May 31, 2022

DGM - Corporate Relations
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai - 400 001

Listing Department
National Stock Exchange
Exchange Plaza
Plot No. C-1, Block G
Bandra - Kurla Complex Bandra (East)
Mumbai - 400 051

Dear Madam/Sirs,

Sub: Notice to the 33rd Annual General Meeting ("AGM") and Annual Report for the financial year 2021-22.

The 33rd AGM of Tata Elxsi Limited will be held on **Thursday, June 23, 2022** through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) at 2.30 p.m, in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), please find enclosed the Notice to the 33rd AGM along with the Annual Report of the Company for the financial year 2021-22, which is being sent by email to those Members whose email addresses are registered with the Company/ TSR Consultants Private Limited / Depository Participant(s).

The Annual Report containing the Notice is also uploaded on the Company's website https://tataelxsi.com/investors

Thanking you.

Yours truly,

For Tata Elxsi Limited

Cauveri Sriram

Cauveri Sriram
Company Secretary & Compliance Officer

engineering creativity

Designing The Next



TATA ELXSI

Integrated Annual Report
2021-22

CORPORATE INFORMATION

as on April 20, 2022

BOARD OF DIRECTORS



MR. N. GANAPATHY SUBRAMANIAM
Chairman
(Non-Independent and
Non-Executive Director)



MRS. SHYAMALA GOPINATH
Independent Non-Executive
Director



MR. SUDHAKAR RAO
Independent Non-Executive
Director



PROF. ANURAG KUMAR
Independent Non-Executive
Director



MR. ANKUR VERMA
Non-Independent and
Non-Executive Director



MR. MANOJ RAGHAVAN
CEO & Managing Director

COMMITTEES

AUDIT

Mrs. S Gopinath
Chairperson

Mr. Sudhakar Rao

Mr. Ankur Verma

NOMINATION & REMUNERATION

Mrs. S Gopinath
Chairperson

Mr. N G Subramaniam

Mr. Sudhakar Rao

AUDITORS

BSR & Co. LLP
Chartered Accountants

STAKEHOLDERS' RELATIONSHIP

Mr. Sudhakar Rao
Chairman

Prof. Anurag Kumar

Mr. Manoj Raghavan

RISK MANAGEMENT

Prof. Anurag Kumar
Chairman

Mr. N G Subramaniam

Mr. Gaurav Bajaj

REGISTERED & CORPORATE OFFICE

Tata Elxsi Limited
ITPB Road Whitefield
Bengaluru - 560 048 India
Email: investors@tataelxsi.com

CORPORATE SOCIAL RESPONSIBILITY

Mr. Sudhakar Rao
Chairman

Mrs. S Gopinath

Mr. Manoj Raghavan

CHIEF FINANCIAL OFFICER

Mr. Gaurav Bajaj

COMPANY SECRETARY

Ms. Cauveri Sriram

REGISTRARS & SHARE TRANSFER AGENTS

TSR Consultants Pvt. Ltd
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg
Vikhroli (West), Mumbai – 400 083

BROWSE THE NEXT

04-50

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For more investor related information
Scan this QR code

Or visit
https://www.tataelxsi.com/investors

INVESTOR INFORMATION

Market Capitalisation as at March 31, 2022	₹ 55,05,330 Lakhs
CIN	L85110KA1989PLC009968
BSE Code	500408
NSE Symbol	TATAELXSI
Dividend Declared	₹ 42.50 per equity share
AGM Date	June 23, 2022 at 2.30 PM, IST
AGM Mode	Through Video Conferencing

Rs. 2,511 crores

REVENUE

YoY 37.5%

Rs. 549.67 crores

PROFIT AFTER TAX

YoY 49.3%

Rs. 88.26

EARNINGS PER SHARE

YoY 49.3%

Rs. 257.1

BOOK VALUE PER SHARE

YoY 18.4%

Disclaimer: This document contains statements about expected future events and financials of Tata Elxsi, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Chairman's Address



Dear Stakeholders,

As I write this letter, I'm filled with pride for Tata Elxsi. Despite the current backdrop of geopolitical unrest and the pandemic, we progressed considerably in 2021-22. We swiftly adopted newer working methods and offered our team more flexibility, emphasising on their health and well-being. The pandemic helped us realise how robust our technology is, as we completed our turnaround, met our targets, and rose above the challenges to start the year on a strong footing.

The 2021-22 proved to be a busy year for Tata Elxsi as we witnessed overall growth across industries and key geographies and continued to execute strongly on both the top line and bottom line. Our differentiated offerings and design-led approach have helped us achieve the strongest growth in the Company's history. We grew our revenues, profit, margins, cash generation and returns on capital during 2021-22 with operating revenue of Rs. 2,471 crores.

OPERATIONS

Our Healthcare business continued to grow strongly, while both Transportation and Media and Communications reported another year of sustained growth. We also witnessed a sustained recovery in the automotive market as we won strategic deals with both OEMs and suppliers in EV and autonomous technologies, highlighting our technology and engineering leadership. Our strategic deals in digital health, OTT, and video platform deployment reflect our ability to support customers' product and technology transformation agendas in our key verticals.

I am pleased to share that your Company has won the OTT TV Technology of the Year Award at the VideoTech Innovation Awards 2021 for QoEtient – the proactive QoE Improvement platform. This is the first international award bagged by QoEtient.

Your Company also won the NASSCOM Engineering & Innovation Excellence Awards 2021 for Engineering Service Providers across all product categories. This testifies our ability to bring design and technology together, highlighting our leadership in each vertical we operate in.

OUR STRATEGY

We are focused on application areas that are expected to experience solid growth, driven by broad and long-term trends in digital technology. These trends require enablers – autonomous systems, robotics, securely connected machines and personal devices, digitalisation and electrification of automobiles and infrastructure, advanced communications equipment and networks and connected healthcare platforms. Tata Elxsi is one of the leading players in these technology areas, helping its customers in development of new products and services.

PRODUCTS, PARTNERSHIPS & ALLIANCES

In order to establish ourselves as a niche player in advanced technologies with the ability to scale and build efficiencies, we have expanded our portfolio of patents and IP solutions across industry segments. Our investments in IPs such as TEPlay, FalconEye, iCX, QoEtient, and Autonomai testify to our strong focus on delivering digital engineering-led transformation for our clientele. We have also been actively building partnerships and alliances with leading companies globally to bring the best value proposition to our customers. Our joint go-to-market initiatives have helped us quickly bring market-aligned solutions to our customers.

SUSTAINABILITY

We take great pride in our commitment to being a good corporate citizen and creating a positive impact for the communities we serve and the world. In line with this, your Company has committed itself to ambitious goals of halving its carbon footprint by 2025 and achieving 100% carbon neutrality by 2030. In line with our mission, we strive to create and innovate sustainability-led products and services that will help us deliver purpose-led transformative solutions to our customers.

EMPLOYEE ENGAGEMENT AND WELLBEING

During the pandemic, we have expanded our employee engagement in Health & Safety to include several new measures to counter stress and fatigue. These measures include access to external counselling, updating insurance policies, and flexible work options. We have also tied up with leading providers to ensure the health & well-being of our employees.

I am pleased to share that your Company has won the OTT TV Technology of the Year Award at the VideoTech Innovation Awards 2021 for QoEtient – the proactive QoE Improvement platform.

I take this opportunity to extend my gratitude to our management team, staff, and business associates for their commitment and contribution towards Tata Elxsi.

LOOKING AHEAD

It is a privilege to pursue our passion for creating a better world by integrating our capabilities. We will remain focused on long-term growth which is the ultimate measure to generate value. To achieve this, we will invest in strengthening our competitive advantages, be disciplined in capital allocation and stay diligent in our pursuit of efficiencies. We firmly believe that when our employees, customers, communities, and shareholders win, we win with them.

I take this opportunity to also record my appreciation for my fellow directors for guiding the Company in these challenging times.

I am pleased to inform you that your Board of Directors has recommended a final dividend of 425% i.e. Rs. 42.50 per share, subject to tax, for your consideration.

Last but not the least, on behalf of the entire Board of Directors and the management team, I would like to thank you for your continued trust, guidance and support.

Yours Sincerely,
N G Subramaniam



Designing The Next

Defines what we are, what we can be, and everything in between

OUR INDUSTRIES

- Automobiles
- Broadcast & Media
- Consumer Appliances
- Healthcare
- Rail
- Semiconductor
- Telecommunications



In a fast-paced world, technology is the tool that overcomes the limitations of the present while building solutions catering to the future.

At Tata Elxsi, technology is how we touch millions of lives every day. It is the medium through which we design and build products, solutions, and ecosystems for customers and partners around the world – addressing their challenges and seizing opportunities while supporting a more sustainable world.

For decades, we have been seamlessly taking on challenges in the technology space to outdo the solutions we designed yesterday. In this fast-changing and extremely dynamic industry, we are our toughest competition. Our goal is to constantly innovate from the familiar and assist our partners and customers upgrade to solutions that belong to the future. There are multiple ways to explain what we do and how we do it, but we rather just define ourselves as the pioneers of

'Designing The Next'.



Glimpses of the Year that went by

★ ORDER WINS COLLABORATIONS

AUTOMOBILES

EV ★

- Selected by a leading global automotive OEM as its strategic development partner for its next-generation Electric Vehicle (EV) system development
- Awarded by a leading European headquartered innovator and systems supplier for their EV platform development program
- Bagged a multi-million dollar EV software development program for a new-age EV OEM in the APAC region
- Won a high-voltage EV system software development deal from a leading Japanese Tier1 supplier
- Selected by a North American new age EV OEM for a strategic software development program

AD/ADAS ★

- Selected by a leading German Tier1 supplier for establishing an Offshore Development Center for Autonomous Driving and ADAS technologies
- Bagged a strategic software platform development deal for SAE Level 3 driving autonomy and beyond from a North American systems supplier
- Selected by a world-leading systems supplier for the development of an autonomous driving platform for commercial vehicles
- Selected by a leading German Tier1 supplier for establishing an Offshore Development Center for Autonomous Driving and ADAS technologies

RENESAS

- Joined hands with Japan's Renesas for building an EV ecosystem, aligned with Make in India, to focus on electrification products for light electric vehicles

GREEN HILLS

- Partnered with Green Hills to develop a Driver Monitoring System driven by AI and compliant with AUTOSAR Adaptive software-defined architecture, and integrated with secure INTEGRITY® RTOS



HEALTHCARE ★

- Selected by a leading global healthcare provider as their strategic digital and development partner for their next-generation digital health platform
- A US-headquartered healthcare technology leader awarded a long-term multi-million dollar deal for its Digital Transformation and Cloud Migration Program
- Unveiled TEngage, a digital health platform designed for omnichannel care





BROADCAST, MEDIA, AND TELECOMMUNICATIONS

SERVICES

- Selected as the platform provider and system integrator for multi-region Android TV launch for a leading US-based operator
- Was awarded a multi-year multi-million USD deal by a leading global MSO to support and manage their network operations across data, mobile and video service delivery

PRODUCTS & PLATFORMS

- Licensed our OTT solution, TEPLAY, to a world-renowned institution for arts and music to develop their OTT platform, and reach and engage with newer audiences digitally
- Selected by a leading US-based broadcaster for their global OTT platform development
- Selected to deploy iCX, our award-winning customer experience platform, for a leading global telecom operator across multiple countries

DESIGN DIGITAL

- Won a Design Digital deal leveraging our video platform TEPlay for end-to-end streaming video implementation and multi-year operational support
- Bagged a Design Digital deal from a leading Japanese OEM for the development of next-generation HMI for infotainment and in-cockpit interface

ALEF

- Partnered with Alef to help accelerate 5G and proliferate edge deployments. Through this partnership Tata Elxsi will deliver industry-specific digital solutions covering digital applications, AI/ML and IoT, orchestration, monitoring and security solutions over Alef's Private Edge Platform.

Leading the Next

Amongst the world's leading providers of design and technology services for product engineering and solutions

Tata Elxsi Limited ('Tata Elxsi' or 'the Company'), a part of TATA Group, is a global design and technology services company.

Tata Elxsi is amongst the world's leading providers of design and technology services across industries including Automotive, Broadcast, Communications, Healthcare, and Transportation.

Tata Elxsi is helping customers reimagine their products and services through design thinking and the application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality, and Artificial Intelligence.



LEADING

LEADING WITH TECHNOLOGY

Technology leadership allows Tata Elxsi to bring innovative solutions to the market. The Company's vast pool of knowledge has enabled it to work with global leaders in Broadcast, Consumer Electronics, Media and Entertainment, Healthcare, Semiconductor, Telecom and Transportation industries. In collaboration with its customers, the Company has developed innovative products, services, and applications that create consumer delight and drive revenue growth for our customers.

LEADING WITH PRESENCE

Tata Elxsi is headquartered in the silicon valley of India – Bangalore – and operates in the US, Europe, APAC, Middle East, and Africa. The Company also has five nearshore centres across the world in Munich, Philadelphia, Detroit, Barcelona and Kawasaki.

Backed by three rich decades of experience and expertise in design and engineering and deep specialisation across segments, Tata Elxsi has emerged as one of the unparalleled players in service delivery.

LEADING WITH DESIGN

Tata Elxsi brings together a global and diverse team of strategic thinkers, consumer insights experts, award-winning designers, technologists, and digital experts, a network of Design Studios, Innovation Hubs, and Centers of Excellence for Digital technologies, and help enterprises reimagine their products and services - from strategy, insights and service design, to technology implementation, integration, and interaction design.

We do the extraordinary to deliver amazing experiences everywhere on Earth



AUTOMOTIVE

Our wide array of automotive engineering services and solutions help our partners bridge the gap in autonomous driving, electrification, and connectivity.



BROADCAST & MEDIA

Our deep expertise in the vertical helps us provide innovative solutions for enhanced consumer experience, distribution & delivery, and ad monetisation to help our partners offer differentiated solutions by leveraging technologies such as OTT, Connected Devices, Automation, AI, and Analytics to address consumers' changing requirements.



CONSUMER ELECTRONICS

Sustainablity is at the center of our consumer research and product design & strategy, which guides us in developing solutions for digitalisation of home appliances for our customers. Our intelligent energy monitoring systems and circular product designs help consumers choose products that are energy-efficient and sustainable.



HEALTHCARE

Our offerings provide secure connectivity, automation, and data analytics in healthcare to help our partners utilise the best technology to lower their cost of operations and improve process efficiencies.



OFF-HIGHWAY EQUIPMENT

Our C.A.S.E. (Connected – Autonomous – Shared – Electric) solutions for off-highway vehicles help our customers bring cutting-edge technologies to the market and maintain leadership in a fast evolving market.



RAIL

Our services under Passenger Experience, Rolling Stock & Systems, and Digitalisation is helping industry partners to advance with the transformation triggered by technologies. Thereby, helping create new-age experiences.



SEMICONDUCTOR

Our expertise in AI Tools & Frameworks and SDK & Reference Design solutions is helping our partners harness opportunities by adopting hardware platforms in the semiconductor and electronic product market space.



