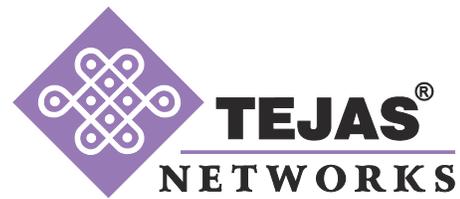


Tejas Networks Ltd.

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April 7, 2022

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

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

Dear Sirs/ Madam,

Re: Transcripts - Investor Call - Saankhya Labs Acquisition

Please find enclosed the transcripts of the Investor Call - Saankhya Labs Acquisition held on March 31, 2022.

The above information is also available on the website of the Company at www.tejasnetworks.com.

This is for your kind information and record.

Yours sincerely

For **Tejas Networks Limited**



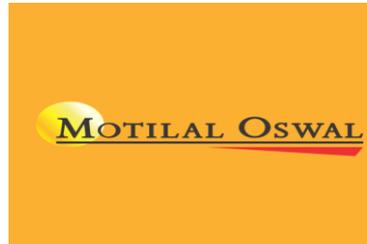
N R Ravikrishnan
General Counsel, Chief Compliance Officer
& Company Secretary



Tejas Networks

Investor Call - Saankhya Labs Acquisition

March 31, 2022



Management: Mr. Sanjay Nayak – Chief Executive Officer & MD

Mr. Arnob Roy – Chief Operating Officer & Whole-time Director

Mr. Venkatesh Gadiyar – Chief Financial Officer

Dr. Kumar N. Sivarajan – Chief Technology Officer

Moderator: Ladies and Gentlemen, good day and welcome to the conference call hosted by Motilal Oswal with Tejas Network management to discuss the acquisition of Saankhya Labs. Please note that the duration of the call will be for 45 minutes only. As a reminder, all participant lines will be in the 'listen-only' mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing *, then zero on your tabs or phone. Please note that this conference is being recorded. I now hand the conference over to Mr Raj Bhanushali from Motilal Oswal Financial Services. Thank you and over to you, sir.

Raj Bhanushali: Thank you, Steven. Good evening everyone. On behalf of Motilal Oswal Financial Services, let me welcome you to the conference call to discuss the acquisition of Saankhya Labs. We have with us senior management of Tejas Networks, headed by Mr Sanjay Nayak, CEO and MD, Mr Arnab Roy, COO and Whole-time Director, Mr Venkatesh Gadiyar, CFO, and Dr. Kumar Sivarajan, CTO. I will now hand over the call to Mr Sanjay Nayak to start. Thank you, and over to you sir.

Sanjay Nayak: Thank you, and welcome everybody on this conference call. You would have seen in the press release that we announced late last night in terms of our intent to acquire Saankhya Labs Pvt. Ltd. Bangalore. We have also placed the presentation that I am going to be using today on our website. And I am hoping you have had an opportunity to download that or have access to that because I will be going over through that presentation.

So, I am on the presentation. As you can see, the safe-harbour statement, so I will not read that. Going to the first slide of the presentation. So, broadly as you know that last year we had an opportunity where Tata Sons had made an investment in Tejas Networks, and subsequent to that we have been thinking on how we create a larger vision. So, I just want to articulate the way we are thinking right now.

Our strategy really is to create a global scale telecom product company from India. There are four parts of our strategy that I want to talk about today, and then see where things fit in from the way we are going forward. The first and foremost being a deep-tech product company. Our first goal is to create world class products for building end-to-end telecom networks. And, as you know, we have been doing optical networks for quite a while. Then we also started to expand into wireless networks, and now with the acquisition of Saankhya, you will see in a few minutes, how we are continuing to expand that thing. And for doing that we are going down two different paths. One is that, organically, we will continue to attract and hire top-notch talents, both for wireline and wireless. And we will continue to make a lot of investments in that area over the next twelve months. Second, we also believe that if there is a good opportunity to acquire companies, teams who can help us expand our product portfolio, technology, assets as well as IPR, and get access to new customers, we will also be looking at that. So, these are the two ways that we really are expanding or plan to expand our teams, so that we can have a larger portfolio of products.

The second aspect of the strategy is that India will be going through a large capex cycle over the next five years, driven by 5G and broadband rollouts in many parts of the country where it is still not there. And our target is that we want to use India's large home markets to get to economies of scale. For that we hope that we can gain market shares in both wireline as well as wireless category, especially with the new set of products and the upgrades that we are doing. And secondly, we also believe that the Indian market is going to provide us new opportunities

because of the national mission to be 'Atmanirbhar' in the telecom sector. So, we do expect again, government spending and government support for creating indigenous technologies to be stepped up as we go forward. So, India as a home market to get to economies of scale is the second part of our strategy.

