferee Company and Transferor Companies would be prejudiced in any manner as a result of the Scheme being sanctioned.

v. Debenture holders and Debenture Trustees

The Transferee Company, the Transferor Company 1 and the Transferor Company 2 have not issued any debentures and accordingly have not appointed any debenture trustee(s).

vi. Depositors and Deposit Trustees

The Transferee Company, the Transferor Company 1 and the Transferor Company 2 have not taken any deposits within the meaning of the Act and Rules framed thereunder and accordingly have not appointed any deposit trustee(s).

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

9. **NO INVESTIGATION PROCEEDINGS**

There are no proceedings pending under Sections 210 to 227 of the Act against the Transferee Company, Transferor Company 1 and the Transferor Company 2.

10. **AMOUNTS DUE TO UNSECURED CREDITORS**

The amount due to unsecured creditors by the respective companies, as on September 30, 2023 is as follows:

Sr. No.	Particulars	Amount in INR
1.	Saankhya Labs Private Limited	57,59,07,095
2.	Saankhya Strategic Electronics Private Limited	Nil
3.	Tejas Networks Limited	6,97,57,25,549

11. **DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY**

Upon amalgamation of the Transferor Companies with the Transferee Company, all equity shares of the Transferor Companies held by the Transferee Company, shall stand cancelled. The capital structure of Transferee Company and the Transferor Companies has been provided above in the statement.

The Scheme does not in any manner adversely or prejudicially affect the rights of any creditors of the Transferee Company and the Transferor Companies or contemplate any compromise or arrangement with the creditors of the Transferee Company and the Transferor Companies. Further, there is no debt restructuring envisaged in the Scheme.

12. **VALUATION REPORT AND FAIRNESS OPINION**

- i. A copy of the Share Exchange Ratio Report dated September 29, 2022 issued by M/s. SPA Valuation Advisors Private Limited (Registration No. IBBI/RV-E/05/2021/148), Registered Valuer (“**Share Exchange Ratio Report**”), in connection with the Scheme is appended as ‘**Annexure VIII**’.
- ii. A copy of the Fairness Opinion Report dated September 29, 2022, issued by M/s. VB Desai Financial Service Limited, an Independent SEBI Registered Category – I Merchant Banker (“**Fairness Opinion**”), have also confirmed that the Share Exchange Ratio as recommended by M/s. SPA Valuation Advisors Private Limited, the registered valuer for the proposed Scheme of Amalgamation seems fair and reasonable, a copy of the Fairness Opinion Report is appended as ‘**Annexure IX**’.

13. **INFORMATION PERTAINING TO UNLISTED COMPANIES INVOLVED IN THE SCHEME IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

Information pertaining to the unlisted companies involved in the Scheme, i.e. the Transferor Companies in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificates issued by M/s. SPA Capital Advisors Limited, an Independent SEBI Registered Merchant Banker certifying the accuracy and adequacy of disclosures are appended as **Annexure X and Annexure XI** respectively.

14. **SHAREHOLDING PATTERN**

A. **The pre / post-scheme shareholding pattern of the parties to the Scheme:**

i. **Tejas Networks Limited (“Transferee Company”)**

The pre & post scheme shareholding pattern of the Company is as follows (based on shareholding data as on September 30, 2023):

Category	Pre		Post	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Promoter	9,49,05,686	55.92	9,49,05,686	54.67
Public	7,48,15,515	44.08	7,75,59,745	44.68
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	1,126,854	0.65
TOTAL	16,97,21,201	100	17,35,92,285	100

ii. **Saankhya Labs Private Limited (“Transferor Company 1”)**

The pre & post scheme shareholding pattern of the Transferor Company 1 is as follows (based on shareholding data as on September 30, 2023):

Category	Pre		Post	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Promoter	62,51,496	64.40	Not applicable	
Public	24,50,205	25.24		
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)*	10,06,120*	10.36		
TOTAL	97,07,821	100		

*SEBI (Share based Employee Benefit) Regulations, 2014 is not applicable to the Transferor Company 1 as it is a private limited company.

iii. **Saankhya Strategic Electronics Private limited (“Transferor Company 2”)**

The pre & post scheme shareholding pattern of the Transferor Company 2 is as follows (based on shareholding data as on September 30, 2023):

Category	Pre		Post	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Promoter	1,00,000^	100	Not applicable	
Public	-	-		
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)*	-	-		
TOTAL	1,00,000	100		

Note:

^ Includes one share held by Mr. Parag Naik, Director of the Transferor Company 1 (also Director of Transferor Company 2) as a Nominee Shareholder representing the Transferor Company 1. The Transferor Company 2 is a wholly owned subsidiary of Transferor Company 1.

*SEBI (Share based Employee Benefit) Regulations, 2014 is not applicable to the Transferor Company 2 as it is a private limited company.

15. **AUDITORS CERTIFICATE OF CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS**

The Transferee Company have confirmed that the accounting treatment certificate dated September 29, 2022 issued by M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016), the Statutory Auditors of the Company, confirming the accounting treatment in the prescribed manner in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India.

16. **APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME**

- i. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 (“**SEBI Master Circular**”), BSE and NSE, by their respective Observation Letters dated July 06, 2023, have conveyed “no adverse observations / no-objection” on the Scheme. Copies of the said letters issued by BSE and NSE are appended hereto as **Annexure XIV and XV** respectively. Further, in terms of the said SEBI Master Circular, the Company has not received any complaint relating to the Scheme and “NIL” complaints reports were filed by the Company with BSE and NSE, copies of

which are appended hereto as 'Annexure XII and Annexure XIII. As per the requirements of above Observation Letters, details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors are appended hereto as Annexure XVI.

- ii. A copy of the Scheme has been filed by the Transferee Company, Transferor Company 1 and the Transferor Company 2 with the Registrar of Companies, Bengaluru.
- iii. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.
- iv. All approvals as stated in clause 17 (Conditions Precedent) of the Scheme, in order to give effect to the Scheme, will be obtained. Additionally, the Transferee Company, the Transferor Company 1 and the Transferor Company 2 will obtain such approvals / sanctions / no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.

17. **ADDITIONAL INFORMATION SOUGHT BY STOCK EXCHANGE(S)**

- i. **Details of assets & liabilities of Transferor Companies transferred to the Transferee Company, as required by BSE and NSE vide its observation letter dated July 06, 2023.**

Assets & Liabilities of the Transferor Companies as of September 30, 2023 are as follows:

Particulars	Transferor Company 1 (INR in crore) Standalone	Transferor Company 2 (INR in crore) Standalone
A. ASSETS		
Non-Current Assets		
Property Plant and Equipment	5.64	0.14
Right-of-use assets	0.54	-
Intangible Assets	0.00	-
Intangible assets under development	41.90	-
Financial Assets		
(i) Investments	7.84	-
(ii) Trade receivables	-	-
(iii) Other financial assets	0.14	-
Current Tax Asset (Net)	5.37	0.01
Deferred Tax Asset (Net)	10.26	-
Other non-current assets	11.00	-
Total Non-Current Assets (A)	82.70	0.14
Current Assets		
Inventories	16.71	-
Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	40.56	0.01
(iii) Cash and cash equivalents	8.43	0.12
(iv) Bank balances other than (iii) above	0.24	0.20
(v) Other financial assets	5.04	0.00
Other current assets	1.64	0.01
Total Current Assets (B)	72.62	0.34
TOTAL ASSETS (A+B)	155.32	0.48

B. EQUITY AND LIABILITIES		
Equity		
Equity share capital	8.70	0.10
Other equity	71.93	0.36
Total Equity (C)	80.63	0.46
Non-Current Liabilities		
Financial liabilities		
(i) Lease liabilities	-	-
Provisions	0.24	-
Total Non - Current Liabilities (D)	0.24	-
Current liabilities		
Financial liabilities		
i. Lease liabilities	0.64	-
ii. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	1.59	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4.28	0.01
iii. Other financial Liabilities	57.80	-
Contract Liabilities	-	-
Provisions	1.42	-
Other current liabilities	8.72	0.00
Total Current Liabilities (E)	74.46	0.02
TOTAL EQUITY AND LIABILITIES (C+D+E)	155.32	0.48

- ii. Details of assets & liabilities of Transferee Company pre and post amalgamation (based on September 30, 2023) are as follows:

Particulars	Pre amalgamation (INR in crore) (Standalone)	Post amalgamation (INR in crore)
ASSETS		
Non-current assets		
Property, plant and equipment	138.03	Post amalgamation all the assets and liabilities of the Transferor Companies would be transferred and vested in the Transferee Company and inter-se holdings, if any and balances amongst the Transferee Company and the Transferor Companies would stand cancelled.
Capital work in progress	2.42	
Right-of-use assets	132.51	
Intangible assets	127.00	
Intangible assets under development	198.81	
Financial assets		
(i) Investments	294.81	
(ii) Trade receivables	37.96	
(iii) Other financial assets	9.94	
Current tax assets (net)	51.68	
Deferred tax assets (net)	134.33	
Other non-current assets	32.16	
Total non - current assets (A)	1,159.65	

Current assets	
Inventories	1,383.94
Financial assets	
(i) Investments	717.39
(ii) Trade receivables	399.73
(iii) Cash and cash equivalents	29.98
(iv) Bank balances other than (iii) above	304.52
(v) Other financial assets	393.53
Other current assets	339.47
Total current assets (B)	3,568.56
Total assets (A+B)	4,728.21
EQUITY AND LIABILITIES	
Equity	
Equity share capital	172.99
Other equity	2,880.37
Total equity (C)	3,053.36
Liabilities	
Non-current liabilities	
Financial liabilities	
(i) Lease liabilities	132.99
Provisions	1.86
Total non - current liabilities (D)	134.85
Current liabilities	
Financial liabilities	
(i) Lease liabilities	4.36
(ii) Trade payables	
(a) Total outstanding dues of micro enterprises and small enterprises	31.54
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	683.95
(iii) Other financial liabilities	36.05
Provisions	16.31
Other current liabilities	767.79
Total current liabilities (E)	1,540.00
Total liabilities (D+E)	1,674.85
Total equity and liabilities (C+D+E)	4,728.21

- iii. **Impact of amalgamation on revenue generating capacity of the Transferee Company:** The amalgamation of the Transferor Companies with the Transferee Company is likely to have a positive impact on the revenue of Transferee Company. All the entities involved in the scheme are primarily engaged in Telecom products related businesses. Consolidating similar businesses of Transferor Companies in a single entity would lead to achieving synergies in revenue and would also give an opportunity to merged entity to expand and grow businesses, catering to a wider customer base thereby achieving higher revenue scale.

iv. **Rational of the Scheme, synergies of business of the entities involved in the scheme, impact of the scheme on shareholders and cost benefit analysis of the scheme and the rational for arriving at the share exchange ratio:**

A. **RATIONALE AND BENEFITS OF THE SCHEME**

The Transferor Companies are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- (a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- (b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- (c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- (d) further expand and grow all business into the international markets;
- (e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- (f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, *inter alia* other expenditure and optimal utilization of resources;
- (g) adaptation of best practices and in enhancing mechanization / automation of various processes through latest technologies;
- (h) Streamlining of the corporate structure; and
- (i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

B. **SYNERGIES OF BUSINESS OF THE COMPANIES INVOLVED IN THE SCHEME**

The background and information of the Transferee Company and the Transferor Companies are, inter-alia, as under:

- (a) The Transferee Company is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company's products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and seamless software enabled network transformation to its customers. The Transferee Company's customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities. The equity shares of the Transferee Company are listed on the BSE Limited and National Stock Exchange of India Limited.
- (b) The Transferor Company 1 is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.

- (c) The Transferor Company 2 is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1.
- (d) Upon amalgamation, the benefits and synergies as mentioned in Para iv(A) above shall be derived by the Company.

C. IMPACT OF THE SCHEME ON THE COMPANY AND ITS SHAREHOLDERS

- a) In consideration for the amalgamation of the Transferor Companies with the Transferee Company, the shareholders of the Transferor Company 1, as on the Effective Date (as defined in the Scheme) shall receive equity shares of the Transferee Company. Further, the rights and interests of the shareholders of the Transferee Company will not be prejudicially affected by the Scheme, and there will be no change in the economic interest of the shareholders of the Transferee Company, before and after Scheme;
- b) Upon the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up and the shareholders of the Transferor Company 1 shall become shareholders of the Transferee Company; and
- c) After the effectiveness of the Scheme and subject to receipt of regulatory approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE Limited and the National Stock Exchange of India Limited.

D. COST BENEFIT ANALYSIS OF THE SCHEME

Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.

E. RATIONALE FOR ARRIVING AT THE SHARE EXCHANGE RATIO:

A copy of the Share Exchange Ratio Report dated September 29, 2022 issued by M/s. SPA Valuation Advisors Private Limited (Registration No. IBBI/RV-E/05/2021/148), Registered Valuer (“Share Exchange Ratio Report”), in connection with the Scheme is appended as ‘**Annexure - VIII**’.

Share Exchange Ratio, as recommended for the proposed Scheme of Amalgamation between Tejas Networks Limited (Transferee Company) and Saankhya Labs Private Limited (Transferor Company 1) and Saankhya Strategic Electronics Private Limited (Transferor Company 2) is as below:

“For every 100 equity shares of face value of INR 10 (Indian Rupees Ten) each held in the Transferor Company 1 shall be issued 112 equity shares of face value of INR 10 (Indian Rupees Ten) each as fully paid-up in the Transferee Company.

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.”

The share exchange ratio is determined by considering the fair value of shares of all companies through relevant valuation methods. It considers the market dynamics, nature and uniqueness of each company’s business, operating and financial performance, future outlook and strategy, availability of relevant information etc. for the purpose of valuation.

18. INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at www.tejasnetworks.com or for obtaining extracts of or making copies of, by the members and creditors of the Company at Tejas Networks Limited, J P Software

Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli, Bangalore - 560 100, Karnataka, India between 11:00 a.m. to 4:00 p.m. on any working day (except Saturdays, Sundays and public holidays):

- a. Certified copy of the Tribunal Order;
- b. Memorandum and Articles of Association of the Company, the Transferor Company 1 and the Transferor Company 2
- c. Audited financial statements of the Company, the Transferor Company 1 and the Transferor Company 2 for the year ended March 31, 2023
- d. Copy of the Scheme
- e. Certificate of the Statutory Auditor of the Company, the Transferor Company 1 and the Transferor Company 2 confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India
- f. All other documents displayed on the Company's website i.e. www.tejasnetworks.com in terms of the SEBI Master Circular.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders.

The Directors and KMPs, as applicable, of the Transferee Company and of the Transferor Company 1 and / or the Transferor Company 2, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as directors and shareholders in general.

Sd/-

Uday Shankar R M

Chairperson appointed by the Tribunal for the Meeting

Bengaluru, December 31, 2023

Registered Office:

J P Software Park, Plot No 25, Sy. No 13, 14,17,18
Konnapana Agrahara Village, Begur Hobli
Bangalore - 560 100, Karnataka, India
CIN: L72900KA2000PLC026980
Website: www.tejasnetworks.com
E-mail: corporate@tejasnetworks.com
Tel: +91-80-4179 4600/700/800
Fax: +91-80-2852 0201

INFORMATION AT A GLANCE

Particulars	Notes
Cut-off date to determine those members who are eligible to vote on the resolution.	Wednesday, January 31, 2024
Remote e-Voting start date and time	Monday, February 05, 2024 at 9.00 a.m. (IST)
Remote e-Voting end date and time	Thursday, February 08, 2024 at 5.00 p.m. (IST)
Date on which the resolution is deemed to be passed	Friday, February 09, 2024
Name, address and Contact details of Registrar and Share Transfer Agent.	<p>Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India</p> <p>Website: www.linkintime.co.in E-mail: rnt.helpdesk@linkintime.co.in</p> <p><u>Contact person:</u></p> <p>Mr. Manohar Shirwadkar, Senior Associate Link Intime India Private Limited</p> <p><u>Contact Email ID:</u> manohar.shirwadkar@linkintime.co.in</p> <p>Contact Tel: +91 22 4918 6200, Fax: +91 22 4918 6195</p>
Name, address and contact details of e-voting service provider	<p>National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, India</p> <p><u>Contact E-mail Id:</u> pallavid@nsdl.com / evoting@nsdl.com</p> <p><u>Contact Tel:</u> +91 22 2499 4545</p>
Name and contact details for clarifications	<p>Mr. N R Ravikrishnan General Counsel, Chief Compliance Officer & Company Secretary</p> <p>Tejas Networks Limited J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bangalore - 560 100, Karnataka, India</p> <p><u>Tel:</u> +91 80 4179 4600 <u>Fax:</u> +91 80 2852 0201 <u>Email:</u> corporate@tejasnetworks.com</p>

SCHEME OF AMALGAMATION

OF

SAANKHYA LABS PRIVATE LIMITED
("TRANSFEROR COMPANY 1")

AND

SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED
("TRANSFEROR COMPANY 2")

WITH

TEJAS NETWORKS LIMITED
("TRANSFeree COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

(A) DESCRIPTION OF COMPANIES

- 1. Saankhya Labs Private Limited ("Transferor Company 1")**, is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.
- 2. Saankhya Strategic Electronics Private Limited ("Transferor Company 2")**, is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1.
- 3. Tejas Networks Limited ("Transferee Company")** is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company's products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and a seamless software-enabled network transformation to its customers. The Transferee Company's customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

(B) OVERVIEW OF THE SCHEME

- 1.** This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act read with Section 2(1B) and applicable provisions of the Income Tax Act (*as defined hereinafter*) and other applicable law, if any and provides for the amalgamation of the Transferor Companies (*as defined hereinafter*) with the Transferee Company and dissolution of Transferor Companies without winding up; and



2. This Scheme also provides for various other matters consequent and incidental thereto or otherwise integrally connected thereto.

(C) RATIONALE

The Transferor Companies are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- (a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- (b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- (c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- (d) further expand and grow all business into the international markets;
- (e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- (f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, *inter alia* other expenditure and optimal utilization of resources
- (g) adaptation of best practices and in enhancing mechanisation/ automation of various processes through latest technologies.
- (h) Streamlining of the corporate structure; and
- (i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

(D) PARTS OF THE SCHEME

The Scheme (*as defined hereinafter*) is divided into the following parts:

1. **PART I** deals with the definitions, share capital of the Parties, date of taking effect and implementation of this Scheme;
2. **PART II** deals with amalgamation of the Transferor Companies with the Transferee Company; and
3. **PART III** deals with the general terms and conditions applicable to this Scheme.

**PART I
DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF TAKING EFFECT
AND IMPLEMENTATION OF THIS SCHEME**

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof (a) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (b) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Law (as defined hereinafter); and (c) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013;

“Applicable Law” or “Law” means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, acts, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal



having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

"Appointed Date" means the opening hours of July 1, 2022 or such other date as may be agreed by the Board of the Parties;

"Appropriate Authority" means:

- (a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) SEBI, the Tribunal; and
- (d) Stock Exchanges.

"Board" in relation to the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

"Effective Date" means the date on which last of the conditions specified in Clause 17 (Conditions Precedent) of this Scheme are complied with. Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "effect of this Scheme" or "upon the Scheme becoming effective" shall mean the Effective Date;

"Encumbrance" means (a) any charge, lien (statutory or other), or mortgage, pledge, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **"Encumber"** shall be construed accordingly;

"Income Tax Act" means the Income-tax Act, 1961;

"INR" or "Rupee(s)" means Indian Rupee, the lawful currency of the Republic of India;

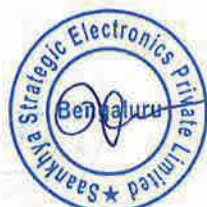
"Parties" means collectively the Transferee Company and the Transferor Companies and **"Party"** shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, entitlements, quotas, awards, sanctions, special status, privileges, clearances, confirmations, declarations, concessions, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Registrar of Companies" or "RoC" means Registrar of Companies, Bangalore having jurisdiction over the Parties;

"Saankhya ESOP 2008" means the Employee Stock Option Plan (ESOP) Scheme, 2008 issued by the Transferor Company 1;



“**Saankhya ESOP 2012**” means the Employee Stock Option Plan (ESOP) Scheme, 2012 issued by the Transferor Company 1;

“**Saankhya ESOPs**” means collectively, the Saankhya ESOP 2008 and the Saankhya ESOP 2012;

“**Scheme**” or “**this Scheme**” means this scheme of amalgamation, as may be modified from time to time;

“**SEBI**” means the Securities and Exchange Board of India;

“**SEBI Circular**” means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

“**SEBI LODR Regulations**” means SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and any amendments thereof;

“**SLPL ESOP Trust**” means a trust established under deed dated March 8, 2012 under the provisions of Indian Trusts Act, 1882 including any statutory modification or re-enactment thereof, inter alia for implementation and administration of the Saankhya ESOPs, financing and holding the equity shares of the Transferor Company 1 for the benefit of its eligible employees in accordance with the terms and conditions of the Saankhya ESOPs;

“**Stock Exchanges**” means the National Stock Exchange of India Limited and BSE Limited collectively and Stock Exchange shall mean each of them individually;

“**Tax Laws**” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“**Taxation**” or “**Tax**” or “**Taxes**” means all forms of taxes (direct or indirect), surcharges and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, cess, fees, contributions and levies, tariffs, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

“**Transferee Company**” means Tejas Networks Limited, a public company incorporated under Companies Act, 1956, having its corporate identity number L72900KA2000PLC026980 and registered office at J P Software Park, Plot No 25, Sy. No 13, 14, 17, 18 Konnapana Agrahara Village, Begur Hobli, Bengaluru – 560 100, Karnataka, India;

“**Transferor Company 1**” means Saankhya Labs Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its corporate identity number U72200KA2006PTC041339 and registered office at 3rd Level, Mezaninne Floor, No.3, Infantry Road, Vasanth Nagar, Embassy icon Building, Bengaluru – 560 001, Karnataka, India;

“**Transferor Company 2**” means Saankhya Strategic Electronics Private Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its corporate identity number U72900KA2020PTC136822 and registered office at Embassy Icon, 3rd Floor, #3, Infantry Road, Bengaluru – 560 001, Karnataka, India;

“**Transferor Companies**” means the Transferor Company 1 and Transferor Company 2 collectively; and

“**Tribunal**” means the jurisdictional bench of the National Company Law Tribunal having jurisdiction over the Parties and appellate Authority thereof.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and *vice versa*;



- 1.2.2 any Person includes that Person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;
- 1.2.3 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;
- 1.2.4 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same;
- 1.2.5 the words "include" and "including" are to be construed without limitation; and
- 1.2.6 reference to a document includes an amendment or supplement to, or replacement or novation of that document.

2. SHARE CAPITAL

- 2.1 The share capital structure of the Transferor Company 1 as on date of its Board approving the Scheme is as follows:

Particulars	Amount in INR
A. Authorised share capital	
1,07,28,000 equity shares of INR 10 each	10,72,80,000
36,85,700 Series C preference shares of INR 100 each	36,85,70,000
TOTAL	47,58,50,000
B. Issued and subscribed and fully paid up share capital	
97,07,821 equity shares of INR 10 each	9,70,78,210
C. 10,06,120 equity shares of INR 10 each - Recoverable from SLPL ESOP Trust	(1,00,61,200)
TOTAL (B+C)	8,70,17,010

As on the date of approval of the Board of the Transferor Company 1 to this Scheme, Transferee Company holds 62,51,496 equity shares, aggregating to 64.40% of the total paid-up capital (including shares held by SLPL ESOP Trust) of the Transferor Company 1.

- 2.2 The share capital structure of the Transferor Company 2 as on date of its Board approving the Scheme is as follows:

Particulars	Amount in INR
Authorised share capital	
1,00,000 equity shares of INR 10 each	10,00,000
TOTAL	10,00,000
Issued and subscribed and fully paid up share capital	
1,00,000 equity shares of INR 10 each	10,00,000
TOTAL	10,00,000

As on the date of approval of the Board of the Transferor Company 2 to this Scheme, entire share capital of the Transferor Company 2 is held by the Transferor Company 1.

- 2.3 The share capital structure of the Transferee Company as on date of its Board approving the Scheme is as follows:

Particulars	Amount in INR
A. Authorised share capital	
26,00,00,000 equity shares of INR 10 each	260,00,00,000
TOTAL	260,00,00,000
B. Issued and subscribed and paid up share capital	
15,21,09,862 equity shares of INR 10 each, fully paid up	152,10,98,620
C. Add: Forfeited shares	3,27,27,930
TOTAL (B+C)	155,38,26,550



The Transferee Company has 1,55,03,876 outstanding warrants (each carrying a right to subscribe to 1 (one) equity share of the Transferee Company). Further, the Transferee Company has also issued restricted stock units / employee stock options. The exercise of such warrants and/ or restricted stock units / employee stock options, may result in an increase in the issued and paid-up share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 16 of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.

PART II

AMALGAMATION AND VESTING OF THE TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANIES

- 4.1 Upon effectiveness of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, all assets, rights, claims, intellectual properties, brands, trademarks, credentials, Permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferor Companies shall stand transferred to and vested in the Transferee Company as a going concern, without any further act, instrument or deed matter or thing, or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, rights, claims, intellectual properties, credentials, Permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.
- 4.2 Upon effectiveness of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Companies under this Scheme, is as follows:
- 4.2.1 In respect of such of the assets and properties of the Transferor Companies which are movable in nature (including but not limited to computer & peripherals, office equipment, furniture & fixtures, electrical installation & equipment etc, all intangible assets, brands, trademarks, of the Transferor Companies, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;
- 4.2.2 With respect to the assets of the Transferor Companies, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease, leave or licenses of the Properties), investments in shares (including in subsidiaries (whether in or outside India), joint ventures, associates, special purpose vehicles), mutual funds, bonds and any other securities, sundry debtors, unbilled debtors, outstanding loans, advances, margin money, retention money, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other persons, whether or not the same is held in the name of the Transferor Companies shall, without any further act, instrument or deed, cost or charge, without any notice or other intimation to any person, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company. Upon the Scheme becoming effective, all subsidy, benefits, incentives, grants, etc., enjoyed by the Transferor Companies, shall become subsidy, benefits, incentives, grants etc. of the Transferee Company, pursuant to Sections 230 to 232 of the Act, the relevant subsidy, benefit, incentive, grant, etc be paid



or made good in favour of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Companies, to recover or realise the same, stands transferred to the Transferee Company;

- 4.2.3 All debts (including debentures, bonds, notes, commercial papers and such other debt instruments), liabilities, duties and obligations (including any undertakings as promoter of its subsidiaries/ joint ventures/ associates and related obligations, sponsor support undertakings and related obligations, if any) of the Transferor Companies shall, without any further act, instrument or deed be transferred to, and vested in, and/or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations (including sponsor support undertakings and related obligations) of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;
- 4.2.4 On and from the Effective Date and till such time that the bank accounts of the Transferor Companies have been transferred in favour of the Transferee Company or the Transferor Company's name has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Companies in the name of the Transferor Companies and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments (including but not limited to bank guarantee(s), letter(s) of credit), payment orders, electronic fund transfers like NEFT, RTGS etc. received or presented for encashment which are in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 4.2.5 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Companies, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Companies or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Companies with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company; The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of this clause 4.2.5;
- 4.2.6 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof prior to the Effective Date shall continue to relate to such assets and properties and shall not extend to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme. This Scheme shall not operate to enlarge the Encumbrances, nor shall the Transferee Company be obliged to create any further or additional security after Scheme has become effective or otherwise;
- 4.2.7 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Companies, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Companies without any hindrance, whatsoever. To the extent of any duplication in any of the Permit, the Board of the Transferee Company, at its sole discretion, may identify such Permit which shall be cancelled or surrendered in such manner as may be prescribed by Applicable Law;
- 4.2.8 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill, business and project credentials which includes the positive reputation that the Transferor Companies was enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share,



customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, computer accessories, manuals, data, catalogues, quotations., sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Companies shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed;

- 4.2.9 All contracts, agreements (including joint venture agreements, memorandum of understandings, consortium agreements), undertakings of whatsoever nature, whether written or otherwise, deeds, bonds, arrangements, service agreements, insurance policies, letter of intent or other instruments, all assurances in favour of the Transferor Companies or powers or authorities granted to it, of whatever nature along with the contractual rights (including claim receivables and claim proceeds) and obligations to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect, immediately before the Effective Date, shall stand transferred to and vested and/or enure to the benefit of the Transferee Company pursuant to this Scheme becoming effective, without any further act, instrument, deed or thing. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. Without prejudice to the foregoing, the Transferee Company on behalf of Transferor Companies or otherwise, may wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause;
- 4.2.10 All letters of intent/ acceptance/ awards, memoranda, requests for proposal, qualifications, pre-qualifications, bid acceptances (including pending bid applications), tenders, and other instruments of whatsoever nature to which the Transferor Companies is a party to or to the benefit of which Transferor Companies may be eligible (including but not limited to entire experience, credentials, past record and market share), shall remain in full force and effect against or in favour of Transferee Company without any further act, instrument, deed or thing and may be enforced as fully and effectually as if, instead of Transferor Companies, the Transferee Company had been a party or beneficiary or obligee or applicant thereto; and
- 4.2.11 Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Transferor Companies and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Companies nor Transferee Company shall have any obligation or liability against the other party in relation thereto.
- 4.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 4.2 and notwithstanding that the vesting of assets, liabilities and entire business of the Transferor Companies with the Transferee Company occurs by virtue of this Scheme itself, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Companies, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Companies. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Companies transferred and/or registered in its name.
- 4.4 This Scheme has been drawn up to comply and come within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and Section 47 of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the Income Tax Act, at a later date, including resulting from an amendment



of law or for any other reason whatsoever, the Scheme shall stand modified/amended to the extent determined necessary to comply and come within the definition and conditions relating to "Amalgamation" as defined in the Income Tax Act. In such an event the clauses which are inconsistent shall be modified or if the need arises be deemed to be deleted and such modification/deemed deletion shall however not affect the other parts of the Scheme.

5. EMPLOYEES

5.1 With effect from the Effective Date, all employees of the Transferor Companies shall become employees of the Transferee Company, without any interruption in service and (on the basis of continuity of service), on terms and conditions no less favourable than those on which they are engaged by the Transferor Companies, immediately preceding the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Companies with any Persons in relation to the employees of the Transferor Companies. The Transferee Company agrees that the services of all such employees with the Transferor Companies prior to the transfer shall be taken into account for the purposes of all existing benefits (including any leave encashment benefits) to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company. Upon transfer of aforesaid funds of the Transferor Companies, the existing trust, if any, created for such funds by the Transferor Companies shall stand dissolved and no further act or deed shall be required to this effect.