TELECOM

Our services help operators, equipment manufacturers, and eco-system vendors to become more resilient and stay relevant in an era of continuously changing technology.

EMPLOYEES

9,375+

LOCATIONS

35+

We are the preferred design, technology, and innovation partner, creating differentiated products and services that delight customers and drive business growth.

MISSION

Agility - Speed of actions, speed of decision-making
Confidence to take on the world - Thinking big, taking risks
Transparency - Building trust through openness and sharing
Improve Collaboration - We win when we work together
Ownership - Commitment, make it happen, do it well
Nurture continuous learning and growth - Create a learning environment

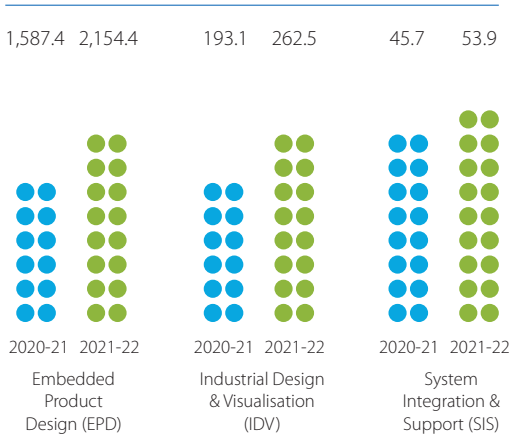
VALUES

PERFORMANCE FOR THE NEXT



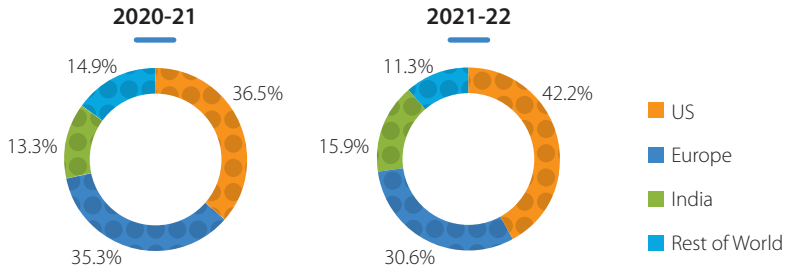
REVENUE BY SEGMENT

(Rs. crores)



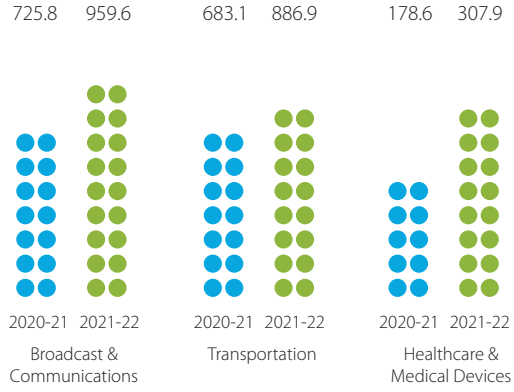
REVENUE BY GEOGRAPHY

(%)



EPD REVENUE BY INDUSTRY

(Rs. crores)



OPERATING REVENUE

Rs. 2470.8 crores

EBITDA*

Rs. 765.7 crores

PROFIT BEFORE TAX

Rs. 745.5 crores

PROFIT AFTER TAX

Rs. 549.7 crores

EBITDA MARGIN

31.0%

EBIT MARGIN

28.8%

PBT MARGIN

29.6%

PAT MARGIN

21.9%

EMBEDDED PRODUCT DESIGN REVENUE GROWTH

35.7%

INDL. DESIGN & VIS.

36.0%

EARNINGS PER SHARE

Rs. 88.26

BOOK VALUE PER SHARE

Rs. 257.1

*Earnings Before Interest, Tax and Depreciation and Amortisation

LEGACY THAT BUILDS THE NEXT

1989
Incorporated on March 30, 1989 as Tata Elxsi (India) Limited

1993
Established a Software Technology Park at its premises near Whitefield, Bangalore

1996
Dedicated Software Development Centre for Hitachi Limited, Japan at Bangalore

1998
Grows to 500 employees, with representative office in USA and Japan and four Design & Development centres in Bangalore

2000
Inagurates Corporate Office at Whitefield in Bangalore

Revenue crosses Rs. 100 crores

First European office in London

2001
New development centre opened at Technopark in Thiruvananthapuram

2005
New development centres opened in Chennai and Pune

Enters South Korean market

2006
Grows to 2,000 employees

2007
PAT crosses Rs. 50 crores

2009
Certified for Automotive SPICE Level 5, the industry standard for automotive software development

2013

Developed ASIL-C compliant Electronic Control Unit (ECU) for Subaru Hybrid Electric Vehicle

Supported Mars Orbiter Mission – Mangalyaan by designing the Data Control Hardware

2016

Crosses Rs. 1,000 crores in revenue

Certified for ISO 9001 : 2015

Certified for ISO/IEC 27001 : 2013

Certified for ISO 13485 : 2016

2017

Wins the Supplier Excellence Award from Jaguar Land Rover

Wins the International iF Design Award 2017 for design excellence

2019

Certified for ISO 45001 : 2018

Certified for TISAX

2020

Wins the International iF Design Award for the Smart Assistive Wearable

2021

Wins OTT TV Technology of the Year Award at the Videotech Innovation Awards

2022

Title Partner for 2022 Bowler Defender Challenge

Revenue crosses Rs. 2,000 crores; PAT crosses Rs. 500 crores

Expands presence in Kerala with a new state-of-the-art campus

DESIGNING THE NEXT SET OF PRODUCTS AND SOLUTIONS

In our fast-paced and dynamic industry, our strategies are focussed on anticipating the short, medium, and long-term evolution of the markets we service, the environment in which we operate, and the new opportunities inside. We create solutions, products, and ecosystems that benefit our clients in a variety of ways.

From making driving safer, more environmentally friendly, and more connected for everyone to enhancing energy efficiency, providing embedded processing solutions that enable connectivity and security, to optimising the consumer viewing experience, we design products and solutions that cater to the needs and expectations of our partners and customers, keeping, today, tomorrow and future in mind.

DESIGNING

AUTOMOTIVE ENGINEERING

- Connected, Autonomous, Shared Mobility, and Electric (CASE)
- Passenger experience
- Vehicle systems
- Automotive software engineering
- eMobility HILS
- TESA - Smart annotation
- TETHER - Connected vehicle platform

APPLIANCES AND CONSUMER ELECTRONICS

- Consumer research and strategy
- Product design
- Digitalisation of home appliances

BROADCAST AND MEDIA

- Consumer experience
- Distribution & delivery
- Ad monetisation
- TEPlay - OTT/IPTV platform
- FalconEye - Test & automation
- iCX - Intelligent customer experience

COMMUNICATION NETWORKS

- Intelligent network operations
- Operations transformation
- Network orchestration
- SDWAN
- SDN services
- Android TV for operators
- RDK

HEALTHCARE SOLUTIONS

- Integrated design and engineering
- Digital and connected health
- Regulatory compliance
- Safety and pharmacovigilance
- TEngage - Omnichannel care simplified

INTEGRATED DIGITAL RAIL SYSTEMS

- Passenger experience
- Rolling stock & systems
- Digitalisation

OFF-HIGHWAY VEHICLES

- Electric Off-highway vehicles
- Autonomous vehicles
- Connected systems

OUR VALUE-CREATION MODEL FOR THE NEXT

INPUTS – INTRODUCING CAPITAL TO CREATE VALUE

FINANCIAL CAPITAL

Includes total paid-up equity capital and free reserves

TOTAL EQUITY CAPITAL
Rs. 1,600.9 crores

INFRASTRUCTURE CAPITAL

Includes offices, operations, administration platforms, technology infrastructure, and execution capabilities.

OFFICE LOCATIONS
35+

COUNTRY PRESENCE
15

SERVICE CAPITAL

Includes design and technology services across Automotive, Broadcast, Communications, Healthcare, and Transportation industries.

- **Research & Strategy** – Investigate, Strategise, Disrupt
- **Design** – Service Design, UX Design, Product Design, Experience Design
- **Engineer** – Software, Hardware, Mechanical and System Engineering
- **Test** – Testing, Validation and Simulation
- **Deploy & Automate** - Intelligent Network Operations, Operations Transformation, Cybersecurity

HUMAN CAPITAL

Comprises our employees, recruiting skilled and motivated people, inspiring and motivating them to grow with us.

NUMBER OF EMPLOYEES
9,376

GENDER DIVERSITY
35%

NATURAL CAPITAL

Encompasses our efforts to conserve the environment by maximising resource usage with limited waste.

OF GHG EMISSIONS BY 2025
50% reduction

BY 2030
CARBON NEUTRAL

SOCIAL CAPITAL

Comprises our investment towards community well-being and our efforts towards nurturing the interest of the key stakeholders associated with us.

CSR SPENDING
Rs. 6.99 crores

SPENT ON CSR
2% of Profit

BENEFICIARIES
35,000+

PROCESSES THAT CREATE VALUE

INTEGRATING DIGITAL, TECHNOLOGY, AND DESIGN

DESIGN-LED ENGINEERING

HELPING CUSTOMERS REIMAGINE THEIR PRODUCTS AND SERVICES THROUGH DESIGN THINKING AND THE APPLICATION OF DIGITAL TECHNOLOGIES

We are the preferred design, technology, and innovation partner, creating differentiated products and services that delight customers and drive business growth.

MISSION

Agility
Confidence to take on the world
Transparency
Improve Collaboration
Ownership
Nurture continuous learning and growth

VALUES

OUTPUT – VALUE CREATED

OUTCOME – IMPACT OF VALUE CREATION

INDUSTRIES SERVED



Automotive

Passenger experience, connected and autonomous, shared and electric



Broadcast & Media

OTT streaming, RDK, Android TV, CPE, QoS, QoE, customer experience



Communications

5G, SDWAN, network transformation, digital transformation



Medical Devices

Product design, system engineering, regulatory compliance



Pharmaceuticals

Clinical trials, packaging and labeling, pharmacovigilance



Rail

Industrial, service design, rolling stock

INVESTORS

We benefit from favourable industry trends in terms of digital transformation. We have increased our profitability, cash flows, and returns by carefully managing our capital, resulting in beneficial returns for our investors.

OPERATING REVENUE GROWTH
35.3%

EBITDA GROWTH
46.6%

PAT GROWTH
49.3%

SHARE PRICE APPRECIATION Y-O-Y
228%

DIVIDEND PAYOUT
Rs. 42.5
per share

EPS
Rs. 88.26

EMPLOYEES

We offer growth opportunities to our co-workers by investing in our people and fostering an environment that allows everyone to achieve their professional ambitions.

GENDER DIVERSITY
35%

EMPLOYEES
7,300+
enrolled in upskilling courses

NET ADDITIONS
27.4%

EMPLOYEES
320+
Undergoing next-generation leadership training

CUSTOMERS

We assist our customers as their trusted partners in simplifying their complicated business problems through our technical products and services, resulting in increased efficiencies and customer satisfaction.

ACTIVE CUSTOMERS
100+
Across the globe

COMMUNITY

We contribute to the community through employment creation, tax revenue contributions and our CSR initiatives.

BENEFICIARIES VIA CSR INITIATIVES
35,000+

Creating the Next

Tata Elxsi believes that differentiation in products and services will be driven by software. Thereby we emphasise on the key role that digital and software will play in this process. In order to establish ourselves as a niche player in advanced technologies with the ability to scale and build efficiencies, we have expanded our portfolio of patents and IP solutions across industry segments. Our investments in IPs such as TEPlay, FalconEye, iCX, QoEtient, and Autonomai testify to our strong focus on delivering digital engineering-led transformation for our clientele.



Tata Elxsi has a dedicated 'patents team', which supports innovators with formalities related to patent filing and IPR management. We also encourage, support, and adopt open innovation in line with the area of business (e.g. AUTOSAR, RDK, ORAN). We also campaign and encourage our employees to participate in group-level ideation and Hackathon.

PATENTS GRANTED

27

PATENTS FILED BY TATA ELXSI

104

As a product design and development company, innovation is integral to our activity. Innov@TE (Innovation at Tata Elxsi) is a structured framework that fosters a culture of innovation by promoting bottom-up ideation, nurturing the idea/ideator, and maturing the concept into a developed solution aligned with our business. A core cross-functional team manages this approach, which drives new product ideas via physical and virtual ideation workshops and hackathons. The innovation programs are built with the client's challenges in mind, and teams are encouraged to tackle these issues by leveraging cutting-edge technology and domain knowledge, resulting in value for the customer and business benefit. The HR reward and recognition policy recognises and rewards key contributions in all such initiatives.

This team also promotes group-level innovation projects within Tata Elxsi, such as Tata Idea and Tata InnoVista. The Innov@TE framework and its activities have been acknowledged by the industry. It has won the renowned Golden Peacock Innovation Management Award 2021 in the area of "Research and Development" as well as the Platinum award at Unfold Vanguard Awards 2022 in the area of "Intrapreneurship Practice."



autonomai

DRIVERLESS CAR PLATFORM

The Autonomai™ platform provides carmakers and Tier 1 automotive suppliers with a comprehensive and modular solution covering perception, GNC and drive-by-wire systems, to quickly build, test and deploy autonomous vehicles

This solution supports sensor fusion with a variety of sensors from cameras to radar and lidar, and leverages sophisticated Artificial Intelligence (AI) and deep learning based algorithms to deliver the complex use-case scenarios expected of driverless cars.

Autonomai also allows rapid region specific adaptation through its pre-integrated validation datasets and AI & deep learning capabilities.

eMobility HILS

LAB-BASED FRAMEWORK FOR VALIDATION OF EV SYSTEMS

eMobility HILS is a go-to platform, where the EV ECUs such as Battery Management Systems (BMS), DC-DC Converters, Chargers and Motor Controllers are validated at both signal level and power level, increasing the test coverage.

iCX

Manage and Monitor CPEs Intelligently

A SAAS-BASED SOLUTION FOR MONITORING AND MANAGING CPE

iCX uses a secure, scalable, and distributed platform designed with the latest device management standards and deep learning algorithms. iCX uses secure protocol to communicate with CPEs deployed worldwide and provides a highly available data path. It can efficiently manage various device types across different middleware platforms such as Android TV, RDK, and proprietary Linux middleware. It is compatible with MSO backend systems via standard REST APIs.

QoEtient

POWERED BY falconeye

A CLOUD-BASED VIDEO DEVOPS PLATFORM

QoEtient is the world's first solution for stream performance optimisation and player/playback testing. It is a non-intrusive agentless automation platform that integrates testing of apps, players, streams, and networks on real devices allowing service providers to examine all components of an E2E pipeline, including apps/video players on end-user devices, for appropriate QoE delivery.

It supports multitudes of OTT devices such as smartphones, tablets, smart TVs, streaming devices (FireTV, AppleTV, Roku, and others), gaming consoles (PlayStation, Xbox), STBs, including 4K devices and Bluetooth remote controls. QoEtient also provides APIs that enable seamless integration into the development and delivery pipelines of video service providers.

