"38th Annual General Meeting of HFCL Limited"

September 15, 2025

Management: Mr. Mahendra Nahata - Managing Director
Mr. Arvind Kharabanda - Non-Executive Director
Dr. (Mr.) Ranjeet Mal Kastia - Non-Executive Director
Mr. Ajai Kumar - Independent Director
Mr. Bharat Pal Singh - Independent Director
Mrs. Bela Banerjee - Independent Director
Mr. Vijay Raj Jain - Chief Financial Officer
Mr. Manoj Baid - President & Company Secretary

Manoj Baid: Dear shareholders, I extend a warm welcome to all of you to the 38th Annual General Meeting of your Company, being held through video conferencing, other audio-visual means. We are pleased to have with us today Mr. Mahendra Nahata, Managing Director and the Chairman of the CSR Committee and the Risk Management Committee, who has joined us from Dubai. Mr. Ajai Kumar, Independent Director and Chairman of the Nomination, Remuneration and Compensation Committee, Member of the Audit Committee and the CSR Committee who has joined us from Mumbai. Mrs. Bela Banerjee, Independent Director, Member of the Audit Committee and the Stakeholders Relationship Committee who has joined us from Noida. Mr. Bharat Pal Singh, Independent Director and the Chairman of the Audit Committee and Member of the Nomination, Remuneration, Compensation Committee, the CSR Committee and the Risk Management Committee has also joined us from Mumbai. Mr. Arvind Kharabanda, Non-Executive Director and Chairman of the Stakeholders Relationship Committee, Member of the Audit Committee, the Nomination Remuneration Compensation Committee and the Risk Management Committee has also joined us from Delhi. Then we have with us Dr. Ranjeet Mal Kastia, Non-Executive Director and Member of the Stakeholders Relationship Committee has joined us from his Delhi office. Mr. V. R Jain our CFO of the Company had joined this from Delhi office. Mr. Sunil Bhansali Senior Partner of Oswal Sunil & Co., Statutory Auditors has also joined us from his Delhi office. Mr. Virendra Rai, Senior Partner of S. Bhandari & Co., LLP Statutory Auditors has joined from Delhi. Mr. Baldev Singh Kashtwal, Secretarial Auditor, and also the Scrutinizer for remote e-voting and e-voting during this AGM has also joined the meeting from his office in Delhi. As per Article 14.5 of the Articles of Association of the Company, I request directors present to appoint one of them as the Chairperson of this AGM.

Bela Banerjee: I propose the name of Mr. Mahendra Nahata to be the Chairperson for the meeting.

Bharat Pal Singh: I second the proposal.

Mahendra Nahata: Thank you all the Board Members for electing me as the Chairman of this AGM. Dear shareholders, I extend a warm welcome to all of you in this 38th Annual General Meeting of the company.

Manoj Baid: Thank you, sir. Members may kindly note that this AGM is being conducted through VC/OAVM without physical presence at a common venue in compliance with the Companies Act 2013 and relevant MCA circulars. Participation through VC is being reckoned for quorum purposes as per Section 103 of the Companies Act 2013. The quorum is present. Currently 75 shareholders have joined the meeting through VC. I request the Chairman to accord his kind consent to commence the proceedings.

Mahendra Nahata: The proceedings of the meeting can be started.

Manoj Baid: Thank you sir. Before we begin today's proceedings I would like to highlight certain points here. Joining to this meeting opened 15 minutes before the scheduled time of the commencement of the meeting which was 11:00 am and it will remain open till another 15 minutes of the commencement of the meeting. Members are encouraged to join via laptops and headphones using stable internet to avoid any technical issues. Participation through VCs is available for 1000 members on a first-come-first-serve basis excluding large shareholders, promoters, institutional investors, directors, KMPs, committee chairpersons and auditors who may join without any restrictions.

Pursuant to the Circular of 8th April 2020 issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the body corporates are entitled to appoint authorized representatives to attend the AGM through VC, other audio-visual means, and participate and cast their votes through e-voting.

The deemed venue for this AGM is the Registered Office of the Company, which is currently situated in Solan, Himachal Pradesh. Pursuant to the provisions of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided facility for voting by electronic means to all its members to cast their votes electronically and business may be transacted through such e-voting. For this purpose, the company has tied up with NSDL for facilitating voting through electronic means as the authorized agency. The company provided remote e-voting facility to all the persons who were members on September 9, 2025, being the cut-off date for vote on all the seven resolutions set out in the Notice of AGM from 9:00 AM on September 12, 2025 till 5:00 PM on September 14, 2025. Members attending the AGM today who have not cast their vote by remote e-voting during the said period are entitled to exercise their right to vote by e-voting during the AGM, which shall remain active for 30 minutes after the closure of this AGM by the chairman.

Mr. Baldev Singh Kashtwal, Practicing Company Secretary, has been appointed by the Board as the Scrutinizer to supervise remote e-voting, e-voting today in a fair and transparent manner. The voting results will be declared on or before September 17, 2025. The results along with the scrutinizer report shall also be submitted to the stock exchanges NSE and BSE and will also be placed on the website of the Company. Since, this AGM is convened through VC/OAVM and resolutions have already been put to vote through remote e-voting, therefore, in terms of Secretarial Standard-2, issued by the Institute of Company Secretaries of India, the same are not required to be proposed and seconded.

There are seven resolutions. First four resolutions are of the ordinary business.

First resolution is to receive, consider, and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2025, the report of the Board of Directors and the auditors thereon, which is an ordinary resolution.

Second resolution is to receive, consider, and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2025 and the reports of the auditors thereon, again an ordinary resolution.

The third resolution is to declare a dividend of 10% on each fully paid-up equity shares of the face value of Rs.1 for the financial year ended 31st March 2025, which is again an ordinary resolution.

Fourth resolution is regarding to appoint a Director in place of Dr. Ranjeet Mal Kastia, who is with us today, having DIN number 00053059, Non-Executive Director, who retires by rotation at this annual general meeting and being eligible offers himself for reappointment is a special resolution.

Then come the Special Businesses.

First special business is to appoint Mr. Baldev Singh Kashtwal as the Secretarial Auditor of the Company, which is an ordinary resolution.

Second special business is to approve shifting of the Registered Office of the Company from the state of Himachal Pradesh to the state of Haryana and consequential amendments to the Memorandum of Association of the Company, which is a special resolution.

The last resolution is to approve raising of funds which is a special resolution.

To transact the business as mentioned in the AGM notice, the members have been provided an opportunity to inspect all documents referred in the Notice and the statement annexed to the Notice by writing to the Company at its email id which is secretarial@hfcl.com till this date of AGM. The register of directors and key managerial personnel and their shareholdings, register of contracts and arrangements in which directors are interested, and all other documents as referred in the Notice of AGM are open for inspection by the members till the conclusion of this AGM.

After these instructions, now I would like to invite our Managing Director, Mr. Mahendra Nahata to address the shareholders give an overview of the company and provide key business updates about the company. Thank you sir over to you.