5.3 Employee stock options

5.3.1 Upon coming into effect of the Scheme, Saankhya ESOPs of the Transferor Company 1 shall automatically stand cancelled. Further, the Transferee Company shall formulate new employee stock option scheme/(s) by adopting the Saankhya ESOPs of the Transferor Company 1 or by modifying its existing employee stock benefit plans/ schemes, if any, as modified in accordance with the variations mentioned in this Clause 5.3, and/ or in accordance with Applicable Law;

5.3.2 With respect to the stock options granted by the Transferor Company 1 to the employees of the Transferor Company 1 or its subsidiaries or its holding companies under the Saankhya ESOPs; and upon the Scheme becoming effective, the said employees shall be issued 112 (One hundred and twelve) stock option by the Transferee Company under the new scheme(s) or existing employee stock benefit plans / schemes for every 100 (One hundred) stock option held in the Transferor Company 1, whether the same are vested or not on terms and conditions similar to the Saankhya ESOPs. Further, fractional entitlements, if any, arising pursuant to the issuance of aforesaid stock options shall be rounded off to the nearest lower integer; The exercise price payable, for exercise of options and receipt of shares granted by the Transferee company, shall be subject to adjustments, if required, taking into account the effect of the share exchange ratio mentioned in Clause 8.1 of this Scheme;

5.3.3 While granting stock options, the Transferee Company shall take into account the period during which the employees held stock options granted by the Transferor Company 1 prior to the issuance of the stock options by the Transferee Company, for determining of minimum vesting period required for stock options granted by the Transferee Company, subject to Applicable Law(s);

5.3.4 Approval granted to the Scheme by the shareholders of the Transferor Company 1 and the Transferee Company shall also be deemed to be approval granted to any modifications made to the Saankhya ESOPs of the Transferor Company 1 and approval granted to the new employee stock option scheme to be adopted by the Transferee Company, respectively; and



5.3.5 Immediately upon implementation of this Scheme, the trust deed dated March 8, 2012, governing the SLPL ESOP Trust, shall without any further act or deed, stand modified to include the following provisions:

- (a) authorising the trust to hold and deal with the shares issued pursuant to Clause 8.1 below and give effect to the aforesaid provisions;
- (b) the expression "Employee" to also include the employees of the Transferee Company;
- (c) the expression "Beneficiaries" to also include the employees of the Transferee Company as defined under the employee stock option plan adopted by the Transferee Company;
- (d) the Board of the Transferee Company shall solely have the ability to appoint and/or remove the trustees and shall solely be liable for all acts and omissions in relation thereto; and
- (e) such other amendments and modifications to give effect to this Scheme and provisions of any agreement or arrangement entered between the Parties.

6. LEGAL PROCEEDINGS

With effect from the Effective Date, if any suit, cause of action, appeal, tax proceedings, investigations, any enquiry or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Companies is pending on the Effective Date, and if such legal proceedings is capable of being continued by or against the Transferee Company under the Applicable Law, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Companies will be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Companies. All orders/ judgments/ awards of any Appropriate Authority in favour of the Transferor Companies or to the benefit of which Transferor Companies may be eligible, shall remain in full force and effect in favour of Transferee Company without any further act, instrument, deed or thing and may be enforced as fully and effectually as if, instead of Transferor Companies, the Transferee Company had been a party or beneficiary thereto.

7. TAXES/ DUTIES/ CESS

Upon the effectiveness of this Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the Authority:

- 7.1 All the profits and/ or income taxes (including but not limited to credit pertaining to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, tax losses (if any), minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Companies), all input tax credit balances (including but not limited to Central Value Added Tax (CENVAT)/ service tax/ Value Added Tax (VAT), Modified Value Added Tax (MODVAT), sales tax, applicable excise and customs duties, State Goods and Service Tax (SGST), Integrated Goods and Services Tax (IGST) and Central Goods and Service Tax (CGST) credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Companies in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Companies shall for all purpose be treated and be deemed to be and accrue as the profits and/ or income taxes (including but not limited to credit pertaining to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend, tax losses (if any), all input tax credit balances (including but not limited to CENVAT/ service tax/ VAT, MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.

7.2 If the Transferor Companies is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies under export-import policies,



(including duty draw back, Duty Entitlement Passbook Scheme (DEPB), Merchandise Exports from India Scheme (MEIS), Service Exports from India Scheme (SEIS), Design Linked Incentive (DLI), Production Linked Incentive Scheme (PLI) etc) concessions, grants, rights, claims, leases, tenancy rights, liberties, and special status, all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

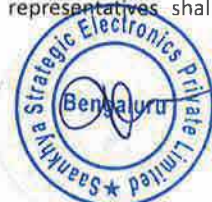
- 7.3 Any Tax, whether deducted at source or paid, by the Transferor Companies / Transferee Company on transactions with the Transferee Company / Transferor Companies (from Appointed Date to Effective Date), shall be deemed to be payment of Tax accruing or arising to the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 7.4 Further, for the avoidance of doubt, input tax credits already availed of or utilised by the Transferee Company and the Transferor Companies in respect of transactions between Transferee Company and the Transferor Companies shall not be adversely impacted by cancellation of such transaction pursuant to this Scheme. In case of any differences in tax policy/ regime followed by the Transferor Companies and the Transferee Company, the Transferee Company shall have its own independent right to select the tax policy/ regime.
- 7.5 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim unabsorbed depreciation, bought forward losses, refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, dividend distribution tax credits, service tax credits, tax benefits (including the Tax deduction available under Section 10AA of the IT Act) etc. if any, as may be required for the purposes of implementation of the Scheme.
- 7.6 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Companies, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Companies, to recover or realise the same, stands transferred to the Transferee Company.

8. CONSIDERATION

- 8.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date, as under:

For every 100 equity shares of face value of INR 10 (Indian Rupees Ten) each held in the Transferor Company 1 shall be issued 112 equity shares of face value of INR 10 (Indian Rupees Ten) each as fully paid-up in the Transferee Company.

- 8.2 Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.
- 8.3 No equity shares shall be issued by the Transferee Company in respect of the shares held by the Parties inter-se and all such shares shall stand cancelled upon the Scheme becoming effective, without any further act or deed as an integral part of this Scheme.
- 8.4 Where Transferee Company New Equity Shares are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company 1, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce



evidence of title satisfactory to the Board of the Transferee Company.

- 8.5 The Transferee Company New Equity Shares to be issued and allotted pursuant to amalgamation of the Transferor Companies with the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company. The Transferee Company New Equity Shares issued to the shareholders of the Transferor Company 1 shall be fully-paid up and free of all liens, charges and Encumbrances, and shall be freely transferable in accordance with the articles of association of the Transferee Company and such ~~other terms as may be agreed. The issue and allotment of the Transferee Company New Equity~~ Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Companies or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of the Transferee Company New Equity Shares.
- 8.6 Subject to Applicable Laws, the Transferee Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of Transferee Company New Equity Shares in terms of this Scheme.
- 8.7 For the purpose of the allotment of the Transferee Company New Equity Shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company 1 is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated Transferee Company New Equity Shares to a trustee (nominated by the Board of the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of the Transferee Company New Equity Shares as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.
- 8.8 In the event, any or all of the Parties restructure their share capital by way of share split / consolidation/ issue of bonus shares or any other corporate action during the pendency of the Scheme, the share exchange ratio stated in Clause 8.1 above shall be adjusted accordingly, without the requirement of any further approval from Appropriate Authority to consider the effect of any such corporate actions undertaken by such Party.
- 8.9 The Transferee Company shall apply for listing of the Transferee Company New Equity Shares on the Stock Exchanges in terms of and in compliance of SEBI LODR Regulations, SEBI Circular and other relevant provisions as may be applicable. The Transferee Company New Equity Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.
- 8.10 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.
- 8.11 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of its memorandum of association and articles of association or any other action contemplated as part of the Scheme pursuant to this Scheme and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration or action, as required under Sections 13,



14, 42, 61, 64 and other applicable provisions of the Act.

9. ACCOUNTING TREATMENT

Notwithstanding anything to the contrary contained herein, the Transferee Company shall give effect to the amalgamation of the Transferor Companies in its books of account in accordance with Appendix C (Business combinations of entities under common control) of Ind AS 103-Business Combinations, other accounting principles prescribed under the Companies (India Accounting Standards) Rules, 2015 as notified under section 133 of Companies Act, 2013 and relevant clarifications issued by the Institute of Chartered Accountants of India and on the date determined in accordance with Ind AS.

10. COMBINATION OF AUTHORISED SHARE CAPITAL

10.1 Upon the effectiveness of this Scheme, the aggregate authorised share capital of the Transferor Companies as on the Effective Date will be reclassified, altered and combined with the authorised equity share capital of the Transferee Company as on the Effective Date and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC.

10.2 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and filing fees paid on the authorized capital of the Transferor Companies shall be utilized and applied to the increased authorized share capital of the Transferee Company and the Transferee Company shall be required to pay only the balance stamp duty and filing fees, if any, in relation to the reclassified and combined authorized share capital after setting off the stamp duty and filing fees already paid by Transferor Companies on its authorized share capital.

10.3 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 10.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.

10.4 It is clarified that the approval of the shareholders to the Scheme shall be deemed to be consent/ approval of the shareholders of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

11. DISSOLUTION OF THE TRANSFEROR COMPANIES

Upon the effectiveness of this Scheme, the Transferor Companies shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Companies shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the concerned RoC.

PART III GENERAL TERMS & CONDITIONS

12. VALIDITY OF EXISTING RESOLUTIONS, ETC.

12.1 Upon the coming into effect of this Scheme, the resolutions/ power of attorney of/ executed by the Transferor Companies, as the case may be, as considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits as are considered necessary by the Board of the Transferee Company, as the case may be, shall be added to the limits, if any, under like resolutions passed by the Transferee Company, as the case may be, and shall constitute the aggregate of the said limits in the Transferee Company, as the case may



13. DIVIDENDS

- 13.1 The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final.
- 13.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of any of the Parties, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of respective Parties, and subject to approval, if required, of the shareholders of the respective Parties.

14. BUSINESS UNTIL EFFECTIVE DATE

- 14.1 With effect from the date of approval of the Board of the Parties to the Scheme and up to and including the Effective Date, the Transferor Companies shall carry on its business with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.
- 14.2 With effect from the Appointed Date and up to and including the Effective Date:
- 14.2.1 the Transferor Companies shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets, contracts, rights, titles, investments and interest for and on account of, and in trust for the Transferee Company;
- 14.2.2 all profits or income arising or accruing to the Transferor Companies and all Taxes paid thereon (including but not limited to advance tax, tax deducted or collected at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, goods and service tax, etc.) or losses arising or incurred by the Transferor Companies shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Transferee Company;
- 14.2.3 all liabilities incurred by the Transferor Companies after the Appointed Date and prior to the Effective Date, and to the extent they are outstanding on the Effective Date, shall be deemed to be the liabilities of the Transferee Company; and
- 14.2.4 Any of the rights, powers, authorities, privileges exercised by the Transferor Companies shall be deemed to have been exercised by such Transferor Companies for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Companies shall be deemed to have been undertaken for and on behalf of the Transferee Company.
- 14.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company, may require to carry on the relevant business of the Transferor Companies and to give effect to the Scheme.
- 14.4 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Companies, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Transferee Company, shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Transferee Company, pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Transferee Company. It is clarified



that the Transferee Company, shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

15. APPLICATIONS / PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

16. MODIFICATION OR AMENDMENTS TO THIS SCHEME

16.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

16.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

16.3 The Parties agree that if, at any time, either of the Tribunal or Appropriate Authority directs or requires any modification or amendment to this Scheme, such modification or amendment shall not, to the extent it adversely affects the interest of any of the Parties, be binding on such Parties, as the case may be, except where the written consent of the affected Party has been obtained for such modification or amendment.

16.4 In case, post approval of the Scheme by the Tribunal, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of the Parties or (after the Effective Date), the Board of the Transferee Company shall have complete power to take the most sensible interpretation so as to render the Scheme operational.

16.5 If any part of this Scheme is invalid, ruled illegal or rejected by the Tribunal or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferor Companies or Transferee Company, in which case the Parties, acting through their respective Boards, shall attempt to bring about a modification in this Scheme, as will best preserve for the Parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the Tribunal or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

17. CONDITIONS PRECEDENT

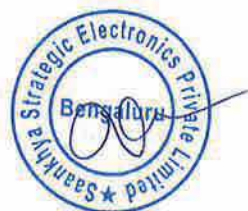
17.1 Unless otherwise decided (or waived) by Parties, the Scheme is conditional upon and subject to the following conditions precedent:

17.1.1 obtaining no-objection letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the SEBI LODR Regulations;

17.1.2 approval of the Scheme by the requisite majority of each class of shareholders, and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal. Further, the Transferee Company complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferee Company through e-voting, as applicable. It is clarified that the provisions of paragraph 10(b) & (c) of Part I (A) of the SEBI Circular, relating to obtaining approval of majority of public shareholders of the Transferee Company are not applicable to this Scheme;

17.1.3 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;

17.1.4 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and



17.1.5 any other matters expressly agreed as conditions precedent to the effectiveness of the Scheme amongst the Parties, including consents, approvals or permissions of the Appropriate Authority or any third parties, in writing.

17.2 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Laws.

17.3 On the approval of this Scheme by the shareholders of the Parties, and such other classes of Persons of the Parties, if any, pursuant to Clause 17.1.2 above, such shareholders and, classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

18. WITHDRAWAL OF THIS SCHEME AND NON-RECEIPT OF APPROVALS

18.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

18.2 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.

18.3 In the event of revocation/ withdrawal/ nullity of the Scheme under Clause 18.1 or Clause 18.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law or in accordance with any agreement entered by the parties and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

19. COSTS AND EXPENSES

Except as provided otherwise, all costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/or incidental to the completion of such parts of the Scheme until the date of sanction of this Scheme by the Tribunal shall be borne and paid by the Parties equally.

20. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Transferor Companies, until the Appointed Date to the end and intent that the Transferee Company, shall accept and adopt all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of the Transferee Company.



Price Waterhouse Chartered Accountants LLP

Independent Auditors' Review Report on the Statement of Unaudited Consolidated Financial Results

To
The Board of Directors
Tejas Networks Limited
5th Floor, J P Software Park,
Plot No. 25, Sy, No 13, 14, 17 and 18,
Konnapana Agrahara Village,
Begur Hobli, Bengaluru – 560 100

1. We have reviewed the Unaudited Consolidated Financial Results of Tejas Networks Limited (the "Parent") and its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), (refer Note 1 on the Statement) for the quarter and six months period ended September 30, 2023, which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter and six months period ended September 30, 2023', the 'Unaudited Consolidated Statement of Assets and Liabilities as on that date and the ' Unaudited Consolidated Statement of Cash Flows for the six months period ended on that date (together the "Consolidated Statement"). The Consolidated Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations 2015"), which has been initialled by us for identification purposes.
2. This Consolidated Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Statement based on our review.
3. We conducted our review of the Consolidated Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Consolidated Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor
Bangalore - 560 008
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

4. The Statement includes the results of the following entities:

Subsidiaries

- a) Tejas Communications Pte. Limited, Singapore
- b) Saankhya Labs Private Limited, India
- c) Tejas Communications (Nigeria) Limited, Nigeria
- d) Saankhya Strategic Electronics Private Limited, India
- e) Saankhya Labs Inc, USA

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Consolidated Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Unaudited Consolidated Financial Results includes the financial results of 4 subsidiaries which have not been reviewed by their auditors and whose financial results reflect total assets of Rs. 25.44 crores and net assets of Rs. 19.60 crores as at September 30, 2023, total revenue of Rs. 2.26 crores and Rs. 3.32 crores, total net profit/(loss) after tax of Rs. (0.27) crores and Rs. (0.26) crores and total comprehensive income/(loss) of Rs. (0.50) crores and Rs. (0.40) crores for the quarter and six months period ended September 30, 2023 respectively, and net cash inflows of Rs. 2.95 crores for the six months period ended September 30, 2023. According to the information and explanations given to us by the Management, the financial information of the aforesaid subsidiaries is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 23209136BGXYM6010

Place: Bengaluru
Date: October 20, 2023



Tejas Networks Limited

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Statement of Unaudited Consolidated Financial Results for the quarter and six months period ended September 30, 2023

Particulars	(Rs. in crore except per share data)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited (Refer note - 7)	Unaudited	Unaudited (Refer note - 7)	Audited
I Revenue from operations	395.95	187.89	219.94	583.84	345.70	919.57
II Other Income	17.97	19.48	20.05	37.45	38.74	81.01
III Total income (I + II)	413.92	207.37	239.99	621.29	384.44	1,000.58
IV EXPENSES						
(a) Cost of materials consumed	262.22	117.57	115.75	379.79	186.23	532.73
(b) Purchases of stock in trade	2.33	4.40	7.08	6.73	16.01	31.82
(c) Changes in inventories of stock in trade, work in progress and finished goods	(12.74)	(2.63)	(3.76)	(15.37)	(6.56)	(3.85)
(d) Employee benefit expense	79.35	77.05	48.51	156.40	86.47	232.65
(e) Finance costs	7.00	4.67	4.87	11.67	5.81	15.20
(f) Depreciation and amortization expense	41.68	34.42	30.05	76.10	53.42	122.50
(g) Allowance for expected credit loss	8.45	(2.26)	(8.24)	6.19	(12.95)	(32.97)
(h) Other expenses	43.37	40.03	39.06	83.40	62.28	145.15
Total Expenses (IV)	431.66	273.25	233.32	704.91	390.71	1,043.23
V Profit/(Loss) before tax (III - IV)	(17.74)	(65.88)	6.67	(83.62)	(6.27)	(42.65)
VI Income tax expense/(benefit)						
(1) Current tax expense/(benefit)	(1.93)	(9.85)	1.36	(11.78)	0.47	(0.32)
(2) Deferred tax expense/(benefit) (Refer Note - 6)	(3.17)	(29.74)	8.47	(32.91)	3.06	(5.92)
Total tax expense/(benefit)	(5.10)	(39.59)	9.83	(44.69)	3.53	(6.24)
VII Profit/(Loss) after tax (V - VI)	(12.64)	(26.29)	(3.16)	(38.93)	(9.80)	(36.41)
VIII Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation (expense)/benefit	1.99	(0.73)	(3.13)	1.26	(3.18)	(3.29)
Income tax relating to above	(0.05)	-	0.56	(0.05)	0.56	0.14
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	0.11	0.04	0.13	0.15	0.35	0.73
IX Total comprehensive income/(loss) for the period (VII + VIII)	(10.59)	(26.98)	(5.60)	(37.57)	(12.07)	(38.83)
X Equity Share Capital (Face value of Rs. 10/- each)	172.99	172.84	155.38	172.99	155.38	171.64
XI Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-	-	-	2,801.32
XII Earnings/(Loss) per equity share						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)
(2) Diluted (Refer Note - 11)	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)



For identification purpose only





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

Unaudited Consolidated Statement of Assets and Liabilities

Particulars	(Rs. in crore)	
	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	143.81	85.05
Capital work in progress	2.42	-
Right-of-use assets	133.05	44.29
Goodwill	211.81	211.81
Intangible assets	326.29	305.67
Intangible assets under development	221.53	153.58
Financial assets		
(i) Investments*	0.00	0.00
(ii) Trade receivables	37.96	19.10
(iii) Other financial assets	10.12	7.04
Current Tax Asset (net)	57.69	31.71
Deferred Tax Assets (net)	74.95	42.09
Other non-current assets	43.17	34.37
Total non - current assets	1,262.80	934.71
Current assets		
Inventories	1,400.65	646.86
Financial assets		
(i) Investments	717.39	262.24
(ii) Trade receivables	449.06	498.93
(iii) Cash and cash equivalents	45.44	85.39
(iv) Bank balances other than (iii) above	304.96	656.42
(v) Other financial assets	342.25	337.14
Other current assets	341.46	180.34
Total current assets	3,601.21	2,667.32
Total assets	4,864.01	3,602.03
EQUITY AND LIABILITIES		
Equity		
Equity share capital	172.99	171.64
Other equity	2,834.45	2,801.32
Total equity	3,007.44	2,972.96
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	132.99	43.90
(ii) Other financial liabilities [Refer Note - 8(b)]	162.83	156.68
Provisions	2.10	2.12
Total non - current liabilities	297.92	202.70
Current liabilities		
Financial liabilities		
(i) Lease liabilities	5.00	5.92
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	33.14	26.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	683.93	275.02
(iii) Other financial liabilities	38.54	67.77
Provisions	18.27	12.11
Other current liabilities	779.77	39.55
Total current liabilities	1,558.65	426.37
Total liabilities	1,856.57	629.07
Total equity and liabilities	4,864.01	3,602.03

* Amount below the rounding off norm adopted by the Company



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Unaudited Consolidated Statement of Cash Flows

Particulars	(Rs. in crore)	
	Six months ended September 30, 2023	Six months ended September 30, 2022
	Unaudited	Unaudited
a) Cash flows from operating activities		
Profit/(Loss) before tax	(83.62)	(6.27)
Adjustments to reconcile net profit to net cash generated from operating activities:		
Depreciation and amortization expense	76.10	53.42
Allowance for expected credit loss (net)	6.19	(12.95)
Interest Income	(29.36)	(23.99)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	(1.15)	0.43
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(5.77)	(12.83)
Finance costs recognized in profit or loss	11.67	5.81
Unrealised Exchange Difference on cash held in foreign currencies	(0.15)	2.31
Unrealised Exchange Difference (Net)	1.40	(4.61)
Expense recognized in respect of equity-settled share-based payments	45.28	9.46
	20.59	10.78
Movements in working capital:		
(Increase)/decrease in inventories	(753.79)	(106.60)
(Increase)/decrease in trade receivables	23.52	(52.36)
(Increase)/decrease in other financial assets	(14.38)	(9.29)
(Increase)/decrease in other assets	(162.60)	(41.80)
Increase/(decrease) in trade and other payables	416.08	75.86
Increase/(decrease) in provisions	7.20	3.47
Increase/(decrease) in other financial liabilities	(19.76)	(2.69)
Increase/(decrease) in other liabilities	740.19	0.76
Cash generated from/(used in) operations	257.05	(121.87)
Income taxes refund/(paid)	(14.20)	1.70
Net cash generated from/(used in) operating activities	242.85	(120.17)
b) Cash flows from investing activities		
Expenditure on property, plant and equipment	(94.06)	(15.03)
Expenditure on intangible assets (including under development)	(120.65)	(66.00)
Sale proceeds of property, plant and equipment*	0.00	-
Investments in Deposits with banks	(346.64)	(389.61)
Withdrawals of Deposits from banks	697.03	32.86
Withdrawals of Deposits from financial institutions	-	2.97
Investments in mutual funds	(1,835.00)	(2,603.32)
Redemption of mutual funds	1,386.77	2,708.17
Payment for acquisition of subsidiary, net of cash and cash equivalents acquired	-	(240.18)
Interest received	31.08	21.16
Net cash used in investing activities	(281.47)	(548.98)
c) Cash flows from financing activities		
Proceeds from exercise of restricted stock units/employee stock options	7.33	3.80
Proceeds from Issue of equity shares through Private Placement (Net of Issue Expenses)	-	712.50
Principal payment of lease liabilities	(3.50)	(2.99)
Interest payment of lease liabilities	(2.81)	(2.15)
Finance costs paid	(2.50)	(3.58)
Net cash generated from/(used in) financing activities	(1.48)	707.58
d) Net increase/(decrease) in cash and cash equivalents	(40.10)	38.43
Cash and cash equivalents at the beginning of the period	85.39	47.56
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.15	(2.31)
Cash and cash equivalents at the end of the period	45.44	83.68

* Amount below the rounding off norm adopted by the Company



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Notes

- The Statement of Unaudited Consolidated Financial Results (which comprises of statement of unaudited consolidated financial results, unaudited consolidated statement of assets and liabilities and unaudited consolidated statement of cash flows) includes the results of Tejas Networks Limited ('the Company' or 'the Holding Company' or 'the Parent') and the following subsidiaries (collectively referred as 'the Group' hereinunder):

Subsidiaries:

- Tejas Communication Pte. Limited, Singapore
 - Saankhya Labs Private Limited (Saankhya Labs)
 - Tejas Communications (Nigeria) Limited, Nigeria
 - Saankhya Strategic Electronics Private Limited (SSE)
 - Saankhya Labs Inc, USA
- This Statement of Unaudited Consolidated Financial Results for the quarter ended September 30, 2023 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, read with the relevant rules issued thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations, 2015").
 - The Group's operations comprise of only one segment viz. telecom and data networking related products and related services.
 - Summary of key unaudited standalone financial results of the Company is as follows:

Particulars	(Rs. in crore)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenues from operations	359.21	167.11	205.77	526.32	331.40	869.08
Profit/(Loss) before tax	(18.60)	(51.06)	19.13	(69.66)	6.15	11.29
Profit/(Loss) after tax	(11.98)	(14.65)	9.26	(26.63)	2.58	3.04

Note: The unaudited standalone financials results of the Company for the above mentioned periods are available in the investors section in www.tejasnetworks.com and also with the stock exchanges where it is listed. The above information has been extracted from the published unaudited standalone financial results.

- The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees and employees of its subsidiaries at face value of the Company's equity share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended September 30, 2023, an amount of Rs. 33.01 crore (June 30, 2023: Rs. 31.30 crore; September 30, 2022: Rs. 5.72 crore), has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payment'. The RSUs granted and outstanding as at September 30, 2023, aggregates to 43,22,308 (June 30, 2023: 41,76,426; September 30, 2022: 19,81,912). The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,60,278 (June 30, 2023: 11,05,372; September 30, 2022: 25,92,760).
 - Saankhya Labs has, at various grant dates, issued stock options under different Employee Stock Option Plans to its employees at exercise price of Rs. 10. For the quarter ended September 30, 2023, an amount of Rs. 0.19 crore (June 30, 2023: Rs. 0.22 crore; September 30, 2022: Rs. 0.45 crore) has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payments'. The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,06,120 (June 30, 2023: 10,06,120; September 30, 2022: 10,06,120).
- With respect to certain ongoing Income tax disputes for various assessment years, based on an assessment by an independent tax expert on the likelihood of outcome, the Company has during the quarter ended June 30, 2023, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.



For identification purpose only





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7. The Company at various dates during financial year 2022-23, acquired 64.40% of equity shares in Saankhya Labs through secondary purchase at a price of Rs. 454.19 per equity share amounting to Rs. 283.94 crore. On July 08, 2022, Saankhya Labs has acquired 100% shareholding in SSE. Consequent to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively. The unaudited consolidated results for the respective quarters and six months period ended includes the contribution from those entities as below:

Particulars	(Rs. in crore)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenues from operations	36.65	20.70	13.87	57.35	13.87	49.48
Profit/(Loss) before tax	8.22	(7.57)	(5.31)	0.65	(5.31)	(33.25)
Profit/(Loss) after tax	5.19	(5.86)	(5.28)	(0.67)	(5.28)	(23.23)

Results for the six months ended September 30, 2023 include the impact of the above transaction and are not comparable with corresponding six months ended September 30, 2022.

The fair value of assets and liabilities acquired were provisionally determined by the Company and accounted for in accordance with IND AS 103 –“Business Combination” until quarter ended December 31, 2022. As per Ind AS 103, such adjustments need to be completed within the measurement period (i.e. 1 year from the date of acquisition). In accordance with the Standard, the Company made adjustments to the provisional amounts in the quarter ended March 31, 2023 as if the business combination have been completed on the acquisition date (i.e. July 1, 2022). The impact on account of completion of determination of the fair value of assets and liabilities have been accordingly incorporated in the numbers for the quarter and six months period ended September 30, 2022.

8. a) The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the “Scheme”) of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their “No Objection” to the Scheme. Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. The Scheme is subject to receipt of necessary approvals from shareholders, creditors and NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.
- b) As per the Shareholders agreement (“SHA”), in the event the merger is not completed within the “Merger Long Stop Date”, the Company shall purchase and the remaining shareholders of Saankhya Labs shall sell the equity shares to the Company, as per terms provided for in SHA. As the contract contains an obligation for the entity to deliver cash in exchange for its own equity shares (Non-Controlling interest), such an obligation is in the nature of financial liability under the provisions of Ind AS 32 “Financial instruments- Presentation” and has been accordingly considered in the unaudited consolidated financial results.
9. The Company has received approval from the Department of Telecommunication (DOT) under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI’s (Project Management Agency ‘PMA’) letter dated October 31, 2022. During the quarter, the Company has made an application to claim incentive for the year ended March 31, 2023 for an amount of Rs. 32.68 crore and is awaiting approval from the DOT in this regard. The Company has not recognised this incentive claim pending such approval.
10. During the quarter, the Company has received purchase orders from Tata Consultancy Services Limited amounting to Rs. 7,492 crore (excluding Goods and Services Tax) and has received a mobilization advance of Rs. 750 crore towards supply of Radio Access Network equipment for approximately 1,00,000 sites of BSNL Pan-India 4G/5G network.
11. 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 if they are anti-dilutive for the period presented.
12. Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
13. The above statement of unaudited consolidated financial results were reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on October 20, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.