TETHER
IoT Platform

AN IOT- BASED CONNECTED VEHICLE PLATFORM

Tether is a vendor agnostic cloud-based IoT platform that enables automotive customers to offer a range of customer-centric and digitally enhanced features, thereby improving user comfort, convenience, and safety.

The platform architecture is based on SOA and microservices approach built using best-in-class design principles. It includes features for security and privacy along with considerations for high availability, resilience, and performance.

It takes advantage of cutting-edge technologies such as cloud computing and big data analytics, and provides off-the-shelf dashboards for insights and actions for vehicle maintenance, accurate real-time vehicle location tracking, driver behavior monitoring, navigation, electric vehicle battery management, and fleet management.

TED REG
Global Regulatory Intelligence Platform

A GLOBAL REGULATORY INTELLIGENCE PLATFORM

An intelligent platform built to aggregate and organise the latest regulatory updates from major regulatory bodies across the globe and provide actionable insights to the manufacturers for new market launches and product sustenance in the existing markets.

TE PLAY
OTT Platform

AN END-TO-END OTT VIDEO DELIVERY PLATFORM

TEPlay is a pre-integrated, highly scalable, secure end-to-end OTT video delivery platform, enabling faster time-to-market, smooth operations, and lasting video experiences.

Built on next-gen micro-services-based architecture, it ensures consistent performance and dynamic scaling with a unified backend system and processes for OpEx optimisation and easy maintenance. TEPlay is designed to bring business value to our customers by driving customer engagement and growth.

TEngage
omnichannel care simplified

A DIGITAL HEALTH PLATFORM DESIGNED FOR OMNICHANNEL CARE

TEngage is a cloud-based health platform for omnichannel care that offers a unified patient experience, and ease of use to patients and healthcare providers. It allows hospitals to implement modules with the required features and keep the deployment and operational cost in check. A HIPAA compliant platform, TEngage supports a variety of third-party tools and can be seamlessly integrated with the organisation's existing IT infrastructure.

Building the Next

With a legacy of success and vision anchored, we endeavour to maximise shareholder values and returns. With a clear focus on developing sustainable technological products and solutions, we believe in delivering sustainable growth and profits. In this pursuit, we strive to create long-term value for our consumers and shareholders.



LONG TERM VALUE-CREATION STAKEHOLDERS

Even as COVID-19 first started to affect our customers worldwide, we pivoted quickly and were supported by our mature offshore delivery capabilities. As a business, we have been focusing on creating sustainable and long-term engagements that allow higher degrees of business predictability and order book. With a commitment of creating superior value for the stakeholders, we continued to execute strongly on both top and bottom line, thereby carrying our momentum from the last fiscal year.

OPERATING REVENUE

Rs. 2,470.8 crores

Up by **35.3%**

EBIT

Rs. 710.4 crores

Up by **48.6%**

PAT

Rs. 549.7 crores

Up by **49.3%**

Our revenues from operations for the year gone by stood at Rs. 2,470.8 crores, translating to a growth of 35.3% year-on-year. The growth was predominantly volume-led, backed by a constant currency growth of 34.3% year-on-year. The PBT for the year stood at Rs. 745.5 crores, registering a growth of 45.6% year-on-year and net profit for the year clocked in at Rs. 549.7 crores, reporting growth of 49.3% year-on-year.



A snapshot of our value creation (in lakhs) is shared in the table below:

(Rs. lakhs)

PARTICULARS	2021-22	2020-21	2019-20
Net profit after tax	54,967	36,812	25,610
Income tax expense	19,582	14,374	9,634
Depreciation and Amortisation	5,534	4,438	4,341
Operating profit before working capital changes	78,945	54,897	36,515
Net cash (used in)/generated from operating activities	48,303	43,739	25,576
Net cash (used in)/generated from investing activities	(10,829)	(43,773)	3,898
Net cash (used in)/generated from financing activities	(32,610)	(12,646)	(12,371)
Cash and cash equivalents at the end of the period	15,111	10,042	22,842

REVENUE
(Rs. crores)



EBITDA
(Rs. crores)



PBT
(Rs. crores)



PAT
(Rs. crores)



EPS
(Rs.)

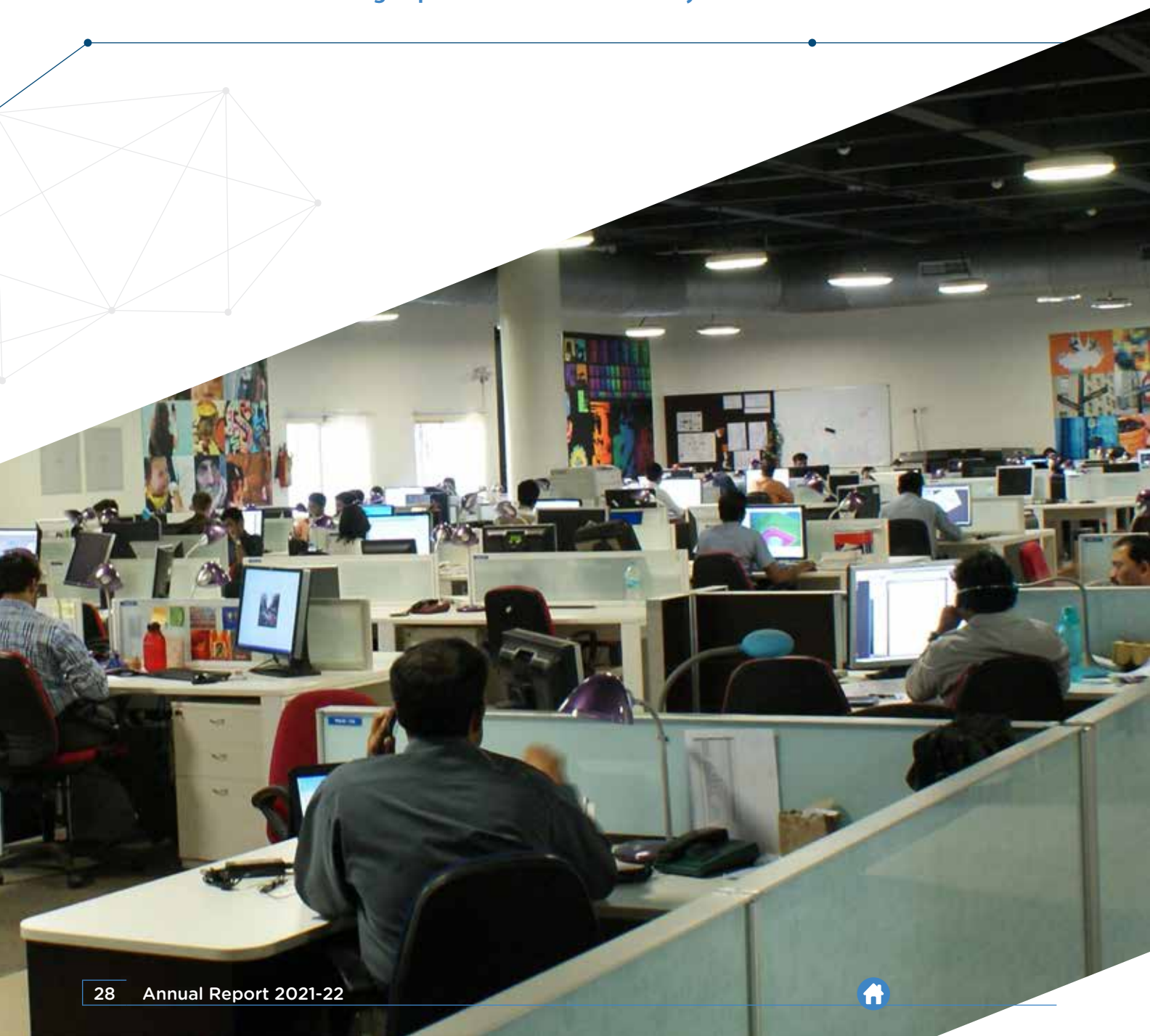






Delivering the Next

To design the next level of technologies, we are constantly investing in upgrading our technologies to enhance our capacities and capabilities. This helps us deliver quality products and services to customers, besides propelling growth for them. Our investment in our manufactured capital ensures the safety and reliability of operations to serve on clients' evolving expectations in a better way.



With significant footprint spread across the globe, we are uniquely placed with our integrated design, technology & engineering teams. Our teams and cutting-edge technologies help enterprises reimagine their products & services, deliver exceptional outcomes for their customers while driving growth for their brands and businesses. Our constant efforts in co-creating smarter workplaces have enabled us in achieving credible growth.

DESIGN STUDIOS
3

R&D CENTRES INDIA
5

OFFICE LOCATIONS
35+

COUNTRY PRESENCE
15



OUR PRESENCE

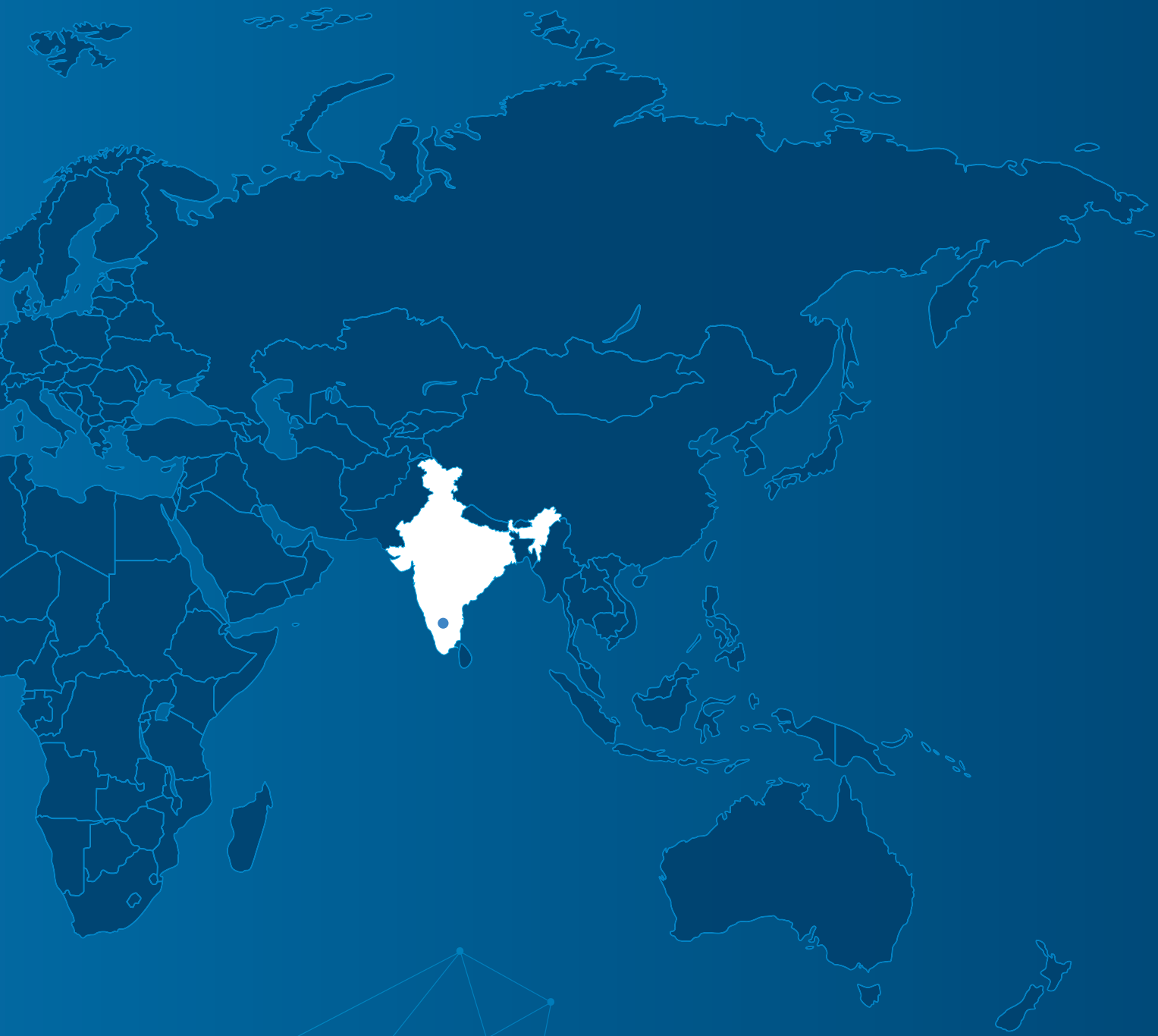


NORTH AMERICA
Canada, Jacksonville, Philadelphia, Santa Clara, Troy

EMEA
Dubai, France, Germany, Ireland, Italy, London Digital Studio, Netherlands, Portugal, South Africa, Spain, UK

APAC
Japan

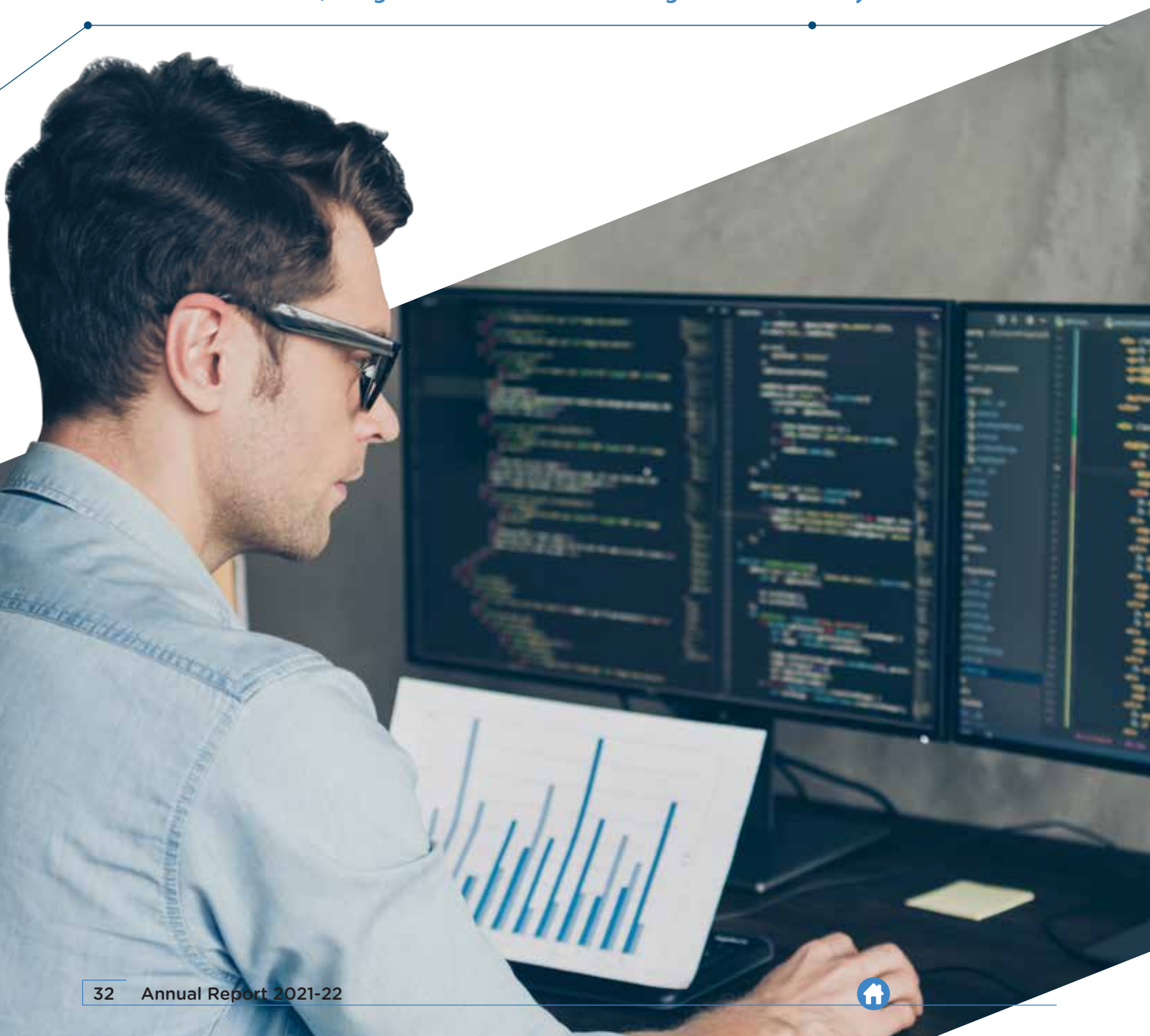
INDIA
Bangalore (HQ), Chennai, Delhi, Hyderabad, Mumbai, Pune, Thiruvananthapuram



This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/ states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

Investing in the Next

We have always endeavored to create a better world that balances the dimensions of art, science, and technology alike. We have always encouraged a workplace culture that embraces and helps create new landscapes, transforms art into science, and uses technology with engineering at the core. This, in our belief, plays a crucial role in encouraging human resources to innovate, imagine and dare to make things work differently.