The third strategy is really to expand into international market. We have now the brand advantage of the Tata group, and the deep customer relationship with different Telco customers within the group companies. Our endeavour would be to see how best we can use the group synergies and get to many customers, especially in Tier 1 markets, which we do not have access to. That's an activity that we will continue to start working on and see results over the years to come. Second, in many emerging markets where we already have a presence, we have good customer footprints; it's a stronger portfolio for products, a larger portfolio of products across new applications, we again expect to increase market share, especially in the new geo-political situation, where there is a demand from a lot of the customers to have or buy more products from a company like ourselves, who can be considered as a trusted source for global telecom products.

And the fourth part of our strategy is really to build a global-scale operations, by which I mean two different parts. One is from the manufacturing operations, leveraging India's PLI scheme. We are an applicant to the PLI scheme, and we will continue to make the investments and be able to take benefits from the incentives that are available and, hopefully, scale up that part of the business as well. The second area is that anything, which is a non-customer facing role, in terms of technical support, back-end support, either for pre-sales or post-sales, we do believe that if we are to have a large-scale global operations and customers around the world, we can draw out a lot of efficiencies by having a strong back-end operations for all kind of things that do not require customer facing roles.

So, these are really the four different elements of our strategy, which we will be executing over the next few years to realise our vision that I have articulated to you.

Going to the next slide. This is the current Tejas product portfolio. This is more like a recap as to what do we have today and what are we going to get once we acquire Saankhya Lab. If you really see the picture on the two right-hand side are the optical transport and the metro network that we have been historically building and we have had a very good product portfolio there, gaining very good success, and continue to gain sales. On the left-hand side is the broadband access categories. Earlier on we used to have the GPON or the fibre-to-the-home products, in addition to the ethernet products such as ethernet switches. Then, we added 4G technology which we are now trialling in a very large network, and things are moving in the right direction. And then, of course, in the same access area, 5G is happening around the world and starting to happen in India. There again, access technologies such as satellite communications and many others on which we are not currently focussing, but they are all opportunities, which can potentially be opened once we start having a larger product portfolio.

Going to the next slide. In terms of Saankhya Labs, I just wanted to give a brief about Saankhya Labs as a company. Saankhya is actually a Bangalore-headquartered company founded in 2007. It is a premier wireless communication as well as a semiconductor solutions company. So, they have a skill set which spans across both building system products that are the kind we do, and also building chips, as we crudely call them, on the semiconductor side. The company was founded by industry veterans with more than 30 years of experience, both in India and

internationally. Parag Naik, who is the CEO, Hemant Mallapur, who is the VP Engineering, and Vishwakumara Kayargadde, who is the Chief Operating Officer. They have customers in US, Europe, Asia, and of course, in India. They have got 73 international patents, 41 of which are approved, 32 are pending across different technology domains. They are also India's first fabless semiconductor chip company, and they have actually built their own chip, which is going into what is called software-defined radios, and they already have a lot of customers who have been using that, either in satellite phones or dongles and many other specialised applications. They also have a lot of field deployments of their products, as you can see from the history of the company, they have developed products over a period of time. They have been successfully deployed in customers in India and abroad in the areas of broadband, broadcast as well as satellite IoT radios. In terms of their team strength, Saankhya has more than 250 engineers full-time and in addition a lot more contract employees. More than 25 per cent of their employees have advanced degrees, masters or Ph.D. They have more than thousand man-years of experience in wireless radio design, both from chips to systems, which is really from the ground-up to the highest level. And, on the radio frequency side, from antennas to bits. So I think that is a very, very rich experience, and I would say that one of the most highly talented teams in this domain in the country. And they have end-to-end product development experience, which is very, very useful.

More than 80 per cent of the company's employees of the company are in R&D, and that will give you a sense of the strong technology flavour they have. And they are being recognised for all the good work they have been doing in various fora within the country and abroad.

Just to give you a quick recap of their history. They started in 2007. They developed a couple of chip sets on their own. Then they had a partnership with ISRO for satellite communication for software-defined radios. Then over a period of time, they continued to evolve their chip sets, and in 2017, they had a very landmark partnership with Sinclair Broadcasting Group. Sinclair Broadcasting Group is probably one of the largest broadcasters in the US, and Saankhya has a very deep technology partnership. Sinclair, of course, is also a large investor in Saankhya. And then they developed the chips that surround the broadcast radio applications. Then over the last two years that company has actually focussed a lot more on developing technology for 5G in terms of the open RAN architecture, which is the new wave where companies can become a part of the 5G ecosystem. And they have made a lot of progress. They have signed a joint development agreement, which is at a very advanced stages of development and products and so on, with a very large ICT company in the country, and so the products are all getting there. On the satellite side, they have been making more progress and have tied up with a large US satellite operator. So if you see, both on the technology side as well as business side, the company has been making a very good progress.