Mahendra Nahata: Dear shareholders, my colleagues on the board, and distinguished ladies and gentlemen, it gives me immense pleasure to welcome you all to the 38th Annual General Meeting of HFCL Limited. Today is an occasion to reflect on the journey we are shaping together, one marked by resilience, innovation, and transformation. I extend my deepest appreciation for your enduring confidence in our vision and for standing with us through every phase of our evolution. I hope you had the opportunity to review our Annual Report for Financial Year 2025, which offers a comprehensive overview of our financial performance, strategic initiatives, and operational milestones. FY2025 was marked by profound changes across the global landscape. Trade dynamics were reshaped by protectionist policies, accelerated technological transitions and geopolitical tensions introduced new complexities. The imposition of steep tariffs by the USA on Indian exports highlighted the volatility of international commerce. Yet, amid these disruptions, HFCL demonstrated resilience and clarity of purpose. We at HFCL are transforming challenges into opportunities by recalibrating our strategies. India today is undergoing a complete digital transformation. The conversions of 5G, artificial intelligence, cloud computing and edge technologies is redefining the contours of our economy. Government-led initiatives such as Digital India and Make in India are catalyzing innovation and self-reliance. The telecom sector is poised to be the backbone of the $1 trillion digital economy by the end of this decade. Simultaneously, reforms in defense sector and indigenization drive are unlocking new avenues for domestic enterprises. HFCL is strategically positioned at the intersection of these transformation trends, committed to delivering solutions that connect, protect, and empower.

FY2025 was a year of decisive actions to strengthen the long-term resilience and competitiveness of our business. In telecom, we became the first Indian company to develop and commercialize 5G Fixed Wireless Access Customer Premises Equipment (FWA CPE), shipping over 4 lakh units in its launch year and securing repeat orders, including one worth Rs.174 Crores, totally aggregating to Rs.800 Crores. We also introduced indigenously developed MPLS routers, engineered for broadband and enterprise networks. These routers won orders worth more Rs.800 Crores under BharatNet Phase III Program reinforcing our role in building India's digital infrastructure and strengthening our export prospects. After six to seven quarters of muted demand in the optical fiber cable segment, we witnessed a strong revival in Q1 FY26. Global demand recovery, 5G densification, BharatNet acceleration, and hyperscale data center expansion drove higher capacity utilization across our optical fiber and optical fiber cable facilities. In first five months of financial year 2026, we secured, export orders worth more than Rs.800 Crores, onboarded new international clients and received product approvals from leading global players, further cementing our position as a trusted partner in next generation fiber connectivity.

To meet the rising demand for higher count intermittently bonded ribbon cables critical for hyperscale data centers, our Board approved a major capacity expansion where increasing production of IBR cable from approximately 1.73 million fiber kilometers to ~19.01 million fiber kilometers annually across our Hyderabad and Goa facilities. Post expansion HFCLs total optical fiber cable capacity will reach 42.36 million fiber kilometers per annum placing us among the world's top manufacturers. The expansion is expected to be completed in phases starting from December 2025 and is expected to be fully operational by June 2026. This step strengthens our ability to serve global digital infrastructure while reaffirming our commitment to innovation-led growth.

Our subsidiary, HTL Limited, expanded its domestic and global footprint in passive connectivity solutions, offering integrated, ready-to-deploy, solutions for telecom operators, enterprises, and now data centers. We also broadened our cable reinforcement solutions portfolio, which exports to the US, Europe, and Middle East, thereby underscoring HFCL's global role in delivering reliable, high-performance and resilient networks.

Defense has become a strategic pillar for HFCL's long-term growth agenda. Over the past year, we have built a strong portfolio of advanced, indigenously engineered products, from ground to coastal surveillance radars, to thermal weapon sites, to electronic fuzes, to high-capacity radio relay systems, to tactical OFCs.

Our new state-of-the-art defense manufacturing facility in Hosur, Tamil Nadu enhances our ability to scale production while meeting stringent quality and compliance standards of the defense forces. In FY2025 and Q1 of FY2026, we secured strategic defense orders including tactical cables and thermal weapon sites for AK-203 rifles for the Indian Army. Our subsidiary, HTL Ltd., entered the wire harness segment, supplying critical assemblies for fighter aircraft upgrades and armoured vehicles, a high-potential, low-capex business with robust profitability prospects. These developments mark a pivotal step in HFCLs journey to becoming a reliable partner in India's defense modernization efforts.

We depend our collaboration with Defense Research and Development Organization (DRDO), signing key technology agreements for Compact Trans-horizon Communication Systems, Multimode Hand Grenades, and Weaponisation of Handheld Thermal Imager with laser rangefinder. These partnerships reflect our growing role in India's defense innovation ecosystem. Furthermore, we are in advanced discussion to secure additional technology transfers for next-generation fuzes and UAV payloads, which will further enhance our capabilities in delivering high-impact indigenous defense solutions.

We are also investing in future warfare technologies, including drone detection radars equipped with soft-kill capabilities and foliage-penetration radar systems. These have already drawn strong market interest, positioning HFCL to serve both domestic and global defense sectors with cutting-edge indigenous solutions.

Innovation remains central to HFCL's strategy. Our R&D efforts are focused on anticipating the needs of tomorrow's networks and modern battlefields. We are actively contributing to India's AI Initiative 6G mission, collaborating with leading academic institutions to develop next-generation connectivity technologies and combat environment solutions.

The global surge in AI-driven data consumption is fueling investments in hyperscale and edge data centers. HFCL's high-capacity optical fiber cable portfolio and passive connectivity solutions are designed for these mission-critical environments, giving us a competitive edge. These innovations position HFCL as a key enabler of secure, resilient, and intelligent infrastructure.

FY2025 was a year of recalibration. Consolidated revenue stood at Rs.4,064 Crores with EBITDA of Rs.507 Crores and PAT of Rs.173 Crores. While performance was impacted by subdued optical fiber cable demand, margin pressures on new telecom products and slower EPC uptake, we remained focused on strengthening the foundations for long-term growth.

As of June 30, 2025, our order book closed at Rs.10,480 Crores up from Rs.6,776 Crores a year earlier, with balanced contributions from telecom, defense, and connectivity solutions. This provides strong visibility and foundation for targeted revenue growth of 20% to 25% in financial year 2026, with gradual margin improvement.

HFCL is actively optimizing its revenue mix and customer base to build a more resilient and profitable business model. We have made a deliberate shift from project-led to product-led revenues. In FY21, projects accounted for 73% of our revenue while products contributed 27%. By financial year 2025, this ratio reversed with products contributing 61% and projects 39%, reflecting our strategic pivot towards scalable, high-margin solutions.

Similarly, our customer base has also evolved. In FY21, government clients comprised 49% of our business. By financial year 2023, private sectors surged to 83% and remained strong at 65% in financial year 2025. This shift underscores our growing traction in high-value private markets. Export revenue rose from 4.54% in FY2021 to 12.23% in FY2025, despite global headwinds, highlighting our expanding international footprint.

This transition is not only enhancing our competitiveness, but also enabling HFCL to cater a more diverse customer base across domestic and global markets.

As we entered FY2026, our operations gained significant momentum driven by a revival across our core business segments. Our OFC business has rebounded decisively with manufacturing facilities now operating at optimal capacity. Revenue streams are becoming more balanced and resilient, driven by a growing presence in both domestic and international markets. These diversification is further supported by expanding customer relationship, approval for high-value products, and strong traction across our telecom and defense verticals.

Friends, sustainability remains integral part of HFCL’s growth philosophy. Our commitment was independently recognized with an ESG score of 70.9 from SES ESG Research, a rating of 63 from NSE Sustainability Ratings and Analytics Limited. These assessments reflect our strong governance frameworks, energy efficient operations, ethical sourcing, inclusive workplaces, and community engagement.

In FY25, our CSR initiative positively impacted over 1.32 lakhs beneficiaries across healthcare, education, elderly care, and community development. These efforts underscore our dedication to inclusive growth and reaffirm our role as a responsible corporate citizen.