For and on behalf of the Board of Directors

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



Place: Bengaluru
Date: October 20, 2023

for identification purpose only

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Review Report on the Statement of Unaudited Standalone Financial Results

To
The Board of Directors
Tejas Networks Limited
5th Floor, J P Software Park,
Plot No. 25, Sy, No 13, 14, 17 and 18,
Konnappana Agrahara Village,
Begur Hobli, Bengaluru – 560 100

1. We have reviewed the Unaudited Standalone Financial Results of Tejas Networks Limited (the "Company") for the quarter and six months period ended September 30, 2023, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter and six months period ended September 30, 2023', the 'Unaudited Standalone Statement of Assets and Liabilities' as on that date and the 'Unaudited Standalone Statement of Cash Flows' for the six months period ended on that date (together the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Standalone Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Statement based on our review.
3. We conducted our review of the Standalone Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Standalone Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 23209136BGXTYL5528

Place: Bengaluru
Date: October 20, 2023

Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor
Bangalore - 560 008
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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Tejas Networks Limited

Registered and Corporate Office: J.P. Software Park, Plot No. 25, 5y, No. 13, 14, 17 and 18,
Konnappa Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.
Corporate Identity Number: L72900KA2000PLC026980
Tel: +91 80 4179 4600; Fax: +91 80 2852 0201
E-mail: corporate@tejasnetworks.com; Website: www.tejasnetworks.com

Statement of Unaudited Standalone Financial Results for the quarter and six months period ended September 30, 2023

Particulars	(Rs in crore except per share data)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	359.21	167.11	205.77	526.32	331.40	869.08
II Other Income	18.03	19.50	19.38	37.53	38.07	79.14
III Total income (I + II)	377.24	186.61	225.15	563.85	369.47	948.22
IV EXPENSES						
(a) Cost of materials consumed	261.64	117.08	112.66	378.72	183.13	528.79
(b) Purchases of stock in trade	2.33	4.40	7.08	6.73	16.01	31.82
(c) Changes in inventories of stock in trade and finished goods	(14.01)	(4.74)	(1.36)	(18.75)	(4.15)	(0.71)
(d) Employee benefit expense	61.09	59.28	39.40	120.37	76.57	172.16
(e) Finance costs	3.80	1.47	1.45	5.27	2.33	5.20
(f) Depreciation and amortization expense	36.26	29.01	23.88	65.27	47.25	105.13
(g) Allowance for expected credit loss	8.45	(2.26)	(8.21)	6.19	(12.92)	(33.32)
(h) Other expenses	36.28	33.43	31.12	69.71	55.10	127.86
Total expenses (IV)	395.84	237.67	206.02	633.51	363.32	936.93
V Profit/(Loss) before tax (III - IV)	(18.60)	(51.06)	19.13	(69.66)	6.15	11.29
VI Income tax expense/(benefit)						
(1) Current tax expense/(benefit)	(1.94)	(9.85)	1.36	(11.79)	0.47	-
(2) Deferred tax expense/(benefit) (Refer Note - 4)	(4.68)	(26.56)	8.51	(31.24)	3.10	8.25
Total tax expense/(benefit)	(6.62)	(36.41)	9.87	(43.03)	3.57	8.25
VII Profit/(Loss) after tax (V - VI)	(11.98)	(14.65)	9.26	(26.63)	2.58	3.04
VIII Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation (expense)/benefit	1.81	(0.73)	(3.00)	1.08	(3.05)	(2.92)
Income tax relating to above	-	-	0.53	-	0.53	-
IX Total comprehensive income/(loss) for the period (VII + VIII)	(10.17)	(15.38)	6.79	(25.55)	0.06	0.12
X Equity Share Capital (Face value of Rs. 10/- each)	172.99	172.84	155.38	172.99	155.38	171.64
XI Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-	-	-	2,835.63
XII Earnings/(Loss) per equity share						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.71)	(0.87)	0.61	(1.57)	0.17	0.20
(2) Diluted (Refer Note - 8)	(0.71)	(0.87)	0.57	(1.57)	0.16	0.19



for identification purpose only





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Unaudited Standalone Statement of Assets and Liabilities

(Rs. in crore)

Particulars	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	138.03	78.28
Capital work in progress	2.42	-
Right-of-use assets	132.51	42.89
Intangible assets	127.00	97.85
Intangible assets under development	198.81	136.41
Financial assets		
(i) Investments	294.81	294.81
(ii) Trade receivables	37.96	19.10
(iii) Other financial assets	9.94	5.44
Current Tax Assets (net)	51.68	25.82
Deferred Tax Assets (net)	134.33	103.09
Other non-current assets	32.16	24.63
Total non-current assets	1,159.65	828.32
Current assets		
Inventories	1,383.94	628.07
Financial assets		
(i) Investments	717.39	262.24
(ii) Trade receivables	399.73	462.18
(iii) Cash and cash equivalents	29.98	78.98
(iv) Bank balances other than (iii) above	304.52	652.06
(v) Other financial assets	393.53	365.03
Other current assets	339.47	178.61
Total current assets	3,568.56	2,627.17
Total assets	4,728.21	3,455.49
EQUITY AND LIABILITIES		
Equity		
Equity share capital	172.99	171.64
Other equity	2,880.37	2,835.63
Total equity	3,053.36	3,007.27
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	132.99	43.86
Provisions	1.86	2.03
Total non-current liabilities	134.85	45.89
Current liabilities		
Financial liabilities		
(i) Lease liabilities	4.36	4.37
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	31.54	24.53
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	683.95	282.75
(iii) Other financial liabilities	36.05	61.42
Provisions	16.31	10.11
Other current liabilities	767.79	19.15
Total current liabilities	1,540.00	402.33
Total liabilities	1,674.85	448.22
Total equity and liabilities	4,728.21	3,455.49



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

Unaudited Standalone Statement of Cash Flows

(Rs. in crore)

Particulars	Six months ended	Six months ended
	September 30, 2023	September 30, 2022
	Unaudited	Unaudited
a) Cash flows from operating activities		
Profit/(Loss) before tax	(69.66)	6.15
Adjustments to reconcile net profit to net cash generated from operating activities:		
Depreciation and amortization expense	65.27	47.25
Allowance for expected credit loss (net)	6.19	(12.92)
Interest Income	(29.06)	(23.62)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	(1.15)	0.43
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(5.77)	(12.83)
Finance costs recognized in the statement of profit and loss	5.27	2.33
Unrealised Exchange Difference on cash held in foreign currencies	(0.15)	(0.51)
Unrealised Exchange Difference (Net)	1.22	(2.54)
Expense recognized in respect of equity-settled share-based payments	21.90	9.01
	(5.94)	12.75
Movements in working capital:		
(Increase)/decrease in inventories	(755.87)	(102.80)
(Increase)/decrease in trade receivables	36.17	(49.46)
(Increase)/decrease in other financial assets	(15.83)	(8.91)
(Increase)/decrease in other assets	(161.08)	(40.96)
Increase/(decrease) in trade and other payables	408.22	72.57
Increase/(decrease) in provisions	6.91	3.01
Increase/(decrease) in other financial liabilities	(15.95)	(1.12)
Increase/(decrease) in other liabilities	748.64	(0.78)
Cash generated from/(used in) operations	245.27	(115.70)
Income taxes refund/(paid)	(14.07)	2.73
Net cash generated from/(used) in operating activities	231.20	(112.97)
b) Cash flows from investing activities		
Expenditure on property, plant and equipment	(93.60)	(19.86)
Expenditure on intangible assets (including under development)	(116.57)	(52.93)
Sale proceeds of property, plant and equipment*	0.00	-
Investments in Deposits with banks	(346.64)	(389.61)
Withdrawals of Deposits from banks	694.18	37.15
Withdrawals of Deposits from financial institutions	-	2.97
Investments in mutual funds	(1,835.00)	(2,603.32)
Redemption of mutual funds	1,386.77	2,708.17
Investment in subsidiary	-	(283.94)
Interest received	30.80	20.98
Net cash used in investing activities	(280.06)	(580.39)
c) Cash flows from financing activities		
Proceeds from exercise of restricted stock units/employee stock options	7.33	3.80
Proceeds from Issue of equity shares through private placement (net of Issue expense)	-	712.50
Principal payment on lease liabilities	(2.55)	(2.77)
Interest payment on lease liabilities	(2.79)	(1.96)
Finance costs paid	(2.28)	(0.29)
Net cash generated from/(used in) financing activities	(0.29)	711.28
d) Net increase/(decrease) in cash and cash equivalents	(49.15)	17.92
Cash and cash equivalents at the beginning of the period	78.98	45.50
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.15	0.51
Cash and cash equivalents at the end of the period	29.98	63.93

* Amount below the rounding off norm adopted by the Company



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Notes

1. This Statement of Unaudited Standalone Financial Results (which comprises of statement of unaudited standalone financial results, unaudited standalone statement of assets and liabilities and unaudited standalone statement of cash flows) for the quarter ended September 30, 2023 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, read with the relevant rules issued thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations, 2015").
2. The Company's operations comprise of only one segment viz. telecom and data networking related products and related services.
3. The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees and employees of its subsidiaries at face value of the Company's equity share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended September 30, 2023, an amount of Rs. 21.56 crore (June 30, 2023: Rs. 18.31 crore; September 30, 2022: Rs. 5.72 crore), net of recoveries from subsidiaries, has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payment'. The RSUs granted and outstanding as at September 30, 2023, aggregates to 43,22,308 (June 30, 2023: 41,76,426; September 30, 2022: 19,81,912). The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,60,278 (June 30, 2023: 11,05,372; September 30, 2022: 25,92,760).
4. With respect to certain ongoing Income tax disputes for various assessment years, based on an assessment by an independent tax expert on the likelihood of outcome, the Company has during the quarter ended June 30, 2023, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.
5. The Company at various dates during financial year 2022-23, acquired 64.40% of equity shares in Saankhya Labs Private Limited (Saankhya Labs) through secondary purchase at a price of Rs. 454.19 per equity share amounting to Rs. 283.94 crore. On July 08, 2022, Saankhya Labs has acquired 100% shareholding in Saankhya Strategic Electronics Private Limited (SSE). Consequent to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively.

The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their "No Objection" to the Scheme. Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. The Scheme is subject to receipt of necessary approvals from shareholders, creditors and NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.
6. The Company has received approval from the Department of Telecommunication (DOT) under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022. During the quarter, the Company has made an application to claim incentive for the year ended March 31, 2023 for an amount of Rs. 32.68 crore and is awaiting approval from the DOT in this regard. The Company has not recognised this incentive claim pending such approval.
7. During the quarter, the Company has received purchase orders from Tata Consultancy Services Limited amounting to Rs. 7,492 crore (excluding Goods and Services Tax) and has received a mobilization advance of Rs. 750 crore towards supply of Radio Access Network equipment for approximately 1,00,000 sites of BSNL Pan-India 4G/5G network.
8. 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 if they are anti-dilutive for the period presented.
9. Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
10. The above statement of unaudited standalone financial results were reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on October 20, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.

Place: Bengaluru
Date: October 20, 2023

For and on behalf of the Board of Directors


Anand Sathreya
Managing Director and CEO
(DIN: 10118880)



for identification purpose only

Price Waterhouse Chartered Accountants LLP

The Board of Directors
Saankhya Labs Private Limited
3rd Level, Mezaninne Floor, No. 3, Infantry Road,
Vasanth Nagar, Embassy Icon Building,
Bengaluru- 560001

Auditors' Report on consolidated special purpose financial information

1. This report is issued in accordance with the terms of our agreement dated October 17, 2023.
2. We have audited the accompanying consolidated special purpose financial information of Saankhya Labs Private Limited (hereinafter referred to as the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), (refer Note 1 to the attached consolidated special purpose financial information), comprising of the consolidated Balance Sheet as at September 30, 2023, 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 six months period April 1, 2023 to September 30, 2023, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Special Purpose Financial Information"). The Consolidated Special Purpose Financial Information has been prepared by the management of the Company for the purpose of inclusion of the Group's financial information in the abridged prospectus to be filed by Tejas Networks Limited, the holding company of the Company (hereinafter referred to as the "Holding Company") with the Securities and Exchange Board of India ('SEBI'), pursuant to the requirement of Part I of the SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with Part E of Schedule VI of the ICDR Regulations for Scheme of arrangement in connection with the proposed Scheme of Amalgamation of the Company with the Holding Company.

Management's Responsibility for the Consolidated Special Purpose Financial Information

3. The Company's Management is responsible for the preparation of these consolidated special purpose financial information of the Group in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind ASs) prescribed under Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated special purpose financial information that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

4. Our responsibility is to express an opinion on these consolidated special purpose financial information based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated special purpose financial information are free from material misstatement.



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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Saankhya Labs Private Limited

Report on audit of the consolidated special purpose financial information

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5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated special purpose financial information. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Group has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated special purpose financial information.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 10 of the 'Other Matter' section of our report, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial information.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Special Purpose Financial Information, has been prepared in all material respects in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind ASs) prescribed under Section 133 of the Companies Act, 2013.

Emphasis of Matter

9. We draw attention to the Note 2.1 to the consolidated special purpose financial information, which describes the purpose and basis of its preparation. The consolidated special purpose financial information dealt with by this report, has been prepared for the purpose of inclusion of the Group's financial information in the abridged prospectus to be filed by the Holding Company with the SEBI, in connection with the proposed Scheme of Amalgamation of the Company with the Holding Company. The special purpose consolidated financial information are not the statutory financial statements of the Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are not considered relevant by the Management and the intended users of the consolidated special purpose financial information for the purposes for which those have been prepared. Our opinion is not modified in respect of this matter.

Other Matter

10. We did not audit the financial information of two subsidiaries, whose financial information reflect total assets of Rs 417.03 lakhs and net assets of Rs 117.94 lakhs as at September 30, 2023, total revenue of Rs. 140.35 lakhs, net loss of Rs 31.82 lakhs and net cash inflows amounting to Rs 286.56 lakhs for the six months period ended September 30, 2023, as considered in the consolidated special purpose financial information. These consolidated special purpose financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated special purpose financial information, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Saankhya Labs Private Limited

Report on audit of the consolidated special purpose financial information

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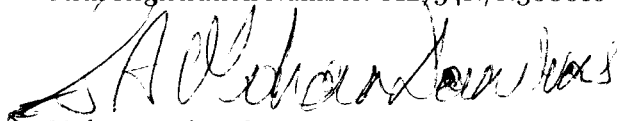
Our opinion on the consolidated special purpose financial information is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Restrictions on Use

11. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial information of the Company.
12. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Price Waterhouse Chartered Accountants LLP neither accepts nor assumes any duty, responsibility or liability to any other party or for any other purpose.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Mohan Danivas S A

Partner

Membership Number: 209136

UDIN : 23209136BGXTYJ4447

Bengaluru

October 18, 2023

Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

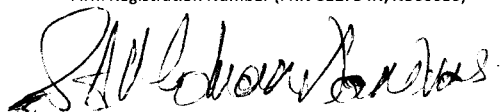
Special purpose financial information

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

Consolidated Balance Sheet as at	Notes	September 30, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	4(a)	577.58
Right-of-use assets	4(a)	54.18
Other Intangible assets	4(b)	0.04
Intangible assets under development	4(b)	4,189.97
Financial assets		
(i) Other financial assets	5(d)(i)	14.28
Current tax asset (net)	6	606.22
Deferred tax assets (net)	7	1,026.32
Other non-current assets	8(a)	1,100.17
Total non - current assets		7,568.76
Current assets		
Inventories	9	1,671.33
Financial assets		
(i) Trade receivables	5a	4,054.85
(ii) Cash and cash equivalents	5(b)	1,155.49
(iii) Other Bank balances other than (ii) above	5(c)	44.00
(iv) Other financial assets	5(d)(ii)	504.57
Other current assets	8(b)	164.21
Total current assets		7,594.45
Total assets		15,163.21
EQUITY AND LIABILITIES		
Equity		
Equity share capital	10	870.17
Other equity	11	6,526.54
Total equity		7,396.71
Liabilities		
Non-current liabilities		
Provisions	12	23.55
Total non - current liabilities		23.55
Current liabilities		
Financial liabilities		
(i) Lease liabilities	13	64.00
(ii) Trade payables	14	
(a) Total outstanding dues of micro enterprises and small enterprises		159.40
(b) Total outstanding dues of creditors other than (ii)(a) above		429.88
(iii) Other financial liabilities	15	5,780.32
Provisions	12	142.45
Other current liabilities	16	1,166.90
Total current liabilities		7,742.95
Total liabilities		7,766.50
Total equity and liabilities		15,163.21

The accompanying notes form an integral part of the consolidated financial information.

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: 209136for and on behalf of the Board of Directors of Saankhya
Labs Private Limited

Vishwakumara Kayargadde
Director
DIN:00751260

Parag Naik
Director
DIN:01055996Place : Bengaluru
Date : October 18, 2023Place : Bengaluru
Date : October 18, 2023Place : Bengaluru
Date : October 18, 2023

Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

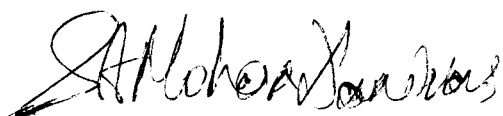
Special purpose financial information

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

Consolidated Statement of Profit and Loss	Notes	April 1, 2023 to September 30, 2023
Revenue from operations	17	5,735.26
Other Income	18	32.91
Total income		5,768.17
Expenses		
Cost of materials consumed	19A	106.95
Changes in inventories of work in progress	19B	337.93
Employee benefit expense	20	3,496.00
Finance costs	21	10.86
Depreciation and amortization expense	4(c)	233.71
Other expenses	22	1,517.62
Total expenses		5,703.07
Profit before tax		65.10
Income tax expense	23	
Current tax		1.87
Deferred tax expense/(benefit)		130.25
Total tax expense		132.12
Profit/(loss) after tax		(67.02)
Other comprehensive income/(loss)		
Items that will be reclassified to profit or loss		
Exchange differences on translation		0.13
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit obligation		17.84
Income tax relating to above		(5.19)
Other comprehensive income/(loss) for the period, net of tax		12.78
Total comprehensive income/(loss) for the period		(54.24)
Earnings/(Loss) per equity share		
Equity shares of par value Rs. 10 each		
Basic	24	(0.77)
Diluted	24	(0.77)

The accompanying notes form an integral part of the consolidated financial information.

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: 209136Place : Bengaluru
Date : October 18, 2023for and on behalf of the Board of Directors of Saankhya
Labs Private Limited

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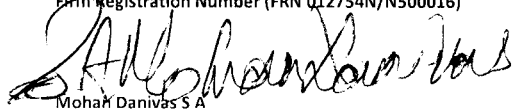
Saankhya Labs Private Limited
CIN: U72200KA2006PTC041339
Special purpose financial information
(All amounts in Rs. Lakhs except for share data or as otherwise stated)

Consolidated Statement of Cash Flow	April 1, 2023 to September 30, 2023
Cash flows from operating activities	
Profit/(Loss) before tax for the period	65.10
Adjustments to reconcile net profit/(loss) to net cash generated by operating activities:	
Depreciation and amortization expense	233.71
Interest income	(19.13)
Finance costs	10.86
Unwinding of discount on fair value of security deposits	(11.08)
Unrealised gain on foreign currency transactions	0.19
Share based payment expenses	40.97
	320.62
Movements in working capital:	
(Increase)/decrease in inventories	207.79
(Increase)/decrease in trade receivables	(1,269.81)
(Increase)/decrease in other financial assets	(98.59)
(Increase)/decrease in other assets	(14.71)
Increase/(decrease) in trade and other payables	168.35
Increase/(decrease) in contract liabilities	(818.72)
Increase/(decrease) in Employee benefit obligations	27.32
Increase/(decrease) in other financial liabilities	2,640.86
Increase/(decrease) in other liabilities	(25.67)
Cash generated from operations	1,137.44
Income taxes refund/(paid)	(9.50)
a) Net cash generated from operating activities	1,127.94
Cash flows from investing activities	
Expenditure on property, plant and equipment	(45.07)
Expenditure on intangible assets (including under development)	(555.34)
Investments in bank deposits	392.22
Interest received	4.54
b) Net cash used in investing activities	(203.65)
Cash flows from financing activities	
Principal repayment on lease liabilities	(36.16)
Interest on lease liabilities and other finance cost	(10.86)
c) Net cash used in financing activities	(47.02)
d) Net increase/(decrease) in cash and cash equivalents (a+b+c)	877.27
Cash and cash equivalents at the beginning of the period	278.08
Effects of exchange rate changes on cash and cash equivalents	0.14
Cash and cash equivalents at the end of the period	1,155.49
Cash and Cash equivalents (Refer Note 5(b))	1,155.49

The accompanying notes form an integral part of the consolidated financial information.

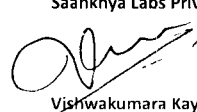
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)



Mohan Danivas S A
Partner
Membership no: 209136
Place : Bengaluru
Date : October 18, 2023

for and on behalf of Board of Directors of
Saankhya Labs Private Limited



Vishwakumara Kayargadde
Director
DIN: 00751260
Place: Bengaluru
Date: October 18, 2023



Parag Naik
Director
DIN: 01055996
Place: Bengaluru
Date: October 18, 2023

Saankhya Labs Private Limited
 CIN: U72200KA2006PTC041339
 Special purpose financial information
 (All amounts in Rs. Lakhs except for share data or as otherwise stated)
Consolidated Statement of Changes in Equity

A. Equity share capital

Particulars	Note	Amount
As at April 1, 2023		870.17
Issued during the period	10	-
As at September 30, 2023		870.17

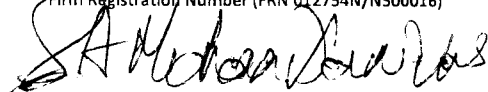
B. Other equity

Particulars	Note	Reserves and surplus			Other Reserves		Total
		Securities premium	Retained earnings	Employee stock compensation outstanding account	Capital Reserve	Foreign Currency translation reserve	
Balance as at April 1, 2023		15,422.28	(10,838.00)	1,846.72	2.22	106.59	6,539.81
Profit for the period		-	(67.02)	-	-	-	(67.02)
Other comprehensive (loss)/income (Remeasurement of defined benefit obligation net of income tax)		-	12.65	-	-	-	12.65
Other comprehensive (loss)/income (Exchange differences on translation of foreign operations)		-	-	-	-	0.13	0.13
Total comprehensive income for the period		-	(54.37)	-	-	0.13	(54.24)
Transaction with owners in their capacity as owners:		-	-	-	-	-	-
Employee share based payment expenses		-	-	40.97	-	-	40.97
Balance as at September 30, 2023		15,422.28	(10,892.37)	1,887.69	2.22	106.72	6,526.54

The accompanying notes form an integral part of the consolidated financial information.

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 : October 18, 2023

for and on behalf of Board of Directors of Saankhya Labs Private Limited



Vishwakumara Kayargadde
 Director
 DIN: 00751260
 Place: Bengaluru
 Date : October 18, 2023



Parag Naik
 Director
 DIN:
 Place: Bengaluru
 Date : October 18, 2023

Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

1. Corporate Information

Saankhya Labs Private Limited, ('SL' or 'the Company') provides premier wireless communication and semiconductor solutions. The Company designs and develops a full spectrum of next-gen communication solutions which includes products and solutions for broadband, satellite and broadcast applications including 5G NR, Direct To Mobile (D2M) Broadcast, rural broadband connectivity, satellite communication modems for IoT applications and multi-standard DTV modulators and demodulators. The Company was incorporated on December 29, 2006 under the provisions of the Indian Companies Act, 1956.

The Company is incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India. Company, together with its subsidiaries (as given below) is hereinafter referred to as the "Group".

Subsidiaries

- Saankhya Labs Inc, USA
- Saankhya Strategic Electronics Private Limited, India

This consolidated special purpose financial information have been approved by the Company's Board of Directors on October 18, 2023.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated special purpose financial information.

2.1. Basis of preparation of consolidated special purpose financial information

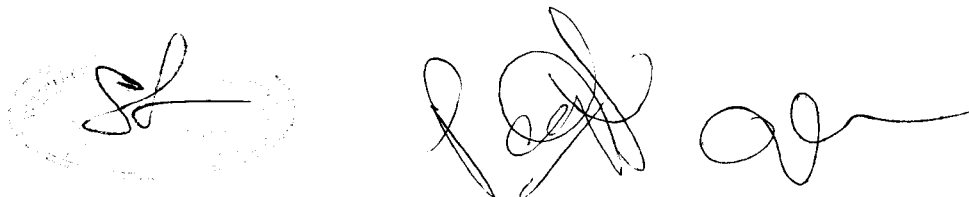
Tejas Networks Limited acquired majority stake in the Company effective July 01, 2022 and is called the Holding Company from such date. The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the amalgamation of the Company with Tejas Networks Limited by way of a scheme of amalgamation (the "Scheme"). Tejas Networks Limited had filed the scheme with the Securities and Exchange Board of India (SEBI) on September 29, 2022. Upon implementation of the scheme, the shareholders holding remaining 35.60% equity shares in the Company will be issued 1.12 equity shares of Tejas Networks Limited for every equity share held in the Company.

The proposed amalgamation is approved by both stock exchanges (NSE & BSE) and observation letter was issued on 6th July 2023. Further, application was filed with NCLT on 27th July 2023. Post hearings the case has been "Order Reserved" as of 15th September 2023.

The proposed amalgamation is subject to necessary approvals by SEBI, shareholders of the merging companies, NCLT and other statutory and regulatory bodies, as may be required. Till such approvals are received, the Company will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.

The Company has prepared these special purpose financial information for the period April 1, 2023 to September 30, 2023 to enable Tejas Networks Limited (the Holding Company) prepare the abridged prospectus to comply with the requirements as mentioned under the circular issued by SEBI SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and related notifications as issued from time to time.

These special purpose financial information have been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Standards) Rules, 2015] to the extent considered relevant for the purpose for which these special purpose financial information have been prepared. These do not comply with the disclosure/ presentation provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are not considered relevant.

Additionally, comparative financial information was not relevant for the purpose for which these special purpose financial information have been prepared and hence no comparative financial information has been presented.

(i) Compliance with Ind AS

The consolidated special purpose financial information comply in all material aspects with Indian Accounting Standards (Ind ASN) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)].

(ii) Historical cost convention

The consolidated special purpose financial information 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) Standard issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

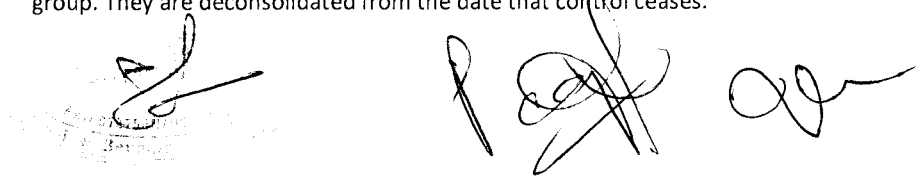
(iv) Operating cycle

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 Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity where 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.



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

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 acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised 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.

Non-controlling interests, if any, in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

2.3 Revenue Recognition:

The Group is engaged in the business of premier wireless communication and semiconductor solutions.

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.

Revenue from services are recognised as and when such services are rendered as per agreed terms of contractual agreements. The transaction price of goods sold and services rendered does not include any variable considerations.

If the services rendered by the group exceed the payments from customers, a contract asset is recognised. If the payments received exceed the services rendered, a contract liability is recognised (which is referred to as deferred revenue).

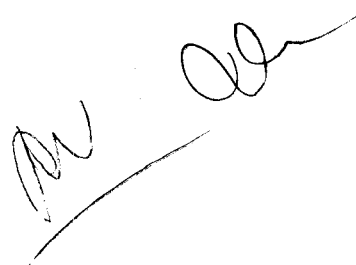
The group presents revenue net of Goods and Services Tax (GST) in its Statement of Profit and loss.

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.



Saankhya Labs Private Limited

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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

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.

<u>Asset</u>	<u>Useful Life</u>	<u>As per Companies Act</u>
Furniture and fixtures	5 years	10 years
Office equipment	5 years	5 years
Computing equipment	3 years	5 years
Laboratory Equipment	5 years	5 years

Leasehold Improvements are depreciated over the term of the lease or the useful life of the assets whichever is lower.

Based on a technical evaluation, the management believes that the useful lives of the above assets best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II to the Companies Act, 2013.

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 period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. Net gains and losses are included in the statement of profit and loss within other income/ other expenses.

2.5 Intangible Assets (including assets under development)**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 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. The Group amortizes software over its license period.

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 group has the availability of adequate technical, financial and other resources to complete and to use or sell the product, in which case such expenditure is initially recorded as intangible assets under development and is subsequently capitalized when the asset is ready for its intended use. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilized for research and

development are capitalized and depreciated in accordance with the policy stated for property, plant and equipment (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 for a period of two years.

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 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.

2.8 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 amortised cost.

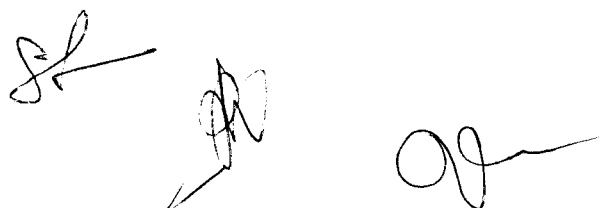
The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

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.



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

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 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.

2.8.4 Impairment of financial assets

The group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The credit loss is the 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 derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

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 Fair value through Profit and loss (FVTPL) 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).

2.9 Financial liabilities

2.9.1 Classification as liability or equity

Financial liability and equity instruments issued by a group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.9.2 Subsequent Measurement

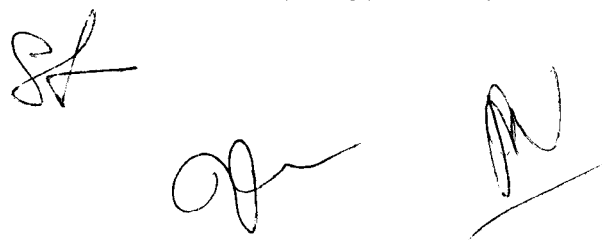
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method unless at initial recognition, they are classified as fair value through profit or loss (FVTPL).

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 period 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



Saankhya Labs Private Limited

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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions and Contingencies

Provisions are recognized when the group has a present obligation (legal or constructive) as result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering 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.

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 group's functional and presentation currency.

(ii) Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognized in statement of profit and loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of entity's net investment in that foreign operation. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

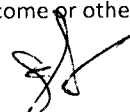
Foreign exchange differences arising on translation of foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expense.

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 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.

2.14 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.

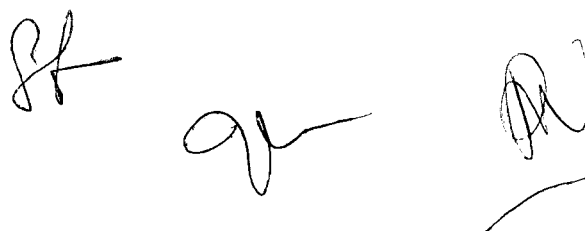
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The group measures its tax balances for uncertain tax positions either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax asset on Minimum Alternate Tax (MAT) credit is recognised only when it is probable that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the deferred tax asset relating to MAT credit is written down to the extent there is no longer a convincing evidence that the Group will pay normal income tax during the specified period. Similarly the deferred tax asset relating to MAT credit is adjusted upwards if the previously unrecognised MAT credit is considered recoverable due to higher anticipated future taxable profit.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and for unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current



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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 liability for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on Government bonds that at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of profit and loss.

The obligation for earned leave (despite not being expected to be settled wholly within 12 months) is presented as current liabilities in the balance sheet as the group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations (Defined Benefit Plan)

The group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have maturity terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.



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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iv) Defined contribution plans

The group pays provident fund and pension contributions to publicly administered funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent they reduce the amount of future contributions.

(v) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plans and Restricted Stock Units.

The group has constituted the following plans - 'Saankhya Labs ESOP Scheme' 2008, 'Saankhya Labs ESOP Scheme '2012 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"

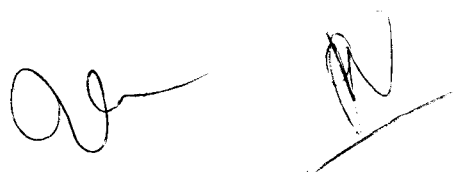
The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the group revises its estimates of the number of ESOP/RSU that are expected to vest based on the non-market vesting and service 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.

2.16 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 group 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).



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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:

- fixed payments
- amount expected to be payable under residual value guarantees
- the exercise price of a purchase option if it is reasonably certain that the group will exercise that option"

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally, the case for lessees, the lessee's incremental borrowing rate used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

"To determine the incremental borrowing rate, the group:

- a) where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- b) uses a build-up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the group, which does not have recent third party financing, and
- c) makes adjustments specific to the lease, e.g. term, country, currency and security. "

Lease payments are allocated between principal and finance cost. The finance cost is charged in the Statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payment occurs.