Our culture nurtures employees by offering them a place to grow and be successful within the Company by providing tools for professional and personal development. Our goal is to provide them with a place that encourages innovation without confining their limits of imagination. The Company works toward creating a learning culture that provides training to match the individual's learning requirements.

TRAINING AT TATA ELXSI

In line with Tata Elxsi's learning culture, we follow a three-step process while planning the training sessions - beginning with in-depth need analysis, finding the best training facilitators and finally identifying the right training methodology for the desired outcome.

Learning has always been the cornerstone of our culture. It is imbibed within each of our employees, whether fresher or seasoned. We believe in the principle of developing talent organically. And so, through our Learning Management Systems, we offer highly personalised learning paths to impart specialised technology training apart from other training support.

NO. OF PERSON-HOURS OF TRAINING IMPARTED

40/CAPITA



PANDEMIC RELATED SHIFT

Due to the shift in working cultures, we saw work-from-home and hybrid cultures practiced in tandem. At Tata Elxsi, we redesigned and re-adapted our working style to embrace this shift. We repurposed our learning programs such that the employees can develop their skills and talent without any hindrance to the workflow in the office environment. These efforts led to the adoption of digital technologies much faster than they otherwise would have. Usage of immersive technologies like AR, VR, and MR across multiple business functions enables remote collaboration and engagement to handle complex tasks.

We introduced many significant advances that have been made in the area of Instructional Design and E-Learning and made them a part of our everyday lives. Learning: Anytime, Anywhere is the cornerstone of our effort to ensure the organisation and its people possess the relevant skills to realise the scale of growth Tata Elxsi envisages.

NO. OF LEARNING MODULES

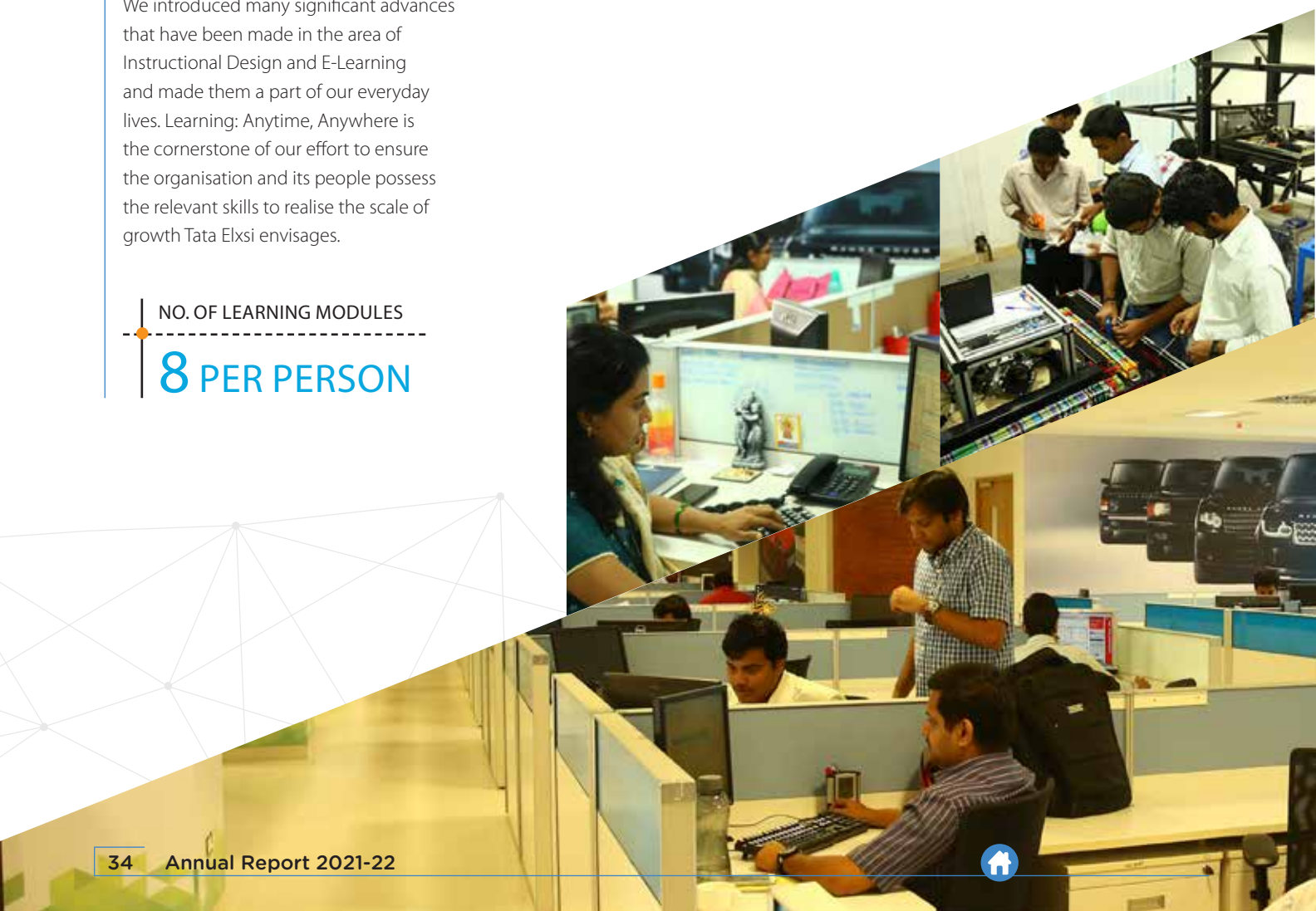
8 PER PERSON

ON-THE-JOB TRAINING

In line with the pandemic-infused transformation around us, we have switched from in-class training to e-learning and on-the-job demonstrations. These provide advantages – ensuring the right exposure through experiential learning to the personnel through engagement and building experiences by identifying opportunities to unlock the innovation potential.

DESIGN THINKING

Adopting a design thinking process can help systematically solve problems creatively and innovatively. Moreover, the application of these human-centered techniques, while taking into account cognitive, strategic, and practical processes, help build experiences. In line with this thought, we have constantly encouraged our employees to bring design thinking into their spectrum to think differently and ideate creative solutions. This will further enable us to continue building a great workplace where employees can pursue their personal and professional goals.

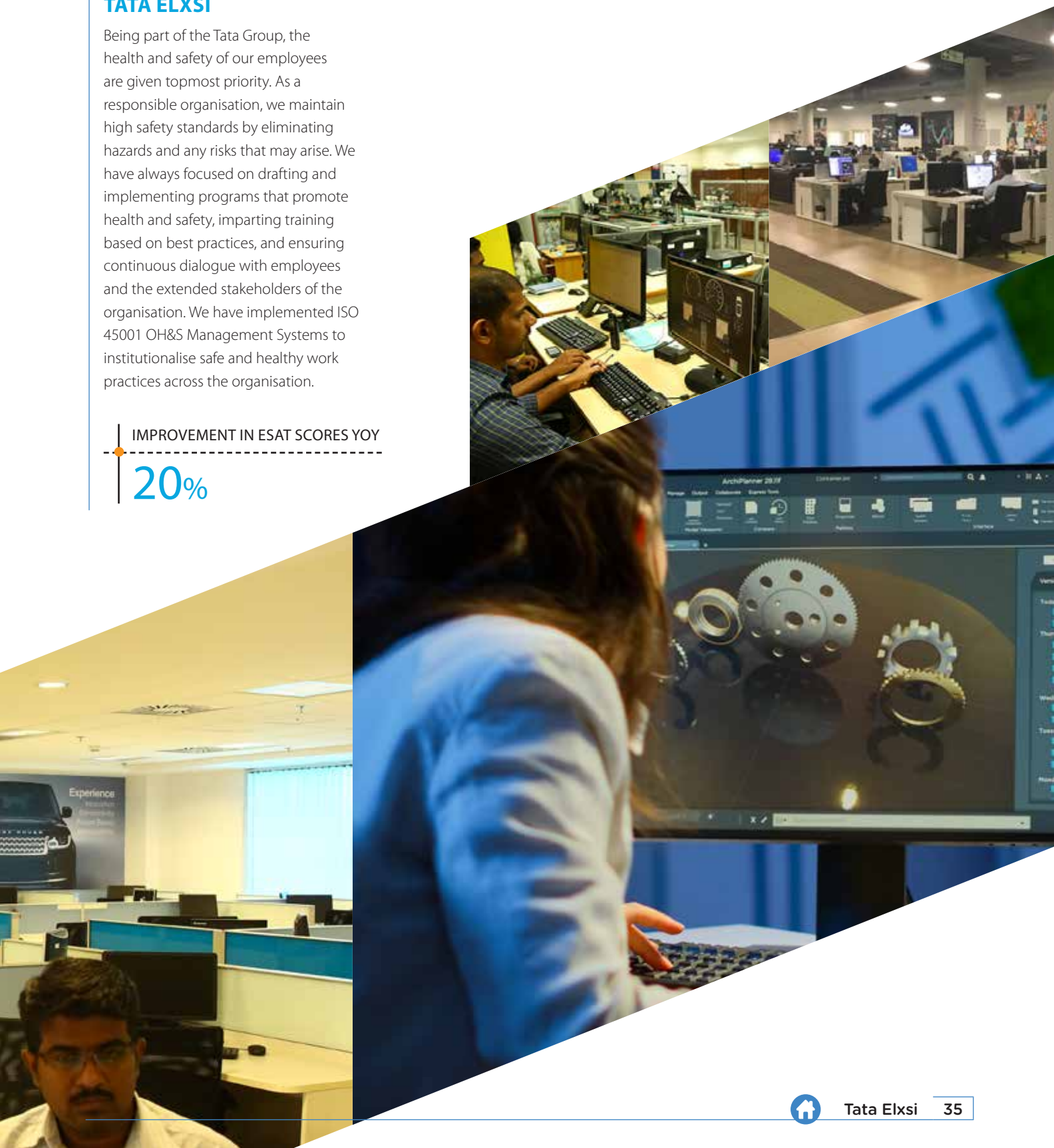


HEALTH AND SAFETY AT TATA ELXSI

Being part of the Tata Group, the health and safety of our employees are given topmost priority. As a responsible organisation, we maintain high safety standards by eliminating hazards and any risks that may arise. We have always focused on drafting and implementing programs that promote health and safety, imparting training based on best practices, and ensuring continuous dialogue with employees and the extended stakeholders of the organisation. We have implemented ISO 45001 OH&S Management Systems to institutionalise safe and healthy work practices across the organisation.

IMPROVEMENT IN ESAT SCORES YOY

20%



Conserving for the Next

We are convinced that achievements are greater when they are collective. We aim to increasingly focus on collaborations with our strategic partners, customers, suppliers, employees, and leading organisations to advance towards sustainability. All our initiatives are intended to support a sustainable future that cares for our generations by giving them a safer environment.



Become
Carbon Neutral
by 2030

Strive to Operate
All our Offices at a
5-star
Energy Efficiency Rating

Become a
ZERO Waste-to-Landfill
Operation by 2025

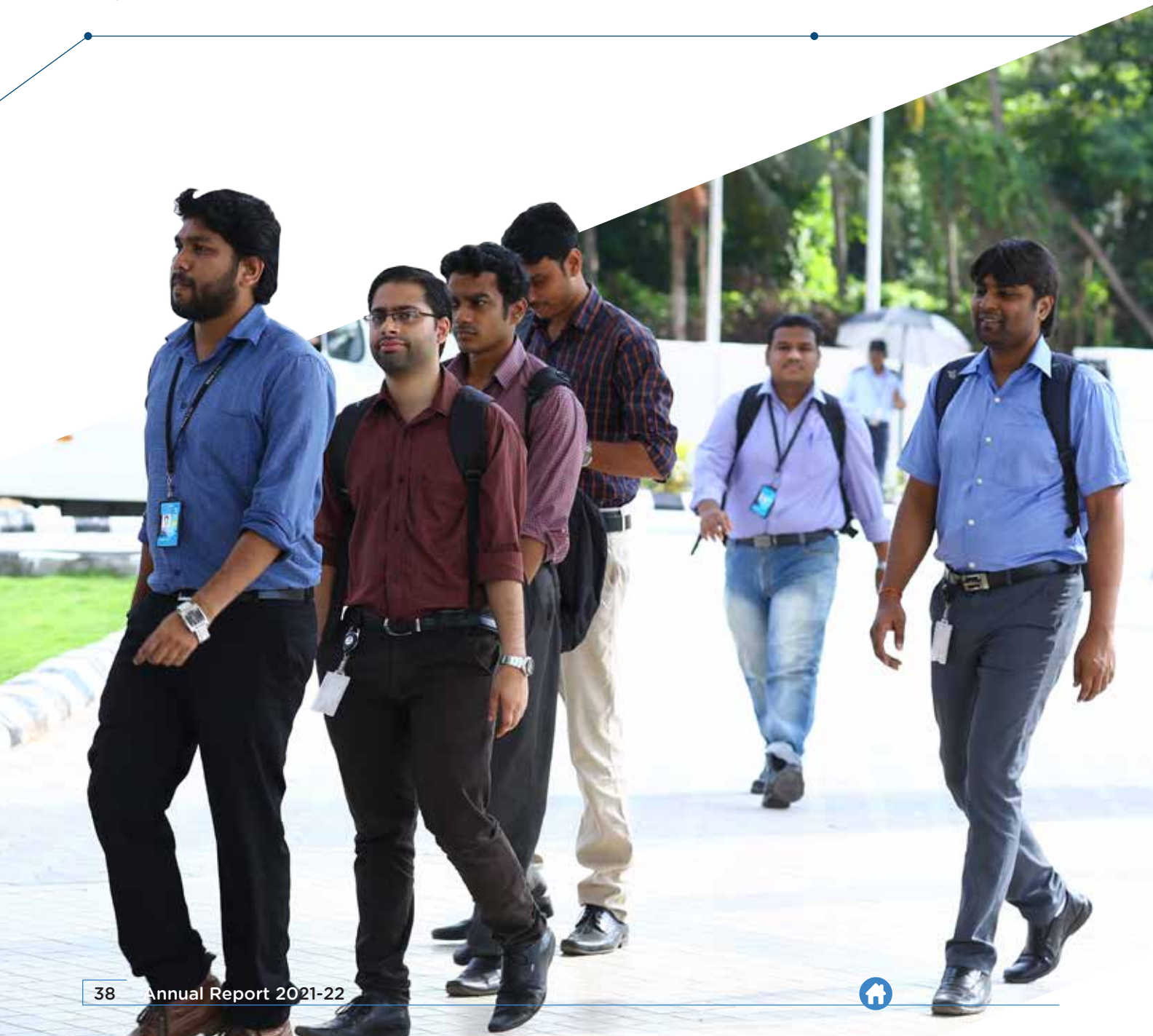
As a responsible corporate citizen, we believe in going beyond what we have already achieved by accelerating our sustainability initiatives. Over the last years, we have crafted our ESG strategy. We have set a target to go carbon neutral by the year 2030. We have developed plans to reduce our energy consumption, increase the share of renewable energy and accelerate awareness of climate change and energy conservation. Being in an industry that continually works towards making tomorrow better, we realise our role in making it safer and sustainable.