I'm going to the next slide. Just to give you a little bit more flavour of the solutions and the products that Saankhya brings to the table. If you look at the first one, the 5G radio. Again, in a 5G network, the stuff that goes on top of a tower, is what we see, is a radio, and then the stuff that goes inside the ground station is called the base station. So, in the 5G radio, there is a new architecture or an open architecture, which is called open RAN or virtualised RAN. And there are radios, which have to be designed using that technology. And this market has opened up a whole new RAN as well as virtual RAN movement. And there are also going to be a lot more private 5G networks for which this kind of technology will be required. This is a very large addressable market, more than \$30 billion over the next 3-5 years. And, of course, this is an

area where Tejas was not doing a lot of work. But we will be augmenting our resources and actually become a strong player in this area.

The second area where Saankhya has been doing extremely well is in the 5G broadcast area, and I already talked about the strategic partnership they had with the Sinclair Broadcasting Group. The reason why it is taking off is because there is an exponential increase in video traffic on mobile phones. And, if you think about it, there is a lot of unused TV spectrums. For example, unlike in the earlier days when Prasar Bharti or Doordarshan used to beam television signals from their tower, all that is gone away now because nobody really uses that spectrum. But that spectrum can be repurposed for 5G broadcast. That's the new technology area, there are a lot of new standards happening around the world. It's a niche space with around a \$1 billion TAM, and this will require next generation direct-to-mobile broadcasting solutions, converse solutions with respect to all kinds of spectrum sharing and so on. This is the second area where Saankhya has been quite strong in terms of their products and understanding of the market.

The third area is satellite communication. If you would really think about what you are reading in the papers, there are a lot of Low Earth Orbit (LEO) or Medium Earth Orbit (MEO) satellite constellations, which have been launched of late by a variety of companies in the western world. Now if those satellites are going to be there up in the air, you would need stuff on the ground to take the signals, which we can loosely call as satellite IOTs because they would be the devices which would catch signals from the satellite, broadcast it locally, and actually create all kinds of solutions. So, Saankhya has been working and their chip sets have been designed and some of the customers in this space are companies such as ISRO, Bharat Electronics, Indian Railways, and of course, another company called Ligado Networks, which is a US-based satellite operator.

So I am just trying to give you a sense of the different products and technology areas in which Saankhya, over the years, has developed, and part of it is that a lot of these technologies that they have developed use their chip that they have internally designed many years back and they continue to upgrade. And on top of the chip, they now have all the software, embedded software, system software as well as all the hardware design capabilities in terms of building board, an entire product like a radio that goes on top of a cellular tower. Over the years, as you can see, they have developed a very rich portfolio of products, a lot of IPR around all of these technologies which, as you see, are all next-generation technologies, things that are going to be required for many years in the world, especially as technology is evolving. And I think, the kind of expertise as well as the IPR, products and customer relationships Saankhya has, I believe that we at Tejas should be able to take advantage of that and create a much larger platform.

Which takes me to my next slide, in terms of what are the synergies with Saankhya Labs, with respect to Tejas. So, starting off, as I mentioned, it expands our products' portfolio in terms of wireless, satellite and broadcast applications. We had anyways made us a pretty large investment and a very strong focus in terms of adding wireless portfolio, which we have done on our own, and they are doing trials in very large operators, as you probably know about. And now, with the Saankhya acquisition, we are going to accelerate that effort and have more pieces of technology, especially in the some of the niche areas that I talked about, which can add a reasonably decent-sized addressable market to us in the areas of 5G radio active network, based

on open RAN architecture, 5G cellular broadcasts, satellite communication, or software-defined radios, etc. The second benefit, which we derive by working with Saankhya is going to be exploring our wireless product development in general and 5G in particular. They have 250 people plus engineers, very world-class team as I talked about earlier, with a strong expertise in end-to-end design of radio, algorithms, software and of course, chip sets as well.

The third thing is, it really enhances our IPR portfolio. They have 73 international patents, 41 of which as approved, 32 are in the final stages of approval. In addition, there is a lot of design IPR of what it takes to build complex hardware, very unique algorithms, specialised algorithms, especially in terms of the complex technologies that are required for building satellites, broadcast and 5G products, and of course, radio frequency design expertise, because that's another expertise which is typically very complicated and, as you can see, very few countries in the world have expertise across all these domains.