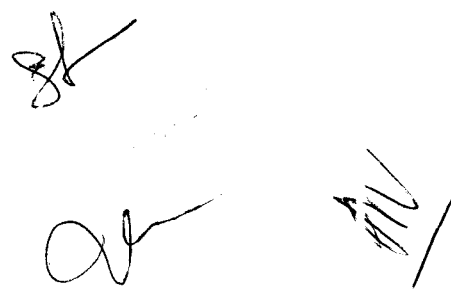
"Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date,
- any initial direct costs, and
- 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.

Sub Lease: Sub Lease income is recognised on accrual basis.

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2.19 Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

2.20 Inventories

Inventories (raw material, work in progress and stores and consumables) 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.



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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 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.

2.22 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 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.

2.24 Government Grants

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.

2.25 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs with two decimals as per the requirement of Schedule III, unless otherwise stated.

3 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:



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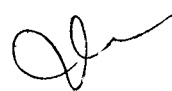
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- Product Development costs (including intangible assets under development) and assessment of their carrying value - Refer note 4(b)
- Defined benefit obligations

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.



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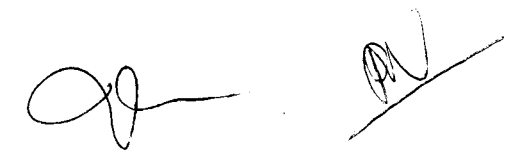
Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

4(a): Property, plant and equipment

Particulars	Leasehold Improvements	Laboratory Equipments	Furniture and Fixtures	Office Equipment	Computing Equipment	Total	Right-of-use asset*
Gross carrying value as of April 1, 2023	26.40	744.60	27.02	35.32	266.26	1,099.60	483.52
Additions	-	35.80	-	0.21	9.06	45.07	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of September 30, 2023	26.40	780.40	27.02	35.53	275.32	1,144.67	483.52
Accumulated depreciation as of April 1, 2023	(11.64)	(238.07)	(13.71)	(12.96)	(145.94)	(422.32)	(343.31)
Depreciation for the period	(1.91)	(94.50)	(3.47)	(3.92)	(40.97)	(144.77)	(86.03)
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of September 30, 2023	(13.55)	(332.57)	(17.18)	(16.88)	(186.91)	(567.09)	(429.34)
Net Carrying value as of September 30, 2023	12.85	447.83	9.84	18.65	88.41	577.58	54.18

* Right-of-use asset pertains to buildings taken on lease



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4(b): Other Intangible Assets

Particulars	Computer Software	Patent	Trademark	Total	Intangible Assets under development (IAUD) [refer Note (i) and (ii) below]
Gross carrying value as of April 1, 2023	78.22	271.40	0.02	349.64	3,634.63
Additions	-	-	-	-	555.34
Deletions	-	-	-	-	-
Gross carrying value as of September 30, 2023	78.22	271.40	0.02	349.64	4,189.97
Accumulated amortization as of April 1, 2023	(75.27)	(271.40)	(0.02)	(346.69)	-
Amortization expenses for the period	(2.91)	-	-	(2.91)	-
Accumulated amortization on deletions	-	-	-	-	-
Accumulated amortization as of September 30, 2023	(78.18)	(271.40)	(0.02)	(349.60)	-
Net Carrying value as of September 30, 2023	0.04	-	-	0.04	4,189.97

Notes:

(i) Additions to Intangible Assets under development pertains to capitalization of employee benefit expense of INR 474.84 and technical consultancy charges of INR 80.50 (refer note 20 and 22) respectively.

(ii) Management has carried out an impairment evaluation of its intangible assets under development as at September 30, 2023 and concluded that no impairment is considered necessary as the recoverable amount of the individual cash generating unit (CGU) is higher than its carrying amount. The recoverable amount is 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 in individual CGU by 60% 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.

4(c): Depreciation and amortization expense

Particulars	April 1, 2023 to September 30, 2023
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	144.77
Depreciation on right of use assets [Refer Note No. 4(a)]	86.03
Amortization of intangible assets [Refer Note No. 4(b)]	2.91
Total	233.71





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5a: Trade Receivables

Particulars	As at September 30, 2023
Trade receivables from contract with customers - billed	2,683.12
Trade receivables from contract with customers - unbilled	1,409.61
Less: Loss allowance	(37.88)
Trade Receivables	4,054.85
Current portion	4,054.85
Non-current portion	-
Break-up of securities details	-
Trade receivables considered good - secured	-
Trade receivables considered good - unsecured	4,054.85
Trade receivables which have significant increase in credit risk	-
Trade receivables - credit impaired	37.88
Total	4,092.73
Loss allowance	(37.88)
Total	4,054.85

5(b): Cash and Cash Equivalents

Particulars	As at September 30, 2023
<i>(a) Balances with banks</i>	
(i) In current accounts	703.91
(ii) In EEFC accounts	198.50
<i>(b) Deposits with original maturity of less than three months</i>	253.00
<i>(c) Cash on hand</i>	0.08
Total	1,155.49

5(c): Other Bank balances

Particulars	As at September 30, 2023
Bank deposits with original maturity of more than three months but less than twelve months	44.00
Total	44.00





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5(d): Other Financial Assets

Particulars	As at September 30, 2023
(i) Non-current financial assets	
Security deposits	4.74
	<u>4.74</u>
Deposits with remaining maturity of more than twelve months	
Bank deposit accounts	9.39
Others	0.15
Total	<u>14.28</u>
(ii) Current financial assets	
Security deposits	149.39
Interest accrued but not due	14.89
Bank deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	328.83
Receivable from Related Parties	11.46
Total	<u>504.57</u>

6: Current Tax asset (net)

Particulars	As at September 30, 2023
Advance Income Tax (net)	606.22
	<u>606.22</u>

7: Deffered Tax asset (net)

Particulars	As at September 30, 2023
The balance comprises temporary differences attributable to:	
Tax Losses/MAT credit	945.30
Lease liabilities	36.33
Property, plant and equipments	(5.44)
Intangible Assets	73.95
Expenses allowable on payment basis	2.66
Total	<u>1,052.80</u>
Right-of-use assets	(26.48)
Deferred tax assets (Net)	<u>1,026.32</u>



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8(a): Other Non-Current assets

Particulars	As at September 30, 2023
Balances with government authorities	1,100.17
Total	1,100.17

8(b) : Other current assets


Particulars	As at September 30, 2023
Advances to suppliers	46.52
Prepaid expenses	117.69
Total	164.21

9: Inventories*

Particulars	As at September 30, 2023
Raw materials**	774.75
Work-in-progress	281.69
Stores and consumables	614.89
Total	1,671.33

* Net of provision

** Raw materials includes inventory with job workers.



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(All amounts in Rs. Lakhs except for share data or as otherwise stated)

Particulars	As at	
	September 30, 2023	
	Number of Shares	Amount
10: Equity Share Capital		
i) Authorised Capital		
Equity Share Capital of Rs. 10/- each	10,728,000	1,072.80
Preference Share Capital of Rs. 100/- each	3,685,700	3,685.70
As at April 1, 2023 (refer Note below)	14,413,700	4,758.50
Changes in equity share capital during the period		
Increase during the period	-	-
As at September 30, 2023	14,413,700	4,758.50
ii) Issued, Subscribed and Paid up Capital (net of treasury shares)		
Equity Share Capital of Rs. 10/- each		
Fully paid shares		
As at April 1, 2023	8,701,701	870.17
Changes in equity share capital during the period		
Issue of shares during the period	-	-
As at September 30, 2023	8,701,701	870.17
Total Issued, Subscribed and Paid up Capital		870.17
Treasury Shares		
Particulars	Number of Shares	Amount
Opening Balance as on April 01, 2023	1,006,120	100.61
Issued to employees under share based payment schemes	-	-
Closing Balance as on September 30, 2023	1,006,120	100.61

Note

The entire authorised capital was inadvertently disclosed as equity share capital in the statutory financial statement for the year ended March 31, 2023. The same has been rectified in the disclosure above.



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11: Other Equity

Particulars	As at September 30, 2023
Securities premium	15,422.28
Retained earnings	(10,892.37)
Employee stock compensation outstanding account	1,887.69
Capital Reserves	2.22
Foreign Currency Translation Reserve	106.72
Total	6,526.54

(i) Securities premium

Particulars	As at September 30, 2023
Opening Balance	15,422.28
Additions for the period	-
Closing Balance	15,422.28

(ii) Retained earnings

Particulars	As at September 30, 2023
Opening Balance	(10,838.00)
Profit for the period	(67.02)
<i>Items of other comprehensive income recognised directly in retained earnings</i>	
Remeasurements of the post employment benefit obligation	12.65
Closing Balance	(10,892.37)

(iii) Employee stock compensation outstanding account

Particulars	As at September 30, 2023
Opening Balance	1,846.72
Share based payment expenses	40.97
Closing Balance	1,887.69



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(iv) Capital Reserves

Particulars	As at September 30, 2023
Opening Balance	2.22
Additions for the period	-
Closing Balance	2.22

(v) Foreign Currency Translation Reserve

Particulars	As at September 30, 2023
Opening Balance	106.59
Additions for the period	0.13
Closing Balance	106.72



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

13: Lease Liabilities

Particulars	As at September 30, 2023
Current	
Lease Liabilities	64.00
Total	64.00

12: Provisions

Particulars	As at September 30, 2023
Non-current provisions	
Provision for employee benefits	
Gratuity	23.55
Other provisions	
Warranty	-
Total	23.55
Current provisions	
Provision for employee benefits	
Compensated absences [refer note (i)]	117.48
Gratuity	12.12
Other provisions	
Warranty	12.85
Total	142.45

Notes:**(i) Leave encashment**

The entire amount of the provision of 117.48 is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Leave obligation not expected to be settled within the next 12 months 95.79



Saankhya Labs Private Limited
CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023
(All amounts in Rs. Lakhs except for share data or as otherwise stated)

14: Trade Payables

Particulars	As at September 30, 2023
Total outstanding dues of micro and small enterprises (MSE)	159.40
Total outstanding dues of creditors other than MSE - others	429.88
Total	589.28


Trade payables includes the amounts due to related parties

15: Other Financial Liabilities

Particulars	As at September 30, 2023
Current	
Due to employees	168.88
Other payables to related parties	5,611.44
Total	5,780.32

16: Other Current Liabilities

Particulars	As at September 30, 2023
Advances received from customers	
- Related parties	764.23
- Others	294.67
Statutory dues	108.00
Total	1,166.90



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

17: Revenue from Operations

Particulars	April 1, 2023 to September 30, 2023
Revenue from contract with customers	
Sale of goods	
Vessel Tracking System Terminals	849.15
	<u>849.15</u>
Rendering of services	
Installation and commissioning revenue	32.51
Annual maintenance revenue	7.46
Other service revenue	4,846.14
	<u>4,886.11</u>
Total	<u>5,735.26</u>

18: Other Income

Particulars	April 1, 2023 to September 30, 2023
Interest income from banks on deposits	19.13
Unwinding of discount on fair valuation of financials assets	11.08
Miscellaneous income	2.70
Total	<u>32.91</u>

19A: Cost of Materials Consumed

Particulars	April 1, 2023 to September 30, 2023
Opening stock	709.74
Add: Purchases	171.96
	<u>881.70</u>
Less: Closing stock	774.75
Total	<u>106.95</u>

19B: Changes in inventories of work in progress

Particulars	April 1, 2023 to September 30, 2023
Opening balance - Work-in progress	619.62
Closing balance - Work-in progress	281.69
Changes in inventories of work in progress	<u>337.93</u>



Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

20: Employee benefit expense

Particulars	April 1, 2023 to September 30, 2023
Salaries and wages, including performance incentives	1,356.15
Contribution to provident and pension funds	81.81
Gratuity expenses	24.55
Employee share based payment expenses	2,485.30
Staff welfare expenses	23.03
	3,970.84
Less: Capitalized during the period [Refer Note No. 4(b)]	474.84
Total	3,496.00

21 : Finance cost

Particulars	April 1, 2023 to September 30, 2023
Interest expense	
(i) Unwinding of discount on fair valuation of financial liabilities	6.73
Other finance cost	4.13
Total	10.86



Saankhya Labs Private Limited**CIN: U72200KA2006PTC041339****Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023**

(All amounts in Rs. Lakhs except for share data or as otherwise stated)

22: Other Expenses

Particulars	April 1, 2023 to September 30, 2023
Installation, commissioning and maintenance expenses	15.59
Other processing charges	13.32
Power and fuel	15.75
Housekeeping and security	24.67
Lease rentals	21.19
Repairs and maintenance - others	14.53
Equipment hire charges	9.47
Sub-contractor charges	1.50
Cost of technical services	1,025.57
Insurance	35.06
Rates and taxes	1.54
Communication	22.59
Travelling and conveyance	102.70
Printing and stationery	2.63
Freight and forwarding	7.24
Sales expenses	44.40
Business promotion	1.43
Director sitting fees	2.60
Legal and professional	96.36
Auditors remuneration and out-of-pocket expenses	
Audit Fee (including fees for limited reviews)	23.48
Net loss on foreign currency transactions and translation	6.05
Warranty	12.86
Subscription and Membership	97.19
Miscellaneous expenses	0.40
Total other expenses	1,598.12
Less: Capitalized during the year [Refer Note No. 4(b)]	80.50
Total	1,517.62

23: Income Tax Expense

Particulars	April 1, 2023 to September 30, 2023
a. Current tax	
Tax on profits for the period	-
Adjustments for tax of prior periods	1.87
Total	1.87
b. Deferred tax	
Decrease/(increase) in deferred tax assets	135.44
(Decrease)/increase in deferred tax liabilities	-
Total	135.44
Total	137.31



24 Earnings/(Loss) Per Share

Basic earnings/ (loss) per share is calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

The computation of earnings per share is as follows:

Particulars	April 1, 2023 to September 30, 2023
Basic and Diluted	
Profit/(Loss) for the period	(67.02)
Weighted average number of equity shares (no. of shares)	8,701,701
Par value per share (in Rs.)	10.00
Earnings per share - Basic (in Rs.)	(0.77)

25 Contingent Liabilities

As at Sept 30, 2023 Company has contingent liabilities as mentioned below

Particulars	As at September 30, 2023
Demand raised by the income tax department, which is under appeal before CIT (Appeals) (refer note (i)(a) & (i)(b) below	526.04
Demand raised by the GST department, which is under appeal (refer note (ii) below)	571.71

Notes:

(i)(a) 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.

(i)(b) Company is eligible for tax refund of Rs. 45.62 for the AY 2018-19 and Rs. 148.19 for the AY 2020-21. However, the same was withheld against the above orders.

(ii) Company has made pre-deposit of Rs. 34.33 in the AY 2022-23.

Saankhya Labs Private Limited

CIN: U72200KA2006PTC041339

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to September 30, 2023

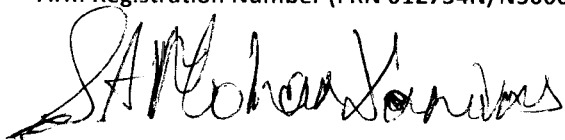
(All amounts in Rs. Lakhs except for share data or as otherwise stated)

26 Additional information

Name of the entity	Net assets, i.e., total assets minus total liabilities
	30-Sep-23
Parent Company	
Saankhya Labs Private Limited	7,278.77
As % of consolidated net assets	98.41%
Subsidiary	
Saankhya Labs Inc	71.61
As % of consolidated net assets	0.97%
Saankhya Strategic Electronics Private Limited	46.33
As % of consolidated net assets	0.63%
Total	7,396.71

Name of the entity	Share of profit or loss
	30-Sep-23
Parent Company	
Saankhya Labs Private Limited	95.04
Subsidiary	
Saankhya Labs Inc	(26.63)
Saankhya Strategic Electronics Private Limited	(3.31)
Total	65.10

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)


Mohan Danivas S A

Partner

Membership no: 209136

Place : Bengaluru

Date : October 18, 2023

for and on behalf of Board of Directors of
Saankhya Labs Private Limited


Vishwakumara Kayargadde

Director

DIN: 00751260

Place: Bengaluru

Date: October 18, 2023


Parag Naik

Director

DIN: 01055996

Place: Bengaluru

Date: October 18, 2023

Standalone Balance Sheet as at	Notes	September 30, 2023	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	563.66	661.12
Right-of-use assets	4(a)	54.18	140.21
Intangible assets	4(b)	0.05	2.97
Intangible assets under development	4(b)	4,189.96	3,634.63
Financial assets			
(i) Investments	5(a)	784.23	784.23
(iii) Other financial assets	8	14.29	155.03
Current tax asset (net)	9(a)	537.17	530.16
Deferred tax assets	9(b)	1,026.31	1,161.76
Other non-current assets	10	1,100.17	973.37
Total non-current assets		8,270.02	8,043.48
Current assets			
Inventories	11	1,671.33	1,879.12
Financial assets			
(i) Investments	5(b)	-	-
(ii) Trade receivables	6	4,055.67	2,501.85
(iii) Cash and cash equivalents	7(i)	843.13	233.19
(iv) Bank balances other than (iii) above	7(ii)	24.00	436.22
(v) Other financial assets	8	504.44	254.15
Other current assets	10	163.60	254.63
Total current assets		7,262.17	5,559.16
Total assets		15,532.19	13,602.64
EQUITY AND LIABILITIES			
Equity			
Equity share capital	rs	870.17	870.17
Other equity	13	7,192.83	7,174.39
Total equity		8,063.00	8,044.56
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	14	-	4.26
Provisions	15	23.55	8.60
Total non-current liabilities		23.55	12.86
Current liabilities			
Financial liabilities			
(i) Lease liabilities	14	64.00	155.24
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		159.39	140.70
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		427.53	232.69
(iii) Other financial liabilities	17	5,780.33	3,140.34
Contract Liabilities	18	-	818.72
Provisions	15	142.46	147.92
Other current liabilities	18	871.93	909.58
Total current liabilities		7,445.64	5,545.19
Total liabilities		7,469.19	5,558.05
Total equity and liabilities		15,532.19	13,602.61



Saankhya Labs Private Limited

Standalone Statement of Profit and Loss	Notes	Quarter Ended			Period Ended		Year Ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
I Revenue from operations	19	3,530.46	2,069.89	1,368.29	5,600.36	1,368.28	8,220.84
II Other Income	20	20.03	13.57	71.40	33.60	71.40	280.49
III Total income (I + II)		3,550.49	2,083.46	1,439.69	5,633.96	1,439.68	8,501.33
IV Expenses							
Cost of materials consumed	21A	58.33	48.62	301.20	106.95	301.20	761.27
Changes in inventories of work in progress	21B	126.60	211.33	(240.62)	337.94	(240.62)	(417.63)
Employee benefit expense	22	1,637.70	1,853.90	704.17	3,491.62	704.17	6,400.15
Finance costs	23A	5.18	4.87	30.69	10.05	30.69	66.83
Depreciation and amortization expense	4(c)	113.74	117.74	193.53	231.48	193.53	787.00
Allowance for expected credit loss	23B	-	-	(3.40)	-	(3.40)	-
Other expenses	24	761.88	599.00	977.20	1,360.88	977.20	4,369.75
Total expenses (IV)		2,703.43	2,835.46	1,962.77	5,538.92	1,962.77	11,967.37
V Profit/(Loss) before exceptional items and tax (III - IV)		847.06	(752.00)	(523.08)	95.04	(523.09)	(3,466.04)
Exceptional items							
Expenditure Incurred on R&D Activities		-	-	-	-	-	-
Profit before tax		847.06	-752.00	-523.08	95.04	-523.09	-3,466.04
VI Income tax expense	25						
Current tax		-	-	-	-	-	(31.50)
Deferred tax expense/(benefit)		300.69	(170.42)	(6.44)	130.26	(3.50)	(978.51)
Total tax expense (VI)		300.69	(170.42)	(6.44)	130.26	(3.50)	(1,010.01)
VII Profit/(Loss) after tax (V- VI)		546.37	(581.58)	(516.64)	(35.22)	(519.59)	(2,456.03)
VIII Other comprehensive income/(loss)							
Items that will not be reclassified to profit or loss							
Remeasurement of defined benefit obligation		17.84	-	(0.12)	17.84	(0.12)	(53.47)
Income tax relating to above		(5.19)	-	2.94	(5.19)	2.94	15.57
Other comprehensive income/(loss) for the period, net of tax (VIII)		12.65	-	2.82	12.65	2.82	(37.90)
IX Total comprehensive income/(loss) for the period (VII + VIII)		559.02	(581.58)	(513.82)	(22.57)	(516.77)	(2,493.93)




The Board of Directors
Saankhya Strategic Electronics Private Limited

Report on special purpose financial statements

This report is issued in accordance with the terms of our agreement dated September 13, 2023.

We have audited the accompanying special purpose financial statements of Saankhya Strategic Electronics Private Limited, comprising of Balance Sheet as at Sep 30, 2023, the Statement of Profit and Loss for the period then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as the "Financial Statements").

Management's Responsibility for the special purpose Financial Statements

The Company's Management is responsible for the preparation of these financial statements of the Company in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [the Companies Indian Accounting Standards) Rules, 2015], to the extent considered relevant by it for the purpose for which these financial statements have been prepared (the "accounting principles generally accepted in India"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit





procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given In to us, the aforesaid financial statements, together with the notes thereon and attached thereto, 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 Sep 30, 2023, and their profit for the period April 01, 2023 to Sep 30, 2023.

Emphasis of Matters

We draw your attention to the following:

The financial statements, which describes the basis of its preparation. The financial statements are not the statutory financial statements of the Company, and are not intended to, and do not comply with the disclosure/presentation provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are considered irrelevant by the Management and the intended users of the financial statements for the purposes for which those have been prepared.

Restrictions on Use

Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.





M S K A & Co.

Chartered Accountants

No.23, Staywell House,
Second Floor, First Main,
Muthappa Block, Ganganagar,
RT Nagar, Bengaluru - 560 032,
Karnataka, India.
E-mail : carathiak@gmail.com

This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes of merger petition. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. We neither accepts nor assumes any duty, responsibility, or liability to any other party or for any other purpose.

For M S K A & Co.,
Chartered Accountants
FRN. 117035W

A. Ashok Kumar Rathi

CA. Ashok Kumar Rathi
Partner

Membership Number: 094591.

UDIN: 23094591B6WWEH8177



Place: Bangalore

Date: October 17, 2023.

Saankhya Strategic Electronics Private Limited

CIN:U72900KA2020PTC136822

No.3, Embassy Building, Third Floor, Infantry Road, Bengaluru 560001

Special purpose financial information

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Audited Standalone Balance Sheet as at	Notes	September 30, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	4(a)	13.92
Current tax asset (net)	6	0.53
Total non - current assets		14.45
Current assets		
Financial assets		
(i) Trade receivables	7	0.96
(ii) Cash and cash equivalents	8(i)	11.84
(iii) Bank balances other than (iii) above	8(ii)	20.00
(iv) Other financial assets	5	0.13
Other current assets	9	0.62
Total current assets		33.55
Total assets		48.00
EQUITY AND LIABILITIES		
Equity		
Equity share capital	10	10.00
Other equity	11	36.33
Total equity		46.33
Liabilities		
Current liabilities		
Financial liabilities		
(i) Trade payables	12	
(a) Total outstanding dues of micro enterprises and small		
(b) Total outstanding dues of creditors other than micro		1.37
enterprises and small enterprises		
Other current liabilities	13	0.30
Total current liabilities		1.67
Total liabilities		1.67
Total equity and liabilities		48.00

The accompanying notes form an integral part of the standalone financial information.
As per our report of even date.

for **MSKA & Co.**

Firm Registration Number: 117035W

A. h. Rathie

CA. Ashok Kumar Rathi

Partner

Membership No.: 094591

Place: Bengaluru

Date: October 17, 2023



for and on behalf of Board of Directors of

Saankhya Strategic Electronics Private Limited

Vishwakumar Kayargadde

Vishwakumar Kayargadde Patag Naik

Director

DIN: 00751260

Place: Bengaluru

Date: October 17, 2023

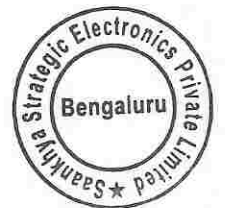
Patag Naik

Director

DIN: 01055996

Place: Bengaluru

Date: October 17, 2023



UDIN : 23094591BGWNEH8177

Saankhya Strategic Electronics Private Limited

CIN:U72900KA2020PTC136822

No.3, Embassy Building, Third Floor, Infantry Road, Bengaluru 560001

Special purpose financial information

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Audited Standalone Statement of Profit and Loss	Notes	April 1, 2023 to September 30, 2023
Revenue from operations		-
Other Income	14	5.44
Total income		5.44
Expenses		
Employee benefit expense	15	4.39
Depreciation and amortization expense	4(a)	2.24
Other expenses	16	2.12
Total expenses		8.75
Profit/(Loss) before exceptional items and tax		(3.31)
Exceptional items		
Expenditure Incurred on R&D Activities		-
Profit before tax		(3.31)
Income tax expense	17	
Current tax		1.87
Deferred tax expense/(benefit)		-
Total tax expense		1.87
Profit/(Loss) after tax		(5.18)
Other comprehensive income/(loss)		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligation		-
Income tax relating to above		-
Other comprehensive income/(loss) for the period, net of tax		-
Total comprehensive income/(loss) for the period		(5.18)

The accompanying notes form an integral part of the standalone financial information.

As per our report of even date.

for **M S K A & Co.**

Firm Registration Number: 117035W

CA. Ashok Kumar Rathi

Partner

Membership No.: 094591

Place: Bengaluru

Date: October 17, 2023

UDIN: 23094591B6WWEH8177

for and on behalf of Board of Directors of

Saankhya Strategic Electronics Private Limited**Vishwakumar Kayargadde**

Director

DIN: 00751260

Place: Bengaluru

Date: October 17, 2023

Parag Naik

Director

DIN: 01055996

Place: Bengaluru

Date: October 17, 2023



Saankhya Strategic Electronics Private Limited

CIN: U72900KA2020PTC136822

Special purpose financial information

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Statement of cash flows for the period ended September 30, 2023

Particulars	Notes	April 1, 2023 to September 30, 2023
Cash flow from operating activities		
Profit before tax		-3.31
Adjustment for		
Depreciation and amortisation	4(a)	2.24
Interest income	14	-0.13
Changes in assets and liabilities		
(Increase)/decrease in trade receivables		0.59
(Increase)/decrease in other non current assets		0.11
(Increase)/decrease in other current assets		0.32
Increase/(decrease) in trade payables		0.83
Increase/(decrease) in other current liabilities		0.18
Cash generated from operations		0.83
Income taxes (paid)/ refund received		-1.86
Net cash inflow/ (outflow) from operating activities		(1.03)
Cash flow from investing activity		
Interest income	14	0.13
Purchase of property, plant and equipments		-
Net cash inflow/ (outflow) from investing activity		0.13
Net increase (decrease) in cash and cash equivalents		-0.90
Cash and cash equivalents at the beginning of the financial year	8	32.74
Cash and cash equivalents at end of the period		31.84

The accompanying notes form an integral part of the financial information.

As per our report of even date.

for M S K A & Co.

Firm Registration Number: 117035W

CA. Ashok Kumar Rathi
Partner

Membership No.: 094591

Place: Bengaluru

Date: October 17, 2023



for and on behalf of Board of Directors of

Saankhya Strategic Electronics Private Limited

Vishwakumar Kayargadde

Director

DIN: 00751260

Place: Bengaluru

Date: October 17, 2023

Parag Naik

Director

DIN: 01055996

Place: Bengaluru

Date: October 17, 2023



UDIN : 23094591B6WWEH8177

Saankhya Strategic Electronics Private Limited

CIN:U72900KA2020PTC136822

No.3, Embassy Building, Third Floor, Infantry Road, Bengaluru 560001

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Statement of Changes in Equity

A. Equity Share Capital

Particulars	Number of Shares	Equity share capital
As at April 1, 2023	100,000	10.00
Increase in equity share capital on account of exercise of ESOP and Issue of equity shares under Private Placement		
As at September 30, 2023	100,000	10.00

B. Other Equity


Particulars	Retained Earnings
Balance as at April 01, 2023	41.52
(Loss)/Profit for the period	(5.19)
Other comprehensive (loss)/income (Remeasurement of defined benefit obligation net of income tax)	-
Total comprehensive (loss)/income for the period	(5.19)
Balance as at September 30, 2023	36.33

The accompanying notes form an integral part of the standalone financial information.