We continually strive to improve our environmental footprint by reducing the use of natural resources – water and energy. With a target to become Carbon Neutral by 2030, we are trying to reduce our carbon footprint, enable water availability and generate less waste. In addition, all our offices and establishments are aligned with our energy efficiency targets and have replaced conventional lighting with LED and energy-efficient equipment.



Caring for the Next

The way we engage with the communities and invest in community development reflects our social capital. Our relationship capital entails the effectiveness with which we have built our long-term and trust-based relations with employees, business partners, and customers – indicating the core belief system that we as an organisation resonate with.



COMMUNITIES

SHIKSHA

This program is the broader roof under which we have built other programs enabling education and research. Through our visits to rural schools, orphanages, institutes for special children, slums, and engineering institutes, we closely gauged the need in the communities. To enable the right education, we have undertaken initiatives that aim to impact the lives of 200+ students. Last year, through this program, we sponsored :

- 100 diploma engineering students
- 25 students from the slums and ten orphaned children
- A unique, performance and art-based holistic development center for spastic children which benefits 45 spastics students in Chennai and Bengaluru
- An MSc program for 25 students, including scholarships for the needy ones in conservation practice at ATREE (Ashoka Trust for Research in Ecology and the Environment), the Master's program aims to create a new generation of environmental leaders who will engender change on the ground in the coming decades via participation from corporates, NGOs, government departments, and through research



NIRAMAY

Under this program, we provide financial help that assists in life-saving treatments, primarily related to neuro, heart, and cancer. The program also covers slum and rural clinics that we run for the needy and the infrastructure we create for charitable hospitals. Through Niramay, we aim to help more than 25,000 patients each year. Here is the list of activities undertaken as a part of this program:

- Engagement with Government and charitable hospitals in Bengaluru and Trivandrum to help needy patients
- Operating a set of clinics at a large slum in Bengaluru and mobile clinics at satellite centers
- Sponsored critical devices for the 11-bed ICU for the new advanced trauma care center at Kannigapuram (CMC Vellore)
- Sponsored a gastro-endoscopy suite for Sri Ramakrishna Ashrama Charitable Hospital at Trivandrum
- Upgraded 15 normal beds to ICU beds for Baptist Mission Hospital, Bangalore
- We have started funding IIT Madras for multi-year research, design, and prototyping of an affordable, high-quality hand-neuro-rehabilitation device, a high-performance prosthetic foot, and a motorised version of a standing wheelchair, which have the potential of positively impacting the lives of thousands of physically challenged individuals
- Sponsored medicine for the patients at Karunashraya, a hospice in Bengaluru



EMPLOYEE ASSISTANCE PROGRAMS

SANJEEVANI PORTAL

Sanjeevani is designed to serve as a unified platform for employees and their families. The portal provides ways to discuss health and wellness-related concerns and aims to be interactive and valuable by providing easy access to critical information.

EMPLOYEE HEALTH PLATFORM

Tata Elxsi has signed a corporate membership plan with a premium and award-winning health platform that brings the best healthcare support to employees and their families. Through the plan, employees get unlimited free tele-consultations with doctors from 18 medical specialties.

1TO1HELP

We believe that early intervention can strengthen mental resilience. Our tie-up with 1to1Help aims to provide confidential and unlimited counseling services to all Elxsians and their families who might need some support to overcome stressful times.



ENGAGING TO RESPOND FOR THE NEXT

Our stakeholders include employees, customers, suppliers, investors, organisations, and other entities that have the potential to impact our activities and products. We give utmost priority to managing their expectations while living up to our promises. We believe in maintaining a transparent, honest, and



STAKEHOLDERS

- EMPLOYEES
- CUSTOMERS
- INVESTORS & ANALYSTS
- LOCAL PARTNERS
- NATIONAL & LOCAL AUTHORITIES

open dialogue with our stakeholders. This, in turn, has helped us develop a better and deeper understanding of their interests and expectations. We use these responses to modify our strategies for long-term growth creation.

KEY EXPECTATIONS	ENGAGEMENT CHANNELS
▸ Diversity and richness of experience by engaging with customers from different segments and regions ▸ Exposure to new and latest technologies and processes ▸ Professional and supportive organizational culture	▸ Work opportunities ▸ Learning & development ▸ Rewards & recognitions ▸ Industry-leading policies and practices
▸ Technology expertise and domain knowledge ▸ On-time & high-quality deliveries ▸ Thought leadership	▸ Technology conventions and seminars ▸ Delivery excellence ▸ IPs and competencies
▸ Corporate citizenship ▸ Stakeholder value ▸ Business success	▸ ESG strategy ▸ Transparency in operations ▸ Competitive position
▸ Business sustainability ▸ Social & governance practices	▸ Code of conduct ▸ Sustainability & supplier sustainability policies
▸ Corporate citizenship ▸ Regulatory & legal compliance ▸ CSR ▸ Sustainability practices	▸ Code of conduct ▸ Sustainability policy

IDENTIFYING AND PRIORITISING THE NEXT

Our approach to sustainability is expressed in our code of conduct, corporate policies, and sustainability strategy. At the heart of everything we do in this regard is an unceasing focus on what matters to our stakeholders. We identified the most material topics for our stakeholders and their impacts on our business by carrying out an extensive materiality exercise. For each material topic identified, we define a specific ambition and long-term goal

To better understand the needs and expectations of our stakeholders, in 2021, we conducted a new materiality assessment. This included a comprehensive analysis of industry issues, international standards, peer benchmarks, and broader sustainability megatrends. The outcome, derived thereafter, enabled us to create a pool of the most relevant topics critical to our Company and the stakeholders. We reviewed all topics and consolidated the most important ones into a list of 12.

We used a two-factor approach - impact of a sustainability issue on the Company's business operations and relevance of the sustainability issue to the Company's stakeholders – to prioritise our topics. Following are the prioritised issues mapped against the materiality map, which is used to influence, decide and design our Company's ESG strategy.

EMISSIONS AND CLIMATE CHANGE

- Reduce CO_2 and other GHG emissions to combat climate change by deploying multiple levers like energy efficiency, use of renewable energy, the greening of offices (Green Building Certifications), and minimising business travel
- Prepare for the impact of climate change risks on operations, supply chain, and community to build resilience

COMMUNITY ENGAGEMENT

- Support local communities through CSR programs
- Meaningfully engage employees in community work through corporate volunteering

DATA PRIVACY & SECURITY

- Ensure the safety of all stakeholders' data, customer data, supplier data, organisational knowledge, and employees' data
- Safeguard against cyber attacks and security breaches in an increasingly digital world

WASTE MANAGEMENT

- Handle and dispose off waste generated from operations responsibly by following the 3R principles - Reduce, Reuse, and Recycle

FRESHWATER AVAILABILITY

- Reduce freshwater use by minimising wastage and encouraging wastewater recycling
- Enhance water availability in proximate areas through rainwater harvesting, and groundwater recharge, among others

BIODIVERSITY

- Protect and revive urban biodiversity, especially on large campuses, by promoting indigenous plants and trees and insect, bird, and animal species

DIVERSITY, EQUITY & INCLUSION

- Have a diverse, equitable, and inclusive workplace that provides equal opportunity and attracts diverse thought processes
- Focus on gender, ethnicity, persons with disability, and minorities
- Have a fair share of the local workforce in overseas operations

TALENT MANAGEMENT

- Attracting, developing, and retaining talent in a competitive market

EMPLOYEE WELLBEING, HEALTH & SAFETY

- Focus on physical and psychological health and wellbeing of all employees
- Work-life balance, flexible and remote work possibilities, and a clean, fair, safe, and ergonomic workplace

CORPORATE GOVERNANCE AND CONDUCT

- Board guidance and oversight of ESG risks and performance; Ethical and Transparent business conduct, and Regulatory compliance
- Practices on Anti-bribery and corruption, Anti-competitive behavior
- Conflict of interest management

RESPONSIBLE PROCUREMENT AND SUPPLY CHAINS

- Embedding sustainability criteria in the procurement process
- Choosing products with a low environmental footprint, positive social and environmental impact
- Working with ethical, socially, and environmentally responsible suppliers.
- Engaging with suppliers to assess and enhance their performance on environmental, social (including human rights), and governance parameters

PRODUCT & SERVICE RESPONSIBILITY

- Ensure quality meets customer expectations
- Embed environmental aspects (such as resource conservation and waste elimination) and social aspects (such as low-cost innovation) into product & service development through R&D investments
- Engage in responsible advocacy

SUSTAINABILITY TARGETS



ENVIRONMENTAL

SHARE OF RENEWABLE ENERGY IN TOTAL ELECTRICITY USE (%)

100% BY 2030

ASSESS CLIMATE CHANGE RISKS FOR KEY OFFICE LOCATIONS

100% OF KEY OFFICES BY 2025

SHARE OF WASTE SENT TO LANDFILL

ZERO BY 2025

SHARE OF WASTEWATER RECYCLED

>50% BY 2025

GHG EMISSION INTENSITY (TCO_2E / MUSD)

50% REDUCTION BY 2025

GHG EMISSION REDUCTION (SCOPE 1+2) (TCO_2E PER ANNUM)

CARBON NEUTRAL BY 2030

RATIO OF RAINWATER HARVESTED TO ANNUAL WATER DEMAND (%)

>15% BY 2025

SHARE OF ORGANIC WASTE COMPOSTED

100% BY 2023

SOCIAL

PERCENTAGE OF EMPLOYEES IN THE RELEVANT MANAGEMENT LEVELS TRAINED IN LEADERSHIP SKILLS

100% BY 2025

PERCENTAGE OF WOMEN IN LEADERSHIP POSITIONS

>15% BY 2030

PERCENTAGE OF EMPLOYEES COVERED BY SAFETY TRAINING

100% BY 2023

PERCENTAGE OF PRIORITY SUPPLIERS UNDERGOING SUSTAINABILITY ASSESSMENT

100% BY 2025

SHARE OF SUSTAINABLY SOURCED PRODUCTS AND SERVICES

>10% BY 2030

NO. OF SITES CERTIFIED UNDER ISO 45001

100% BY 2025

PERCENTAGE OF SUPPLIERS SIGNING SUPPLIER CODE OF CONDUCT

100% BY 2023

COVERAGE OF ANTI-DISCRIMINATION/ IMPLICIT BIAS TRAINING

100% BY 2023

PERCENTAGE OF THE WORKFORCE PARTICIPATING IN THE CORPORATE VOLUNTEERING PROGRAM

>10% BY 2025

GOVERNANCE

REGULAR REVIEW OF ESG RISKS BY THE BOARD COMMITTEE

AT LEAST 2 PER YEAR BY 2023

LEADERSHIP FOR THE NEXT



MR. N. GANAPATHY SUBRAMANIAM

Chairman (Non-Independent and Non-Executive)

- Mr. N. Ganapathy Subramaniam is the Chairman (Non-Independent and Non-Executive) of Tata Elxsi Limited since November 2014
- He also serves as the Chief Operating Officer (COO) of TCS since February 2017, prior to taking over the COO's role, he served as the Executive Vice President and Head of TCS Financial Solutions, a strategic business unit of TCS
- He actively participates in banking, technology, and business forums in addition to specific knowledge streams in risk management and Six Sigma orientation
- He brings in-depth knowledge about technology trends, systems, and policies of leading global corporations and international business
- He holds a Masters in Mathematics from University of Madras



MRS. S. GOPINATH

Independent Non-Executive Director

- Mrs. Gopinath retired as Deputy Governor of the Reserve Bank of India, she is also on the Board of various listed and unlisted companies
- She has vast experience in guiding and influencing the national policies in diverse areas of financial sector regulation and supervision, development and regulation of financial markets, capital account management, management of government borrowings, forex reserves management, RBI accounts, and payment and settlement systems
- She holds a Master of Commerce Degree and is a Certified Associate of the Indian Institute of Bankers



MR. SUDHAKAR RAO

Independent Non-Executive Director

- Mr. Rao is a retired Indian Administrative Service (IAS) officer from the 1973 batch
- He acts as the Independent Director for various listed companies, he was conferred with the Kannada Rajyotsava Award, under the Public Service category by the Government of Karnataka
- He has held various senior positions, including Chairman & Managing Director of the Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), Principal Secretary - Finance, Principal Secretary - Home; Principal Secretary to the Chief Minister of Karnataka, Development Commissioner; he also acted as the Chief Secretary of Karnataka until retirement from the government service
- He holds a Master's Degree in Economics from the Delhi School of Economics and a Master's Degree in Public Administration from the Kennedy School of Government, Harvard University