We enter FY26 with confidence, agility, and a clear strategic direction. The megatrends driving our industry, digital inclusion, artificial intelligence led network transformation, defense modernization, and global data infrastructure expansion align perfectly with our capabilities and investments. These structural shifts not only validate our strategic choices, but also positions us to lead in high-growth, innovation-driven segments across both domestic and global markets.

Our priorities for financial year 2026 are sharply defined and aligned with our long-term vision. We are committed to driving innovation by developing next-generation telecom and defense solutions for both domestic and global markets. Execution excellence remains a cornerstone of our operations as we focus on delivering with speed, quality, and reliability. We are actively expanding our global footprint, targeting high-value international segments, strengthen our presence, and competitiveness. With a robust order book, expanded capacities, a deep R&D pipeline, and unwavering focus on customer trust, HFCL is poised not just to participate in, but to lead the next wave of connectivity and security solutions.

As we look ahead, I extend my sincere gratitude to all our stakeholders, including our shareholders, customers, partners, bankers, board members, and employees for their unwavering support and belief in HFCL's journey. Your trust and collaboration have been instrumental in shaping our progress. Together we are building a company that will define the connected and secure future of tomorrow.

Thank you very much shareholders for being with us today. Thank you very much.

Manoj Baid: Thank you, sir. Thank you very much for your valuable insights to all our shareholders. So before we begin, I would like to tell you that as required under Secretarial Standard-2 issued by ICSI, any qualifications, observations, or comments or other remarks on the financial transactions or matters which have any adverse effect on the functioning of the company mentioned in the auditor's report shall be read at the AGM and attentions of the members present has to be drawn to the explanations and comments given by the Board of Directors in its report. I am happy to inform you that the standalone and consolidated auditor's reports do not contain any qualifications, observations, or comments which have any material adverse effect on the functioning of the company and do not call, therefore, any further clarification and hence may be taken as read. Similarly, the secretarial audit report for financial year 2025 also has no qualifications, reservations, or adverse remarks and plans may be taken as read.

Dear shareholders, the e-voting is open now and members are requested to kindly vote while the meeting is in progress. E-voting will be disabled 30 minutes after the closure of this AGM by the Chairman. We now open the floor to shareholders who have registered as speakers to present their questions or views. For information of all the participants, I would like to tell that we have received 19 shareholders who have got themselves registered as speaker shareholders for today's AGM. I would like to request all of them, all the speakers, to limit the number of questions to two each, please, so that everyone has a fair chance to speak.

We have also received few questions from shareholders in advance through emails, we would take the first questions received from Quant Mutual Fund through e-mail. Their first question is, how does HFCL plan to differentiate its telecom and optical fiber product portfolio in an increasingly competitive market, especially with global players entering India and domestic peers scaling up? Beyond telecom and fiber optics, how does HFCL envision its role in adjacent sectors such as defence, IoT, data centers, or digital infrastructure over the next 5-10 years? Sir, your thoughts on this.

Mahendra Nahata: Look, in telecom or defence or optical fiber cable, these are high technology products. Optical fiber cable used to be not so high technology couple of years ago. But with change in global environment, with artificial intelligence, IoT, and more and more data coming. This has also changed a lot. This has also become a product of high technology. And whenever we talk of high technology, whether it defence whether it is optical fiber cable or telecom equipment, innovation becomes the key. So what we try in HFCL to differentiate ourselves, focus on innovation, keeping our products to the global level in terms of technology, thereby able to compete with our competitors, not only in India, but in export market also. Some of the products which are supplied in India, competing with global players are as good as any global player.

I will give you an example of 5G fixed wireless access equipment, for example, which we have got orders for more than 8 lakh units out of which probably about 5 lakhs have already been supplied or more than 5 lakhs have already been supplied, probably 6 lakhs have been supplied. We are the only Indian company who have got those orders. Rest are all global companies and our product is working as good as any global company. Similarly, fiber optic cables, we are able to get orders from the largest of the customers in the world by innovating cables, which are very small in diameter, but contain up to 1700 fibers. Those are the kind of innovations we have done. In defence, we have developed new version of radars, new technology in radars, which are much more compact, much more efficient, then the present generation of these ground surveillance radars and coastal surveillance radars is being used by our border protection forces. So it is innovation, it is technology, which keeps it at par with global players, not only in India, but also in international market.

Now your second question being, how are we going to participate in growing market of data centers and different sectors? Now in data centers, this has become a very, very big market, which was not expected may be two years ago. Contributing factor is artificial intelligence and also video. Video streaming has caught world by surprise. So much of video is being streamed, which was unimaginable few years ago. Artificial intelligence has further added into it. Hyperscaling of data center is progressing all around the world with unexpected speed. What HFCL has done is designed high capacity cables, fiber optic cables, for fulfilling the demand of these data centers. And

I am happy to inform my shareholders that we have started receiving large orders from these hyperscale data centers. At the same point of time, for the defence forces in our country, we are designing new versions of products, which will not only be useful in India, but would be capable of being exported also. So we are adequately poised to go into new product areas in all our businesses so that to not only remain locally, but also internationally competitive and increase our revenue from them.

Manoj Baid: Sir, moving on to their second questions, which is that with the rollout of 5G nearly complete and growth in private networks, what is specific opportunity that HFCL will see in next generation telecom equipment and how is the company investing in R&D to capture them?

Mahendra Nahata: Well, when you say that 5G rollout is complete, to a certain extent, you are right, my dear shareholder, in a sense that infrastructure rollout has been completed to a large extent, but not to the full extent. It is still in progress. Indian operators are increasing their 4G coverage and also expanding their capacities. When we talk of 5G network or any telecom network, it is two kinds of expansion. One is the coverage. Another is capacity. Capacity expansion happens when you have the current network which has been designed for X number of subscribers. They reach to some 60%-70% of that level. Then they start expanding their capacity by putting more capacities on the same tower, same base station which had been installed earlier. So that capacity expansion is happening still. It is still on. Operators are still doing it. Some of the operators who did not start 5G earlier now going to start 5G. One of the operator has recently started 5G operations in selected cities. I am told BSNL is also going to start 5G operations. So though some operators have completed but they are expanding their capacities. But some operators who did not start is expanding their coverage by very nascent, start of, network like Vodafone Idea and BSNL which is now starting the 5G network. So that is one aspect that rollout of the infrastructure.

But the second aspect remains the subscriber. HFCL concentrated on subscriber premises equipment for 5G also as I mentioned a little while ago that 5G fixed wireless access equipment that is still in demand, very much in demand because that provides a reliable fiber optic like connectivity over wireless giving hundreds of megabits of connectivity to subscribers. So that rollout, that demand is still very much there and we hope to get reasonable size orders from those areas also. So 5G, I would say 60% done, 40% is still pending. Second issue, how are we moving ahead in terms of technology for next generation? Next generation, well today telecom means mobile. Fixed line though is still increasing quite a lot, mobile is predominant. We are actively participating in 6G standard setting with academia, government institutions, and whenever 6G makes a commercial arrival, we will be there with 6G equipment also. But I think that is still a few years away.

In terms of modernization of fiber optic cables, the next generation of fiber optic cables, as I mentioned, we have already been quite successful. Now comes the next generation of fiber itself. Not only cable, but the fiber itself. Our team is already working on the next generation of fiber, which would completely transform the landscape of what kind of fiber we use today. But still, that is the commercialization of those kind of fibers which still, I believe, two, three years or more than two, three years away. But our research team is already working on those kinds of new technologies for fiber also.

Manoj Baid: Thank you, sir. So shareholders can be rest assured that there are still a lot of opportunities in the 5G space.