As per our report of even date.

for **M S K A & Co.**

Firm Registration Number: 117035W



CA. Ashok Kumar Rathi



Partner

Membership No.: 094591

Place: Bengaluru

Date: October 17, 2023

UDIN : 23094591BQWWEH8177

for and on behalf of Board of Directors of

Saankhya Strategic Electronics Private Limited



Vishwakumar Kayargadde

Director

DIN: 00751260

Place: Bengaluru

Date: October 17, 2023



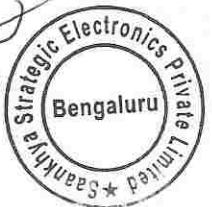
Parag Naik

Director

DIN: 01055996

Place: Bengaluru

Date: October 17, 2023



Saankhya Strategic Electronics Private Limited

CIN:U72900KA2020PTC136822

No.3, Embassy Building, Third Floor, Infantry Road, Bengaluru 560001

Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 4(a): Property, Plant and Equipment

Particulars	Leasehold Improvements	Furniture and Fixtures	Office Equipment	Computing Equipment	Total
Gross carrying value as of April 1, 2023	14.66	5.34	3.16	0.60	23.76
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
Gross carrying value as of September 30, 2023	14.66	5.34	3.16	0.60	23.76
Accumulated depreciation as of April 1, 2023	(4.03)	(1.50)	(1.56)	(0.51)	(7.60)
Depreciation for the period	(1.44)	(0.52)	(0.24)	(0.04)	(2.24)
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as of September 30, 2023	(5.47)	(2.02)	(1.80)	(0.55)	(9.84)
Carrying value as of September 30, 2023	9.19	3.32	1.36	0.05	13.92



Saankhya Strategic Electronics Private Limited

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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 7: Trade Receivables

Particulars	As at September 30, 2023
Trade receivables considered good - secured	-
Trade receivables considered good - unsecured	-
Receivables from related parties considered good - unsecured	0.96
Trade receivables which have significant increase in credit risk	-
Trade receivables - credit impaired	37.88
Less: Allowance for expected credit loss	-37.88
Total	0.96

Note No. 8: Cash and Bank Balances

Particulars	As at September 30, 2023
(i) Cash and cash equivalents	
(a) Balances with banks	
(i) In current accounts	11.84
Total cash and cash equivalents	11.84
(ii) Other bank balances	
Deposits with original maturity of more than three months but less than twelve months	20.00
Total other bank balances	20.00



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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 5: Other Financial Assets

Particulars	As at September 30, 2023
Current financial assets	
Interest accrued but not due	0.13
Total current financial assets	0.13

Note No. 6: Tax assets

Particulars	As at September 30, 2023
Current Tax Asset (net)	
Advance Income Tax (net)	0.53
Total	0.53

Note No. 9 : Other assets

Particulars	As at September 30, 2023
Other current assets	
Advances to suppliers	0.08
(c) Balances with government authorities (other than income taxes)	-
(i) CENVAT credit receivable	-
(ii) Customs duty receivable	-
(iii) VAT credit receivable	-
(iv) Service tax credit receivable	-
(v) GST receivable	0.01
Balances with government authorities	0.01
Prepaid expenses	0.53
Total other current assets	0.62



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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 10: Equity Share Capital

Particulars	Number of Shares	Equity Share Capital
a) Authorised Capital		
Equity Share Capital of Rs. 10/- each		
As at April 01, 2023	100,000	10.00
Changes in equity share capital during the year		
Increase during the year	-	-
As at September 30, 2023	100,000	10.00
b) Issued, Subscribed and Paid up Capital		
Equity Share Capital of Rs. 10/- each		
Fully paid shares		
As at April 1, 2023	100,000	10.00
Changes in equity share capital during the period		
Issue of equity shares under Private Placement	-	-
As at September 30, 2023	100,000	10.00



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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023
(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 11: Other Equity

Particulars	As at
	September 30, 2023
Surplus/ (Deficit) in the statement of Profit and Loss	36.33
Total Other Equity	36.33



Saankhya Strategic Electronics Private Limited

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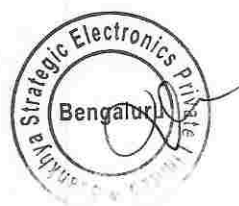
Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023
(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 12: Trade Payables

Particulars	As at September 30, 2023
Total outstanding dues of micro and small enterprises (MSME)	-
Total outstanding dues of creditors other than MSME - others	0.55
Total outstanding dues of creditors other than MSME - related parties	0.82
Total trade payables	1.37

Note No. 13: Other Current Liabilities

Particulars	As at September 30, 2023
Statutory dues	0.30
Total other current liabilities	0.30



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Notes to the Special purpose financial information as of and for the period from April 1, 2023 to Sept 30, 2023

(All amounts in Rupees Lakhs except for share data or as otherwise stated)

Note No. 14: Other Income

Particulars	April 1, 2023 to September 30, 2023
Interest income from banks on deposits	0.13
Other non-operating income	-
Interest on income tax refunds	-
Miscellaneous income	5.31
Total other income	5.44

Note No. 15: Employee benefit expenses

Particulars	April 1, 2023 to September 30, 2023
Salaries and wages, including performance incentives	4.09
Contribution to provident and pension funds	0.30
Total employee benefit expenses	4.39

Note No. 16: Other Expenses

Particulars	April 1, 2023 to September 30, 2023
Lease rentals	0.82
Insurance	0.49
Rates and taxes	0.05
Communication	0.14
Printing and stationery	0.02
Legal and professional	0.27
Auditors remuneration and out-of-pocket expenses	-
Audit Fee (including fees for limited reviews)	0.30
Subscription and Membership	0.03
Total other expenses	2.12

Note No. 17: Income Tax Expense

Particulars	April 1, 2023 to September 30, 2023
a. Current tax	
Tax on profits for the year	-
Adjustments for tax of prior years	1.87
Total current tax expense	1.87
b. Deferred tax	
Decrease/(increase) in deferred tax assets	-
Total deferred tax (benefit)/expense	-
Total Income tax (benefit)/expense	1.87



1. Corporate Information

Saankhya Strategic Electronics Private Limited, ('SSE' or 'the Company') was incorporated on August 04, 2020 under the provisions of the Indian Companies Act, 2013 with the main object to develop, maintain, and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.

The Company is incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India.

These financial statements have been approved by the Company's Board of Directors on October 17, 2023.

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 financial statements

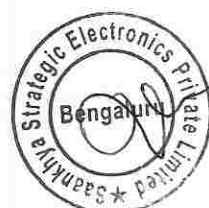
Tejas Networks Limited acquired majority stake in the Company effective July 01, 2022 and is called the Holding Company from such date. On September 30, 2022 the Holding Company made an application to NSE and BSE for approval of the draft scheme of arrangements. This application was approved by both BSE and NSE on July 6, 2023. The Company then made an application to NCLT on July 27, 2023 and the same was heard and reserved order was passed on September 15, 2023 under section 230-232 of the Companies Act, 2013. The Company has prepared these Special purpose financial information for the period April 1, 2023 to September 30, 2023 to enable Tejas Networks Limited (the Holding Company) to comply with the requirements as mentioned under the circular issued by SEBI SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and related notifications as issued from time to time.

This special purpose financial information has been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015] to the extent considered relevant for the purpose for which this special purpose financial information have been prepared. These do not comply with the disclosure/presentation provisions applicable to statutory financial statements prepared under the Companies Act, 2013, as those are not considered relevant.

Additionally, comparative financial information was not relevant for the purpose for which this special purpose financial information has been prepared and hence no comparative financial information has been presented.

(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 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) 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:

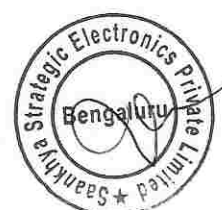
The Company is engaged in the business of Software and Hardware and to provide services and solutions.

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.

Revenue from services are recognised as and when such 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).

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

Assets acquired but not ready for use are classified under Capital work in progress and are stated at cost comprising direct cost and related incidental expenses.

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.

<u>Asset</u>	<u>Useful Life</u>	<u>As per Companies Act</u>
Furniture & fixtures	5 years	10 years
Office equipment	5 years	5 years
Computing equipment	3 years	5 years
Leasehold Improvements	5 years	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 recognised as at 01 April 2021 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.

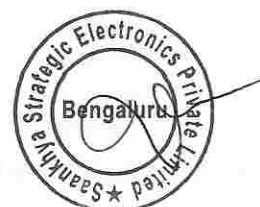
Gains and losses on disposals are determined by comparing proceeds with carrying amount. Net gains and losses are included in the statement of profit and loss within other income/ other expenses.

Individual assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

2.4 Intangible Assets (including under development)

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.

2.4.3 Amortization

The Company amortizes intangible assets with a finite useful life using the straight line method over the below periods:

<u>Asset</u>	<u>Useful Life</u>	<u>As per Companies Act</u>
Computer Software	1 year	6 years

2.4.4 On Transition to Ind AS, the Company has elected to continue with the carrying value of all 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

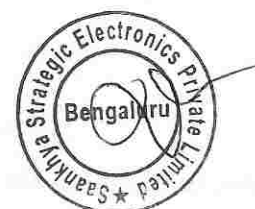
2.7.1 Classification

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.



2.7.5 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 the 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 Fair value through Profit and loss (FVTPL) 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).

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 (FVTPL).

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.

2.11 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, considering 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.

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 of profit and loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of entity's net investment in that foreign operation. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and



non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign exchange differences arising on translation of foreign currency borrowings are presented in the statement of profit and loss, within finance costs. 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.

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).

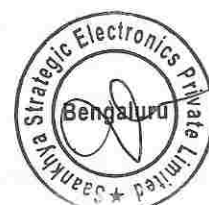
2.18 Leases

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:

- fixed payments
- amount expected to be payable under residual value guarantees
- 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:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date,
- any initial direct costs, and
- 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.

Sub Lease: Sub Lease income is recognised on accrual basis.

2.21 Trade Receivables

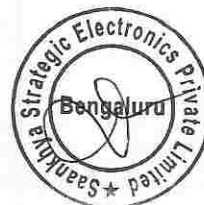
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing component, when they are recognised at fair 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.

2.25 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.

2.27 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 lakhs with two decimals as per the requirement of Schedule III, unless otherwise stated.

3 Critical estimates and judgments

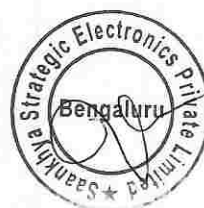
"The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements."

The areas involving critical estimates and judgments are:

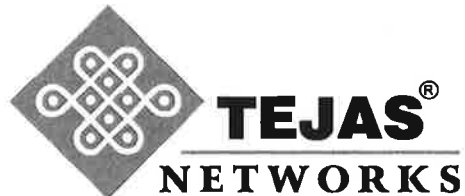
- Intangible assets - Refer note 4(b)

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.



Tejas Networks Ltd.

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



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TEJAS NETWORKS LIMITED AT ITS MEETING HELD ON THURSDAY, SEPTEMBER 29, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF SAANKHYA LABS PRIVATE LIMITED AND SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED WITH TEJAS NETWORKS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

Members present:

1. Mr. Chandrashekhhar Bhaskar Bhave - Independent Director
2. Amb. Leela K Ponappa - Independent Director
3. Mr. A S Lakshminarayanan - Non-Executive and Non-Independent Director
4. Mr. P R Ramesh - Independent Director
5. Prof. Bhaskar Ramamurthi - Independent Director
6. Mr. Sanjay Nayak - Managing Director and CEO
7. Mr. Arnob Roy - Executive Director and Chief Operating Officer

In Attendance:

1. Mr. N R Ravikrishnan - General Counsel, Chief Compliance and Company Secretary

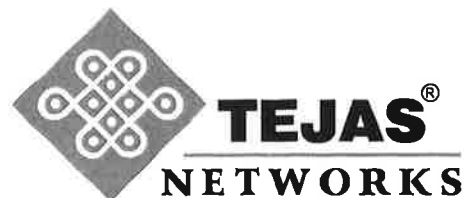
By invitation:

1. Mr. Sanjay Nayak - Managing Director and CEO
2. Mr. Arnob Roy - Executive Director and Chief Operating Officer
3. Mr. Venkatesh Gadiyar - Chief Financial Officer
4. Ms. Sneha V - Senior Executive Company Secretary
5. Ms. Khushboo Tanwar - Vice President, SPA Valuation Advisors Pvt Ltd, Registered Valuer
6. Mr. Srujan Poojary - Asst. Vice –President, V. B. Desai Financial Services Limited, Merchant Banker
7. Mr. Mehul Shah - Partner, Khaitan & Co

Leave of absence was granted to Mr. N Ganapathy Subramaniam, Chair of the Board as he expressed his unavailability due to unavoidable circumstances. Thereafter, Mr. Chandrashekhhar Bhaskar Bhave, Independent Director and a Member of the Board took the Chair and conducted the proceedings of the meeting.

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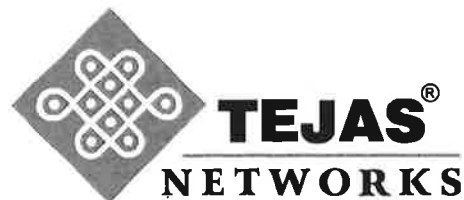


1. Background

- 1.1. The Board of Directors of Tejas Networks Limited ("**Board**") at its meeting held on September 29, 2022 have approved the Scheme of Amalgamation of Saankhya Labs Private Limited ("**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**Transferor Company 2**") with Tejas Networks Limited ("**Transferee Company**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**"). The Transferor Company 1 and Transferor Company 2 are hereinafter being referred to as ("**Transferor Companies**").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. The Transferee Company is a public company incorporated under the provisions of the Companies Act, 1956. The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited.
- 1.4. The Transferor Company 1 and Transferor Company 2 are incorporated under the provisions of the Companies Act, 1956 and Companies Act, 2013 respectively. The Transferor Company 2 is a wholly owned subsidiary of Transferor Company 1 and Transferor Company 1 is a majority owned and controlled subsidiary of Transferee Company. The Transferor Company 1 and Transferor Company 2 shall hereinafter collectively be referred to as ("**Transferor Companies**").
- 1.5. The proposal is to be implemented in order to comply with the requirements in terms of a Scheme of Amalgamation and Arrangement (the "**Scheme**") under Sections 230 to 232 of the Companies Act, 2013, the rules and / or regulations made thereunder (the "**Companies Act**"), Section 2(1B) of the Income Tax Act, 1961, the rules and / or regulations made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force), the Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Clause 2 (c) of Para A of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("**SEBI Master Circular**") and as amended from time to time.
- 1.6. The Scheme was approved by the Audit Committee of the Company in its meeting held on September 29, 2022 and by the Committee of Independent Directors in its meeting held on September 29, 2022.

Tejas Networks Ltd.

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



1.7. Under the Scheme it is proposed to amalgamate the Transferor Companies with the Transferee Company.

1.8. Documents placed before the Board

The following documents were, *inter alia*, placed before the Board, duly initialed by the Company Secretary of the Company for the purpose of identification:

- (a) The Draft Scheme;
- (b) The Share Exchange Ratio Report dated September 29, 2022 issued by M/s. SPA Valuation Advisors Private Limited. (Registration No. - IBBI/RV-E/05/2021/148), Registered Valuer ("**Share Exchange Ratio Report**"), describing the methodology adopted by them in arriving at the share exchange ratio;
- (c) The Fairness Opinion Report dated September 29, 2022 issued by M/s. V. B. Desai Financial Services Limited, (Registration No. INM 000002731), an Independent SEBI registered Category – I Merchant Banker ("**Fairness Opinion**"), providing an opinion on the fairness of share exchange ratio specified in the Share Exchange Ratio Report;
- (d) Certificate dated September 29, 2022 issued by M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the accounting treatment specified in the Scheme is in compliance with the applicable accounting standards and regulations as specified under Section 133 of the Companies Act, 2013 as amended from time to time and other generally accepted accounting principles in India;
- (e) Draft undertaking on non-applicability of conditions specified in Paragraph 10(b) read with Paragraph 10(a) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("**SEBI Master Circular**") and certificate issued by M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, Statutory Auditors of the Company certifying the said undertaking;
- (f) Report dated September 29, 2022 of the Audit Committee of the Company; and
- (g) Report dated September 29, 2022 of the Committee of the Independent Directors of the Company.

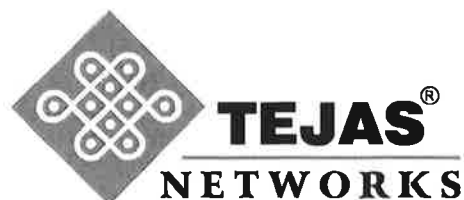
2. Share Exchange Ratio Report

On Amalgamation of the Transferor Company 1 with the Transferee Company

112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company, credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1.

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Regd. Office: Plot No. 25, 5th Floor
J.P. Software Park, Electronic City Phase 1
Hosur Road, Bengaluru 560 100, India
Tel : +91- 80- 4179 4600/700/800
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On amalgamation of the Transferor Company 2 with the Transferee Company

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

3. Need for the amalgamation and rationale of the Scheme

The Transferor Companies, are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- Enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- Achieve synergies in revenue, costs, operations, and stronger base for future growth;
- An integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- Further expand and grow all business into the international markets;
- Reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- consolidation of administrative and managerial functions and elimination of multiple record-keeping, inter alia other expenditure and optimal utilization of resources;
- adaptation of best practices and in enhancing mechanisation/ automation of various processes through latest technologies;
- streamlining of the corporate structure; and
- improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

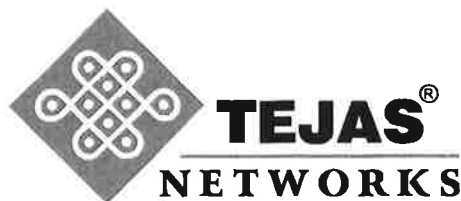
The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

4. Effect of the Scheme on the stakeholders

Category of the stakeholders	Effect of the Scheme on stakeholders
Shareholders (Promoter and Non-Promoter)	a) The Transferee Company has equity shareholders and does not have any other class of shareholders. b) Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the

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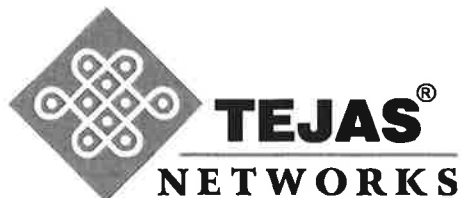
Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date or to their to their respective heirs, executors, administrators or other legal representatives or successors in title in the following manner:

*112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company ("**Transferee Company New Equity Shares**") , credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1.*

- c) The Transferee Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Company, as the case may be, including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto and will be listed on the Stock Exchanges, subject to receipt of regulatory approvals.
- d) The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme set out as above and is expected to be in the best interest of the shareholders of the Transferor Companies.
- e) There will be no change in the economic interest of the shareholders of the Company, before and after Scheme.

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Regd. Office: Plot No. 25, 5th Floor
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	f) Upon the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up and the shareholders of the Transferor Company 1 shall become shareholders of the Company.
Key Managerial Personnel	None of the KMPs of the Transferee Company have any interest in the Scheme except to the extent of the equity shares held by them and their directorship, if any, in the Transferee Company. There shall be no effect of the Scheme on KMPs of the Transferee Company.

5. Adoption of the Report by the Directors

- 5.1. The Report of the Audit Committee, Committee of Independent Directors, Share Exchange Ratio Report and the Fairness Opinion have been taken on record by the Board, and the Board has come to the conclusion that share exchange ratio specified in the Scheme is fair and reasonable.
- 5.2. The Scheme will be of advantage and beneficial to the Transferee Company, its shareholders and other stakeholders.
- 5.3. The Board or any duly authorised committee / person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall have deemed to form part of the report.

Chandrashekhar Bhaskar Bhawe
Chair of the Meeting- Board

Place: Bangalore
Date: September 29, 2022

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAANKHYA LABS PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, SEPTEMBER 29, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF SAANKHYA LABS PRIVATE LIMITED AND SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED WITH TEJAS NETWORKS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

- 1.1. The Board of Directors of Saankhya Labs Private Limited ("**Board**") at its meeting held on September 29, 2022 have approved the Scheme of Amalgamation of Saankhya Labs Private Limited ("**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**Transferor Company 2**") with Tejas Networks Limited ("**Transferee Company**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**"). The Transferor Company 1 and Transferor Company 2 are hereinafter being referred to as ("**Transferor Companies**").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Companies with the Transferee Company.
- 1.5. **Documents placed before the Board**

The following documents were, *inter alia*, placed before the Board, duly initialed by the Company Secretary of the Company for the purpose of identification:

- (a) Draft Scheme;
- (b) Share Exchange Ratio Report dated September 29, 2022 issued by M/s. SPA Valuation Advisors Private Limited (Registration No. IBBI/RV-E/05/2021/148), Registered Valuer ("**Share Exchange Ratio Report**"), describing the methodology adopted by them in arriving at the share exchange ratio;
- (c) Certificate dated September 29, 2022 issued by M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the accounting treatment

Saankhya Labs Pvt. Ltd

CIN: U72200KA2006PTC041339; email: info@saankhyalabs.com

Registered Office: EMBASSY ICON, Level 3, No.3, Infantry Road, Vasantha Nagar,

Bengaluru – 560 001, Karnataka, INDIA Tel: +91.80.6117 1000; Fax: +91.80.6117 1030. Web: www.saankhyalabs.com;

specified in the Scheme is in compliance with the applicable accounting standards and regulations as specified under Section 133 of the Companies Act, 2013 as amended from time to time and other generally accepted accounting principles in India; and

(d) Report dated September 29, 2022 of the Audit Committee of the Company

2. Share Exchange Ratio Report

On Amalgamation of the Transferor Company 1 with the Transferee Company

112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company, credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1

On amalgamation of Transferor Company 2 with the Transferee Company

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

3. Effect of the Scheme on the stakeholders

Category of the stakeholders	Effect of the Scheme on stakeholders
Shareholders (Promoter and Non-Promoter)	<p>a) The Transferor Company 1 has equity shareholders and does not have any other class of shareholders.</p> <p>b) Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date or to their to their respective heirs, executors, administrators or other legal representatives or successors in title in the following manner:</p> <p>112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company (“Transferee Company New Equity Shares”), credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1.</p> <p>c) The Transferee Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Company, as the case may be, and shall rank <i>pari passu</i></p>

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	<p>in all respects with any existing equity shares of Transferee Company, as the case may be, including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto and will be listed on the Stock Exchanges, subject to receipt of regulatory approvals.</p> <p>d) The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme set out as above and is expected to be in the best interest of the shareholders of the Transferee Company.</p> <p>e) There will be no change in the economic interest of the shareholders of the Company, as the shares would be issued to them by the Transferee Company.</p> <p>f) Upon the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up and the shareholders of the Transferor Company 1 would be issued shares of the Transferee Company which would be listed on the stock exchange(s).</p>
Key Managerial Personnel	None of the KMPs of the Transferor Company 1 have any interest in the Scheme except to the extent of the equity shares held by them and their directorship, if any, in the Transferor Company 1.

4. Adoption of the Report by the Directors

- 4.1. The Report of the Audit Committee and Share Exchange Ratio Report have been taken on record by the Board, and the Board has come to the conclusion that share exchange ratio specified in the Scheme is fair and reasonable.
- 4.2. The Scheme will be of advantage and beneficial to all the companies, its shareholders and other stakeholders.
- 4.3. The Board or any duly authorised committee / person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall have deemed to form part of the report.



Chair of the Board

Place: Bangalore

Date: September 29, 2022

Saankhya Labs Pvt. Ltd

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Bengaluru – 560 001, Karnataka, INDIA Tel: +91.80.6117 1000; Fax: +91.80.6117 1030. Web: www.saankhyalabs.com;



SAANKHYA STRATEGIC Electronics Pvt. Ltd.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, SEPTEMBER 29, 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED AND SAANKHYA LABS PRIVATE LIMITED WITH TEJAS NETWORKS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

- 1.1. The Board of Directors of Saankhya Strategic Electronics Private Limited ("**Board**") at its meeting held on September 29, 2022 have approved the Scheme of Amalgamation of Saankhya Labs Private Limited ("**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**Company**" or "**Transferor Company 2**") with Tejas Networks Limited ("**Transferee Company**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") ("**Scheme**"). The Transferor Company 1 and Transferor Company 2 are hereinafter being referred to as ("**Transferor Companies**").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Companies with the Transferee Company.
- 1.5. **Documents placed before the Board**

The following documents were, *inter alia*, placed before the Board, duly initialed by the Director of the Company for the purpose of identification:

- (a) Draft Scheme;
- (b) Share Exchange Ratio Report dated September 29, 2022 issued by M/s. SPA Valuation Advisors Private Limited (Registration No. IBBI/RV-E/05/2021/148), Registered Valuer ("**Share Exchange Ratio Report**"), describing the methodology adopted by them in arriving at the share exchange ratio; and



Saankhya Strategic Electronics Pvt. Ltd.

Registered Office: Embassy Icon, 3rd Floor, No.3, Infantry Road, Bengaluru - 560 001. INDIA

Tel +91.80.6117 1000. Fax: +91.80.6117 1030. Web: www.saankhyastrategic.com email: info@saankhyastrategic.com

CIN: U72900KA2020PTC136822



SAANKHYA STRATEGIC Electronics Pvt. Ltd.

- (c) Certificate dated September 29, 2022 issued by M/s. M S K A & Co. (Firm Registration No. 117035W), the Statutory Auditors of the Company, certifying that the accounting treatment specified in the Scheme is in compliance with the applicable accounting standards and regulations as specified under Section 133 of the Companies Act, 2013 as amended from time to time and other generally accepted accounting principles in India.

2. Share Exchange Ratio Report

On Amalgamation of the Transferor Company 1 with the Transferee Company

112 equity shares of INR 10 (Indian Rupees ten) each of the Transferee Company, credited as fully paid up, for every 100 fully paid-up equity shares of INR 10 (Indian Rupees ten) each of the Transferor Company 1

On amalgamation of Transferor Company 2 with the Transferee Company

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

3. Effect of the Scheme on the stakeholders

Category of the stakeholders	Effect of the Scheme on stakeholders
Shareholders (Promoter and Non-Promoter)	<p>a) The Transferor Company 2 has equity shareholders and does not have any other class of shareholders.</p> <p>b) Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.</p> <p>c) The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme and is expected to be in the best interest of the shareholders of the Transferee Company.</p> <p>d) There will be no change in the economic interest of the shareholders of the Company, as the entire shares are held by Transferor Company 1, which will amalgamate with the Transferee Company.</p> <p>e) Upon the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up.</p>
Key Managerial Personnel	None of the KMPs of the Transferor Company 2 have any interest in the Scheme except to the extent of the equity shares, if any and their directorship, if any, in the Transferor Company 2.



Saankhya Strategic Electronics Pvt. Ltd.

Registered Office: Embassy Icon, 3rd Floor, No.3, Infantry Road, Bengaluru - 560 001. INDIA

Tel +91.80.6117 1000. Fax: +91.80.6117 1030. Web: www.saankhyastrategic.com email: info@saankhyastrategic.com

CIN: U72900KA2020PTC136822



SAANKHYA STRATEGIC
Electronics Pvt. Ltd.

4. Adoption of the Report by the Directors

- 4.1. The Share Exchange Ratio Report have been taken on record by the Board, and the Board has come to the conclusion that share exchange ratio specified in the Scheme is fair and reasonable.
- 4.2. The Scheme will be of advantage and beneficial to all the companies, its shareholders and other stakeholders.
- 4.3. The Board or any duly authorised committee / person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall have deemed to form part of the report.

Vishwakumara Kayargadde
Chairman
DIN: 00751260
Place: Bengaluru
Date: September 29, 2022



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CIN: U72900KA2020PTC136822



VALUATION REPORT

Determination of Share Exchange Ratio in connection with Scheme of Amalgamation of Saankhya Labs Private Limited (“Transferor Company 1”) and Saankhya Strategic Electronics Private Limited (“Transferor Company 2”) with Tejas Networks Limited (“Transferee Company”) and their respective shareholders

PREPARED BY

SPA VALUATION ADVISORS PRIVATE LIMITED

Registration No.

IBBI/RV-E/05/2021/148

25 C- Block community center JanakPuri, New Delhi – 110058

September 29th, 2022

Valuation, By: SPA Valuation Advisors Private Limited

Registered Office: C-1/8, Janak Puri, New Delhi – 110058

Email: spavaluationadvisors@gmail.com; **Tel:** 091-9971387799

To
The Audit Committee
Tejas Networks Limited
5th Floor, Plot No 25, J P Software Park,
Electronic City, Phase 1, Hosur Road,
Bangaluru – 560 100

AND

To
The Audit Committee and the Board of Directors
Saankhya Labs Private Limited
3rd Level, Mezaninne Floor, No.3, Infantry Road, Vasanth Nagar,
Embassy icon Building Bengaluru – 560001

AND

To
The Board of Directors
Saankhya Strategic Electronics Private Limited
No.3, Embassy Icon, Ground Floor, Infantry Road
Bengaluru – 560001

We refer to the Letter of Engagement dated August 08th 2022 ('LOE') wherein SPA VALUATION ADVISORS PRIVATE LIMITED (or "Valuer") is appointed by Tejas Networks Limited, Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited in relation to carry out the Share Exchange Ratio under the proposed Scheme of Amalgamation of Saankhya Labs Private Limited ("**SLPL**" or "**Transferor Company 1**") and Saankhya Strategic Electronics Private Limited ("**SSE**" or "**Transferor Company 2**") (*Collectively referred as "**Transferor Companies**"*) with Tejas Networks Limited ("**TNL**" or "**Transferee Company**") and their respective shareholders under the provisions of Section 230 - 232 of the Companies Act, 2013 ("**Scheme**") with appointed date (as defined hereinafter) as at September 28th 2022 (valuation exercise).



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Email: spavaluationadvisors@gmail.com; Tel: 091-9971387799

Part I- INTRODUCTION

1.1. Terms of Reference

This Scheme is presented under the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (hereinafter referred to as “Act”) as applicable, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. SLPL, SSE, and TNL are hereinafter collectively referred to as “the Companies”.

1.2. Source of Information and representations

For the purpose of carrying out the valuation, we have relied on the following information and documents made available to us by the management of the Companies. The management of the Companies assisted by their respective finance and accounts personnel has furnished the required financial and other relevant information, explanations and data for this exercise.

- Draft Scheme of Amalgamation
- Audited financials of SLPL and SSE for the year ended March 31, 2022 and 3 months period ended June 30, 2022
- Annual Report of TNL for FY 2021-2022 and limited review report for the 3 months period ended June 30, 2022.
- Consolidated Future Projections of SLPL till the year ended March 31, 2030
- Shareholding pattern of the SLPL and SSE as on September 28th, 2022
- Other Information as provided by the management of the Companies
- Other Information as available on public domain



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Part II- ABOUT THE COMPANY

2.1 Background of the Company

- ❖ **Transferor Company 1** is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.
- ❖ **Transferor Company 2** is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1.
- ❖ **Transferee Company** is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company's products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and a seamless software-enabled network transformation to its customers. The Transferee Company's customers include telecommunications service providers, internet service providers, web-scale



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internet companies, utility companies, defense companies and government entities. The equity shares of the Transferee Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

2.2 Capital Structure:

❖ Transferor Company 1:

The share capital structure of the Transferor Company 1 as on September 28th 2022 is as follows:

Particulars	Amount in INR
A) Authorized share capital	
1,07,28,000 Equity Shares of INR 10 each	10,72,80,000
36,85,700 Series C Preference shares of INR 100 each	36,85,70,000
Total	47,58,50,000
B) Issued and subscribed and fully paid up share capital	
97,07,821 Equity Shares of INR 10 each	9,70,78,210
C) Recoverable from SLPL ESOP Trust - 10,06,120 equity shares of INR 10 each	(1,00,61,200)
Total Equity Share Capital (B+C)	8,70,17,010

As on the date of approval of the Board of the Transferor Company 1 to this Scheme, Transferee Company holds 62,51,496 equity shares, aggregating to 64.40% of the total paid-up capital (including shares held by SLPL ESOP Trust) of the Transferor Company 1.

❖ Transferor Company 2:

The share capital structure of the Transferor Company 2 as on September 28th 2022 is as follows:

Particulars	Amount in INR
Authorized share capital	
1,00,000 equity shares of INR 10 each	10,00,000
Total	10,00,000
Issued and subscribed and fully paid up share capital	
1,00,000 equity shares of INR 10 each	10,00,000
Total	10,00,000

The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1 and consequently no equity shares will be issued by the Transferee Company upon its amalgamation.