PROF. ANURAG KUMAR

Independent Non-Executive Director

- Prof. Anurag Kumar has been elected Fellow of the IEEE, the Indian National Science Academy (INSA), the Indian National Academy of Engineering (INAE), the Indian Academy of Science (IASc), and The World Academy of Sciences (TWAS); he received the 2015 Vasvik Award for Information Technology, and the 2017 IEI-IEEE Award for Engineering Excellence, he is a recipient of the J.C. Bose National Fellowship, awarded by the Department of Science Technology, for the period 2011-2021
- He has published 200 peer reviewed papers in journals and conferences, in the area of communications networking and distributed systems. He has consulted for government and private organisations, and has mentored a networking start-up from its early years to a global footprint; he was the 1977 President's Gold Medallist in IIT Kanpur
- He hols a B.Tech from IIT Kanpur and a PhD from Cornell University; he was a Member of Technical Staff in AT&T Bell Laboratories, before returning to India and joining the Indian Institute of Science (IISc) as a faculty member in the ECE Department; he became a Professor in 1996, and was the Director of IISc during 2014-2020



MR. ANKUR VERMA

Non-Independent and Non-Executive Director

- Mr. Verma is the Senior Vice President, Chairman's Office at Tata Sons Limited; he is also a Director on the Board of Tata AIA Life Insurance Company Limited, Tata Capital Housing Finance Limited, and Tata Teleservices Limited
- Previously, he was the Managing Director (Investment Banking Division) in Bank of America Merrill Lynch, prior to that, he was the Group Manager & Head, Business Planning in Infosys Technologies Limited - Corporate Planning Group
- He holds a B.E. in Mechanical Engineering and PGDM from IIM, Calcutta; he has around 15 years of experience in Investment Banking, Capital Markets, and Corporate Strategy



MR. MANOJ RAGHAVAN

CEO & Managing Director

- Mr. Manoj Raghavan was appointed as the CEO & MD of Tata Elxsi in October 2019; he has over 25 years of industry experience
- Prior to this he served as the Executive Vice President and Head of the Embedded Product Design (EPD) division, spearheading the sales, overall delivery, and P&L for this division
- He joined Tata Elxsi in 1997 as Regional Manager to set up and grow Japan operations, subsequently, he was also responsible for developing the business in South Korea, Taiwan, Singapore, and China; more recently, he was responsible for the North American business and helped grow the region to become a top revenue earner for the Company
- He holds a B.Tech in Metallurgical Engineering from IIT Madras, an MBA from The Indian Institute of Foreign Trade, New Delhi, and has completed the Advanced Management Program from Harvard Business School

RECOGNITION FOR THE NEXT

- Awarded in all three Product Award Categories for Engineering Service Providers at the NASSCOM Engineering & Innovation Excellence Awards 2021
  - Next-gen Product of the Year: Tata Elxsi's TETHER Connected Vehicle IoT platform
  - Engineered in India Product of the Year: Tata Elxsi's FALCONEYE QoETIENT - Test Automation & Quality-of-Experience monitoring platform for video and OTT
  - Social Impact Solution of the Year: Gazelle, a breakthrough point-of-care diagnostic device for malaria and sickle-cell disease screening developed for Hemex Health



- Ranked in the **Leadership Zone** for **Automotive, Medical Devices, and Telecom** industries in the latest Zinnov Zones for ER&D Services 2021 ratings



- Conferred with the **OTT TV Technology of the Year Award** at the renowned Video Tech Innovation Awards 2021 in London



- Jointly awarded the L&D **Vision and Innovation Award** 2021 with Tata Steel for the Tata Steel Safety Leadership Development Centre at Jamshedpur



NOTICE

Notice is hereby given that the **Thirty-Third Annual General Meeting** of TATA ELXSI LIMITED will be held on **Thursday, June 23, 2022, at 2:30 pm.**, through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) to transact the following businesses:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend of Rs. 42.50 per equity share of Rs. 10 each for the financial year 2021-22.
3. To appoint a Director in place of Mr. Ankur Verma [DIN: 07972892], who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint M/s BSR & Co.LLP, Chartered Accountants (Regn No. 101248W/W–100022) as Statutory Auditors of the Company for a period of five years from the conclusion of this Annual General Meeting up to the conclusion of the 38th Annual General Meeting to be held in the year 2027.

   To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, M/S BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W - 100022) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of thirty-eighth AGM of the Company to be held in the year 2027, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

Special Business

5. **Re-appointment of Mr. Manoj Raghavan as the Chief Executive Officer and Managing Director of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the Company hereby approves the re-appointment of Mr. Manoj Raghavan (DIN:8458315) as the Chief Executive Officer and Managing Director ("CEO & MD") of the Company for a further period of five years with effect from October 02, 2022, up to October 01, 2027, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice of the 33rd AGM, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Manoj Raghavan.

   RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

Bengaluru, April 20, 2022 **By Order of the Board**

Registered Office:
ITPB Road, Whitefield,
Bengaluru - 560 048.
CIN: L85110KA1989PLC009968

Cauveri Sriram
Company Secretary

NOTICE (Contd.)

NOTES:

1. In view of the COVID-19 pandemic and in compliance with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, and Circular No. 33/2020 dated September 28, 2020, and General Circular Nos. 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, and 20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") and the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 33rd AGM of the Company is being held through **VC/OAVM** without the physical presence of members at a common venue. The deemed venue for the 33rd AGM will be the registered office of the Company.
2. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") is annexed. Requisite declarations have been received from Director/s seeking appointment/re-appointment.
3. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM, and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM, participate thereat, and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode thirty minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on a first-come, first-served basis.
5. Members attending the AGM through VC / OAVM shall be counted to reckon the quorum under Section 103 of the Act.
6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 5 of the Notice is annexed hereto. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 5, 2020, the matters of Special Business as appearing in Item No. 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
7. Members desirous of seeking information regarding Accounts of the Company are requested to send their queries to telagm@tataelxsi.com on or before June 15, 2022.
8. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.
9. Register of Members and Transfer Books of the Company will remain closed from **June 17, 2022,** to **June 23, 2022** (both dates inclusive) to determine the shareholders entitled to the Dividend as recommended by the Board of Directors for the year ended March 31, 2022.
10. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made as under:
    i. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on **June 16, 2022.**
    ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on **June 16, 2022.**
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical

NOTICE (Contd.)

form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Transfer Agent TSR Consultants Private Limited (TCPL), for assistance in this regard.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participant with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent – TSR Consultants Private Limited.

13. The Securities and Exchange Board of India, vide its Circulars dated November 3, 2021, and December 14, 2021, has mandated the furnishing of PAN, address with PIN code, E-Mail address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities. Further, if any ONE of the cited documents / details as enunciated in the said circular is NOT registered with Company / RTA, within March 31, 2023, such the folios shall be frozen by the Company / Registrar and Share Transfer Agent of the Company (RTA). The securities held in folios that have no PAN registered against the same/ have invalid PAN registered on our records, as on the notified cut-off date of March 31, 2023, or any other date specified by the CBDT, shall also be frozen.

14. Effective January 1, 2022, Grievance Redressal / Service Requests can be availed with the RTA only after the required documents / complete data as mandated are furnished for physical folios.

15. The formats for Nomination and Updation of KYC details in accordance with the SEBI circular are available on the Company's website at www.tataelxsi.com or https://www.tcplindia.co.in > Investor Services > Downloads > KYC. The duly filled-in Forms may be sent to csg-unit@tcplindia.co.in through the registered e-mail ID of the shareholder or can also be submitted in hard copy to the RTA.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as the name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case they hold the shares in electronic form and to the Company's Registrars and Transfer Agents, TSR Consultants Private Limited for shares held in physical form, with relevant documents that may be required.

17. The SEBI, vide its Circular dated May 13, 2022 has dispensed with the requirement of dispatch of physical copies of the Annual Report. Accordingly, the Notice of the AGM along with the Annual Report 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.tataelxsi.com, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL https://www.evoting.nsdl.com. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: investors@tataelxsi.com.

18. Members who have not claimed/received their dividend paid by the Company in respect of earlier years are requested to write to the Company's Registrar and Transfer Agent, TSR Consultants Private Limited. Members are requested to note that in terms of Section 125 of the Companies Act, 2013, any dividend unpaid/unclaimed for a period of 7 years from the date these first became due for payment is to be transferred to the Central Government to the credit of the Investor Education & Protection Fund (IEPF). The details of the unclaimed dividends and the underlying shares that are liable to be transferred to IEPF are also available at the Company's website – www.tataelxsi.com/IEPF. In view of this, members/ claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members whose unclaimed dividends/ shares

NOTICE (Contd.)

have been transferred to IEPF may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 is available on www.iepf.gov.in

19. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / TSR Consultants Private Limited (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).

20. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source, by email to csg-exemptforms2223@tcplindia.co.in **by 06.00 PM (IST), June 08, 2022.** Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under the tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to nriexemptforms@tataelxsi.com. The aforesaid declarations and documents need to be submitted by the shareholders by 06.00 PM (IST), **June 08, 2022.** For detailed instructions and formats of the Forms and documents to be submitted, please visit https://www.tataelxsi.com/investors/corporate-announcements.

VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

2. The remote e-voting period begins on **June 19, 2022, at 9:00 A.M**. and ends on **June 22, 2022, at 5:00 P.M**. The remote e-voting module shall be disabled by NSDL for voting thereafter

3. The Company has appointed Mr. V Madan, Practicing Company Secretary (CP 21778) as the Scrutiniser to provide facility to the members of the Company to scrutinise the voting at the meeting and remote e-voting process in a fair and transparent manner.

4. The facility for e-voting shall also be made available during the AGM, and Members attending the AGM through VC/OAVM, who have not already cast their vote by remote e-voting, may exercise their right to vote during the AGM through the NSDL portal.

5. The members who have cast their vote by remote e-voting prior to the AGM can also participate through VC/OAVM but shall not be entitled to cast their vote through e-voting again.

6. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

7. The remote e-voting period commences on June 19, 2022 (9:00 am) and ends on June 22, 2022 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **June 16, 2022,** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast a vote again.

The procedure to login to the e-Voting website consists of two steps, as detailed hereunder.

NOTICE (Contd.)

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

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

Pursuant to SEBI circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated December 9, 2021 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility,** please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

NOTICE (Contd.)

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022 23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

NOTICE (Contd.)

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

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

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

NOTICE (Contd.)

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer.tel@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions

1. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.
2. Any person, who acquires shares of the Company and becomes a Member of the Company after mailing of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
3. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the Meeting, thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
4. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tataelxsi.com and on the website of NSDL www.evoting.nsdl.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Process for registration of e-mail id for obtaining Annual Report and User ID/password for e-voting and updation of bank account mandate for receipt of dividend:

i. Shareholders may register their e-mail address or PAN, if not registered with the Depositories (for shares held in electronic form) / Company (for shares held in physical form), on or before 5:00 p.m. (IST) on Wednesday, June 15, 2022, to receive the Notice to the AGM along with Annual Report 21-22, by completing the process as under:
   a. Visit the link https://tcpl.linkintime.co.in/EmailReg/email_register.html
   b. Select "Tata Elxsi Limited" from the dropdown
   c. Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form) / Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile no. and e-mail id.
   d. System will send OTP on mobile no. and e-mail id.
   e. Enter OTP received on mobile no. and e-mail id.

   It may be noted that the above registration is for the purpose of receiving communication related

NOTICE (Contd.)

to the AGM only. Members are requested to liaise with TSR Darashaw Consultants Private Limited or their respective Depository Participants for updation of details.

ii. For updation of Bank details for shares held in physical form, please send a request to the Registrar and Share Transfer Agent of the Company at csg-unit@tcplindia.co.in in accordance with the KYC Forms available at https://www.tcplindia.co.in > Investor Services > Downloads > Forms> Formats for KYC along with the Folio No, Name of the shareholder, scanned copy of the certificate (front and back), selfattested copy of the PAN card, Aadhar and the following details:

   a) Name and Branch of the Bank in which you wish to receive the dividend,
   b) the Bank Account type,
   c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions
   d) 9 digit MICR Code Number, and
   e) 11 digit IFSC Code
   f) a scanned copy of the cancelled cheque bearing the name of the first shareholder

   For shares held in demat form - Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC / OAVM :

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN 119800 for Company's AGM.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in, 1800-222-990 or Ms. Sarita Mote at saritam@nsdl.co.in / + 91 22 24994890 or write to the Company at telagm@tataelxsi.com

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address, mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at telagm@tataelxsi.com **between June 13, 2022, and June 15, 2022.** The facility to express views/ask questions during the AGM shall be restricted only to those members who have pre-registered themselves as speakers. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Bengaluru, April 20, 2022

Registered Office:
ITPB Road, Whitefield,
Bengaluru - 560 048.
CIN: L85110KA1989PLC009968

By Order of the Board

Cauveri Sriram
Company Secretary

NOTICE (Contd.)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the business mentioned at Item Nos. 4 and 5 of the accompanying Notice:

Item No. 4 (Not Mandatory)

At the Annual General Meeting (AGM) held on July 27, 2017, M/s BSR & Co. LLP, Chartered Accountants (Reg No.101248W/W-100022), were appointed as the Statutory Auditors of the Company for a period of five (5) years up to the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2022. Accordingly, M/s BSR & Co, LLP retire at the conclusion of this AGM, pursuant to the provisions of Section 139 of the Companies Act, 2013.

The Board of Directors of the Company, at their meeting held on April 20, 2022, on the recommendation of the Audit Committee, have approved the appointment of M/s BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022), as the Statutory Auditors of the Company for a further period of 5 years from the conclusion of this AGM till the conclusion of the 38th Annual General Meeting (AGM) to be held in the year 2027, subject to approval by the members, at an annual remuneration of Rs. 64 lakhs for the year ending March 31, 2023, plus out of pocket expenses and applicable taxes. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from BSR & Co. LLP and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, BSR & Co. LLP have confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No. 4 of the accompanying Notice of the 33rd AGM. Accordingly, the Board of Directors recommends aforesaid appointment to the members for their approval by way of an Ordinary Resolution as set out in Item No. 4 of the accompanying Notice of the 33rd AGM.

Item No. 5

The Board of Directors, at its meeting held on April 24, 2019, had appointed Mr. Manoj Raghavan as the CEO & Managing Director of the Company for a period of 3 years, from October 02, 2019, to October 01, 2022.

Subsequently, the Members at the Annual General Meeting of the Company held on July 17, 2019, approved the appointment and terms of remuneration of Mr. Manoj Raghavan as the CEO & Managing Director of the Company.

The Board of Directors of the Company, at its meeting dated April 20, 2022, based on the recommendation of the Nomination and Remuneration committee and subject to the approval of the Members, has approved the re-appointment of Mr. Manoj Raghavan as the CEO & Managing Director of the Company for a period of 5 years from October 02, 2022, to October 01, 2027.

A brief profile of Mr. Manoj Raghavan is as follows:

Mr. Manoj Raghavan has been the CEO & Managing Director of Tata Elxsi since October 2019 and has over 25 years of industry experience. Prior to taking over the role of CEO & MD, he served as the Executive Vice President and Head of the Embedded Product Design (EPD) division, spearheading the sales, overall delivery. He joined Tata Elxsi Limited in 1997 as Regional Manager to set up and grow Japan operations.