Mahendra Nahata: Oh, yes, definitely.

Manoj Baid: I have one more question, sir. They say, what is HFCL's strategy for scaling its international business? Are there particular geographies, partnerships, or product segments that the company sees as growth driver outside India?

Mahendra Nahata: Well, export is the essence for growth. Though India is a big market with 140 Crores population, it is definitely a big market. But if you look in the telecom terminology, India is only 5%-7% of the world market. More than 90% of the world market sits outside our country. So it is very critical that we grow internationally. And we started that path predominantly with export of optical fiber cables. We reached up to Rs.700 Crores two years back. Then there was a slump in the optical fiber cable market worldwide. Our export also came down. But with the growth of hyperscale data centers, growth in video, growth in IoTs, demand of fiber optic cable have again increased multi-fold this year. From last year's revenue of roughly about Rs.1200 Crores, we expect in the current year to achieve total revenue of about Rs.2400 Crores in the fiber optic cable business. Out of which we expect, this is our current expectation based on the current conditions of the market, which of course, the US duty has played some negative role, but not too much for the Company. And we expect this year our exports should exceed Rs.1,000 Crores, which we had never reached to four figures in exports. But this year, we expect that it will reach Rs.1,000 Crores.

Our areas of consideration remains West Europe, Middle East, and United States. All these areas, we are appointing our own employees wherever the demand is high, where we believe that there is a strong potential for growth in demand, simultaneously we are appointing dealers and distributors all over the places to market and sell our products to telecom operators as well as data centers.

Manoj Baid: Thank you, sir. Moving on to the next. Now, I would request the moderator to please unmute Mr. Mahender Pal Bhutani if he had joined us online. Mr. Bhutani, is he there?

Moderator: Sure, sir. Mr. Bhutani, could you please unmute your connection and ask your question now? We will wait for a moment while Mr. Bhutani unmutes.

Mahender Bhutani: Greetings and good morning to everyone attending this virtual meeting. Thank you to the management team for giving me opportunity to share my views with all of you. Firstly, I would like to extend a big thanks to the team of CS for a very informative annual report, which cover all sections in a transparent manner the accurate and timely compliances is truly commendable. Sir I am extremely confident that in your leadership team will achieve even more significant milestone and to take the company to the next phase of growth under your vision, under your guidance, under your leadership chairman sir. My question to the management is could you share how the company is strengthening its optical fiber cable business both domestically and internationally? Sir, I appreciate the commitment to good governance which is reflected in the annual report. The company’s focus on sustainability and the stakeholder value creation is also a noteworthy. I look forward to hearing the management perspectives on the company future plan and strategy. Thank you very much and may God fulfil all your wishes and keep you all happy, healthy and safe. Thank you very much and Jai Hind sir. Namaskar.

Mahendra Nahata: Thank you Mr. Bhutani. Jai Hind. When you say Jai Hind, it reminds me of one particular aspect very much. Recently well we all know few months back country had to face a very big difficult situation, very heart rendering situation what happened in Pahalgam. As a result of that incident, our Honourable Prime Minister took a very courageous step to give a befitting reply to the enemies of the country. And almost about for a week, a war kind of situation took place. You will be getting surprised why I am saying all this. There is a reason for that. Your company had established a defence communication network all across the country, an optical fiber cable-based network, which is exclusively for the use of defence forces, unconnected to the outside world, neither to PSTN, which is a public network, nor to internet. It is a secluded network as an island. So, nobody can intrude. This network was extensively used during that one week of Operation Sindoor and it provided a completely different perspective to defence forces. How could they command and control and communicate during the war on audio as well as video. This network is 60,000 kilometers long. The fiber was not put by us, it was there earlier. But entire equipment, minus one equipment, everything has been done by HFCL. And why I am proud to say that I received more than 10 commendation letters from armed forces, various units which are located in frontal areas, appreciating the performance of the network and how the network was helpful to the defence forces in conducting that operation. I am very proud to receive this kind of commendation where our boys remained on the border, 40 of our boys remained on the border. Even many of the private contractors had run away. Our boys did not leave this place, remained there to see that if any of our provided equipment gets damaged by shelling or because of any reason, they can repair that or replace that. And we received number of commendation letters from armed forces appreciating the network and our dedication so that is one point when you talked of fiber optic cable network, I would like to share with all the shareholders. This is really a proud moment for the Company, I would say. That is one.

But now to come to answering your question that how we are upkeeping our fiber optic cable business. We are expanding our capacities. As I mentioned, our fiber optic cable capacity with increase in IBR cable capacity, which is required mostly by data centers. Total capacity will become equivalent to 45 million fiber kilometers per year, which is a global scale capacity and puts us amongst the global leaders in fiber optic cable business. Simultaneously, we have increased capacity of optical fiber, which is when we started optical fiber business four or five years ago, our capacity was 8 million fiber kilometers per year. Now, it has become 28 million fiber kilometers per year. So a growth of three-and-a-half times. So 28 million fiber kilometers of fiber, 45 million fiber kilometers equivalent cable. These are the kind of growth in capacities we have done, number one.

Number two, we have designed new type of cables. Today, we produce from a single fiber cable to 1,700 fiber cables also and soon we would be going into 3400 fiber cable for the hyperscale data centers. In terms of fiber also we have gone into new areas of innovation. Fiber thickness used to be 250 micron, when we started. Today we are producing fiber as thin as 180 micron because less diameter fiber means more fiber you can contain in the same size of cable. We are doing research for the new kind of fiber optics, new kind of fiber that also is in progress. So expanding capacities one part.

Second part, designing new kind of cables. Third part, designing new kind of fibers in the existing type of fibers which are being used but are better in quality and better in size. And innovating now, new generation of fiber. These are the areas we are doing. So capacity expansion and technology innovation these are two cornerstones of our growth of fiber optic cable business.

Next, as you increase your capacity, you need more number of customers. Our capacity will be 45 million fiber kilometers, which is more than three times of the total requirement of all over India. So I have to sell another 30 million. So for that, I need to look at the export market. So we are increasingly looking at the export market. Our fiber optic cable team has gone to Middle East. They have spread their wings to Western Europe, North America, and selling our products. And as I said a little while ago, this year we expect our fiber optic cable export to increase more than Rs.1000 Crores and in recent past, Rs.800 Crores of export orders have already been received by us. And we expect more orders to be received within this coming quarter also. Fourth, what we are doing, as we increase our capacity for fiber optic cable and fiber, we have also started working on passive connectivity solutions which are required by the same customers which use fiber optic cable for telcos and also for data centers. Telecom operators we are already doing it and this year we expect revenue of roughly about Rs.400 Crores from passive connectivity solutions which did not require much of investment, but still we will be receiving Rs.400 Crores of worth of revenue this year.

Simultaneously now we have started designing products for passive connectivity solutions for data centers. This has been started in the current year. So current year revenue would not be too much. It would be low because this is the year of start. But next year I expect again the similar kind of revenue from data center passive connectivity solutions as much as what we expect from telecom PCS. So my estimate is in the next financial year, not this financial year, but the next financial year, these two businesses itself should give us Rs.1000 Crores of revenue both locally and internationally. That is my objective. I am sure the team working on it is working very seriously and they would be able to fulfil that objective. So this would be over and above next year. The revenue which we would be getting from fiber optic cable or fiber, this Rs.1000 Crores would be over and above that. So these are the four or five different kind of strategies we have deployed to keep our fiber optic cable business as the number one company in the Country and one of the leading player in the fiber optic cable business in the world. Today, you would be happy to know HFCL's name is known worldwide as a company in fiber optic cable business. Thank you, Mr. Bhutani.