And then the last part is the semiconductors with the chip design expertise that they bring. They have the capability to do in-house chip designs. The chip is physically manufactured in a fab, which is outside India because India doesn't have fabs today. That is why we call it fabless chips. But in addition, there is a lot of skillset that goes into designing the entire chip, and you know, Saankhya has been able to do that successfully. Very strong capabilities in digital signal processing chips, which are required in multiple industry domains, not just telecom, but others. And this specialised skillset is something, again, which we expect to utilise over the next step of our growth journey.

So these are the four areas where we believe that Tejas and Saankhya can benefit together. As you can see, there is no overlap. There is only complementary customers, complementary technologies. All the engineers are based in Bangalore. We believe that the DNA of the company, the passion of the founders and the team to really create a company from India for the world is very strong, and all of those elements, we believe, will really help us become successful together in a much bigger way as we go forward.

The next slide is a little about the deal structure. The details were available in the press release. But the way we are going about it will be a combination of share purchase from existing investors in cash and then eventual either merger, which will be through a stock swap or any other mechanism that regulatorily would be possible. So, we are going to be acquiring 64.4 per cent shares from existing investors and management team for Rs 283.94 crore. Of course this will be from our internal cash, and we have adequate cash reserves in the company to be able to make this acquisition. And we expect that this purchase of shares should get completed over the next 90 days, hopefully earlier. And after that Saankhya Labs will become a majority-owned subsidiary of Tejas. It will be running as a separate company under the guidance of the Board of the company. The current management team and the employees will continue to run the company and, of course, will be working together to maximise the synergies. Over the next period of time, over the next 120 days, we will file for acquiring the 35.6 per cent balance shares through a merger scheme, which will be filed over the next 120 days. And clearly, in our business and industry, talent is key. It's really a people's business, and we are very motivated that we work together with the management and key employees, and both should have long-term incentives in Tejas' success and success together in the form of various performance-linked incentives including RSU etc.

So, this gives you the overall deal structure in terms of how we are going to be proceeding with the transactions.

Coming to my last slide, which is more or less a summary slide of everything that I said, but just wanted to put it all in perspective. So clearly, Tejas has the vision to become a top global telecom product company over the next few years. We've been expanding our product portfolio and our immediate focus is to accelerate R&D investments to create a larger portfolio of products from wireline to wireless, and as I talked about, in wireless, from 4G to 5G to satellite communication to the broadcast radio that we talked about. Because the larger product portfolio and a comparative product portfolio is absolutely essential if you want to be playing in the global market. We have to have products that are world-class. We have to have products that can compete with anybody, and we will be making over the next twelve months certain significant R&D investments, organically as well as inorganically as we just discussed, so that we can achieve a very competitive portfolio of products.

Once that is done, we believe that the acquisition of Saankhya will bring in domain expertise, and IPR in wireless as well as semiconductor design, which is another area especially, if you see the current scenario in the world, on chip design, is a very important asset for us to possess. Saankhya will be complementary in terms of products, technologies and customer access. There is no overlap. And everything from their side would be additive to us. And Tejas, as a larger platform will decide synergies in R&D, sales as well as in operations because building up scalable customer operations, manufacturing operations is something that is needed, and clearly, even after this acquisition, we continue to have a very strong balance sheet and will continue to invest into our growth. So, as I talked in my first slide about the strategy, the Saankhya acquisition is part of the first pillar of the strategy in terms of accelerating our R&D investment and products set so that we have a more competitive portfolio of products. On the other aspects of the strategy, we will continue to make progress during the year. I will be very happy to share that progress with all of you over a period of time. This is where I will pause and maybe we can open up for questions from here on.

Moderator: Thank you very much sir. We will now begin the question and answer session. Anyone who wishes to ask a question may press * and 1 on their tabs or telephone. If you wish to remove yourself from the question queue, you may press * and 2. Participants are requested to use handsets for asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Q&A Session

Moderator: The first question is from the line of Tushar from Ratnavali Securities. Please go ahead.

Tushar: Hello. Good evening sir and congratulations on your acquisition and best wishes going forward. So my first question is – despite repeated guidance over the past three con calls, we are still awaiting a call where the synergies and the future plans under the Tata umbrella will be discussed. So could you please elaborate on why it is being repeatedly delayed?

My second question is in a panel discussion at the ET telecom 5G Congress, your consortium partner C Dot's Chairman Mr Upadhyaya said that our POC is successfully completed and there was simultaneous work on 5G. And I quote him, "As far as 5G is concerned, we will

launch the BSNL network by August 22". So could you kindly shed some light on the status from the tender and the above statements, and their materiality for us?