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❖ **Transferee Company:**

The share capital structure of the Transferee Company as on September 28th 2022 is as follows:

Particulars	Amount in INR
A) Authorized share capital	
26,00,00,000 equity shares of INR 10 each	260,00,00,000
Total	260,00,00,000
Issued and subscribed and paid up share capital	
B) 15,21,09,862 equity shares of INR 10 each, fully paid up	152,10,98,620
C) Forfeited shares	3,27,27,930
Total Equity Share capital (B+C)	155,38,26,550

The Transferee Company has 1,55,03,876 outstanding warrants (each carrying a right to subscribe to 1 (one) equity share of the Transferee Company). Further, the Transferee Company has outstanding and ungranted RSU pool which were approved by its shareholders. Further, the Transferee Company also has outstanding issued restricted stock units / employee stock options. The exercise of such warrants and/ or restricted stock units / employee stock options, may result in an increase in the issued and paid-up share capital of the Transferee Company.

PART III RATIONALE FOR THE SCHEME

The Transferor Companies are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- (a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- (b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- (c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- (d) further expand and grow all business into the international markets;
- (e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company
- (f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, *inter alia* other expenditure and optimal utilization of resources



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- (g) adaptation of best practices and in enhancing mechanisation/ automation of various processes through latest technologies.
- (h) Streamlining of the corporate structure; and
- (i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

Appointed Date

The appointed date of the proposed scheme of Amalgamation is opening hours of July 01, 2022 or such other date as may be agreed by the Board of the Parties

PART IV Generally Accepted Methods of Valuation for Equity Shares and Methods adopted:

1) Market Approach

- a) Market Price Method
- b) Comparable Companies Quoted Multiples Method

2) Income Approach (Discounted Cash Flows Method)

3) Asset Approach (Net Asset Value Method)

MARKET APPROACH

A) Market Price Method: Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the company.



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The Pricing formula provided in Regulations 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('ICDR') read with SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) (AMENDMENT) REGULATIONS, 2022 in case of frequently traded shares to be considered as below.

Pricing of frequently traded shares

164. (1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 Trading Days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- a) the 90 Trading Days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b) the 10 Trading Days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

B) Comparable Companies Quoted Multiples Method (CCM): CCM measures the value of an asset through an analysis of recent sales of comparable asset compared to the asset being valued. When applied to the valuation of an equity interest, consideration is given to the financial condition and operating performance of the subject company compared to either publicly traded companies with similar lines of business or recent corporate acquisitions ("Guideline Companies"). Typically, the companies selected for comparison are subject to economic, political, competitive, and technological factors that correspond with those confronting the Company. The Market Approach is conceptually preferable to the other two approaches because it uses direct comparisons to similar enterprises and the analysis is based upon actual market transactions. However, comparable that fit perfectly rarely exist. Privately held companies are compared to publicly traded ones that are typically further along in their stage of development, have superior access to capital, and have common stock that is readily marketable.

Often historical results of public companies are being compared to projected results for the private company being valued. In order to reflect these differences, data from the Guideline Companies must be appropriately adjusted. Selecting the market multiple to apply to the Company requires judgment.



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INCOME APPROACH

Discounted Cash Flows Method

The earnings value method involves determination of the future earnings of the Company from its normal operations.

Discounted Cash Flow Method (DCF method) seeks to capture the discounted present value of the free cash flows generated by the business as a going concern. The DCF approach requires two basic estimates; the free cash generated by the business and the cost of capital. In developing the cash flow forecast, two additional factors need to be considered:

Length of the forecast; and

Determination of the perpetuity value of the business at the end of the forecast period.

The DCF focuses on the Free Cash Flows (FCFs) that the company can generate over a period of time. The underlying assumption of this method of valuation is that the value of a business can be measured by the present worth of the net cash benefit (being cash inflows less cash outflows) to be received over the period of forecast and beyond. The DCF has its foundation in the Present Value rule, where the value of any asset is the Present Value of its expected future cash flows.

The steps followed in applying this approach include projecting the expected cash flows of the business over a selected period of estimation and converting these cash flows to present value through discounting. The discounting process uses the Weighted Average Cost of Capital (WACC). Finally, the present value of the cash flows over the period of estimation and the present value of the terminal value, i.e., the value of the business at the end of the estimation period, are summed up to arrive at the total present Business/ Enterprise Value.



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Free Cash Flows

Free Cash Flows (FCF) are arrived at as follows:

Earnings before Interest on Term Loan, Taxes, Depreciation and Amortization	A
Less: Taxation	B
<hr/>	
Adjusted Cash Flows	C = A – B
Less: Increase in Working Capital	D
Less: Capital Expenditure	E
<hr/>	
Free Cash Flows for the year	F = C – D – E

The FCFs are then discounted using the discounting factor to arrive at their Net Present Value (NPV).

The Discounting Factor

The discount rate applied to estimate the present value of explicit forecast period cash flows. One of the advantages of the DCF approach is that it permits the various elements that make up the discount factor to be considered separately, and thus, the effect of the variations in the assumptions can be modeled more easily.

The components of the **weighted average cost of capital** are:

Cost of Equity

The cost of equity is the desired rate of return for an equity investor given the risk profile of the company and associated cash flows and is calculated using the Capital Asset Pricing Model (CAPM).

Cost of Debt

The cost of debt is the average interest rate on Long term debt (after tax) on the borrowings of the business being valued.



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Terminal Value

At the end of the explicit forecast period, a terminal value is calculated to arrive at the value of the business at the end of the estimation period. The important assumption in calculating the terminal value is that there would be no material change in trends or economic outlook beyond the explicit forecast period.

This terminal value is then discounted to its present value (value at the time of valuation) using the discounting factor for the last year of the forecast horizon.

The net present value takes into account the cost of debt, cost of equity and target capital structure. It also takes into account the risks to which the enterprise is exposed. The discount rate is based on the overall risk perception of the company.

COST APPROACH

Net Assets Value Method (NAV)

The Net Asset Value represents the value of the shares with reference to the value of the assets owned by the Company and liabilities on the valuation date. Generally historical cost (latest audited financial statements) of the assets/ liabilities is considered in arriving at the value per share. However in certain cases, the current / intrinsic values of assets/ liabilities may be considered in place of the historical values and due adjustments in the values thereof may be carried out in respect of fair value of investments, replacement cost of Plant & Machinery and fair value of Land & Building.



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Valuation Summary and Share Exchange Ratio:

S.No.	Name	Tejas Networks Limited (Transferee Company)			Saankhya Labs Private Limited (Transferor Company 1)		
	Methods	Per Share Value	Weight (Wgt)	Value x Wgt	Per Share Value	Weight (Wgt)	Value x Wgt
1	Income Approach (Discounted Cash Flow Method)	NA			707.69	100%	707.69
2	Market Approach (Market Price Method)	634.39	100%	634.39	NA		
3	Market Approach (Comparable Companies Method)	NA			NA		
4	Cost Approach (Net Asset Value Method)	NA			NA		
Weighted Average Fair Value Per Share (In INR) as on September 28, 2022		634.39			707.69		
Share Exchange Ratio		1.12					

NA = Not Applicable/Not Adopted

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

Notes:
1) Income Approach –Discounted Cash Flow Method

- As Transferee Company's shares are listed on stock exchanges, the information related to its future performances is price sensitive and not made available to us. Hence, this method has not been applied.
- As Transferor Company 1 & Transferor Company 2 are the unlisted companies and Transferor Company 2 is the wholly owned subsidiary of Transferor Company 1, we have been provided with the consolidated future projections of Transferor Company 1 and this method has been applied.



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2) Market Approach – Market Price Method and Comparable Companies Method

- As Transferee Company's shares are listed on BSE & NSE and the shares are frequently traded, we have computed the price as per the SEBI prescribed pricing formula as higher of VWAP of last 90 trading days vs last 10 trading days preceding the date of board meeting.
- Basis of Current nature of the business of Transferor Company 1, there are no exact comparable companies available which are directly and only into the same business apart from a single company which is TNL (Transferee Company) itself and hence, due to the non-availability of relevant peer set, we have not used the comparable companies method to value Transferor Company 1.
- Due to unavailability of similar peer companies with similar size of operations and similar recent transactions on this scale in this industry, this approach has not been considered for valuation of Transferee company.

3) Cost Approach - Net Assets Value Method (NAV)

- This Approach has not been considered since the net asset value does not reflect the intrinsic value of the business in a "going concern scenario".

PART V: CONCLUSION

Based on the above, we recommend the following exchange ratio to the shareholders of the Transferor Company 1 in respect to the proposed Scheme of Amalgamation:

For every 100 equity shares of face value of Rs. 10/- (Rupees Ten only) each held as fully paid-up in the Transferor Company 1 shall be issued 112 Equity shares of face value of Rs. 10/- (Rupees Ten only) each as fully paid-up in the Transferee Company.

For SPA Valuation Advisors Private Limited



Neena Agarwal

Registered Valuer

Registration No. - IBBI/RV/05/2019/11667

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Email: spavaluationadvisors@gmail.com; Tel: 091-9971387799

CAVEATS AND LIMITATIONS

The conclusion of value arrived at herein is valid only for the stated purpose as of the date of the valuation and may not be used out of the context presented herein.

1. Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, we independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.
2. The company and its representatives warranted to us that the information supplied to us was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with generally accepted accounting principles. Information supplied to us has been accepted as correct without any further verification. We have not audited, reviewed, or compiled the financial information provided to us and, accordingly, we express no audit opinion or any other form of assurance on this information.
3. Financial information of the subject company is included solely to assist in the development of a value conclusion presented in this report and should not be used to obtain credit or for other purpose. Because of the limited purpose of the information presented, it may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed or compiled this information and express no assurance on it.
4. We do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
5. The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the



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character and integrity of the enterprise through any sale, reorganization, exchange, or diminution of the owners' participation would not be materially or significantly changed.

6. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without the written consent of the Valuer (except the Affiliates of the Companies, regulators). This report and the conclusion of value arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein.
7. The report and conclusion of value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents the considered opinion of Valuer, based on information furnished to them by the client.
8. Neither all nor any part of the contents of this report (especially the conclusion of value, the identity of any valuation specialist(s), or the firm with which such valuation specialists are connected or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail or any other means of communication without our prior written consent and approval.
9. This valuation reflects facts and conditions existing or reasonable foreseeable at the valuation date. Subsequent events have not been considered, and we have no obligation to update our report for such events and conditions.
10. The analyst, by reason of this valuation, is not required to give further consultation, testimony, or be in attendance in court with reference to the subject matter of this report unless prior intimation have been made.
11. Our engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.



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12. We are not an environmental consultant or auditor and takes no responsibility for any actual or potential environmental liabilities. Any person entitled to rely on this report, wishing to know whether such liabilities exist, or the scope and their effect on the value of the property, is encouraged to obtain a professional environmental assessment. We does not conduct or provide environmental assessments and has not performed one for the subject property.
13. We haven't determined independently whether the client is subject to any present or future liability relating to environmental matters nor the scope of any such liabilities. Our valuation takes no such liabilities into account, except as they have been reported to us by the client or by an environmental consultant working for the client.
14. We don't accept any liability to any party in relation to the issuance of this Valuation Report. No change of any item in this valuation/conclusion report shall be made by anyone other than us, and we shall have no responsibility for any such unauthorized change. To the fullest extent permitted by law, SPA is harmless against all actions, proceedings and claims brought or threatened and all loss, damage and expense (including all legal expenses) relating thereto where such action, proceeding or claim has arisen out of or results from or is connected with the failure of the financial and prospective information provided to us, or any of its professional legal advisers to comply with the terms of this letter.
15. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should take for this purpose.
16. It is assumed that there is full compliance with all applicable central, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the report.
17. The prospective financial information approved by management has been used in our work, we have not examined or compiled the prospective financial information and therefore, do not express an audit opinion or any other form of assurance on the prospective financial information



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or the related assumptions. Events and circumstances frequently do not occur as expected and there will usually be differences between prospective financial information and actual results, and those differences may be material.

18. We have conducted interviews with the current management of the client concerning the past, present, and prospective operating results of the company. Except as noted, we have relied on the representations of the owners and management concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this report.
19. We have made no investigation of title to property, and assume that the owner's claim to the property is valid. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the entity has good title to all assets. However we make no representation as to accuracy or completeness of such information and have performed no procedures to corroborate the information.



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V.B. Desai Financial Services Limited

Category I Merchant Banker - SEBI Registration No. INM 000002731

September 29, 2022

The Board of Directors

Tejas Networks Ltd.

Plot no. 25, JP Software Park,

2nd, 3rd, 4th, 5th Floors,

Electronic City, Phase 1,

Hosur Road, Bangalore - 560100

Sub: Fairness Opinion on Valuation Report dated September 29, 2022 issued by SPA Valuation Advisors Private Limited recommending the share exchange ratio in the matter of proposed amalgamation of **Saankhya Labs Private Limited** ("SLPL" or "Transferor Company 1") and **Saankhya Strategic Electronics Private Limited** ("SSE" or "Transferor Company 2") ("hereinafter together referred to as "Transferor Companies") with **Tejas Networks Limited** ("TNL" or "Transferee Company"), pursuant to the Draft Scheme of Amalgamation ("Scheme").

Dear Sir,

We refer to the engagement letter dated August 12, 2022 wherein Tejas Networks Ltd. has engaged **V.B. Desai Financial Services Limited** (herein after referred to as "VBDFSL") to provide fairness opinion on the valuation report issued by SPA Valuation Advisors Pvt. Ltd., recommending the share exchange ratio in the matter of proposed amalgamation of SLPL & SSE with TNL as required under SEBI Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017 and amendment thereof read with SEBI Master Circular dated November 23, 2021. ("SEBI Circular").

- **Background of the Companies**

- **Saankhya Labs Private Limited ("SLPL")**

SLPL is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.



Saankhya Strategic Electronics Pvt. Ltd.

SSE is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1.

Tejas Networks Limited ("TNL")

TNL is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company's products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and a seamless software-enabled network transformation to its customers. The Transferee Company's customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

• Rationale of Scheme of Proposed Amalgamation

The Transferor Companies are direct / indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- d) further expand and grow all business into the international markets;
- e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, inter alia other expenditure and optimal utilization of resources
- g) adaptation of best practices and in enhancing mechanization/ automation of various processes through latest technologies.
- h) Streamlining of the corporate structure; and



- i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

- **Scope and Purpose of this Report**

We have been informed that the Board of Directors of TNL is proposing a Scheme of Amalgamation of SLPL and SSE into TNL, under section 230 to 232 and other applicable provisions of the Companies' Act, 2013 and rules and regulations framed thereunder.

With effect from the Appointed Date (as defined in Scheme) and upon this Scheme becoming effective, the Transferor Companies along with all its assets, liabilities, contracts, employees, licenses, records, approvals, etc. being integral parts of the Transferor Companies shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 to 232 of the Act, the Income Tax Act and other Applicable Law if any, in accordance with the provisions contained herein.

Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Companies into and with the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot Transferee Company equity shares to the shareholders of the Transferor Company 1 whose names are recorded in the register of members as a member of the Transferor Company 1, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, on the Effective Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferee Company).

In this connection, to comply with the regulatory requirements of proposed Amalgamation, the management of TNL has appointed VBDFSL to provide fairness opinion on the valuation report dated September 29, 2022 issued by SPA Valuation Advisors Pvt. Ltd. recommending the share exchange ratio in the matter of on the proposed Scheme of Amalgamation. Our scope of work includes commenting only on the fairness of the valuer's exchange ratio recommendation in the report from the financial point of view and not on the economic rationale of the proposed Scheme of Amalgamation per se.

- This report is subject to the scope, assumption, exclusion, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with relevant documents referred to herein. This report is issued only for the purpose for facilitating the Proposed Scheme of Amalgamation. *This fairness opinion is restricted to meet the requirements as required under the SEBI Circular only and should not*



be used for any other purpose whatsoever or to meet the requirements of other laws, rules, regulations and statutes.

- **Sources of Information**

For arriving at the fairness opinion set forth below, we have relied upon sources of information received from Management and/ or available in public domains for the purpose of Proposed Scheme of Amalgamation:

- Draft Scheme of Amalgamation duly certified by management of TNL.
- Valuation Report dated September 29, 2022 issued by SPA Valuation Advisors Pvt. Ltd. recommending the equity share exchange ratio.
- Audited financial statements of SLPL and SSE as on June 30, 2022.
- Limited Review financial statements of TNL as on June 30, 2022
- Such other information, documents, data, reports, discussions, verbal & written explanations from SLPL, TNL as well as from advisors for amalgamation to TNL, public domain websites, as were considered relevant for the purpose of the fairness opinion.

- **Disclaimer, Exclusions and Limitations of Scope**

- Our opinion and analysis is limited to the extent of review of documents as provided to us by SLPL, TNL and Proposed Scheme of Amalgamation of Transferor Companies into TNL.
- We have relied upon the accuracy and completeness of all information provided to us without carrying out due diligence and independent verification or validation of such information to establish its accuracy and sufficiency. We have not conducted any independent valuation or appraisal of any assets and liabilities of TNL or SLPL. No responsibility is assumed for information furnished by the Company and such information is believed to be reliable.
- We have been informed that all information relevant for the purpose of issuing fairness Opinion has been disclosed to us and we are not aware of any material information that has been omitted or remains undisclosed.
- We have relied exclusively on valuation report prepared and issued by SPA Valuation Advisors Pvt. Ltd. without independent verification. We have not independently checked or verified the assumptions made in the valuation report.
- Our fairness opinion assumes that the title to assets and liabilities of all the companies as reflected in their respective balance sheets is intact.
- We have not conducted visit to locations of production and/or point of sales of the Company. The robustness of the analysis is highly dependent on reasonableness, commercial viability and achievability of assumptions underlying the forecast. We are



not required to and have not validated the reasonableness and commercial viability underlying the forecasts and assumptions

- The realization of the projections is dependent on the continuing validity of assumptions. Our review cannot be directed to providing any assurance about the achievability of the final projections. Since projections relate to future, the actual results are likely to be different from projected results and differences may be material and it may have material impact on our conclusion. For the purpose of this report, we have assumed that the projections as envisaged by all the companies and reflected in valuation report will materialize as projected.
- We have not conducted any evaluation of solvency or fair value of the Company under any laws relating to bankruptcy, insolvency or similar matters.
- We do not express any opinion as to the price at which shares of TNL may trade at any time including subsequent to the date of this opinion or post Scheme of Amalgamation.
- We do not express any opinion as to tax or other consequences that may arise from the Proposed Scheme of Amalgamation, nor does our opinion address any legal, tax regulatory or accounting matters as to which we understand that the respective companies have obtained necessary professional advice.
- Complying with the regulatory requirements for the Proposed Scheme of Amalgamation including but not limited to SEBI Rules and Regulations, Stock Exchange Regulations, Companies Act 1956, Companies Act 2013 and other applicable laws and regulations is the exclusive responsibility of the Board of Directors of TNL.
- This report is prepared primarily to comply with regulatory requirements of the Proposed Scheme of Amalgamation. The report does not look into business / commercial reasons behind the Proposed Scheme of Amalgamation nor the likely benefits arising out of the same which is the exclusive responsibility of Board of Directors of the respective companies. Similarly, our report does not address relative merits of the Proposed Scheme of Amalgamation as compared with any other alternative business transactions or other alternatives.
- This fairness opinion at best is only an 'opinion'. This report does not express any views nor makes recommendation as to how the shareholders of companies should vote at any shareholders' meeting to be held in connection with the Proposed Scheme of Amalgamation. It is the prerogative of shareholders to either accept or reject our fairness opinion. The shareholders of companies may do so at their risk and responsibility after undertaking necessary due diligence and evaluation. The responsibility for any decision would remain with the decision maker i.e. shareholders.



- Prior to issuance of this fairness opinion, the contents and factual accuracies of this Report was reviewed and approved by the management of the Company.
- We assume no responsibility in updating or revising our opinion based on the circumstances or events accruing after the date hereof.
- This fairness opinion shall have no value if for any reasons the proposed scheme of Amalgamation is terminated or called off.
- The fee for the engagement is not contingent upon the results reported.
- We owe responsibility only to the Board of Directors of TNL as per the terms of our engagement letter and nobody else. We do not accept any liability to any shareholder, employees, tax authorities or other third parties in relation to the issue of this report. Our liability if any, under any and all circumstances shall be limited to fees received by us for undertaking this assignment.

- **VALUATION REPORT**

We have reviewed the Valuation Report dated September 29, 2022 issued by SPA Valuation Advisors Pvt. Ltd. recommending the share exchange ratio for the proposed Scheme of Amalgamation.

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to this Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

After valuing TNL and SLPL individually, SPA Valuation Advisors Pvt. Ltd., have arrived at share exchange ratio of 1.12 i.e., 112 equity shares of TNL of Rs. 10 each fully paid up for every 100 equity shares of SLPL of Rs. 10 each fully paid up.

- **OPINION**

Based on the facts and circumstances of the case and according to information and explanation provided to us together with exclusions & limitations mentioned herein above, we state that in our opinion and to the best of our information and knowledge, share exchange ratio as recommended by SPA Valuation Advisors Pvt. Ltd., for the Proposed Scheme of Amalgamation seems fair and reasonable.

Thank You,

For **V B Desai Financial Services Limited**

Pradip Shroff
Managing Director



Date: December 21, 2023

To

The Board of Directors

TEJAS NETWORKS LIMITED

5th Floor, Plot No 25, J P Software Park,

Electronic City, Phase 1, Hosur Road,

Bangalore – 560100

Dear Sir,

Subject: Certificate on adequacy and accuracy of disclosure of information pertaining to the unlisted entity “SAANKHYA LABS PRIVATE LIMITED” (hereinafter called “Saankhya Labs” or “Unlisted Entity” or “Transferor Company 1”) in the Abridged Prospectus in compliance with SEBI Circular NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 04, 2022 and SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 for the purpose of the Scheme of Arrangement for merger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving TEJAS NETWORKS LIMITED (hereinafter called “Tejas” or “Listed Entity” or “Transferee Company”) and their respective shareholders for amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited (or hereinafter called “SSE” or “Transferor Company 2”) with Tejas Networks Limited.

We SPA Capital Advisors Limited (“we” or “us”), a category I Merchant Banker registered with SEBI having SEBI Reg. No. MB/INM000010825 have been appointed by Board of Directors (The Board) of Tejas for the purpose of certifying the adequacy and accuracy of disclosure of information provided in Saankhya Labs Abridged Prospectus in connection with Scheme of Amalgamation of Saankhya Labs and SSE with Tejas.

1) Scope and Purpose of the Certificate:

SEBI vide Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“SEBI CIRCULAR”) interalia prescribed that the Listed Entity or Tejas shall include the applicable information pertaining to the Unlisted Entity or Saankhya Labs involved in the Scheme in the format specified for Abridged Prospectus as provided in Annexure I of Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations, 2018 (“ICDR Regulations”), in the explanatory statement or



notice or proposal accompanying resolution to be passed, sent to the shareholders and unsecured creditors while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the Due Diligence Process.

This Certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This Certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

2) Certification:

We state and confirm as follows:

1. We have examined various documents and other materials made available to us by the management of Tejas and Saankhya Labs in connection with finalization of Abridged Prospectus dated December 20, 2023 pertaining to Saankhya Labs which will be circulated to the members and unsecured creditors of Tejas at the time of seeking their consent to the Scheme of Amalgamation of Saankhya Labs and SSE with Tejas as a part of explanatory statement to the notice.
2. On the basis of such examination and the discussion with the management of Tejas, we confirm that:
 - A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to Saankhya Labs.
 - B. The Abridged Prospectus contains applicable information pertaining to Saankhya Labs as required in terms of SEBI Circulars which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Scheme of Arrangement.

3) Disclaimer:

Our Scope of Work did not include the following:

- An audit of the Financial Statements of Saankhya Labs
- Carrying out a market survey/financial feasibility for the business of Saankhya Labs
- Financial and Legal due diligence of Saankhya Labs

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, other than reviewing the consistency of such information, we have not sought to



carry out an independent verification, thereof we assume no responsibility and make no representation with respect to the accuracy or completeness of any information provided by the management of Tejas.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of Tejas during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our certificate.

The Fee for our Services is not contingent upon the result of the Scheme of Arrangement.

Our Certificate should not be constructed as our opinion or certification of the compliance of the Scheme of Arrangement with the provisions of any law including Companies Act, taxation laws, capital market laws and related laws.

We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the company or any of its related parties (holding companies/subsidiaries/associates, etc.)

In no event, SPA Capital Advisors Limited, its Directors and employees will be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provisions of this opinion.


Thanking You,

For SPA Capital Advisors Limited

(SEBI Regn. No.; INM 000010825)


(Khushboo Tanwar)
Vice President




(Anish Kumar)
Vice President

THIS DOCUMENT CONTAINS INFORMATION PERTAINING TO THE UNLISTED ENTITY “SAANKHYA LABS PRIVATE LIMITED” (HEREINAFTER CALLED “THE TRANSFEROR COMPANY 1 ” OR “SAANKHYA LABS” OR “ UNLISTED COMPANY 1 ”) AND THE SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, INVOLVING SAANKHYA LABS PRIVATE LIMITED AND SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED (HEREINAFTER CALLED “THE TRANSFEROR COMPANY 2” or “SSE” OR “UNLISTED COMPANY 2”) WITH TEJAS NETWORKS LIMITED (“Tejas” or “Transferee Company”) AND THEIR RESPECTIVE SHAREHOLDERS.

THIS ABRIDGED PROSPECTUS HAS BEEN PREPARED IN TERMS OF THE REQUIREMENTS SPECIFIED IN SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 04, 2022 (“SEBI CIRCULAR”) AND IS PREPARED PURSUANT TO REGULATION 37 OF THE SEBI (LODR) REGULATIONS, 2015 READ WITH SEBI CIRCULAR NO. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 DATED NOVEMBER 23, 2021 (“SEBI CIRCULAR”) ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”).

KINDLY SCAN THE QR CODE AS PROVIDED ON THE FIRST PAGE OF THIS DOCUMENT TO DOWNLOAD THE ABRIDGED PROSPECTUS OR ALTERNATIVELY YOU CAN DOWNLOAD THE SAME FROM THE TRANSFEREE COMPANY WEBSITE AT <https://tejasnetworks.com/> AND ALSO FROM THE WEBSITE OF NSE and BSE WHERE THE SAME HAS BEEN SUBMITTED

THIS DOCUMENT DATED DECEMBER 20, 2023 SHOULD BE READ TOGETHER WITH THE SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

THIS ABRIDGED PROSPECTUS CONTAINS 16 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



SAANKHYA LABS PRIVATE LIMITED

CIN: U72200KA2006PTC041339

Date of Incorporation: 29/12/2006

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
3rd Level, Mezaninne Floor, No.3, Infantry Road, Vasanth Nagar, Embassy icon Building, Bangalore KA 560001 IN	3rd Level, Mezaninne Floor, No.3, Infantry Road, Vasanth Nagar, Embassy icon Building, Bangalore KA 560001 IN	Dr. Vishwakumara Kayargadde	Email: vkk@saankhyalabs.com Tel.: +91- 80 6117 1000 +91- 82778 93870	www.saankhyalabs.com

NAME OF PROMOTER OF SAANKHYA LABS PRIVATE LIMITED

Tejas Networks Limited

Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not Applicable							

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

Name	Type	No of Shares offered/Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
Not Applicable							

Price Band, Minimum Bid Lot & Indicative Timelines
Not Applicable

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price - Highest Price (in Rs.)
Not Applicable			

RISK IN RELATION TO THE FIRST OFFER
Not Applicable as Saankhya Labs is an unlisted company and is not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme.

DETAILS OF THE SCHEME OF AMALGAMATION
<p>Background:</p> <p>Transferor Company(s)</p> <p>1. Saankhya Labs Private Limited (“Transferor Company 1”) is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.</p>

2. Saankhya Strategic Electronics Private Limited (“**Transferor Company 2**”) is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of the Transferor Company 1.

Transferor Company 1 and Transferor Company 2 are collectively referred as “Transferor Companies”.

Transferee Company

3. **Tejas Networks Limited (“Transferee Company”)** is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company’s products are differentiated by a programmable, software defined hardware architecture that provides flexibility, multigeneration support and a seamless software-enabled network transformation to its customers. The Transferee Company’s customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defence companies and government entities. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

Transferor Companies and Transferee Company are collectively referred as “Parties”.

Pursuant to the agreements dated March 30, 2022, the Transferee Company acquired 64.40 % share capital of the Transferor Company 1. Consequently, the Transferor Company 1 became a Subsidiary of the Transferee Company.

Brief details of the Scheme:

Upon effectiveness of this Scheme and with effect from the Appointed Date (*as defined in the Scheme of Amalgamation*) and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, all assets, rights, claims, intellectual properties, brands, trademarks, credentials, permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferor Companies shall stand transferred to and vested in the Transferee Company as a going concern, without any further act, instrument or deed matter or thing, or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, rights, claims, intellectual properties, brands, trademarks, credentials, permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

Consideration and Share Exchange Ratio:

As per the valuation report dated September 29, 2022, share exchange ratio on proposed amalgamation will be as below:

Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each

shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date (as defined in the Scheme of Amalgamation), as under:

“For every 100 equity shares of face value of Rs. 10/- (Rupees Ten only) each held as fully paid-up in the Transferor Company 1 shall be issued 112 Equity shares of face value of Rs. 10/- (Rupees Ten only) each as fully paid-up in the Transferee Company.”

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to the Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

No equity shares shall be issued by the Transferee Company in respect of the shares held by the Parties inter-se and all such shares shall stand cancelled upon the Scheme becoming effective, without any further act or deed as an integral part of the Scheme.

Rationale of the scheme:

The Transferor Companies are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- (a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- (b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- (c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- (d) further expand and grow all business into the international markets;
- (e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- (f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, *inter alia* other expenditure and optimal utilization of resources
- (g) adaptation of best practices and in enhancing mechanisation/ automation of various processes through latest technologies.
- (h) Streamlining of the corporate structure; and
- (i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

Effect on Share capital of the Transferor Companies

Upon the effectiveness of this Scheme, the aggregate authorised share capital of the Transferor Company 1 and Transferor Company 2 (“**Transferor Companies**”) as on the Effective Date will be reclassified, altered and combined with the authorised equity share capital of the Transferee Company as on the Effective Date and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to ROC.

For further details please refer the Scheme of Amalgamation

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking any decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of the Transferee Company, Transferor Companies and the Scheme including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme. Specific attention of the investors is invited to the section titled "Internal Risk Factors" at page 13 of this Abridged Prospectus.

PROCEDURE

The procedure with respect to public issue would not be applicable as Transferor Companies are not offering any of its securities/equity shares to the Public under the Scheme. This is only allotment of Transferee Company’s shares to the shareholders of Transferor Company 1 (other than Transferee Company itself) pursuant to the Scheme of Amalgamation without any cash consideration. Hence, the procedure with respect to the Bid-cum-Application Form, RHP and General Information Document is not applicable.