Manoj Baid: Thank you, sir. Participating in the Operation Sindoor a little bit, contributing to the national security is indeed, was a momentous occasion for all the employees of HFCL as well as all the shareholders of the Company. It was really a proud moment for all of us. Moderator, now we can move to Ms. Rajini Raja Karnan if he is available.

Moderator: No, sir. He is not connected.

Manoj Baid: Okay. Move to the next speaker, Mr. Kaushik Shahukar.

Moderator: Sure, sir. Mr. Kaushik Shahukar, could you please unmute your audio and video and ask your question now? We will wait for a moment while Mr. Shahukar unmutes his connection.

Kaushik Shahukar: Am I audible?

Moderator: Yes, sir.

Kaushik Shahukar: Thank you, sir. Good morning to respected Chairman, esteemed directors, and key management personnel. I trust that all of you are in good health. It gives me immense pleasure to interact with you again this year. I am also deeply grateful to our company secretary for granting me the opportunity. Coming to the agenda of the meeting, I would like to share, I would like to seek the only clarification can the management elaborate on HFCL current order book in 5G equipment and optical fiber cable solutions and how much of this business is expected to come from international market versus domestic telecom operators over the next 12 to 18 months? One suggestion, I know I am speaking to a learned person, but I would like to give a suggestion if it could be implemented HFCL can enhance its revenue by expanding end-to-end 5G private network solutions for enterprises, smart cities, and defence applications, combining its expertise in optical fiber cable, with innovative telecom equipment to capture high-value long-term contracts. Before concluding, I would like to share a thought that I believe reflects our company's own inspiring journey. HFCL is not just building networks, it is weaving the digital backbone of a smarter and more connected India. And on a lighter note, HFCL lays fiber so fast and strong that sometimes I wish they handled my home Wi-Fi too. I hope I am audible, sir.

Mahendra Nahata: Yes.

Kaushik Shahukar: On personal appeal, with due humility, I would like to make a shorter personal request, though I may be physically challenged but by God's grace, I am remaining mentally fit, strong and committed to work as long as God permits. For this, I seek your kind support and please consider me for certification audit, assignment including a Form 15-CB. I am a qualified CA and such support will go a long way in helping me remain financially dependent without big burden on anyone. Extended this opportunity would not only empower me but also reflect the company's CSR spirit and our company is admired for. I humbly, additional suggestion, I also humbly propose that saving from conducting AGM virtually be thoughtfully utilized for shareholders' welfare, perhaps through small token of appreciation, which would further strengthen the emotional bonds between a company and its stakeholders. In conclusion, I would sincerely thank you all for your time, attention and continued guidance. I look forward to engaging with you again next year. I also request our Chairman, our MD and our CFO to please consider my appeal and provide me an opportunity to engage with our company. Okay. Please take very good care of your health. Thank you, sir.

Mahendra Nahata: Thank you, Mr. Shahukar. I really sympathize with your physically handicapped situation what you just described and kindly write an email to the Company Secretary or myself, nahata@hfcl.com with your details and we will try to help you as much as possible. Coming to your suggestions that how companies should expand its business, we would definitely work on it and definitely look at how these suggestions can be implemented for increasing the business of the Company. And as far as your question of increasing the business of the Company and the order book was concerned, today we have a total order book of more than Rs.10,000 Crores. Out of fiber optic cable orders are more than Rs.1600 Crores and we are regularly receiving more and more orders for fiber optic cables and we have a very high expectation from this business current year and next year also. We have designed routers which are very high technology equipment required in telecom networks, 4G, 5G networks. We already have orders worth about Rs.800 Crores and we are challenging global players in this Indian market in this segment and we already have orders worth about Rs.800 Crores. Other telecom equipment, we have orders worth about Rs.500 Crores. So total order book on fiber optic cable and 5G equipment is roughly about Rs.2,900 to Rs.3,000 Crores at this point of time. And we are, as I said, receiving more and more orders for fiber optic cables, as well as equipment, 5G equipment like routers and fixed wireless access equipment. So there should be a continuing journey with more order coming on the way. And kindly write to me regarding yourself. We will try our best to help you.

Manoj Baid: Thank you, Mr. Kaushik. Moving on, Moderator, next we can take Mr. Gagan Kumar. If he had joined us, please unmute him.

Moderator: Sure, sir. Mr. Gagan Kumar would like to ask a question on audio mode. You may ask your question now, sir.

Gagan Kumar: Am I audible?

Moderator: Yes, sir.

Mahendra Nahata: Yes, yes.

Gagan Kumar: Meeting started with good morning and now it is afternoon. So good afternoon, Mr. Chairman, Board of Directors and fellow shareholders. Myself, Gagan Kumar. I am joining this meeting from Delhi. First of all, I would like to mention that I had requested for a hard copy of annual report which I received well in time and I am very happy to share. I do not have any question pertaining to accounts. My one general question is can you please elaborate on the company's passive connectivity solution business and its strategic importance? This is the only question for today's AGM. And as far as the agenda of this meeting is concerned, I supported all the resolutions. It would be unfair on my part without mentioning higher corporate governance under the leadership of our CS and entire secretarial team. In very few companies, we have seen this kind of approach that the team calls us, that this is your serial number and all that, and you have to join at this time. This is the link. In every manner, we have a dynamic CS and our entire secretarial team. So thank you so much for this opportunity.

Mahendra Nahata: Thank you, Gagan ji. Thanks a lot for your appreciation to the team and this will encourage the team to do even better job in future. Coming to your question of PCS solution, whoever buys our fiber optic cable needs connectivity solutions for connecting those fiber optic cables whether in data centers or whether in telecom networks. Now customers being same it is imperative that we design those solutions so that we can give one-stop solution to the customer not only supplying fiber, but also at the same point of time giving connectivity solutions so that he does not have to go to other suppliers and customers also feels good if we can have one supplier responsible for entire network so that nobody is blaming each other in case something goes wrong and from the financial point of view it does not require much of capex for the Company to start this business. The low capex industry is still giving reasonable revenue. So we have business for passive connectivity solutions for telcos, which we have been doing from last few years. This year has been a turnaround year, not turnaround year, I would say increase in the business significantly the year where we would be doing roughly about Rs.400 Crores in the current year for telco-based passive connectivity solutions. We have also started designing passive connectivity solutions for data centers. As I said a little while back in answering another question that we expect with our designs to come up in this year, next year we should be looking forward to get a revenue of Rs.400 Crores plus in this area of business also, mostly from export and also from Indian clients. This is my expectation from the data center PCS connectivity solution team. So both put together my target, this is my target. Now, how much of it is achieved is, of course, we have to see it but I am pretty sure that with team's hard work, we should be able to reach to a Rs.1000 Crores revenue from PCS solution. These PCS solutions are mostly being produced in our material subsidiary company which is 74% owned by us and 26% owned by Government of India, HTL Limited in Chennai. And these solutions are capable of giving service for connectivity to telcos and as I said, designed for data centers also. Thank you.

Manoj Baid: Thank you, sir. Moving on, next is Mr. Pramod Kumar Jain, next speaker. I would request moderator to unmute Mr. Pramod Kumar Jain.

Moderator: Sure, sir. Mr. Jain, could you please unmute your microphone? and your camera and ask your question now?