Sanjay Nayak: So let me, first of all, thank you for asking this question. The first question about the synergies with the Tata umbrella, we have already started to discuss as I mentioned in this presentation also, in terms of the overall strategies. And if you see the third peg of the strategies that I talked about, which is panning it into the international markets will be, of course, under the Tata umbrella. The details of that in terms of exactly how we will do, is something we would like to talk about when we have actually achieved in a few important deals.

Even the second aspect of maximizing the opportunity in India, which respect to 'Atmanirbhar'; we are actually working with the Tata Group company for the large project that you talked about. In that sense the synergies have already started to happen. And coming to building the global scale operations in the current situation with respect to supply chain constraints or whatever else, we are taking advantage of the connections that the group has. In that sense, I think, the synergies have started to play out. The broader strategies why I thought I wanted to highlight at the first slide in terms of what the big picture is and how we are going to go about it. So that takes care of your question number 1.

The second thing is about the ET Telecom and I didn't attend that particular session. So I would not like to make any comment on what someone else said. However, what I can tell you is we have been, of course, participating in the proof of concepts. We are very proud and happy to say that things have been going on fine. As an Indian company, as a technology company for India, I think it is a matter of great pride that in such a short period of time we have been able to step up to the plate and actually build equipment, which is world class and which is actually going to be successful in terms of the testing and the POC, which are happening. What happens after that to 5G and when it gets upgraded in the non-NSA mode, I would not really comment on someone else's thing, except that, as far as Tejas is concerned, we are committed to making the investments, we are committed to making the indigenous 4G and 5G stack successful. Part of what we are doing today is part of the acquisition of Saankhya will again actually further accelerate us in that direction. But, as I can say that we are doing all the things we can to make sure that we address the market opportunity and create products that are absolutely world-class.

Tushar: Thank you, sir. Thank you.

Moderator: Thank you. The next question is from the line of NGN Puranik from Enam Securities. Please go ahead.

Puranik: Hi Sanjay! Congratulations on a very powerful acquisition you have done.

Sanjay Nayak: Thank you Puranik.

Puranik: I have a couple of questions. One is about – they have very strong portfolio of IPs. 70 plus IP. Can you give some idea? You explained quite a few where the IP strength is coming. If you can explain in the context of what percentage of this is production IP, revenue IP and the defence IP. You know, what the way ahead is. Because this looks like a very strong IP power. That's one thing.

Secondly, how do you expand and deepen your own marketing effort to take these opportunities to the market?

Sanjay: That's a very good question, Puranik. As you rightly said, the IP portfolio is very powerful, and you articulated the three buckets of IP. So, the good news is that Saankhya started out as a chip company. So a lot of the implementation aspects, whether it is signal processing related stuff or algorithm stuff, which is very fundamental to how good implementation of a particular design, or a unique implementation of a particular design, their IPR, if I were to look at the breadth of a technology area that it is said - we can think about it both in the semiconductor side, algorithm implementation side, and of course, the wireless and radio side of things. There is a lot of more stuff, especially in the open architecture space, even on the AI side of radios and so on. It's spread across their IP portfolio. Being a small company, there has been a very significant amount of diligence in the quality of IP that is there, and the commercial usages of that IP. So, a lot of the IP that they have created is embedded into their products as a chip set or the systems that they have built.

In terms of specifically bucketizing into those three buckets, which is defensive, offensive and revenue generating, I think in the products, it's already being used. The intent for the company so far was using the IPR as a background IPR, creating products, which could be along with some other things, and then actually making a business or revenue out of that product. So, I would say that we do expect to use all the stuff that they have done. And I also talked about in addition to the patents that they filed, there is a lot of deep expertise which exists in terms of digital signal processing, for example, which is a very, very critical element of technology or fundamental technology that goes into wireless systems or even some kind of optical communication systems. So having that technology available, the implementation techniques available, both on the RF side, the chip side, and the software side, is a very powerful thing that we plan to use.

The second question you have, which is a very good question, is part of the reason why the acquisition makes a lot of sense from Saankhya's perspective also is that – you can create a lot of products and technologies - but it is very crucial and important to make sure that all of that is monetised in the form of products or solutions that we can sell to the end customers. Part of Tejas also becoming a part of the Tata hold last year also was exactly to solve the same problem.

Puranik: I think the Telco will play a big role in an opportunity like this. Because they can convert a \$1 million deal \$5-10 million with your kind of powerful partnership.