Subsequently, he was also responsible for developing the business in South Korea, Taiwan, Singapore and China. More recently, Manoj was responsible for the North American business and helped grow the region to become a top revenue earner for the company.

NOTICE (Contd.)

Mr. Manoj Raghavan holds a B.Tech in Metallurgical Engineering from IIT Madras, an MBA from The Indian Institute of Foreign Trade, New Delhi and has completed the Advanced Management Program from Harvard Business School.

The principal terms and conditions of re-appointment of Mr. Manoj Raghavan including the terms of remuneration are given below:

i. **Nature of Duties:** Subject to the supervision and control of the Board of Directors of the Company, the CEO & Managing Director shall be in charge of the affairs of the Company and exercise such functions and powers as shall from time to time be entrusted to him by the Board of Directors.

ii. **Tenure of Appointment:** From October 02, 2022, to October 01, 2027

iii. **Remuneration:** Basic Salary of Rs. 8,71,884 per month, up to a maximum of Rs. 20,00,000 per month with authority to the Board or Committee of Board, on the recommendation of the NRC, to fix the salary within the above maximum amount from time to time. The annual increments, which will be effective April 01 each year, will be decided by the Board, on the recommendation of NRC, and will be merit-based and take into account the Company's overall performance.

iv. **Benefits, Perquisites, and Allowances:**

Details of Benefits, Perquisites, and Allowances are as follows:

i. Rent-free residential accommodation (partly furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g., gas, electricity, and water charges) for the said accommodation or house rent, house maintenance and utility allowances aggregating 85% of the Basic Salary (in case residential accommodation is not provided by the Company).

ii. Hospitalisation and major medical expenses, Car facility and Telecommunication facility as per Rules of the Company.

iii. Other perquisites and allowances subject to a maximum of 55% of the Basic Salary; this shall include medical allowance, leave travel concession / allowance and other allowances / personal accident insurance / club membership fees.

iv. Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

v. Leave and encashment of unavailed leave as per the Rules of the Company.

v. **Commission:** In addition to Salary, Benefits, Perquisites and Allowances, the CEO & Managing Director would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the CEO&MD will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually after the annual accounts have been approved by the Board.

vi. **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the CEO & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay Remuneration by way of salary, incentive remuneration and perquisites & allowances subject to further approvals as may be required.

vii. **Termination:** The appointment of the CEO & Managing Director may be terminated either by the Company or the CEO & Managing Director by giving six months' notice or the Company paying six months remuneration in lieu of such notice.

The employment of the CEO & Managing Director may be terminated by the Company without notice or payment in lieu of notice if (i) he is found guilty of any gross negligence, default or misconduct with or affecting the business of the Company, its subsidiaries or associates, (ii) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance

NOTICE (Contd.)

of any stipulations contained in the terms of his appointment, or (iii) in the event the Board losses confidence in him.

viii. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the CEO & Managing Director.

ix. If at any time the CEO & Managing Director ceases to be the Managing Director of the Company for any cause whatsoever, he shall also cease to be a Director of the Company.

x. The CEO & Managing Director shall not be entitled to supplement his earnings under the agreement with any buying or selling commissions. He shall not also become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company, without prior approval as may be required.

xi. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the CEO & Managing Director, unless specifically provided otherwise.

The Directors recommend the resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company. None of the Directors, KMP and/or their relatives, except Mr. Manoj Raghavan and his relatives are concerned or interested in the resolution set forth in Item 5 of the Notice.

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

Particulars	Mr. Ankur Verma	Mr. Manoj Raghavan
Date of Birth	March 25, 1976	October 16, 1971
Date of appointment	August 01, 2018	October 02, 2019
Qualifications	B.E. in Mechanical Engineering; PGDM from IIM, Calcutta	B. Tech, (Met.) IIT, Madras; MBA, IIFT, New Delhi; Advanced Management Program, Harvard Business School
Expertise in specific functional areas	Investment Banking, Capital Markets Corporate Strategy	IT Industry and General Management
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Tata Teleservices (Maharashtra) Limited 2. Tata Capital Housing Finance Limited 3. Tata Teleservices Limited. 4. Tata Play Limited 5. Tata Autocomp Systems Limited	-
Memberships/Chairmanships of committees of other public companies (Audit Committee and Stakeholders' Relationship Committee considered)	Audit Committee 1. Tata Teleservices (Maharashtra) Limited 2. Tata Teleservices Limited 3. Tata Play Limited 4. Tata Capital Housing Finance Limited	-
Number of shares held in the Company as on March 31, 2022	Nil	2,000

None of the Directors seeking re-appointment are related to any of the other Directors of the Company within the meaning of the term "relative" as per section 2(77) of the Companies Act, 2013.

DIRECTORS' REPORT TO THE MEMBERS

1. Your Directors are pleased to present the Thirty Third Annual Report on the business and operations of the Company along with the Audited Statements of Accounts for the financial year ended March 31, 2022.

2. Result of Operations - Extract

Rs. In crores

	FY 2021-22	FY 2020-21
Revenue from operations	2,471	1,826
Other income(Net)	44	40
Total Income	**2,515**	1,866
Profit before financial expenses, depreciation	810	562
Less: Financial expenses	9	6
Depreciation/ Amortisation	55	44
Profit before tax	**745**	512
Tax expenses	196	144
Profit after tax for the year	**549**	368
Other Comprehensive income	(2)	(3)
Net Profit for the year	**547**	365
Add: Profit brought forward	1,194	942
Less: Dividend	299	103
Transfer to General Reserve	10	10
Balance Profit carried to Balance Sheet	**1,432**	1,194

3. Dividend

Your Directors recommend for your approval, a final dividend of 425% (Rs. 42.50 per share), subject to tax for the year ended March 31, 2022, on 6,22,76,440 equity shares of Rs. 10/- each fully paid-up, compared to 480% (Rs. 48/- per share) on 6,22,76,440 equity shares of Rs. 10/- each fully paid-up in the previous year.

This will involve an outgo of Rs. 264.69 crores, compared to Rs. 298.93 crores, in the previous year.

The Company's Dividend Distribution Policy (DDP) is available in the Investors section of the company website: www.tataelxsi.com/DividendDistributionPolicy

4. Reserves

Your Directors have approved a transfer of Rs. 10 crores to the General Reserves for the year ended March 31, 2022, as against an amount of Rs. 10 crores transferred in the previous year.

5. Review of Operations

The total income during the year under review increased by 34.8% from Rs. 1,866 crores in the previous year to Rs. 2,515 crores. The Profit Before Tax (PBT) was Rs. 745 crores against Rs. 512 crores in the previous year. The Profit After Tax (PAT) was Rs. 547 crores against Rs. 365 crores in the previous year.

6. Management Discussion and Analysis is included as Annexure B to the Directors' Report

Directors and Key Managerial Personnel

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Ankur Verma retires by rotation and being eligible, offers himself for re-appointment.

The Board on the recommendation of the Nomination Remuneration Committee has appointed Mr. Gaurav Bajaj as the Chief Financial Officer and KMP of the Company, with effect from August 01, 2021, in place of Mr. H.V. Muralidharan who superannuated on July 31, 2021.

The Board at the Meeting held on January 18, 2022, on the recommendation of the Nomination Remuneration Committee appointed Ms. Cauveri Sriram as the Company Secretary & Compliance

Officer and KMP of the Company with effect from March 01, 2022, in place of Mr. G. Vaidyanathan who superannuated from the services of the Company on February 28, 2022.

During the year under review, five (5) Board meetings were held and have been well attended by the Directors. The calendar of meetings for the year 2021-22 had been circulated to all the Directors detailing the schedule of Board and Committee meetings during 2021-22.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors' have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). During the year 21-22, there has been no change in the circumstances affecting their status as Independent Directors' of the Company. Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013 the Independent Directors had a separate meeting on April 21, 2021.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2022 are Mr. Manoj Raghavan, M.D and CEO Mr. Gaurav Bajaj, Chief Financial Officer and Ms. Cauveri Sriram, Company Secretary & Compliance Officer.

7. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. In the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanations relating to material departures.

b. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of our state of affairs at the end of the financial year and of our profit and loss for that period.

c. The Directors had taken proper and sufficient care, for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act 2013, for safeguarding the assets and for preventing and detecting fraud and other irregularities.

d. The Directors have prepared the annual accounts on a going concern basis.

e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Particulars on Remuneration

The statement containing particulars of the top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and

DIRECTORS' REPORT TO THE MEMBERS (Contd.)

Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said Statement is also open for inspection at the Registered Office of the Company, up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company Secretary.

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are provided as under:

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Director	Ratio to median remuneration
Mr. N G Subramaniam*	-
Mrs. S. Gopinath	21.33
Mr. Sudhakar Rao	20.78
Prof. Anurag Kumar^	16.78
Mr. Ankur Verma*	-
Executive Directors	
Mr. Manoj Raghavan, MD & CEO	44.44

* In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full-time employment with any other Tata company and hence not stated.

^ Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence not stated

(ii) Percentage increase in the remuneration of the Directors and KMPs for the financial year:

Directors, Managing Director & CEO, Chief Financial Officer and Company Secretary	% increase in the remuneration of Directors/KMP in the Financial year
Mr. N G Subramaniam*	-
Mrs. S. Gopinath	20%
Mr. Sudhakar Rao	39%
Prof. Anurag Kumar^	
Mr. Ankur Verma*	
Mr. Manoj Raghavan, MD & CEO	47%
Mr. Gaurav Bajaj, CFO^	
Ms. Cauveri Sriram, Company Secretary^	

**In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full-time employment with any other Tata company and hence not stated.

^ Since the remuneration is only for part of the year, the ratio of their remuneration to median remuneration and percentage increase in remuneration is not comparable and hence, not stated (ii) Percentage increase in the remuneration of the Directors and KMPs for the financial year.

DIRECTORS' REPORT TO THE MEMBERS (Contd.)

(iii) The percentage increase in the median remuneration of employees in the financial year: 10%

(iv) The number of permanent employees on the rolls of the company: 9,376 (including consultants)

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than the managerial personnel in 2021-22 was 12%.

Percentage increase/(decrease) in the managerial remuneration for the year was 32.50%

(vi) The Company hereby affirms that the remuneration is as per the remuneration policy of the company, which was adopted by the Board and is also laid out in the Charter for the Nomination & Remuneration Committee (NRC). The Policy covers the Policy on remuneration to the Managing Director, Key Managerial Personnel and other officers. The Charter lays down the rights, roles and responsibilities of the NRC. A Policy on Board diversity and Governance Guidelines have also been adopted by the Board, on the recommendation of NRC. The Guidelines lay down the following:

- Composition and Role of the Board (Role of the Chairman, Directors, size of the Board, Managing Director, Executive Director, Non-Executive Directors, Independent Directors, their term, tenure and directorship)
  - Board appointment
  - Directors' Remuneration (Guided by the Remuneration Policy)
  - Subsidiary Oversight
  - Code of Conduct (Managing Director, Executive Director, Non-Executive Directors, Independent Directors)
  - Board effectiveness review
  - Mandate of the Board Committee

The Remuneration Policy and the Charter for NRC are available at www.tataelxsi.com/NRC-Charter

9. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars pursuant to section 134 (m) of the Companies Act, 2013 and read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is attached with this report as Annexure-A.

10. Business Responsibility Report (BRR)

In terms of Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations') the Business Responsibility Report forms part of the Annual Report.

11. Risk Management Policy

The Board has adopted a Risk Management Policy to identify and categorise various risks, implement measures to minimise impact of these risks where it is deemed necessary and possible, and a process to monitor them on a regular basis including to review and monitor the cyber security measure. More details are provided in the Management Discussion and Analysis and Corporate Governance Report.

12. Corporate Social Responsibility

Corporate Social Responsibility (CSR) Committee has been constituted for the purposes of recommending and monitoring the CSR initiatives of the Company.

The Board on the recommendation of CSR Committee adopted a CSR Policy. The same is available on Company's website at www.tataelxsi.com/corporatesocial-responsibility.

The CSR objectives are designed to serve societal, local and national goals in the locations we

operate, create a significant and sustained impact on local communities and provide opportunities for our employees to contribute to these efforts through volunteering.

The Annual Report on the CSR initiatives undertaken by the Company as per the Companies (Corporate Social Responsibilities Policy) Rules, 2014 is annexed as Annexure-B. The detail of the CSR Committee and its composition is given in section-7 of the Corporate Governance Report.

13. Corporate Governance

In terms of Regulation 34(3) and 53(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Corporate Governance Report, Management Discussion & Analysis, and the Auditors' Certificate regarding Compliance to Corporate Governance requirements are part of this Annual Report.

14. Related Party Transactions

All Related Party Transactions that were entered during the financial year were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations.

In terms of Section 188 of the Act and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company had sought the approval of shareholders at the 32nd AGM for transactions with Jaguar Land Rover Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for providing Automotive Design & Engineering support, up to a maximum aggregate value of Rs. 250 crores per year, for each of the financial years 2021-22 and 2022-23.

Further, the limits as approved in the 32nd AGM were revised vide postal ballot dated December 17, 2021 from Rs. 250 crores per annum for each of the financial years 2021-22 and 2022-23, to up to a maximum aggregate value of Rs.325 crores per annum for the financial year 2021-22 and Rs. 450 crores per annum for the financial year 2022-23 for related party transactions with Jaguar Land Rover Limited.

15. Secretarial Audit and Annual Certification

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Jayashree Parthasarathy of M/s Jayashree Parthasarathy & Co, a Company Secretary-in-Practice, was appointed to undertake the Secretarial Audit. The Report of the Secretarial Auditor along with the certificate of non-disqualification of Directors for the year ended March 31, 2022 is annexed to the Directors' Report as Annexure - C.

16. Extract of annual return

In terms of the Companies Act, 2013 as amended, the Annual Return is available on www.tataelxsi.com/AnnualReturn.

17. Prevention of Sexual Harassment

We have zero tolerance for sexual harassment at workplace and have adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints under the above Act. 3 (three) complaints were received by the local Internal Complaints Committee during the year under review, the same has been redressed to the satisfaction of the complainant.

18. Vigil Mechanism

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviour, suspected fraud or violation of the Company's 'Code of Conduct'.

To this effect, the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy interalia provides

DIRECTORS' REPORT TO THE MEMBERS (Contd.)

safeguards against victimisation of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review.

The said policy has been posted on our intranet where all the employees have access. The Company conducts 'Policies Awareness Campaign' regularly for its employees at its various centers and the WBP features in these campaigns.

19. Others

There are no loans, guarantees and investments made by the Company u/s 186 of the Companies Act, 2013 during the year under review. Your Company has neither accepted nor renewed any deposit during the year under review. There are no material changes and commitments affecting the Company's financial position between the end of the financial year to which this financial statement relates and the date of this report.

The Unclaimed Dividend in respect to the financial year 2014-15 is due for remittance to Investors' Education & Protection Fund (IEPF) on August 30, 2022 in terms of Section 125 of the Companies Act, 2013.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has during the year transferred 18,420 equity shares pertaining to those shareholders who have not claimed their dividend for 7 consecutive years since 2014, to the IEPF account on October 22, 2021.