Pramod Jain: Greetings. I am Pramod Kumar Jain from Delhi. Chairman sir, Board of Directors, Secretarial Department I am thankful to them you allowed to speak in this AGM and I support all the proposals and resolutions today. Chairman sir, you have told us so much about the company's present and future in your opening speech, that we did not have any questions to ask. We have complete faith in your leadership. In your leadership, our company din dugni raat chauguni tarakki karage. Mangal Kamna karta hoon. Jai Jinendra. Namaskar.

Mahendra Nahata: Thank you, Mr. Pramod . Thank you very much for your good wishes. And the Company will always try to do the best work. There are ups and downs in every business. Revenue sometimes decreases according to market conditions. Our effort is to keep working on technologies at the same time, so that whenever there is a growth phase in the market, we can take advantage of it. As I said a while ago, fiber optic cable business, 5G telecom business, especially in fiber optic cable, the market position was not good for two years. But we worked on technologies, worked on new types of fiber, worked on new types of cables. The result was that today when the market is good, we are getting a lot of good orders. We have received orders for export of around Rs.800 Crores. I hope that in these two quarters, the third and fourth quarters, we will definitely get orders for export and local operators in a very good amount. So, this is the way to take advantage of good times. Keep working on technology. Do not be disappointed. There is an old saying that you should repair the roof when there is sunshine. When it starts to rain, you cannot repair the roof. When there is sunshine, you can repair the roof. It is just an idiom, but it applies to every technology company. I always take good care of it.

Manoj Baid: Thank you, sir. Next speaker is Mr. Murli Dhar Talreja. And next to that Mr. Parth Mehta is there, so please be ready. First you can take moderator to Mr. Murli Dhar Talreja.

Moderator: Sure sir, Mr. Talreja, we have unmuted your microphone. Can you ask your question now?

Murli Talreja: Hello sir, can you hear me?

Mahendra Nahata: Yes, we can.

Murli Talreja: Chairman and Directors, I am Murali Dhar from Delhi, I am speaking with Ashika Talreja. With Chairman sir's speech, my all doubts have cleared. With you and your staff's hard work the company is doing good work. I pray to God that our company will make good progress. I want to thank secretarial department that they have allowed me to speak and I support all your resolutions. I want to thank you and your team and best wish for the upcoming festivals. Thank you. Murli Dhar.

Mahendra Nahata: Murli Dhar sir greetings. For your good wishes thank you. For the upcoming festivals for you all and your family members and all shareholders my best wishes. Thank you.

Manoj Baid: Moderator, now we can move to Mr. Parth Mehta.

Moderator: Sure, sir. Mr. Parth Mehta, could you please unmute your microphone and ask your question now?

Parth Mehta: Good afternoon, sir, and everybody present in the meeting. Sir, I had a couple of questions. The first one being, I want to understand the export market for our 5G products.

Mahendra Nahata: 5G products, we have still not started exporting. Because 5G though is one standard, but different countries work on different frequencies and different kind of requirements. So what we did, first design the products, those which are more applicable in India. And we got orders worth about Rs.800 Crores for those products. I think in a month or two, we would be completing the designs of the fixed wireless access 5G products, which are required in Europe and North America, which works on different frequency bands and different kind of technological specifications. 5G is a generic thing but the frequency bands are different in different countries. Certain technical specifications are different in different countries. So we have to design accordingly. There are separate frequency bands in North America, there are separate frequency bands in Europe. So now we have designed products which as I said would be completed in a month or two time and we would be looking to export those products in the international market. Wi-Fi access points we have started exporting to some extent. We will try to put more effort on that now. Routers again, I hope there will be a reasonably good market for routers. We have just completed the design. Bulk production has just started last month only. Rather, I would say more like this month only. And bulk supplies have been started in India. BharatNet program, we are the largest suppliers of routers in the BharatNet program of the Government of India, competing with largest of the multinationals. So next version of the routers, which we would start to design in a few months, we will be able to export that also when we complete the design of that particular version. The versions keep on changing from country to country, requirement to requirement, and we will be working accordingly.

Manoj Baid: Thank you, sir. Any more questions, Mr. Parth? I think we have lost him. Moderator, we can move to now Mr. Ravi Subramanian. Sure, sir. Mr. Ravi Subramanian, could you please unmute your audio and video and ask your question now? We will wait for a moment while Mr. Subramanian unmutes his connection.

Mahendra Nahata: Yes Mr. Subramanian please go ahead.

Ravi Subramanian: Good morning, sir. Can you hear me?

Mahendra Nahata: Yes.

Ravi Subramanian: Good morning, sir. First of all, I thank you very much for our team for achieving this excellent result. There are only two questions for me, sir. One is actually, there is news that company has received approval for 1000 acre land allotment in Andhra Pradesh for defence manufacturing recently and when it is likely to impact our production sir actually, at the top level. And number two is, I feel, whether it is right or wrong, I feel there is a threat for our next wave of connectivity, that is satellite-based telecom. It is going on in all over the world, actually, like Starlink and all. How it is going to affect our business, optic fiber business? These are my two questions. Thank you. Thank you very much.

Mahendra Nahata: Thank you, Mr. Subramanian. Very pertinent questions. Very pertinent questions, I would say. First of all, the 1000 acres of land allotment in Andhra Pradesh has happened recently, a week ago or so. And this land, 1000 acres looks to be very large. But there is a specific reason for taking such kind of a size of land. Because as I had said earlier also in some of the investor meetings and all, the company wishes to enter into ammunition business. And ammunition business requires large piece of land away from habitated areas because of inherent security concerns and dangers. So that is why a 1000 acres of land has been allotted to us. And it would have special magazines and secured bunkers kind of things to store ammunitions and produce ammunitions so that it does not cause any hazard to any nearby population, if at all, and remains secured. So that is why such large piece of land. We are in discussion with a couple of companies for technology transfer, including DRDO, to manufacture different kind of ammunition. One technology we have already secured which is multi-mode hand grenade which would be the one of the first product which would come up here. Subsequently Electronic Fuzes would also be produced here. We are also in discussion with companies to produce shells for 155 mm gun which is in a common parlance we know as a Bofors gun. But there are different variations of that also now indigenously designed 155mm gun is also available. These are some of the things we are looking at. But if you ask me when the production would start, not before at least two years. We will take at least two years before we are able to start. That is number one. But I must say this is a very large market. India needs self-reliance in this area. So in time of war, If at all, God forbid, we do not want war to happen. But one has to be always prepared for that. The Country would not have to look at import of ammunition at such a critical time. There would be a few more people who are going to produce this, a few more companies, yes, but the demand is so high. We believe that some of the specialized ammunition we are looking at, with indigenization and costs being achieved as lower, I think it would have a reasonably good demand in India and abroad. Coming to your very pertinent question on satellite communication. Satellite communication is for specific niche needs. It is not for mass consumption because of the high cost. Satellite phone if you take per month cost would be 4-5 times than the today's mobile charges you pay on a per month basis. Mobiles are available as cheap as Rs. 90 or Rs. 120 per month subscription to Rs. 300 or Rs. 400. In Rs. 300 you get so much of data you cannot even consume in a month. So satellite communication was going to be much more costlier than this. So this would practically be required to be used in very remote areas, jungles or mountains or deserts, where no terrestrial communication or classical mobile communication is available. So it is not a threat to existing operators. It is not a threat to existing operators. It is more of a complementary nature for inaccessible areas. This would be required or may be some kind of disaster relief if some disaster, flood or earthquake happens and you need immediate communication. Those are the areas where satellite communication would be required. So this is more of a niche, not a threat to existing fiber optic network or mobile communication network. So it would not have any impact on our business. Thank you Mr. Subramanian. Thank you for your questions.