Sanjay Nayak: Absolutely. And that is the kind of thought process, and this is what I articulated in my opening conversation that – once you have the right kind of product, I think we do have within the group, lot of capabilities to sell these products successfully to Tier 1 operators around the world, to articulate the right kind of value, to be able to give end-to-end solutions, which is what I think is the other part of the strategy, with Tejas being part of the Tata group. I would like to talk a lot more about this once we start executing on some of those successive projects. There is a lot of work in progress, but that would be the right time to say. But you are on the right side that we have to monetise all this and scale it up at the global level.

Puranik: And you will have a formal go-to market approach with TCS and others who are going to partner with you in the synergy realisation?

Sanjay Nayak: Absolutely. There are many different ways in which such partnerships can come in terms of joint development, system integration solutions; anybody could lead sales and anybody could follow. But those are all being worked on, and as I said, I would like to talk about it more once we've made good progress.

Puranik: Will your average deal sizes change with this opportunity?

Sanjay Nayak: I think, in general, for companies of our size, the only way we can scale up significantly is that our average deal sizes have to go higher. So, we have a pyramid of deals where we get a lot of smaller deals. But very quickly they need to graduate; a few 100K deals need to graduate to a few millions, a few millions into tens of millions. And I am hoping that starting the next fiscal year and forward, we should start aspiring for \$100 million deals as well. But that's the only way a company can grow and I'm sure you guys have seen in the IT industry how companies have scaled up. We do need to learn from them and I am sure that with the kind of guidance and support we have at the broader group level, we should be able to get to those stages. And for that you have to be very strong.

Puranik: And what is the current revenue and profit? Theirs?

Sanjay Nayak: We will disclose that number in another filings. After nine months of this year they did around Rs 73 crore of revenue. On those, they are a profitable company at the EBITDA level. But this is on their own strength and with whatever have been doing. We believe that as we create a larger platform and synergise with each other, clearly we should be able to derive a lot more.

Puranik: They need a lot of sales and marketing effort, monetisation effort from your side.

Sanjay Nayak: Absolutely.

Puranik: Wonderful, thanks. All the best to you.

Sanjay Nayak: Thanks, Puranik.

Moderator: Thank you. The next question is from the line of Pranav Kshatriya from Edelweiss. Please go ahead.

Pranav Kshatriya: Hi! Thanks for the opportunity. I have two questions. The first is can you elaborate how the revenue is shaping up for this company, in the sense, how much of the revenue is actually coming from the telecom side of the business and how much is coming from the satellite and other products?

My second question is - because you said this will be a separate company and a subsidiary - how will the organisation structure change? Do you have a joint go to market strategy as the marketing teams of both the companies get merged? Or because there is a part of the business, which is not relevant or a customer base which is not addressed by Tejas, you'll have this at a subsidiary level - just trying to get the sense how the organisation structure is going to change.

Sanjay Nayak: So, let me go to your first question, Pranav. In terms of revenue split, broadly the 5G bucket and the broadcast/satellite bucket would be around equal because both of them

have been very strong focus areas for the company over the last twelve to eighteen months. Right now think of it this way. I believe for the next twelve months or so, both Saankhya as well as the opportunity with Saankhya with us would more be in investment more, to really create the right kind of products, because they have a set of products, we have a set of customers; with better marketing and sales muscle, we'll try to see what we can get more out of them. My first goal would be that our focus for the next twelve months would be really to create a very, very competitive portfolio of products, which we can sell to lots of customers around the world. That is the first goal.

Second thing that you asked about the organisation structure and joint AGM. Initially, the deal has to get to the right level of stage in terms of; it will take another 90 days for us to make the actual share acquisition and so on and so forth. But clearly the way we would be looking at is, the synergies that I talk about, the four synergies - we will definitely start off by making sure that the R&D synergies come first because there are a lot of benefits we can derive together. Number two, we will looking at if we have customer access in any geographies where some of the products that they have come up with are relevant. It will make a lot of sense for our sales team to look at that. The other way around, from the customers that they have, since they have a very specialised set of customers, I think we will have to talk to them to see if there is an opportunity for Tejas-kind-of products. But that, at this stage, initially, may not happen.

As the integration happens more and as we get into a few quarters down the road, we will have a much better sense of how to scale up the sales of the products that they are doing, having a common platform. But as you rightly pointed out, once we synchronise the telecom products in terms of the cellular and those kind of products together, they can clearly start bringing synergies over the next six to 12 months. And then we can start seeing how to pump up the sales.

So, creating a strong sales channel, whether in India or outside India, is a common asset that we have to build for all our products, whether it is what we have done, or what Saankhya is going to bring, or whether it is what we are going to put together going forward. And that is really where I wanted to split it between the India portion and the international portion. And in India, I think, we have a very good control on things. Of course, getting larger products require larger system integration kind of expertise, which we are working on within the group. Internationally, Tier 1 accounts will require bigger balance sheet, bigger brand, which we now have access to. And as we go forward we should be able to see the results of those things coming together.