PRICE INFORMATION OF BRLM’s

Not Applicable

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included - Not Applicable

MERCHANT BANKER APPOINTED BY TEJAS NETWORKS LTD

SPA Capital Advisors Limited
R/o- 25, C - Block, Community Centre JanakPuri, New Delhi - 110058
Tel. No.: +91 11 4567 5500, Fax No.: +91 11 2553 2644
Email: legal@spacapital.com <https://www.spacapital.com/>
SEBI Reg. No. MB/INM000010825

Statutory Auditor of Saankhya Labs

Price Waterhouse Chartered Accountants LLP,
5th Floor, Tower "D", The Millenia
1&2 Murphy Road, Ulsoor, Bangalore - 560 008
Email: darshan.rajvir@pwc.com
Telephone No.: +91 80 4079 5058

PROMOTERS OF SAANKHYA LABS PRIVATE LIMITED			
Sr. No.	Name	Individual/ Corporate	Background of the Promoter
1.	Tejas Networks Limited	Corporate	Tejas Networks Limited (“Transferee Company”) is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company’s 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. The Transferee Company’s customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defence companies and government entities. The equity shares of the Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

BUSINESS OVERVIEW AND STRATEGY
Saankhya Labs Overview
Saankhya Labs Private Limited is a company incorporated under the provisions of the Companies Act, 1956. Saankhya Labs was founded in December 2006, by Parag Naik, Dr. Vishwakumara Kayargadde and Hemant Mallapur. Saankhya Labs is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of Saankhya Labs include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. Saankhya Labs provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Saankhya Labs are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of Saankhya Labs.
Product/Service Offering:
Saankhya Labs provides SDR chipsets including Modulators and Demodulators for TV broadcast and receiver markets, Broadcast radio heads and mobile receivers for Direct to Mobile (D2M) market, 5G Radio Units and 5G RAN, Network automation & management software for telecom infrastructure markets, Satellite Communication and IoT tracking products for railway locomotives and sea vessels, and also provides Satellite Communication products for Defence communication.
Revenue segmentation by product/service offering
Saankhya Labs generated revenue of Rs. 0.26 Crore from its products and Rs. 84.91 Crore from its Services for the fiscal year ended March 31, 2023 on a consolidated basis.
Geographies Served:
USA, India, Europe, South-East Asia

Revenue segmentation by geographies				
The Domestic Turnover of Saankhya Labs accounted for Rs. 26.88 Crore and Export Turnover accounted for Rs. 58.29 Crore for the fiscal year ended March 31, 2023 on a consolidated basis.				
Key Performance Indicators				
In the last three years ended Fiscal 2023, Fiscal 2022, Fiscal 2021, Saankhya Labs has on a consolidated basis earned revenue from operations of Rs. 85.17 Crore, Rs. 108.75 Crore and Rs. 37.04 Crore respectively, Net Profit before Tax of Rs. -37.23 Crore, Rs. 30.16 Crore and Rs. -2.24 Crore respectively and Net Profit after Tax of Rs. -27.16 Crore, Rs. 22.91 Crore and Rs. -2.01 Crore respectively. It has reported Return on Net Worth of -25.03%, 17.42% and -1.69% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 respectively.				
Client Profile or Industries Served:				
Saankhya Labs caters to clients across multiple industries including Telecommunication, Broadcast, Satellite Communication, Defence, IT Services, Government and Public Sector Entities. Some of the key clients of Saankhya Labs across these industries are Sterlite Technologies, Sinclair Broadcast Group USA, DISH Purchasing Corporation USA, ISRO – Space Application Centre, Cyient, Tata Consultancy Services, and Bharat Electronics Limited.				
Revenue segmentation in terms of top 5/10 clients or Industries:				
The top ten customers of Saankhya Labs accounted for operating revenue of Rs 81.25 Crore (approx. 95.4%) for the fiscal year ended March 31, 2023.				
Intellectual Property, if any:				
Saankhya Labs has cumulatively filed 99 Indian and International Patent applications, out of which 53 Patents have been granted and 46 applications are under process, primarily in the 'Electric Communication Technique' category.				
Market Share:				
Saankhya Labs operates in new technology areas with innovative products based on several years of research and development. Although Saankhya Labs' current market share in 5G Infrastructure, 5G Broadcast and Satcom is small, but with the products under development, it is well-positioned to win substantial market share in 5G Infrastructure and 5G Broadcast business globally and Satcom business in India during the coming years. In the broadcast business Saankhya Labs is a leading supplier of ATSC 3.0 chipset and in the satellite communication business. Saankhya Labs is a leading supplier of Satellite based Vessel Tracking Terminals.				
Manufacturing plant, if any:				
Nil				
Employee Strength:				
As on September 30, 2023 Saankhya Labs has 121 employees at various levels of the organization, and out of these 75 employees are in R&D function.				
BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1	Mr. N. Ganapathy Subramaniam (DIN-07006215)	Nominee Director and Non-Executive Chairman	Mr. Subramaniam is the COO of TCS since February 2017. He is also the Chairman of Tata Elxsi Limited. Prior to taking over the TCS 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	<u>Indian Companies:</u> 5 1. Tejas Networks Limited 2. Tata Consultancy Services Limited 3. Tata Communications Limited 4. Tata Elxsi Limited 5. TCS Foundation.

			and Product Development. He has been a part of TCS and the Indian IT Industry for the past 40 years. He has played a strategic role in several landmark projects that TCS undertook across geographies. He joined TCS in 1982 after completing his Masters in Mathematics from University of Madras.	<u>Foreign Companies: 7</u> 1.TCS Financial Solutions Australia Pty. Limited 2.TCS FNS Pty. Limited 3.TCS Financial Solutions Beijing Co. Limited 4.Diligenta Limited 5. Tata Consultancy Services Asia Pacific Pte. Limited 6. Tata Consultancy Services (China) Co. Ltd. 7.Tata Consultancy Services Netherlands B.V.
2	Mr. Chandrashekar Bhaskar Bhave (DIN: 00059856)	Independent Director	Mr. Chandrashekar Bhaskar Bhave served as Chairman of Securities 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 Depository Limited (NSDL) from its inception in 1996 till 2008. He is 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. Mr. Bhave received a Bachelor's degree in Electrical Engineering from Jabalpur Engineering College.	<u>Indian Companies:6</u> 1.Avenue Supermarts Limited. 2.Mahindra And Mahindra Financial Services Limited. 3.Vistaar Financial Services Private Limited. 4. Indian Institute For Human Settlements. 5. Tejas Networks Limited. 6.Niva Bupa Health Insurance Company Limited. Foreign Companies: - Nil
3.	Prof. Bhaskar Ramamurthi (DIN: 01914155)	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 Chairman of Telecommunications Standards Development Society, India (TSDSI). He is a Fellow of the Institute of Electrical and Electronics Engineers	<u>Indian Companies:3</u> 1.Tejas Networks Limited. 2. IITM Pravartak Technologies Foundation. 3. Higher Education Financing Agency. <u>Foreign Companies:</u> Nil

			(IEEE) and Indian National Academy of Engineering (INAE) and Hon. Fellow of Rheinisch-Westfaelische Technische Hochschule (RWTH) Aachen, Germany. He served as Director, IIT Madras during 2011-21. After working at AT&T Bell Laboratories for a couple of years, he joined the faculty of his alma mater IIT Madras 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. Prof. 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.	
4.	Mr. Mark Andrew Aitken (DIN-08000616)	Non Executive Director	Mr. Aitken joined the Sinclair Broadcast Group (SBG) in 1999. Mr. Aitken serves as Vice President of Advanced Technology at SBG since 2011. He continues to serve as President of ONE Media, a position held since 2016. Prior to SBG, Mr. Aitken held multiple positions in Comark Communications including Manager of the Systems Engineering, RF Engineering and Sales Engineering groups, as well as Director of Marketing and Sales Support. He is a member of the Association of Federal Communications Consulting Engineers (AFCCE), the Institute of Electrical & Electronic Engineers (IEEE) and the Society of Motion Picture & Television Engineers (SMPTE). He is the author of many papers dealing with innovative RF product developments, advanced digital broadcast systems design-implementation strategies, and holds patents for various RF devices and Next Gen systems. Mark attended Springfield Technical Community College (STCC) focused on Design Engineering, and Rensselaer Polytechnic Institute (RPI) for advanced education in Project and Program Management.	<u>Indian Companies:</u> Nil <u>Foreign Companies:</u> Nil
5.	Mr. Arnob Roy	Nominee Director	Mr. Arnob is Co-founder, Executive Director and Chief Operating Officer of Tejas Networks Limited. He has over 35 years of experience in research and	<u>Indian Companies:</u> 1 1. Tejas Networks Limited

	(DIN-03176672)		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. Mr. 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.	<u>Foreign Companies:</u> Nil
6.	Mr. Parag Naik Balwant (DIN-01055996)	Managing Director and CEO	Mr. Parag is a technology entrepreneur with over 26 years of industry experience. He co-founded Saankhya Labs and was the CTO and VP Marketing between 2007-2014. At Saankhya Labs he has been the CEO since April 2014. Under his leadership Saankhya has designed and successfully launched indigenous SDR chipsets and Satcom products for a variety of applications. Prior to Saankhya, he co-founded Smart Yantra technologies (one of India's first video streaming IP companies) in 2000 and Vayavya Labs, a Electronic Design Automation Company in 2006. Early on in his career he worked on the Mission Computer hardware and software for India's indigenous LCA Tejas and at Philips Innovation Labs as one of its early members building world's early DTV and STB receivers. He is a named inventor on 35 US and India patents in the areas of VLSI design, CPU/SDR architecture, Digital Communications, Signal Processing and Hardware-Software Co-design/ Code generators. He holds a Bachelor's degree in Computer Science and Engineering (1992) from Karnatak University, India.	<u>Indian Companies:</u> 2 1.Saankhya Strategic Electronics Private Limited 2. Vayavya Labs Private Limited. <u>Foreign Companies:</u> 1 Saankhya Labs Inc.
7.	Dr. Vishwakumara Kayargadde (DIN-00751260)	Executive Director and COO	Dr. Vishwa is a technology entrepreneur with over three decades of industry and research experience. He Co-founded Saankhya Labs and has been responsible for shaping and running company's business operations. Prior to Saankhya he was co-founder and CEO at Smart Yantra technologies, one of India's first video streaming IP companies. Prior to founding Smart Yantra, he was at Philips Consumer Electronics where he contributed to the	<u>Indian Companies:</u> 1 1.Saankhya Strategic Electronics Private Limited. <u>Foreign Companies:</u> 1 1. Saankhya Labs Inc

			system and software architecture for a new range of digital Televisions. He holds a Ph. D. degree from Eindhoven University of Technology, The Netherlands, and M.E in ECE from Indian Institute of Science (IISc) Bangalore.	
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OBJECTS OF THE ISSUE	
Not Applicable as Saankhya Labs is not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme.	

CAPITAL STRUCTURE OF SAANKHYA LABS AS ON SEPTEMBER 30TH, 2023	
Equity Share Capital:	
Authorised Capital	Paid-up Capital*
47,58,50,000 (Indian Rupees Forty Seven Crore Fifty Eight Lakh Fifty Thousand) divided into 1,07,28,000 (One Crore Seven Lakhs Twenty Eight Thousand) Equity Shares of Rs. 10 (Indian Rupees Ten) each and 36,85,700 (Thirty Six Lakhs Eighty Five Thousand Seven Hundred) Preference Shares of Rs. 100 (Indian Rupees Hundred) each.	8,70,17,010 (Indian Rupees Eight Crore Seventy Lakh Seventeen Thousand Ten) divided into 87,01,701 (Eighty Seven Lakh One Thousand Seven Hundred One) Equity Shares of Rs. 10 (Indian Rupees Ten) each.

*87,01,701 Equity shares excludes 10,06,120 no. of Treasury shares issued to Saankhya Labs Private Limited ESOP Trust.

SHAREHOLDING PATTERN PRIOR TO THE SCHEME			
Sr. No.	Name of the Shareholders	Pre- Issue Number of Shares	% Holding of Pre- issue
Promoter & Promoter Group			
1.	Tejas Networks Limited	6,251,496	64.40%
	Total-A	6,251,496	64.40%
Public/Other than Promoters			
1.	One Media 3.0, LLC	1,213,707	12.50%
2.	Saankhya Labs Private Limited ESOP Trust	1,006,120	10.36%
3.	Parag Naik	333,020	3.43%
4.	Hemant Mallapur	243,962	2.51%
5.	Vishwakumara Kayargadde	216,425	2.23%
6.	Anindya Saha	175,260	1.81%
7.	Vivek Kimbahune	73,275	0.75%
8.	Abdul Aziz	69,915	0.72%
9.	Sunil H R	52,230	0.54%
10.	Subrahmanya K S	33,995	0.35%
11.	Mr. Venkanagouda K Patil & Mrs. Tulasa V Patil	16,500	0.17%
12.	Shrinivas Bhat	12,318	0.13%
13.	Susmit Kumar Datta	9,598	0.10%
	Total-B	3,456,325	35.60%
	Total (A+B)	9,707,821	100.00%

Number/amount of equity shares proposed to be sold by selling shareholders, if any: Not Applicable^

^ Saankhya Labs or Transferor Companies Shareholders are not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme. This is only allotment of Transferee Company's shares to the shareholders of Transferor Company 1 (other than Transferee Company itself) pursuant to the Scheme of Amalgamation without any cash consideration.

RESTATED CONSOLIDATED AUDITED FINANCIALS

(Amount in Lakhs) except otherwise stated

	Latest Stub Period for the period April 01, 2023 to September 30, 2023#	For the period ended March 31, 2023#	For the period Ended March 31, 2022#	For the period ended March 31, 2021#
Total income from operations (Net) (Operating Revenue)	5,735.26	8,516.79	10,874.53	3,704.47
Net Profit/(Loss) before Interest and tax and extraordinary items (EBIT)	43.05(*)	-3,935.47(*)	2,767.86	-480.63
Net Profit/(Loss) before tax and extraordinary items	65.10	-3,723.39	3,015.63	-223.62
Net Profit / (Loss) after tax and extraordinary items	-67.02	-2,716.15	2,291.12	-200.86
Equity Share Capital	870.17	870.17	478.39	477.89
Preference Share Capital	-	-	3,685.69	3,685.69
Reserves and Surplus/Other Equity**	6,526.54	6,539.81	10,127.93	7,844.74
Net worth	7,396.71	7,409.98	14,292.01	12,008.33
Basic earnings per share (Rs.)	-0.77	-31.52	38.05	-3.34
Diluted earnings per share (Rs.)	-0.77	-31.52	23.12	-3.34
Return on net worth (%)***	-1.81%	-25.03%	17.42%	-1.69%
Net asset value per share (Rs.)****	76.19	76.33	147.22	123.70

#The Latest Stub Period financials for the period April 01, 2023 to September 30, 2023 and financials for the fiscal year ending 2023 are as per INDAS. And fiscal year ending 2022 and 2021 are as per IGAAP which is the accounting adopted by the Saankhya Labs' management during that period.

*Net Profit/(Loss) before Interest and tax and extraordinary items (EBIT) for Latest Stub Period financials and fiscal year ending 2023 financials includes notional RSU cost of INR 2,444.33 Lakhs and INR 2,927.34 Lakhs respectively based on issue of RSU's during fiscal year ending 2023.

Net Profit/(Loss) before Interest and tax and extraordinary items (EBIT) for Latest Stub Period financials and fiscal year ending 2023 financials excluding the notional RSU costs will be INR 2,487.38 Lakhs and INR -1,008.13 Lakhs respectively.

**Reserves and Surplus/Other Equity includes Securities Premium, Retained Earnings, Employee Stock Compensation Outstanding, Capital Reserves and Foreign Currency Translation Reserve.

***Return on Net Worth is arrived based on PAT divided by Average Networth $\{(Opening\ Networth + Closing\ Networth)/2\}$. PAT is annualised for the stub period from April 01, 2023 to September 30, 2023.

***Net asset value per share is arrived based on Total Equity divided by diluted no. of shares at the period end.

INTERNAL RISK FACTORS	
1.	Telecom Infrastructure products market has a few large global players operating for many years and have large R&D budgets to keep up with the rapid technological changes. Saankhya Labs' business performance may also depend on the ability to effectively adopt new technologies and ecosystems, perform research & development, and innovate in a timely manner to compete in the market.
2.	Telecommunications industry is dynamic and continues to evolve based on the external environment including macro-economic and geo-political factors, technological advances, consumer demand, global supply chain dynamics, etc. which can impact the financial condition, growth prospects and operations of Saankhya Labs.
3.	Saankhya Lab's success depends in large part upon our highly skilled technology professionals and our ability to attract skilled workforce, train employees and manage attrition.
4.	Saankhya Lab's performance may be affected by potential lawsuits and litigation involving its intellectual property related matters.
5.	Catastrophic events such as further phases of COVID-19, could materially impact the financial condition and operations of Saankhya Labs.
6.	Any security or privacy breaches, data leaks, or unauthorized tampering could have a material adverse effect on the business, financial condition, and/or operations of Saankhya Labs.
7.	Saankhya Labs' revenues are concentrated with top ten customers accounting for operating revenue of 95.4% for the fiscal year ended March 31, 2023.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Transferor Company 1 and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Transferor Company 1						
By the Transferor Company 1	NIL	6	1	NIL	1	Tax Litigation amount of INR 7.86 cr Statutory or Regulatory Proceeding amount of INR 0.63 cr Material Civil Litigations – NA*

Against the Transferor Company 1	NIL	NIL	NIL	NIL	NIL	NIL
Directors						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoters						
By Promoters	NIL	Direct Tax – 40# Indirect Tax – 5	70	NIL	1	Statutory or Regulatory Proceeding amount of INR 21.44cr Material Civil Litigation amount of INR 38.21 cr Indirect Tax Litigation amount of INR 54.43cr
Against Promoters	NIL	Direct Tax – 14 # Indirect Tax – 2	NIL	NIL	2	Material Civil Litigation amount of INR 3.87 cr Indirect Tax Litigation amount of INR 14.97cr
Subsidiaries						
By Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
Against Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL

* The Material Civil Litigations pertains to Patent related matter and will not result in any tax liability against the Transferor Company 1.

These direct tax litigations will not result in any tax liability against the Company

B. Brief details of top 6 material outstanding litigations by the Transferor Company 1 and amount involved

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (INR Crores)
1.	Demand issued by Additional / Joint / Deputy / Assistant Commissioner of Income Tax/ Income-tax Officer, National e-Assessment Centre for AY 2018-19 for disallowance of Carry forward losses under Section 79 of Income Tax Act which is under appeal before CIT (Appeals)*	Saankhya Labs Private Limited	Pending before COMMISSIONER OF INCOME TAX (Appeals)	4.80
2.	Demand issued by Assistant Commissioner of Commercial Taxes (Enf-10) for variance in input credit claimed between GSTR-3B and GSTR-2A	Saankhya Labs Private Limited	Pending before JOINT COMMISSIONER OF COMMERCIAL TAXES	1.41
3.	Demand issued by Deputy Director on Income Tax for variance in TDS credit in Form 26AS, which is under appeal before CIT (Appeals)	Saankhya Labs Private Limited	Pending before COMMISSIONER OF INCOME TAX (Appeals)	0.91
4.	Demand issued by Registrar of Companies, Bangalore for non-compliance of section 135. Suo moto application filed with ROC under section 135	Saankhya Labs Private Limited	Pending before REGIONAL DIRECTOR	0.63
5.	Demand issued by Deputy Commissioner of Income tax rejecting DCF method adopted and considering NAV. Hence Share premium received is added back as income from other sources under Section 56(2)(viib), which is	Saankhya Labs Private Limited	Pending before COMMISSIONER OF INCOME TAX (Appeals)	0.46

	under appeal before CIT (Appeals)*			
6.	Demand issued by Deputy Commissioner of Commercial Taxes for variance in input claimed between GSTR -3B and GSTR-2A, which is pending under appeal **	Saankhya Labs Private Limited	Pending before Appellate Authority	0.28

*Transferor Company 1 is eligible for tax refund of Rs. 45.61 Lakhs for the AY 2018-19 and Rs. 148.19 Lakhs for the AY 2020-21. However, the same was withheld against the above orders.

** Transferor Company 1 has made pre-deposit of Rs. 34.33 Lakhs in the AY 2022-23.

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any : **Nil**

D. Brief details of outstanding criminal proceedings against Promoters: **Nil**

ANY OTHER IMPORTANT INFORMATION AS PER MERCHANT BANKER / SAANKHYA LABS

Nil

DECLARATION BY THE TRANSFEROR COMPANY 1
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We hereby declare that all relevant provisions of the Companies Act , 1956, the Companies Act, 2013 and the Guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and Part-E of Schedule VI of the SEBI (ICDR) Regulations, 2018, to the extent applicable, has been complied and no statement made in this document is contrary to the provisions to the said SEBI Circular and SEBI Regulations. We further certify that all statement in this Abridged Prospectus is true and correct.

For Saankhya Labs Private Limited

Sd/-

N R Ravikrishnan
Authorised Signatory

Date: December 20, 2023

Place: Bengaluru



www.spacapital.com

SPA Capital Advisors Ltd.

CIN: U99999DL1999PLC102626

25, C-Block Community Centre

Janak Puri, New Delhi-110 058

Tel. : 011-25517371, 25515086

Fax : 011-25532644

Email : info@spacapital.com

Date: December 21, 2023

To

The Board of Directors

TEJAS NETWORKS LIMITED

5th Floor, Plot No 25, J P Software Park,

Electronic City, Phase 1, Hosur Road,

Bangalore – 560100

Dear Sir,

Subject: Certificate on adequacy and accuracy of disclosure of information pertaining to the unlisted entity “SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED” (hereinafter called “SSE” or “Unlisted Entity” or “Transferor Company 2”) in the Abridged Prospectus in compliance with SEBI Circular NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 04, 2022 and SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 for the purpose of the Scheme of Arrangement for merger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving TEJAS NETWORKS LIMITED (hereinafter called “Tejas” or “Listed Entity” or “Transferee Company”) and their respective shareholders for amalgamation of Saankhya Labs Private Limited (or hereinafter called “Saankhya Labs” or “Transferor Company 1”) and SSE with Tejas Networks Limited.

We SPA Capital Advisors Limited (“we” or “us”), a category I Merchant Banker registered with SEBI having SEBI Reg. No. MB/INM000010825 have been appointed by Board of Directors (The Board) of Tejas for the purpose of certifying the adequacy and accuracy of disclosure of information provided in SSE Abridged prospectus in connection with Scheme of Amalgamation of Saankhya Labs and SSE with Tejas.

1) Scope and Purpose of the Certificate:

SEBI vide Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“SEBI CIRCULAR”) inter alia prescribed that the Listed Entity or Tejas shall include the applicable information pertaining to the Unlisted Entity or SSE involved in the Scheme in the format specified for Abridged Prospectus as provided in Annexure I of Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations, 2018 (“ICDR Regulations”), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders and unsecured



creditors while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the Due Diligence Process.

This Certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This Certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

2) Certification:

We state and confirm as follows:

1. We have examined various documents and other materials made available to us by the management of Tejas and SSE in connection with finalization of Abridged Prospectus dated December 20, 2023 pertaining to SSE which will be circulated to the members and unsecured creditors of Tejas at the time of seeking their consent to the Scheme of Amalgamation of Saankhya Labs and SSE with Tejas as a part of explanatory statement to the notice.
2. On the basis of such examination and the discussion with the management of Tejas, we confirm that:
 - A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to SSE.
 - B. The Abridged Prospectus contains applicable information pertaining to SSE as required in terms of SEBI Circulars which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Scheme of Arrangement

3) Disclaimer:

Our Scope of Work did not include the following:

- An audit of the Financial Statement of SSE
- Carrying out a market survey/financial feasibility for the business of SSE
- Financial and Legal due diligence of SSE

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof we assume no responsibility and make no representation with respect to the accuracy or completeness of any information provided by the management of Tejas.



We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.

We understand that the management of Tejas during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our certificate.

The Fee for our Services is not contingent upon the result of the Scheme of Arrangement.

Our Certificate should not be constructed as our opinion or certification of the compliance of the Scheme of Arrangement with the provisions of any law including Companies Act, taxation laws, capital market laws and related laws.


We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the company or any of its related parties (holding companies/subsidiaries/associates, etc.)

In no event, SPA Capital Advisors Limited, its Directors and employees will be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provisions of this opinion.

Thanking You,

For SPA Capital Advisors Limited

(SEBI Regn. No.: INM 000010825)



(**Khushboo Tanwar**)
Vice President



(**Anish Kumar**)
Vice President

THIS DOCUMENT CONTAINS INFORMATION PERTAINING TO THE UNLISTED ENTITY “SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED” (HEREINAFTER CALLED “THE TRANSFEROR COMPANY 2” OR “SSE” OR “UNLISTED COMPANY 2”) AND THE SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 INVOLVING SAANKHYA LABS PRIVATE LIMITED (HEREINAFTER CALLED “THE TRANSFEROR COMPANY 1” OR “SAANKHYA LABS” OR “UNLISTED COMPANY 1”) AND SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED WITH TEJAS NETWORKS LIMITED (“Tejas” or “Transferee Company”) AND THEIR RESPECTIVE SHAREHOLDERS.

THIS ABRIDGED PROSPECTUS HAS BEEN PREPARED IN TERMS OF THE REQUIREMENTS SPECIFIED IN SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 04, 2022 (“SEBI CIRCULAR”) AND IS PREPARED PURSUANT TO REGULATION 37 OF THE SEBI (LODR) REGULATIONS, 2015 READ WITH SEBI CIRCULAR NO. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 DATED NOVEMBER 23, 2021 (“SEBI CIRCULAR”) ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”).

KINDLY SCAN THE QR CODE AS PROVIDED ON THE FIRST PAGE OF THIS DOCUMENT TO DOWNLOAD THE ABRIDGED PROSPECTUS OR ALTERNATIVELY YOU CAN DOWNLOAD THE SAME FROM THE TRANSFEE COMPANY WEBSITE AT <https://tejasnetworks.com/> AND ALSO FROM THE WEBSITE OF NSE and BSE, WHERE THE SAME HAS BEEN SUBMITTED.

THIS DOCUMENT DATED DECEMBER 20, 2023 SHOULD BE READ TOGETHER WITH THE SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

THIS ABRIDGED PROSPECTUS CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED

CIN: U72900KA2020PTC136822

Date of Incorporation: 04/08/2020

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
No.3, Embassy Icon, Third Floor, Infantry Road, Bangalore KA 560001 IN	No.3, Embassy Icon, Third Floor, Infantry Road, Bangalore KA 560001 IN	Dr. Vishwakumara Kayargadde	Email: vkk@saankhyastrategi c.com Tel.: +91 80 6117 1000 +91 82778 93870	www.saankhyastrategic. com

NAME OF PROMOTER OF SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED
Saankhya Labs Private Limited

Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not Applicable							

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

Name	Type	No of Shares offered/Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
Not Applicable							

Price Band, Minimum Bid Lot & Indicative Timelines

Not Applicable

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price - Highest Price (in Rs.)
Not Applicable			

RISK IN RELATION TO THE FIRST OFFER

Not Applicable as SSE is an unlisted company and is not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme.

DETAILS OF THE SCHEME OF AMALGAMATION

Background:

Transferor Company(s)

1. Saankhya Labs Private Limited (“**Transferor Company 1**”) is a company incorporated under the provisions of the Companies Act, 1956. The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include

satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.

2. Saankhya Strategic Electronics Private Limited (“**Transferor Company 2**”) is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company 2 was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of Saankhya Labs Private Limited (“**Transferor Company 1**”).

Transferor Company 1 and Transferor Company 2 are collectively referred as “Transferor Companies”.

Transferee Company

3. Tejas Networks Limited (“**Transferee Company**”) is a company incorporated under the provisions of the Companies Act, 1956. The Transferee 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. The Transferee Company’s 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. The Transferee Company’s customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defence companies and government entities.

The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited.

Transferor Companies and Transferee Company are collectively referred as “Parties”.

Pursuant to the agreements dated March 30, 2022, the Transferee Company acquired 64.40 % share capital of the Transferor Company 1. Consequently, the Transferor Company 1 became a Subsidiary of the Transferee Company.

Brief details of the Scheme:

Upon effectiveness of this Scheme and with effect from the Appointed Date (*as defined in the Scheme of Amalgamation*) and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, all assets, rights, claims, intellectual properties, brands, trademarks, credentials, permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferor Companies shall stand transferred to and vested in the Transferee Company as a going concern, without any further act, instrument or deed matter or thing, or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, rights, claims, intellectual

properties, brands, trademarks, credentials, permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

Consideration and Share Exchange Ratio:

As per the valuation report dated September 29, 2022, share exchange ratio on proposed amalgamation will be as below:

Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company 1 with the Transferee Company, the Transferee Company shall, without any further application, act, consent, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company 1, whose name is recorded in the register of members as member of the Transferor Company 1 as on the Effective Date (as defined in the Scheme of Amalgamation), as under:

“For every 100 equity shares of face value of Rs. 10/- (Rupees Ten only) each held as fully paid-up in the Transferor Company 1 shall be issued 112 Equity shares of face value of Rs. 10/- (Rupees Ten only) each as fully paid-up in the Transferee Company.”

Since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to the Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company.

No equity shares shall be issued by the Transferee Company in respect of the shares held by the Parties inter-se and all such shares shall stand cancelled upon the Scheme becoming effective, without any further act or deed as an integral part of the Scheme.

Rationale of the scheme:

The Transferor Company 1 and Transferor Company 2 (“Transferor Companies”) are direct/indirect subsidiaries of the Transferee Company. It is proposed to integrate their businesses to achieve following benefits:

- (a) enhancement of operational, organizational and financial efficiencies, and achieve economies of scale by pooling of resources;
- (b) achieve synergies in revenue, costs, operations, and stronger base for future growth;
- (c) an integrated and coordinated approach to business will allow for a more efficient allocation of capital and cash management;
- (d) further expand and grow all business into the international markets;
- (e) reduction in the multiplicity of legal and regulatory compliances currently required to be carried out by Transferor Companies and the Transferee Company;
- (f) consolidation of administrative and managerial functions and elimination of multiple record-keeping, *inter alia* other expenditure and optimal utilization of resources
- (g) adaptation of best practices and in enhancing mechanisation/ automation of various

processes through latest technologies.

- (h) Streamlining of the corporate structure; and
- (i) improved organizational capability and leadership, arising from the pooling of human capital that has diverse skills, talent, and vast experience to compete in an increasingly competitive industry.

The amalgamation is in the interest of all the companies, their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

Effect on Share capital of the Transferor Companies

Upon the effectiveness of this Scheme, the aggregate authorised share capital of the Transferor Companies as on the Effective Date will be reclassified, altered and combined with the authorised equity share capital of the Transferee Company as on the Effective Date and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to ROC.

For further details please refer the Scheme of Amalgamation

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking any decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of the Transferee Company, Transferor Companies and the Scheme including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to the section titled "Internal Risk Factors" at page 10 of this Abridged Prospectus.