Manoj Baid: Moderator, we can now move to Mr. Bimal Kumar Agarwal or Mr. Sanjog Saraf, whoever is available.

Moderator: Sure, sir. Mr. Bimal Kumar Agarwal, may we request you to unmute your audio and video and ask your question. We will wait for a moment while Mr. Agarwal unmutes his connection.

Bimal Agarwal: Hello. Can you hear me?

Moderator: Yes.

Bimal Agarwal: Good afternoon to you. First of all, good afternoon, good evening, good night and good morning to other shareholders, other directors who have joined from the different parts of the world. Sir, first of all, thank you for a lovely speech. But, sir, please answer all the questions at last because all 18 members are waiting in the line, it becomes too difficult for the other people to wait. Please answer all in the last, that is my humble request, because all are waiting in the line and their data also gets low and they have to join other meeting also. Please next time, now you have given, but do not do next time. Let me start by thanking the CS team for creating such a beautiful and informative AGM report. I am very much sure that the rich experience of the Board of this company HFCL will guide the management team to achieve bigger milestone in the years to come. I have no question because already my question was raised by the other speaker. That is all from me and I already supported all the resolution for the same. That is all from me. Thank you very much. Please continue with your conference in future because people from all over the India, all over the world can join the meeting. That is all from me. And this is a surviving company. I am a shareholder from when I saw the price Rs.3000 then I also saw the price to below Rs.10 or so and they survived and keep it up. That is all from me. Thank you very much. And I supported all the resolutions for the same.

Mahendra Nahata: Sure. No mention Mr. Agarwal. Thank you.

Manoj Baid: Moderator if you could please take Mr Sanjog.

Moderator: Sure sir. Mr. Sanjog Saraf sir may we request you to please unmute your connection. You may ask your question now.

Manoj Baid: or if he is not there you can take Mr. Praveen Kumar next speaker.

Sanjog Saraf: Respected Chairman sir, Board of Directors, and all employees I am Sanjog Saraf speaking from Bangalore. I hope you all are doing good. Sir, the balance sheet is very good. I would like to thank you for that. I have only one question. You said that your ESG score is 74. I would like to know, how can our company utilize this ESG score for the benefit of the company? Is there any green bond? Or should we issue an ESG bond and take the money? Or should we list it in the debt market like NSE or BSE? Please tell us about this, sir. And in the future, what are your plans, sir? The tariff effect that is coming on our company, please do tell us. Nothing much, sir. I request you to always keep a VC meeting. See, I am able to attend your meeting from Bangalore because this is a VC meeting. And Mr. Nahata sir, I wish you a long life. And I pray to God that our company will run well under your guidance. I am thankful to moderator and I wish you all the best in the coming financial year. I pray to God that this financial year will be good, healthy and prosperous for all of you. Sir, I would like to wish you all for the upcoming festivals, be it national or personal festival. Best wishes for all. I pray to god that this festival will bring you and us with happiness in our lives. Jai Hind. Jai Bharat. Namaskar.

Mahendra Nahata: Mr. Saraf thank you for your greetings and from for us also for you good wishes. As far as the Company is concerned, green bond or any other green bond. These things are beneficial to us. There is no need to issue a green bond. But these foreign operators pay a lot of attention to sustainability. Sustainability of environment is scored in their tender evaluation. And in the tender evaluation, they pay a lot of attention to the work you are doing for environmental sustainability. For example do you use solar power, use wind power, reduced wastage. If your manufacturing process is such that there is minimum wastage, then a lot of attention is paid to those things. And in the tender evaluation process, there are specific marks for those things. If you are low in price, but your sustainability score is low, then may be you will get fewer orders. So, the better the sustainability, the more your value, which is the value of International customers today, will increase in their eyes. In their eyes, it will be that this company creates less carbon footprint or this company uses more renewable energy. Keeping these things in mind, there is a difference in order decisions, there is a difference in marking. That is why we are paying the most attention to sustainability today, in the eyes of international customers, the company can get the most marks whenever there is a tender, request or proposal.

Manoj Baid: Thank you, sir. Moderator, we can now move to Mr. Praveen Kumar.

Moderator: Sure, sir. I will just unmute. Mr. Praveen Kumar, could you please unmute your connection? And you can ask your question now.

Praveen Kumar: I am audible, sir?

Moderator: You are.

Mahendra Nahata: Yes.

Praveen Kumar: Very very good afternoon to my respected chairperson, respected Board of Directors, fellow shareholders, myself, Praveen Kumar, joining this meeting from New Delhi. Sir, it was very, very in-depth to the shareholders. I am so lucky to be part of such a legacy. Healthy discussion with the shareholder, very, very informative. And last year with so much adversity under your leadership, our company is coming out as a true winner under your leadership and the future look bright in each and every vertical. My best wishes is always there for you and higher standard of corporate governance is maintained by our respected company secretary and their entire team. I wish them all the luck and all the best. At the end, sir, pray I to God that he will keep the momentum of creating value creation for a retail investor like me for a long time to come and wish you all the luck for the future. And thank you very much for this opportunity. God bless you with all the positivity. Thank you, sir. Thank you very much for this.

Mahendra Nahata: Thank you, Mr. Praveen . Thank you for good wishes. We also extend our warm good wishes to you for upcoming festivals, personally to you, your family and all shareholders.

Manoj Baid: Then sir, we have now left with few more shareholders. One is Mr. Ajay Kumar Jain, Mr. Manjit Singh, Mr. Sarvjeet Singh, Mr. Prem Vati, Mr. Abhinav Jain, Mr. K Bharat Raj. Moderator, if any one of them are available you can take them one by one. Sure, sir. Mr. Ajay Kumar Jain is no longer in the meeting. We will move to Mr. Manjit Singh. Sir, could you please unmute and ask your question now? Mr. Manjit Singh, there seems to be no response from Mr. Manji Singh's connection. We will, therefore, move to our next speaker, Mr. Sarvjeet Singh.

Sarvjeet Singh: Hello, chairman, sir. Can you hear my voice?

Mahendra Nahata: Yes, yes, Mr. Sarvjeet Singh, definitely.

Sarvjeet Singh: Chairman, sir, first of all, good afternoon to you, all the Board of Directors, all the staff of HFCL Limited, and my co-fellow shareholders. Chairman, sir, our meeting starting from good morning have now come to good afternoon this is the hard work of secretarial department that every shareholder is speaking in front of you. And Chairman sir for the investor, for investor friendly approach, you give dividend for their investment every year, but sir even if it is small, but sir you have not stopped that practice. Sir, you have been giving dividends from time to time. The foreign investors investing in our company has also increased, we have complete faith that our future is a bright future. And our promoter holding around 32%, are we planning a buy back to increase it. Tell us a little about this. The way you told us about the company in your opening remarks, we have a clear vision that our future is a bright future. Chairman sir, I would like to thank your secretarial department and moderator for giving me the opportunity to speak. Chairman sir, the previous speaker, Manjit ji could not speak, so I am getting him to join from here. Listen to him, sir.