Pranav Kshatriya: Thank you Sanjay for the detailed answer. I just have a small follow up. Can you tell me what exactly Saankhya's 5G plan is? Are they selling their products directly to the telecom service providers or do they go through an integrator or a product developer, and then they reach to the telecom sector?

Sanjay Nayak: The broadcast product that they are developing or have developed jointly with Sinclair, it's a new technology coming together. Sinclair itself is a customer, and there are many other broadcasters around the world who can potentially be customers for this joint product that has been developed. The benefits of that relationship is not only do you do technology, you also have a domain experts and a potential customer, a captive customer that

you can use. That is part of the broadcast part of the business. As far the cellular 5G or the O-RAN part of the business is concerned, first we have to create the technology and then we will productize it. There could be multiple go-to market strategies, and as I mentioned in the case of 5G, it could be a system integrator, a potential solution that will happen in the 5G rollouts, especially for private networks or some others. Or it could be through the Tejas route. We have the OEM. We will also potentially be building our equipment which we can directly either sell to the customer, or sell it via system integrator to the customer. The GTM for 5G, in my mind overall, as an industry, are still evolving, and our focus first is create the products; make sure that we are very competitive, look at anchor customers, because there is no point creating products without anchor customers. So, that's the philosophy we are following, whether it is for broadcast or cellular 5G or even the 4G that Tejas is doing. Our first focus is to get a very large anchor customer, which, if we can be successful, then the opportunities to scale up become quite possible.

Pranav Kshatriya: Thank you Sanjay, and wish you all the very best.

Sanjay Nayak: Thank you Pranav.

Moderator: Thank you. The next question is from the line of Mukul Garg, from Motilal Oswal. Please go ahead.

Mukul Garg: Sanjay, just wanted to get a sense on the 5G side. You mentioned that the broadcast and 5G are equal in terms of revenue. But given that the O-RAN product is still under development, what all within 5G comes in their product portfolio?

Sanjay Nayak: What they also count is the joint development efforts that are being done along with partners. The business model for them was also from the point of view of creating foreground technology on top of the background technology that they have, and actually generating a revenue stream out of it because each start-up ends up creating their own business model that suits them, and what worked for them was to really make sure that lot of new technology can be created, and as long as they have access to the technology, the IPR of the technology stays with them. They have some sharing mechanism in terms of the risk involved with the customers. So, the 5G thing that they have been getting revenues is significantly because of the joint development project that they are currently doing.

Mukul Garg: Will the joint development be part of the O-RAN product or is there something else?

Sanjay Nayak: You are right. It is part of the O-RAN product.

Mukul Garg: Thinking of this in combination with your RAN aspiration, do you think once the product is developed it can be a straight fit into your 4G RAN and for emigration to 5G? Or will there be a separate development process which will take some time?

Sanjay Nayak: One thing we have done very well in Tejas over the last 20 odd years is reusing IPR and reusing software; for example, we have a common software quote base. There is a lot of design we use across silicon IPs or cards or systems. And that is what has allowed us to do so much of technology development and with relatively lesser R&D resources as compared to

our global competitor. With that same philosophy, in fact, that is the same synergy that I talk about. We do have strong reasons to believe that there can be convergence in terms of hardware or new radios that we are developing, whether as 4G or 5G, a software which, our 4G software is going to be an anchor for the 5G NSA as we call it. And also there is the O-RAN. So, there is a lot of synergy that can come together if the right kind of architecture and the right kind of technology inputs are taken.

And between Saankhya's team and our wireless team, we do believe we have a lot of firepower to be able to come up with the right solutions and architecture. We will definitely explore synergies and we have strong reasons to believe that there should be acceleration of all the programs by working together.

Mukul Garg: The second question is in terms of your plans for cash infusion in Saankhya. If I go back and look at the commentary from Saankhya from a few years ago, the aspiration was to raise about \$ 75 million for expansion into sales and marketing, and to build out the product portfolio. So, will there be some incremental investment given to show that this is predominantly the second round?

Sanjay Nayak: You are absolutely right. The good news is that after the pivot that Saankhya did about a year and half or two years back, they have a pretty steady revenue stream, and if we don't have a significantly increased aspirational investments in R&D on an EBIDTA basis, they are self-sustaining and they do fine on cash. The part of why we are acquiring them is not to keep status quo. The intent would be to see if there are opportunities, which can be accelerated or which we believe are worth betting larger sums of money on. We have the balance sheet and we have the ability to put those cash infusions. Those are things we will definitely be able to do.