PROCEDURE

The procedure with respect to public issue would not be applicable as Transferor Companies are not offering any of its securities/equity shares to the Public under the Scheme. This is only allotment of Transferee Company's shares to the shareholders of Transferor Company 1 (other than Transferee Company itself) pursuant to the Scheme of Amalgamation without any cash consideration. Also, since the Transferor Company 2 is wholly owned subsidiary of the Transferor Company 1, which will amalgamate with the Transferee Company pursuant to the Scheme, no consideration will be issued for the amalgamation of the Transferor Company 2 with the Transferee Company. Hence, the procedure with respect to the Bid-cum-Application Form, RHP and General Information Document is not applicable.

PRICE INFORMATION OF BRLM's*

Not Applicable

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included - Not Applicable

MERCHANT BANKER APPOINTED BY TEJAS NETWORKS LTD

SPA Capital Advisors Limited
R/o- 25, C - Block, Community Centre JanakPuri, New Delhi - 110058
Tel. No.: +91 11 4567 5500, Fax No.: +91 11 2553 2644
Email: legal@spacapital.com <https://www.spacapital.com/>
SEBI Reg. No. MB/INM000010825

Statutory Auditor of Saankhya Strategic
Electronics Private Limited

M S K A & Co. Chartered Accountants
No. 23, Staywell House, Second Floor, First Main,
Muthappa Block, Ganganagar, RT Nagar, Bangalore –
560032, Karnataka, India.
Email: carathiak@gmail.com

PROMOTERS OF SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED

Sr. No.	Name	Individual/ Corporate	Background of the Promoter
1.	Saankhya Labs Private Limited	Corporate	Saankhya Labs Private Limited (“ Transferor Company 1 ”) is a company incorporated under the provisions of the Companies Act, 1956). The Transferor Company 1 is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Focus areas of the Transferor Company 1 include wireless semiconductor, telecom infrastructure, Software Defined Radio (SDR), and Cognitive Radio technologies. The Transferor Company 1 provides wireless products to telecom operators which include 5G Radio Access Network (RAN) and Network automation and management software. Broadcast radio heads and mobile receiver products of the Transferor Company 1 are designed for convergence of broadcast and telecom networks, and its satcom products include satellite IoT solutions for tracking railway locomotives and sea vessels. The Transferee Company holds 64.40% of the total outstanding equity share capital of the Transferor Company 1.

BUSINESS OVERVIEW AND STRATEGY**SSE Overview**

Saankhya Strategic Electronics Private Limited (SSE) is a company incorporated under the provisions of the Companies Act, 2013. SSE was founded in August 2020, by Parag Naik, Dr. Vishwakumara Kayargadde and Hemant Mallapur. SSE was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software. The Transferor Company 2 is a wholly owned subsidiary of Saankhya Labs Private Limited (“**Transferor Company 1**”).

PRODUCT/SERVICE OFFERING

SSE licenses semiconductor IP to build wireless communication solutions for Indian Defense and paramilitary forces. SSE provides engineering services to develop advanced wireless solutions for Indian defense and paramilitary forces. SSE has experience in developing end-to-end communication systems

using Software Defined Radio (SDR) technologies and leverages this experience to provide product development services.

REVENUE SEGMENTATION BY PRODUCT/SERVICE OFFERING

SSE generated revenue of Rs. 68.70 Lakh for the fiscal year ended March 31, 2023. 100% of the revenues were generated from the services segment.

GEOGRAPHIES SERVED:

India

REVENUE SEGMENTATION BY GEOGRAPHIES

The Domestic Turnover of SSE accounted for Rs. 68.70 Lakh and Export Turnover accounted for Rs. Nil for the fiscal year ended March 31, 2023.

KEY PERFORMANCE INDICATORS

In the last three years ended Fiscal 2023, Fiscal 2022 and Fiscal 2021, SSE has earned revenue from operations of Rs. 68.70 Lakh, Rs. 323.93 Lakh and Rs. 144.78 Lakh respectively, net profit before tax of Rs. -27.49 Lakh, Rs. 58.71 Lakh and Rs. 42.90 Lakh respectively and net profit after tax of Rs. -33.64 Lakh, 43.07 Lakh and Rs. 32.10 Lakh respectively. It has reported Return on Net Worth of -49.22%, 67.68% and 76.25% for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 respectively.

CLIENT PROFILE OR INDUSTRIES SERVED:

SSE caters to clients across Defense and Telecommunication industries. Some of the key clients of SSE across these industries are Cyient Limited, Innovation communication Systems Limited and Saankhya Labs Private Limited.

REVENUE SEGMENTATION IN TERMS OF TOP 5/10 CLIENTS OR INDUSTRIES:

The two customers of SSE accounted for operating revenue of Rs 68.70 Lakh (approx.100%) for the fiscal year ended March 31, 2023.

INTELLECTUAL PROPERTY, IF ANY:

SSE has exclusive rights to use SDR technology along with the associated patents assigned from Saankhya Labs Private Limited for use in Indian defense and paramilitary market.

MARKET SHARE:

SSE's market share in defense business is small.

Manufacturing plant, if any:

Nil

Employee Strength:

As on September 30, 2023, SSE has 1 employee at the organization.

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1	Dr. VISHWAK UMARA KAYARGA DDE (DIN- 00751260)	Executive Director	Dr Vishwa is a technology entrepreneur with over three decades of industry and research experience. He Co-founded Saankhya Labs and has been responsible for shaping and running company's business operations. Prior to Saankhya Labs he was co-founder and CEO at Smart Yantra technologies, one of India's first video streaming IP companies. Prior to founding Smart Yantra, he was at Philips Consumer Electronics where he contributed to the system and software architecture for a new range of digital Televisions. He holds a Ph. D. degree from Eindhoven University of Technology, The Netherlands, and M.E in ECE from Indian Institute of Science (IISc) Bangalore.	<u>Indian Companies:</u> 1 1. Saankhya Labs Private Limited <u>Foreign Companies:</u> 1 1. Saankhya Labs Inc
2	Mr. HEMANT MALLAPU R DIN- 01056016	Executive Director	Mr. Hemant Mallapur has 26 years of industry experience in Semiconductor and System product development and engineering management. At Saankhya Labs as a Co-Founder and EVP of Engineering he is responsible for development of Broadcast and Rural Broadband products. Prior to Saankhya Labs he was one of the early members of Sage Inc which had its IPO on NASDAQ (SAGI) in 1999 and where he led the development of company's successful IC's for HDTV & LCD displays. Earlier he worked at Synopsys and Paxonet on ICs for Networking, PC and Graphics. He was featured in the EDN ASIA magazine for their Innovator Award in 2000. He holds 3 US patents and has co-authored 4 papers in industry conferences. He completed his B.Tech in 1992 in Electronics and Communications Engineering from College of Engineering, JNTU Hyderabad, India.	NIL
3	Mr. PARAG NAIK BALWANT	Executive Director	Mr. Parag is a technology serial entrepreneur with over 26 years of industry experience. He co-founded Saankhya Labs and was the CTO and VP Marketing between 2007-2014. At	<u>Indian Companies:</u> 2 1. Saankhya Labs Private Limited 2. Vayavya Labs Private Limited

(DIN-01055996)		<p>Saankhya Labs he has been the CEO since April 2014. Under his leadership Saankhya has designed and successfully launched indigenous SDR chipsets and Satcom products for a variety of applications. Prior to Saankhya he co-founded Smart Yantra technologies (one of India's first video streaming IP companies) in 2000 and Vayavya Labs (a Electronic Design Automation Company) in 2006. Early on in his career he worked on the Mission Computer hardware and software for India's indigenous LCA Tejas and at Philips Innovation Labs as one of its early members building world's early DTV and STB receivers. He is a named inventor on 35 US and India patents in the areas of VLSI design, CPU/SDR architecture, Digital Communications, Signal Processing and Hardware-Software Co-design/ Code generators. He holds a Bachelor's degree in Computer Science and Engineering (1992) from Karnatak University, India.</p>	<p>Foreign Companies: 1 1. Saankhya Labs Inc.</p>
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OBJECTS OF THE ISSUE
Not Applicable as Saankhya Labs is not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme.

CAPITAL STRUCTURE OF SAANKHYA STRATEGIC ELECTRONICS PRIVATE LIMITED AS ON SEPTEMBER 30th, 2023	
Equity Share Capital:	
Authorised Capital	Paid-up Capital
10, 00,000 (Indian Rupees Ten Lakh) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10 (Indian Rupees Ten) each.	10, 00,000 (Indian Rupees Ten Lakh) divided into 1, 00,000 (One Lakh) Equity Shares of Rs. 10 (Indian Rupees Ten) each.

SHAREHOLDING PATTERN PRIOR TO THE SCHEME			
Sr. No.	Name of the Shareholders	Pre- Issue Number of Shares	% Holding of Pre- issue
Promoter & Promoter Group			
1.	Saankhya Labs Private Limited	99,999	99.999%
2.	Mr. Parag Naik Balwant*	1	0.001%
Total-A		1,00,000	100.000%
Public/Other than Promoters			
1.	NA	-	-
Total-B		-	-
Total (A+B)		1,00,000	100.000%

*Parag Naik holds 1 share as Nominee shareholder of Saankhya Labs Private Limited.

Number/amount of equity shares proposed to be sold by selling shareholders, if any: Not Applicable^

^ Saankhya Labs or Transferor Companies Shareholders are not offering any securities/equity shares through an initial public offer to the public, pursuant to the Scheme. This is only allotment of Transferee Company's shares to the shareholders of Transferor Company 1 (other than Transferee Company itself) pursuant to the Scheme of Amalgamation without any cash consideration.

RESTATED CONSOLIDATED AUDITED FINANCIALS

(Amount in Lakh) except otherwise stated

	Latest Stub Period for the period 01 st April, 2023 to 30 th September, 2023#	For the period ended 31st March 2023#	For the period ended 31st March 2022#	For the period ended 31st March 2021#
Total income from operations (Net) (Operating Revenue)	-	68.70	323.93	144.78
Net Profit/(Loss) before Interest and tax and extraordinary items (EBIT)	-8.75	-40.46	33.71	17.89
Net Profit/(Loss) before tax and extraordinary items	-3.31	-27.49	58.71	42.90
Net Profit / (Loss) after tax and extraordinary items	-5.18	-33.64	43.07	32.10
Equity Share Capital	10.00	10.00	10.00	10.00
Reserves and Surplus/Other Equity*	36.33	41.52	75.17	32.10
Net worth	46.33	51.52	85.17	42.10
Basic earnings per share (Rs.)	-5.18	-33.64	43.07	32.10
Diluted earnings per share (Rs.)	-5.18	-33.64	43.07	32.10
Return on net worth (%)**	-21.18%	-49.22%	67.68%	76.25%
Net asset value per share (Rs.)***	46.33	51.52	85.17	42.10

#The Latest Stub Period financials for the period 01st April, 2023 to 30th September, 2023 and financials for the fiscal year ending 2023 are as per INDAS. And fiscal year ending 2022 and 2021 are as per IGAAP which is the accounting adopted by the SSE's management during that period.

*Reserves and Surplus/Other Equity includes Securities Premium, Retained Earnings, Employee Stock Compensation Outstanding, Capital Reserves and Foreign Currency Translation Reserve.

**Return on Net Worth is arrived based on PAT divided by Average Networth {(Opening Networth + Closing Networth)/2}. PAT is annualised for the stub period from 01st April, 2023 to 30th September, 2023

***Net asset value per share is arrived based on Total Equity divided by diluted no. of shares at the period end.

INTERNAL RISK FACTORS

1.	Defence projects are complex with a long R&D cycle. SSE's business performance may depend on the ability to perform research and development, to effectively adopt new technologies and to changing ecosystems and to innovate in a timely manner to compete in the market.
2.	Delays in Tender or award of contracts to supply SDR Radios by Indian Defence could delay SDR IP License royalty income of SSE.
3.	SSE's success depends in large part upon highly skilled technology professionals and our ability to attract skilled workforce, train employees and manage attrition

4.	Catastrophic events such as further phases of COVID-19, could materially impact the financial condition and operations of SSE.
5.	Any security or privacy breaches, data leaks, or unauthorized tampering could have a material adverse effect on the business, financial condition, and/or operations of SSE.
6.	SSE's performance may be affected by potential lawsuits and litigation involving its intellectual property related matters.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Transferor Company 2 and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Transferor Company 2						
By the Transferor Company 2	NIL	NIL	NIL	NIL	NIL	NIL
Against the Transferor Company 2	NIL	NIL	NIL	NIL	NIL	NIL
Directors						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoters						
By Promoters	NIL	6	1	NIL	1	Tax Litigation amount of INR 7.86 cr Statutory or Regulatory Proceeding amount of INR 0.63 cr Material Civil Litigations - NA
Against Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Subsidiaries						
By Subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Against Subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
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B. Brief details of top 5 material outstanding litigations by the Transferor Company 2 and amount involved

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
NIL	NIL	NIL	NIL	NIL

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any : Nil

D. Brief details of outstanding criminal proceedings against Promoters: Nil

ANY OTHER IMPORTANT INFORMATION AS PER MERCHANT BANKER / SAANKHYA LABS
Nil

DECLARATION BY THE TRANSFEROR COMPANY 2
We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the Guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 04, 2022 and Part-E of Schedule VI of the SEBI (ICDR) Regulations, 2018, to the extent applicable, has been complied and no statement made in this document is contrary to the provisions to the said SEBI Circular and SEBI Regulations. We further certify that all statement in this Abridged Prospectus is true and correct.

For Saankhya Strategic Electronics Private Limited

Sd/-

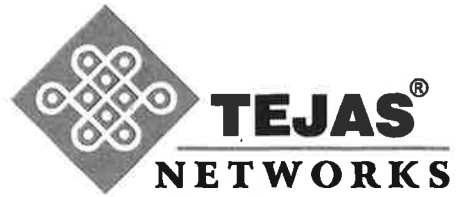
N R Ravikrishnan
Authorised Signatory

Date: December 20, 2023

Place: Bengaluru

Tejas Networks Ltd.

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



November 02, 2022

To,
General Manager
BSE Limited
P J Towers, Dalal Street, Fort,
Mumbai – 400 001
BSE Scrip Code: 540595

Dear Sirs/Madam

Sub: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) for the proposed Scheme of Amalgamation of Saankhya Labs Private Limited ("Transferor Company 1") and Saankhya Strategic Electronics Private Limited ("Transferor Company 2") (Collectively referred as "Transferor Companies") with Tejas Networks Limited ("Company" or "Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme")

Ref: Report on Complaints in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 as amended from time to time ("SEBI Master Circular")

This is in reference to the Scheme filed by the Company under Regulation 37 of the SEBI Listing Regulations with BSE Limited ("BSE") on September 30, 2022.

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter-alia required to submit a 'Report on Complaints' containing the details of complaints received by the Company on the Scheme from various sources within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant stock exchange.

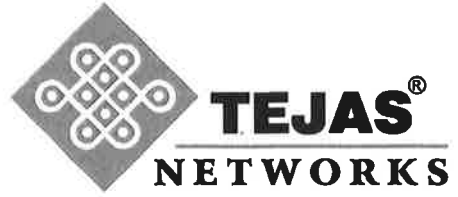
The period of 21 days from the date of uploading of the draft Scheme along with related documents by BSE on its website i.e., October 10, 2022, has expired on October 31, 2022, accordingly, we attach herewith a 'Report on Complaints', as Annexure - I to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e. <https://tejasnetworks.com/amalgamation.php> as per requirement of the aforementioned said SEBI Master Circular.



Tejas Networks Ltd.

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



We request you to take the above on record as compliance under the applicable provisions of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and SEBI Circulars.

Yours sincerely

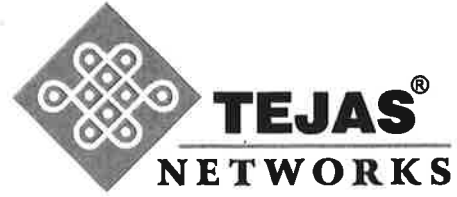
For Tejas Networks Limited



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

Tejas Networks Ltd.

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



Annexure – I

COMPLAINTS REPORT

Period of Complaints: October 10, 2022 to October 31, 2022

PART A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

PART B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved / Pending)
NOT APPLICABLE			

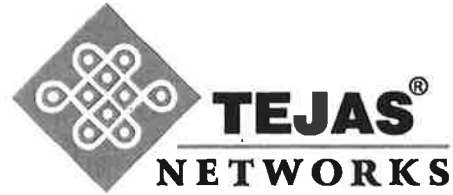
For Tejas Networks Limited



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

Tejas Networks Ltd.

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



December 07, 2022

To,
Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex,
Mumbai - 400 051
Scrip Code: **TEJASNET**

Dear Sirs/Madam,

Sub: Application under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) for the proposed Scheme of Amalgamation of Saankhya Labs Private Limited ("Transferor Company 1") and Saankhya Strategic Electronics Private Limited ("Transferor Company 2") (Collectively referred as "Transferor Companies") with Tejas Networks Limited ("Company" or "Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme")

Ref: Report on Complaints in terms of Para I(A)(6) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 as amended from time to time ("SEBI Master Circular")

This is in reference to the Scheme filed by the Company under Regulation 37 of the SEBI Listing Regulations with National Stock Exchange of India Limited ("NSE") on October 01, 2022.

As per Para I(A)(6) of the SEBI Master Circular, the Company is inter-alia required to submit a 'Report on Complaints' containing the details of complaints received by the Company on the Scheme from various sources within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of the relevant stock exchange.

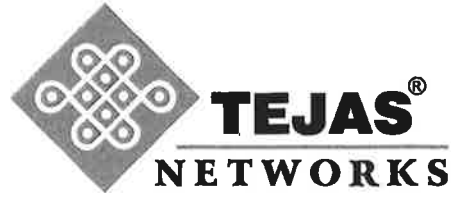
The period of 21 days from the date of uploading of the draft Scheme along with related documents by NSE on its website i.e., November 15, 2022, has expired on December 5, 2022, accordingly, we attach herewith a 'Report on Complaints', as Annexure - I to this letter.

The Report on Complaints is also being uploaded on the website of the Company, i.e. <https://tejasnetworks.com/amalgamation.php> as per requirement of the aforementioned said SEBI Master Circular.



Tejas Networks Ltd.

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



We request you to take the above on record as compliance under the applicable provisions of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and SEBI Circulars.

Yours sincerely

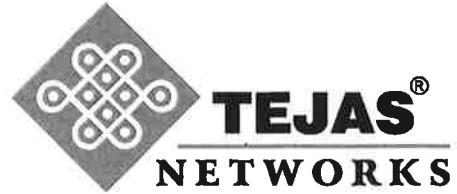
For Tejas Networks Limited



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

Tejas Networks Ltd.

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



Annexure – I

COMPLAINTS REPORT

Period of Complaints: November 15, 2022 to December 5, 2022

PART A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges / SEBI	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NOT APPLICABLE
5.	Number of complaints pending	NOT APPLICABLE

PART B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved / Pending)
NOT APPLICABLE			

For Tejas Networks Limited



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

DCS/AMAL/TL/R37/2813/2023-24

July 06, 2023

The Company Secretary,
Tejas Networks Limited
 Plot No. 25, 5th Floor, J.P. Software Park,
 Electronic City Phase 1, Hosur Road,
 Bengaluru, Karnataka, 560100

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited with Tejas Networks Limited and their respective shareholders

We are in receipt of the Scheme of Amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited with Tejas Networks Limited and their respective shareholders by Tejas Networks Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated July 05, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."
- h. "Company is advised that the Companies involved in the scheme shall disclose the following as a part of the Explanatory Statement or Notice or Proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013:
 - i. Details of Assets and Liabilities of Transferor Company transferred to Transferee Company
 - ii. Details of Assets and Liabilities of Transferee Company, pre and post amalgamation
 - iii. Impact of amalgamation on revenue generating capacity of Transferee Company

- iv. Rationale of the Scheme, Synergies of businesses of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme and the rationale for arriving at the share entitlement ratio.”
- i. “Company is advised that the proposed equity shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
- j. “Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”
- k. “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- l. “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
- m. “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- n. “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order

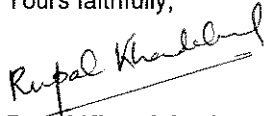
passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Rupal Khandelwal
Deputy General Manager



Tanmayi Lele
Assistant Manager



National Stock Exchange Of India Limited

Ref: NSE/LIST/32800

July 06, 2023

The Company Secretary
Tejas Networks Limited
J.P. Software Park, Plot No. 25,
Sy. No. 13, 14, 17 and 18,
Konnapanan Agrahara Village,
Begur Hobli, Bangalore - 560100.

Kind Attn.: Mr. N R Ravikrishnan

Dear Sir,

Sub: Observation Letter for Draft Scheme of Amalgamation of Saankhya Labs Private Limited (“Transferor Company 1” or “SLPL”) and Saankhya Strategic Electronics Private Limited (“Transferor Company 2” or “SSEPL”) with Tejas Networks Limited (“Transferee Company” or “TNL”) and their respective shareholders.

We are in receipt of Draft Scheme of Amalgamation of Saankhya Labs Private Limited (“Transferor Company 1” or “SLPL”) and Saankhya Strategic Electronics Private Limited (“Transferor Company 2” or “SSEPL”) with Tejas Networks Limited (“Transferee Company” or “TNL”) and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 vide application dated September 28, 2022.

Based on our letter reference no. NSE/LIST/32800 dated March 28, 2023, submitted to SEBI and pursuant to SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 (circular) dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated July 05, 2023 has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d. *Company shall ensure that information pertaining to all the unlisted Companies involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

This Document is Digitally Signed

Signer: DIPTI VIPIL CHINCHKEDE
Date: Thu, Jul 6, 2023 18:59:17 IST
Location: NSE



- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.*
- g. *Both the companies shall ensure to disclose the following as a part of explanatory sentence or notice or proposal accompanying resolution to be passed, to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013.*
- *Details of assets & liabilities of Transferor Company transferred to the Transferee Company.*
 - *Details of assets & liabilities of Transferee Company pre and post amalgamation.*
 - *Impact of amalgamation on revenue generating capacity of the Transferee Company.*
 - *Rational of the Scheme, synergies of business of the entities involved in the scheme, impact of the scheme on shareholders and cost benefit analysis of the scheme and the rational for arriving at the share entitlement ratio.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company shall comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHHEDE
Date: Thu, Jul 6, 2023 18:59:17 IST
Location: NSE

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from July 06, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed

 **NSE**

Signer: DIPTI VIPIL CHINCHKHEDE
Date: Thu, Jul 6, 2023 18:59:17 IST
Location: NSE

DETAILS OF ONGOING ADJUDICATION & RECOVERY PROCEEDINGS, PROSECUTION INITIATED, AND ALL OTHER ENFORCEMENT ACTION TAKEN AGAINST THE TRANSFEREE COMPANY, ITS PROMOTERS AND DIRECTORS

A) Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against transferee Company (as on December 15, 2023)

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1	Commercial Court Pondicherry	Dharmalingam vs Tejas Networks Limited ("Tejas")	Tejas had entered into a Lease Agreement with the Plaintiff. Further, Tejas vacated the premises. However, the Plaintiff claimed that certain rental amount is still payable by Tejas. Hence, Plaintiff is seeking recovery of rental amount for the year 2011 to 2015 based on the minutes of the meeting dated 18.08.2018 and the amount inclusive of interest is approximately about 63,00,000/-	63,44,927	Next hearing date – January 09, 2024
2	MSME Facilitation Council, Chandigarh	RACOMM vs Tejas	GAIL INDIA had issued a Tender which was awarded to Tejas. Further, Tejas and RACOMM entered into a Teaming Agreement for performance of the Tender. The payment terms in the tender were on back-to-back basis. Further, due to non-performance by RACOMM, GAIL INDIA held certain payments. Resultantly Tejas terminated the Teaming Agreement with RACOMM. Now, RACOMM has filed a claim for principle amount of INR 2,07,32,757/- along with interest of INR 1,16,32,429/-	3,23,65,186	Matter to be listed
3	Supreme Court	Department of Central Excise and Service tax vs Tejas	Excise department has issued order confirming to include software value in hardware to discharge excise duty.	42,92,39,209	Appeal filed. Next hearing is yet to be scheduled.
4	CESTAT, Chennai	Department of Central Excise and Service tax vs Tejas	Excise department has issued order confirming to include software value in hardware to discharge excise duty. Old SCNs got converted in to order after adjudication	3,31,50,366	Appeal filed. Next hearing is yet to be scheduled.
5	Commissioner of CGST, Bangalore	Department of Central Excise and Service tax vs Tejas	AED is applicable on EHTP supplies to our own units	8,11,73,010	Hearing held on March 31, 2021. Awaiting order.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
6	CESTAT, Bangalore	Asst. Commissioner, Import Assessment (PAG), ACC Bengaluru vs Tejas	The company received a show cause notice from ACC, Bengaluru, to show cause the reason for classification of item declared under Bills of Entry No. 7296053 dt. 29.01.2022 under CTH 8517 79 90 and why should not reclassified under CTH 8517 62 90 with applicable duty liability etc.,	1,70,553	Appeal filed. Next hearing is yet to be scheduled.
7	Asst. Commissioner, Central Tax, SD-7, Bengaluru	Asst. Commissioner, Central Tax, SD-7, Bengaluru vs Tejas Networks Limited	Input tax credit is disallowed on time barred invoices/ineligible inputs and tax on notice period recovery	6,17,480	Appeal filed. Next hearing is yet to be scheduled.
8	Deputy Commissioner of Commercial Taxes (Audit) - 4.6 Bengaluru	Deputy Commissioner of Commercial Taxes (Audit) - 4.6 Bengaluru vs Tejas	<p>SHOW CAUSE NOTICE U/s 73(1) OF THE GST ACT, 2017 issued in respect of Audit Para of AUDIT REPORT issued in Form GST ADT-02 demanding GST on;</p> <ol style="list-style-type: none"> Inward supply of services from distinct person registered in other states having same PAN i.e. GST on Services received by the HO from its branches - (₹. 4.87 Cr.) Services received from URP – Referral Pay i.e. GST demanded on referral bonus paid to employees - (₹. 0.03 Cr.) Goods sent for job work during pre-GST i.e. GST demanded on the value of goods sent on Job work as declared in Tran-1 return - (₹. 0.10 Cr.) 	14,89,14,122	Written objections filed
9	Senior Joint Commissioner of Revenue, Kolkata	Senior Joint Commissioner of Revenue, Kolkata vs Tejas	SHOW CAUSE NOTICE u/s- 73(1) of the CGST Act 2017/ WBGST Act 2017 dated 02.12.2023 for short payment arising out of mismatch in payment of tax, under IGST, Cess, CGST and SGST head, (return filed for the F.Y. 2018-19	8,13,287	Tejas has submitted its reply.
10	High Court of Karnataka	Deputy Commissioner of Income tax vs Tejas	Writ appeal against order dated 24-Apr-2015 in WP no7004/2014	NA	Next hearing fixed on March 19, 2024.
11	High Court of Karnataka	Deputy Commissioner of Income tax vs Tejas	The Department has filed an appeal against the MP order challenging the setting aside of disallowance u/s 35(2AB) by following the decision of HC in WP no. 7004/2014 since the disallowance is a subject matter of W.A. no. 2473/2015 (Double bench) before the Hon'ble HC.	69,02,92,500	Next hearing fixed on June 03, 2024.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
12	High Court of Karnataka	Deputy Commissioner of Income tax vs Tejas	The Department has filed an appeal against the ITAT order challenging the setting aside of disallowance u/s 35(2AB) by following the decision of HC in WP no. 7004/2014 since the disallowance is a subject matter of W.A. no. 2473/2015 (Double bench) before the Hon'ble HC.	69,02,92,500	Next hearing fixed on June 03, 2024.
13	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 296/Bang/2015) dt. 09th Feb 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	5,45,40,862	Next hearing is yet to be scheduled.
14	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 468/Bang/2015) dt. 09th Feb 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	5,45,40,862	Next hearing is yet to be scheduled.
15	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 1119/Bang/2015) dt. 09th Feb 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	5,45,40,862	Next hearing is yet to be scheduled.
16	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 621/Bang/2016) dt. 09th Feb 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	4,88,31,525	Next hearing fixed on February 29, 2024.
17	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 694/Bang/2016) dt. 09th Feb 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	4,88,31,525	Next hearing fixed on February 29, 2024.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
18	High Court of Karnataka	Principal Commissioner of Income Tax vs Tejas	The Department has filed an appeal against the ITAT order (bearing appeal no. IT(TP)A. 205/Bang/2018) dt. 31st May 2022 wherein the Hon'ble ITAT has ordered AO to restrict the guarantee commission to 0.5% instead of 3% calculated as per TP order.	4,03,14,755	Next hearing is yet to be scheduled.
19	Special Court of economic offences	(cc/139/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Venkatesh Gadiyar	Department has filed complaint against the company, Sanjay, and Gadiyar before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	High court has ordered the stay of further proceeding in pursuance of impuned order dated 10-12-2019. Stay is continued till next date of hearing. Next date of hearing is not fixed.
20	Special Court of economic offences	(cc/140/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	High court has ordered the stay of further proceeding in pursuance of impuned order dated 15-06-2018. Stay is continued till next date of hearing. Next date of hearing is not fixed.
21	Special Court of economic offences	(cc/155/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the Company, Sanjay and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
22	Special Court of economic offences	(cc/156/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
23	Special Court of economic offences	(cc/157/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
24	Special Court of economic offences	(cc/158/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
25	Special Court of economic offences	(cc/159/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
26	Special Court of economic offences	(cc/160/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Venkatesh Gadiyar	Department has filed complaint against the company, Sanjay and Venkatesh Gadiyar before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
27	Special Court of economic offences	(cc/161/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
28	Special Court of economic offences	(cc/162/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay, and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
29	Special Court of economic offences	(cc/163/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.

Sr No.	Court / Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
30	Special Court of economic offences	(cc/164/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
31	Special Court of economic offences	(cc/165/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Murali R	Department has filed complaint against the company, Sanjay and Murali before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.
32	Special Court of economic offences	(cc/166/18) The Income Tax Department vs 1) Tejas Networks Limited 2) Sanjay Nayak 3) Venkatesh Gadiyar	Department has filed complaint against the company, Sanjay and Gadiyar before the Hon'ble special court for economic offenses (Appeal nos. cc139/18 to cc140/18 and cc155/18 to cc166/18). Appeal is filed by the company against this before Hon'ble High Court. The High Court has stayed the sanction order passed u/s 279(1)	NA	Interim stay granted. Next date of hearing is not fixed.

- B) Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against promoters of the Transferee Company (as on December 15, 2023) - **Nil**
- C) Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against Director of the Transferee Company (as on December 15, 2023) - **Nil**