Manjit Singh: Greetings to Himachal Futuristic’s company’s management team, secretarial team and my co-shareholder. Our company related to telecom and infra in the future will climb new heights I expect this and it is obvious from land that we have got in Andhra Pradesh. What we have thought to arrange funds for this expansion plan and have we thought about right issue. When this AGM was going on, before that, it was in my mind that I will ask Sir, when will we get the bonus in the coming time? But now I will ask, will you bring the right issue to collect more funds? Because the kind of work you are going to do, how you will arrange the funds, it would be good if you tell us a little about this. The government is also supporting us in a good way. The benefit of Rs.9,000 Crores that the government has given us, how it has come, how much effect it will have on the balance sheet, some of the old loans, how was the matter, is it right? I would like to congratulate you on this. From BSNL from time to time we get orders, what plans we have to complete that and do we do that on-time and do we do that on time and for this is our plant running in full expansion according to demand or will you do some more expansion. Please tell us about that. Our company that listed in share bazaar, our BSE code 500183, HFCL that is our symbol giving respect and honour it our secretarial department prepared balance sheet well in time and arranged us to meet the Board face to face. I am thankful to secretarial team from moderator means we have connected to you this is the hard work's reward of secretarial department that we have connected to you so smoothly. We have connected with you from morning to afternoon, and you told us about your company, I think this will further strengthen our investment, and in your leadership, the way you responded to each and every question in your remarks, and 20-20, 50-50 or all three types of matches, you have the capability to play. You are so young and you have answered everything. And you have run this AGM for such a long time. In the future, aap tarakki karo, din dugni raat chauguni tarakki karo. We expect this from you and pray to God. Thank you for the management team. Thank you for the secretarial team. Thank you, sir. Thank you.

Mahendra Nahata: Manjit ji and Sarvjeet ji, thank you both very much. As far as buy back is concerned, there is no such plan. As far as bonus is concerned, there is no such plan. But as far as the fund raise is concerned, as Manjit ji and Sarvjeet ji both asked, we have enabling resolution in this AGM. The Board has recommended that there is a need for a fund raise up to Rs.700 Crores. But this is only an enabling resolution. We have not yet taken any decision on this. This is an enabling resolution. If required, I told you about some of the various things. Whether it is further backward integration or ammunition business for these needs then we have done enabling resolution and if need then we will raise the fund. But we have not made a definite decision about that. And apart from that you people given good wishes and appreciated the teams effort for that thank you very much.

Manoj Baid: So I would request the remaining speakers to please limit their question to one only because we are already in the meeting for last more than one-and-a half hours and still there are 3-4 shareholders. So, next speaker is Ms. Prem Wati or Mr. Abhinav Jain.

Moderator: Sir, both of these speakers are no longer in the meeting and even Mr. K Bharat Raj. So, we will therefore move to our last speaker shareholder that is IndSec Securities and Finance Ltd.

Manoj Baid: Okay. Please unmute them.

Moderator: Sure, sir. We have sent a prompt, so the member from IndSec, could you please unmute the audio and video and ask your question?

Diamond Dand: Yeah. Am I audible?

Moderator: Yes.

Manoj Baid: Yes.

Diamond Dand: Good afternoon and Jai Hind everyone. Myself, Diamond Dand from IndSec Securities and Finance Limited, and I am attending this meeting from our Mumbai office. At the outset, congratulations to the Board for consistent performance year after year, despite of various challenges, and wish this trend continues in years to come. We are extremely happy and proud to be a stakeholder of HFCL, which is a very important and key player in India's growth story, especially Atmanirbhar Bharat. Sir, though almost everything has been nicely covered by you, I have only two questions for you. One, what is the perspective on the opportunities and challenges in India's defence market and how is HFCL positioning itself in this space? And second, can you please appraise us with the status and progress of the NFS projects executed by the Company?

Mahendra Nahata: Hello. Diamond.

Diamond Dand: Yes, sir.

Mahendra Nahata: Your name itself inspires us a lot.

Diamond Dand: Thank you.

Mahendra Nahata: Defence business, the way we need to grow, is to design new equipment indigenously, grow technology indigenously. That is one part of it. Second part of it, a lot of new defence technologies which is coming worldwide to collaborate also with international companies. So we are working on both directions. Our local development, I talked about, we are designing radars, thermal weapon sites, fuzes. We are collaborating with DRDO. We are in discussion with a couple of foreign companies also for acquisition of technologies for latest design of ammunition particularly so that they could be introduced in our product range. So we are trying to grow both ways in indigenous design as well as foreign technology transfer. So these are the two things we are doing. So any other question?

Diamond Dand: Regarding NFS.

Mahendra Nahata: Okay NFS as I said a little while ago that it has been a remarkable network created by us which in fact transformed the kind of bandwidth, kind of clarity our armed forces were getting in communication from all over the places, including the forward areas. And since it is a command, control and communication system, decision making by higher commanders became very easy and they could understand and view the battlefield situation and communicate with the field commanders with high ease and clarity. That gave them a lot of ability to communicate with each other and take decisions. And also command and control means command and coordination between various weapon systems by which this network could be used. So it really contributed a lot to Army's capability and future also it will contribute a lot because it is a standalone network, cannot be intruded by any outsider. It is a safe network for Army with a high bandwidth network, it is a fail-proof network because if one side fails, another side starts operating. So it is a resilient network which HFCL is proud to have created.

Diamond Dand: Thank you, sir.

Manoj Baid: Thank you, sir. Thank you, Mr. Diamond. Sir, with your permission, I have one more question. If you permit, I will take the last question of the day.

Mahendra Nahata: Ok.

Manoj Baid: Sir, how does HFCL view the growth of data centers? And what impact does this have on the company's export business?

Mahendra Nahata: Data center is a big growth area. Today, the hyperscale data centers are growing in the world at a hyperscale speed, I would say, billions of dollars are getting invested worldwide in creation of new data centers including India also. India is also growing a lot in data centers. Government, private sector, all are establishing more and more data centers because need of storage of data and dissemination of data with the advent of artificial intelligence and also with lot of use of video in different form of communication, need of data center is increasing rapidly. Companies are investing billions of dollars. Now these data centers need high-capacity fiber optic cables, which we have designed and we are exporting and we are going to be selling to indigenous data centers also. At the same part of time, Passive Connectivity Solutions, we are designing, and next year onwards we will be getting reasonably good amount of revenue from them also. So data center business has got a good potential for HFCL. And a new business line for HFCL with our existing products, but new designs, new capabilities and data centers will definitely contribute a lot to our growth.

Manoj Baid: Thank you, sir. That is all we have for today's meeting. So I would request now you to kindly conclude today's meeting.

Mahendra Nahata: Thank you, shareholders, my colleagues on the Board and all the employees of the Company who really did a lot of background work to make this meeting a success. Thank you, all my shareholders, for your continued support. And I can assure you, your Board, the entire staff, executives, employees of the Company will work hardest possible to see that in the new technology environment, growing technology environment, changing technology environment, company is able to innovate and grow rapidly in this new era of communication and this new era of entire landscape of communication and data which is changing and bringing new technologies like AI in forefront which are going to change how we work, how we live in very near future. And I can assure you, HFCL will always remain ahead in this road of technology and grow continuously and create opportunities out of these challenges of technology, which all of you can be proud of. Thank you very much.

Manoj Baid: Thank you, sir. Thank you. As we draw this Annual General Meeting to a close, let us carry forward the spirit of resilience and ambition. I would like to close today's meeting with the remarks that, "success is not final, failure is not fatal, it is the courage to continue that counts, with that courage and with that collective strength of our shareholders and team, we will rise to greater heights and shape a future defined by excellence." With this, we conclude today's proceedings. On behalf of the company, its shareholders, I extend heartfelt thanks to all the Board Members, Statutory Auditors, and the Secretarial Auditor. Thank you, my dear shareholders, for taking time out and joining this AGM online. We look forward to have your presence and participation in our next AGM. Please note that e-voting is currently in progress and will remain open for next 30 minutes. If you have not yet voted, please do vote. Thank you very much. Thank you.