Sales and marketing investments, as Pranav had asked earlier, there are clear opportunities to leverage each other's strengths, which we definitely will. And I'm trying to see if there is a larger sales platform, where the products they have actually created can be sold.

In summary, if we maintain status quo, the revenue and the EBIDTA will hold. But clearly, if we want to accelerate a lot of the programs, we will not be shy to invest the right kind of cash, and we have the balance sheet to be able to do that effectively.

In fact, on a broader basis, for the next 12 months, now that we are going to start the new fiscal year from tomorrow, we have a good business momentum, but more importantly, we want to make sure that we create the right kind of products, we have world-class portfolio that we can go after any customer, and be able to say that this (product), is as good as any anybody else's, even including in the Indian 'Atmanirbhar' story that you all must be aware of. We want to have the best in class. We are focussing on that. The rest of the stuff, already there is a lot of momentum, and we will build more momentum using the second and third pillars - sales in India and sales internationally - working as a part of the larger group. And as the year progresses, I do believe that the investments we are going to be making to do all the right things from the point of technology development, scaling up the company etc will start paying back once the sales starts transpiring and the revenue numbers start cranking up.

Mukul Garg: Sure. Just a quick clarification. Could you share the top-line concentration and how much revenue is coming from India right now?

Sanjay Nayak: For Saankhya?

Mukul Garg: Yes, for Saankhya.

Sanjay Nayak: We have not gone to those specific details. As an unlisted company, they have not been tracking or recording those things. So, we might be able to find it out much later as a subsidiary reporting. To the extent required we will be sharing that information as well.

Mukul Garg: Sure. Thank you so much.

Sanjay Nayak: Thank you.

Moderator: Members of the management, can we take one more question?

Sanjay Nayak: Take one last question and we can wrap it up, thank you.

Moderator: Thank you. The next question is from the line of Sugandhi Sud from InCred Asset Management. Please go ahead.

Sugandhi Sud: Thank you for taking my question. I am just referring to the strategy slide that you began the presentation with in terms of the different sources of revenue you are targeting. Is it a fair assumption that in terms of the timeline in realising those revenues, what can be expected in the next 12 -24 months is, more in terms of being able to cross-sell your existing fibre products and the 4G solutions in the domestic market and 5G commercialisation in the open RAN being a more far-out opportunity? Also, since you said that most of your technology investments keep in mind that they should have anchor customers, and open RAN, while it has received a lot of interest from the operators globally, most of the commercial effort is concentrated in Japan and at limited levels internationally. And in India 5G still seems a bit further away. So, with respect to the 5G business, which is one aspect of Saankhya, which correlates or resonates most with your existing customer base, is it fair to assume that revenue synergies on that account are another two to three years further away at least? Or do you some customer relationships that could bring that forward?

Sanjay Nayak: Your questions are very insightful and I am glad you asked them. You are absolutely right. If I were to look at the next 12 months, a significant majority of our revenues are going to come from the optical business, the 4G stuff, which has to go through its own cycle of closure, etc. So that is one area that will be there. Saankhya has its own revenue stream which will continue. But the larger 5G revenues that are for O-RAN, or for the NSA option that we will have, it is probably fair to assume that, given the state of rollouts in India, which is going to be our initial home market and otherwise, it is possible to say that the revenues will come in the subsequent financial year and not in the next 12 months. That's the right way to look at it. So, in that sense the revenue growth that we will see in the coming financial year, which starts from tomorrow, would mostly be based on the momentum that we have and the revenue momentum that Saankhya has. But as the year progresses, our endeavour would be to start closing new deals or stuff that would be around the new technology that we are

developing, which in turn will create the revenue momentum in the subsequent financial year. But that is the right way to look at it.

Sugandhi Sud: Thank you so much.

Moderator: Thank you. I now hand over the conference to the management for their closing comments.

Sanjay Nayak: Thank you again everybody. First of all, I hope we were able to give you better insights in terms of motivation of the acquisition, the technology strengths that we get as a part of this acquisition, and how all of this fits in as a part of a larger strategy. Clearly, we are looking for exciting times ahead. There are a lot of things we would like to do, starting from the new fiscal. And we will continue to communicate with you. We will have our Q4 earnings call sometime in April. We will continue to make progress on all initiatives we discussed as a part of our overall strategy and we will be happy to share that with you. Thank you, it was a pleasure talking to all of you. Thank you once again.

Moderator: Thank you on behalf of Motilal Oswal. That concludes this conference. Thank you for joining us. You may now disconnect your lines.

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