20. Auditors

Members of the Company at the AGM held on July 27, 2017, approved the appointment of M/s BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W - 100022) as the statutory auditors of the Company for a period of 5 years commencing from the conclusion of the 28th AGM, until the conclusion of the 33rd AGM of the Company to be held in 2022.

The Board approved the re-appointment of M/s BSR & Co. LLP, Chartered Accountants based on the recommendations of the Audit Committee and the same is subject to the approval of the Members of the Company.

The necessary resolutions for re-appointments of M/s BSR & Co. LLP form part of the notice convening the 33rd AGM of the Company.

21. Acknowledgements

Your Directors wish to thank employees, customers, partners, suppliers, and above all, our shareholders and investors for their continued support and co-operation.

For and on behalf of the Board

N. G. Subramaniam
Chairman

Bengaluru, April 20, 2022

ANNUAL AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

The Company has adopted a Code of Conduct for all its employees, including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors, both these codes are available on the Company's website (www.tataelxsi.com).

I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended March 31, 2022.

Place: Bangalore
Date: April 20, 2022

Manoj Raghavan
Managing Director

ANNEXURE "A" TO DIRECTORS' REPORT

Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

1. Conservation of Energy

At Tata Elxsi, energy management and conservation are of paramount importance.

The Company has constantly endeavored to improve its energy management through optimisation of usage. Some of the key initiatives undertaken by the Company include:

- Investing in technology to monitor and control power consumptions of Air Conditioners (ACs) and other electrical equipment across our offices. In addition, we have installed energy efficient light bulbs, motion sensors for lighting controls, while also using technology to switch off computer monitors amongst other initiatives.
- Ensuring that emissions and waste generated are well within permissible limits set by the State Pollution Control Board (SPCB).
- Ensuring compliance to a comprehensive safety policy and procedures to create a conducive office environment, while treating employee safety as paramount. Regular trainings are imparted to monitor their safety on an ongoing basis.
- Preventing wasteful use of natural resources, particularly concerning the emission of greenhouse gases, consumption of water and energy, and management of waste and hazardous materials have been key enablers in our journey of environmental stewardship.

A critical review of all our approaches is being undertaken towards energy and environmental conservation to enable identification and setting up of goals, with suitable action plans from long-term standpoint.

2. Technology Absorption, Adaption, and Innovation

We have always believed that proactively imparting various learning and development initiatives to employees, could go a long way in nurturing talent and building leaders. It could further help us gain and retain top talent, increase job satisfaction, enhance employee morale and boost their performance, amid several other benefits.

In line with this thought, the Company undertakes various initiatives that allows employees to acquire new skills, sharpen existing skills and perform better by using new methodologies to impart training. In turn, nurturing better leaders at various levels.

These programmes also help prepare design and engineering teams for upcoming projects in terms of delivery capabilities and capacities. The outcomes of these programmes also enable us to showcase our capabilities to potential customers without violating confidentiality of work being executed for existing customers, within the same domain. Besides, certain other programmes are also developed to create reusable software components and frameworks. These have been developed in line with the potential that they have to generate future revenue streams through commercialisation and licensing.

R&D Activities and Expenditure

During the year, we invested 1.45% of revenue towards in-house R&D projects. We intend to continue investing in technology IP development, especially in those related to automotive, broadcast and communication.

Expenditure incurred in the R&D centers and innovation centers during 2021-22 are given below:

i. Capital: Nil
ii. Recurring: Rs. 36.42 crores
iii. Total: Rs. 36.42 crores
iv. Total R&D expenditure as a total percentage of turnover: 1.45%

3. Foreign Exchange earnings and outgo

Export revenue constituted 84% of the total revenue in financial year 2021-22

	(Rs. In crores)
Foreign exchange earnings	2,076.30
CIF Value of imports	52.58
Expenditure in foreign currency	646.05

For and on behalf of the Board

N. G. Subramaniam
Chairman

Bengaluru, April 20, 2022

ANNEXURE "B" TO DIRECTORS' REPORT

Management discussion and analysis



GLOBAL ECONOMIC OVERVIEW

The global economy is marching towards progression after almost two years of several lockdowns across countries and numerous macro-economic policy upgrades across economies. Driven by continued progress in terms of global vaccination efforts, and appropriate and timely macro-economic policies, the post-recession growth pace now stands at the highest ever, as observed in the last 80 years. The pandemic's continued grip is still a concern but there is cautious hope as well. The International Monetary Fund (IMF) has projected the global economy to having grown by 5.9% in CY 2021, following a 3.1% contraction in CY 2020.

With the implementation of near-zero interest rate policies, the first half of CY 2021 witnessed gradual improvement in economic conditions. We are now witnessing gradual withdrawal of expansionary monetary policies by the world's leading central banks. However, the progress is hampered by increased fuel prices and supply disruptions. This has resulted in higher and more broad-based inflation than anticipated, notably in the US, several emerging markets, and developing economies.

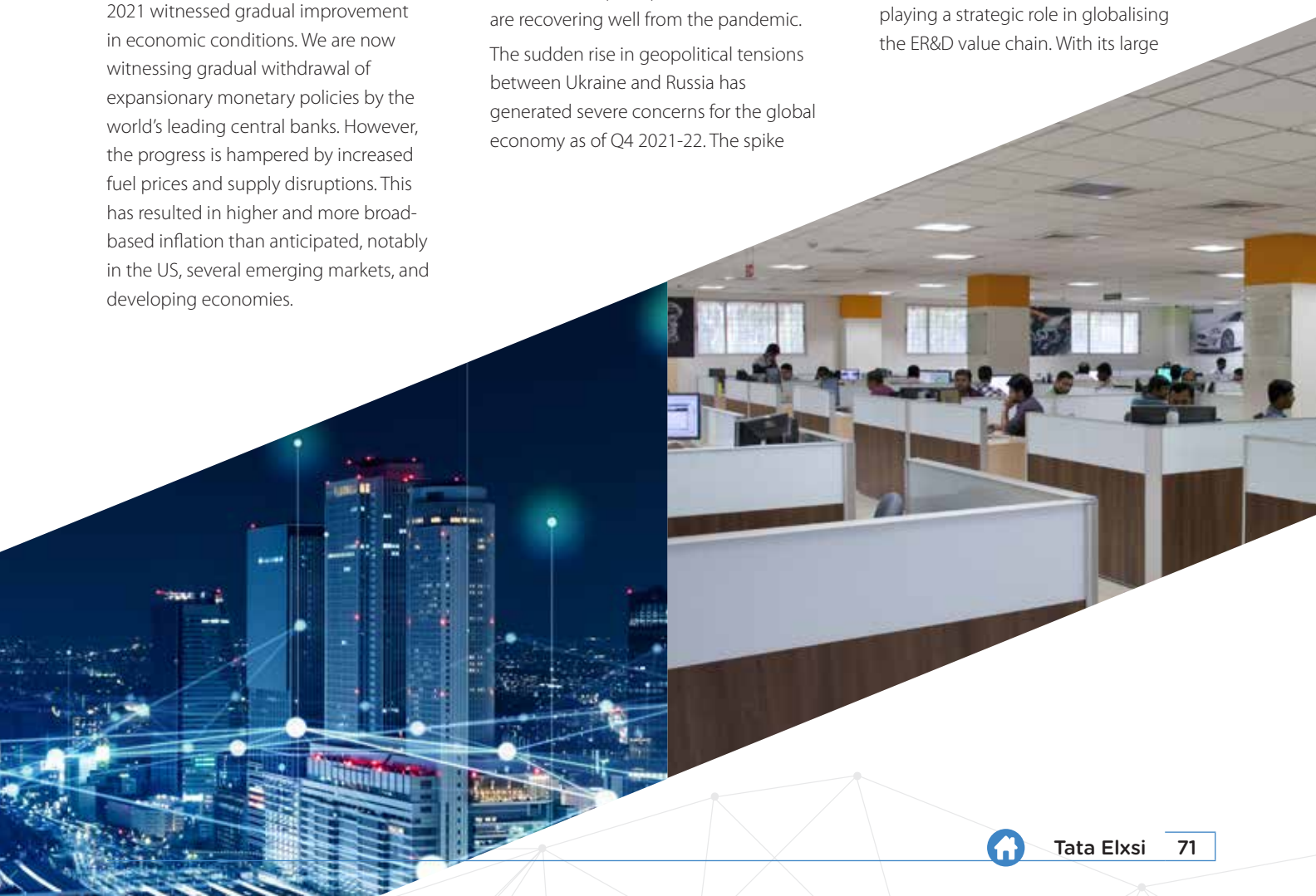
Amid the pandemic, global economy witnessed growth in demand in the field of telecom, broadcasting, and various digital media because of restricted mobility. Tata Elxsi has prepared itself to cater to the growing demand for various technology and integrated services in a post pandemic world. Further, the Company, over the years has invested and built strong capabilities in advanced technology areas related to digital healthcare, Artificial Intelligence/ Machine Learning, OTT and new media solutions, electric vehicles, automated driving/ advanced driver assistance systems and many more, and is therefore well poised to address evolving connectivity, healthcare and mobility needs of the world. The primary markets for Tata Elxsi remain developed economies of US, mainland Europe, Japan and APAC, which are recovering well from the pandemic.

The sudden rise in geopolitical tensions between Ukraine and Russia has generated severe concerns for the global economy as of Q4 2021-22. The spike in crude oil prices directly impacts sales numbers for the automobile industry. This has also created supply chain issues for certain commodities and components due to soaring raw material prices. However, other industries like healthcare, broadcasting and communications are likely to experience minimal impact from the outbreak of current geopolitical tension. It should be highlighted here that the Company does not provide any services in Russia and Ukraine, so any direct impact on the Company's business line is not likely.

INDUSTRY OVERVIEW

ENGINEERING RESEARCH AND DEVELOPMENT (ER&D)

Over last couple of decades, India has established itself as the premier location for offshoring of ER&D services, thus playing a strategic role in globalising the ER&D value chain. With its large



resource pool, India has an edge in addressing the opportunities and demands emerging from the offshore ER&D service market. With a 10-15% market share, the country is gradually establishing itself as an engineering and design centre for automobiles, aerospace, consumer electronics, machinery, and semiconductors. According to NASSCOM, India's contribution to the global ER&D market is predicted to increase from US$ 31 Billion in CY 2019 to US$ 63 Billion by CY 2025 at a CAGR of 12-13%. Of this, it is expected that Indian ER&D service provider's market would be witnessing at an impressive CAGR of around 17%.

According to Zinnov and JP Morgan estimates, the Indian ER&D offshoring market is expected to increase from US$ 36 Billion in 2020-21 to US$ 117 Billion in 2030-31. Correspondingly, the share of Indian ER&D service providers is expected to increase from US$ 16 Billion in 2020-21 to US$ 58 Billion in 2030-31. This corresponds to more than 13% CAGR for the 10-year period.

INDIAN ER&D SERVICE PROVIDER'S MARKET, US$ BILLION

(US$ BILLION)



Source: India ER&D Services by JP Morgan Asia Pacific Equity Research

Tata Elxsi provides various ER&D services for Transportation, Media & Broadcasting and Healthcare verticals, which benefits from the current upcycle in ER&D spend. The Company offers its services to high demand markets like US and European countries – generating almost 75% of its revenue from these geographies.

THE INDIA CONTEXT

India, which is the base of our offshore delivery centres, holds an important place in our company operations. The diverse and young engineering workforce of India supports our growth initiatives across the world. Also, as a growing market, it offers us an opportunity to tap into the India growth story.

In 2021-22, the Indian Rupee witnessed moderate devaluation over key foreign currencies of countries where Tata Elxsi operates, and this has helped us in mitigating some of the effects of cost inflation.

The resource constraints that the Indian IT industry is facing has had an impact on Tata Elxsi as well, but it was somewhat lesser than that on other market players. We expect the resource constraints to continue for some time and are taking all the necessary measures to mitigate its impact on our operations.

AUTOMOTIVE INDUSTRY

Following a challenging CY 2020, new passenger car sales in largest car markets in the world has rebounded by a modest 3.9% in CY 2021, and the market is yet to see yearly sales recover to CY 2019 levels. However, according to a report published by Deloitte, the global demand for new electric vehicles (EVs) is expected to grow from 2.5 Million units in CY 2020 to 31.1 Million by CY 2030. It is expected that going forward, growth in passenger vehicles would be primarily contributed by EV sales. It is expected that with a gradual shift to electric vehicles in the coming years, the adoption of automated driving/ advanced driver assistance systems, in-car infotainment systems and other related technologies would also witness strong growth.

It is expected that in subsequent years there would be increasing proliferation of predictive technologies in the automotive sector – a set of vehicle technologies that incorporate predictive analytics with the use of both real-time and historical data. This would be driven by maturing of ML/AI, and would help fulfil consumer expectations for personalised and enhanced experience.

Increasingly, proliferation of digital technology is also driving steady shifts in the automotive industry. The outbreak of the COVID-19 pandemic instrumented growing interest in virtual reality technology. To start with, VR technology is already offering virtual showroom tours, test drives, and 360° views of vehicle interiors for an immersive experience.

The Company has built strong capabilities in providing services and solutions for CASE megatrends in the automotive industry – Connected, Autonomous, Shared and Electric. The Company endeavours to help its customers develop and deliver next-generation mobility by offering an futuristic and intuitive passenger experience for their growing customer base. To cater to the increasing



need for digitalisation in the automotive sector, the Company provides various software development services, with strong capabilities in AUTOSAR, ADAS, V2X, digital cockpit and other related technologies.

MEDIA, BROADCAST AND COMMUNICATIONS

The adverse impact of pandemic on the global Media and Communications industry has been relatively less owing to surge in data and communication services availed during lockdowns. This surge can be attributed to substantial demand for digital channels for business, education, entertainment, information, as well as services to stay in touch with family and friends. In combination with the work from home (WFH) model adopted by many sectors globally, there has been a renewed emphasis on importance of the offerings that media companies and communications service providers (CSPs) deliver.

According to Grand View Research, in CY 2021, the global telecom services market was roughly worth US$ 1,708 Billion. It is estimated to record a CAGR of 5.4% from CY 2021 to CY 2028. Drivers for the market expansion include increasing demand for high-speed connectivity, explosive growth in consumer generated multimedia content for OTT applications, and growing number of mobile users. It is expected that digitalisation of all aspects of economy including manufacturing would gain even more traction in coming years, which would be aided by widespread adoption of IoT and 5G. Over the Top (OTT) platforms also witnessed a rise in demand, accelerated by temporary shutdowns of multiplexes and amusement zones due to pandemic-related concerns. The OTT market is currently valued at US$ 44.5 Billion and is expected to reach US$ 139 Billion in CY 2028, with a CAGR of 17.7%. With better cloud streaming services, and production companies opting for online streaming channels over traditional broadcasting, the market is likely to drive investments in OTT and software-based network architecture for managing high traffic and network loads.

The Company has a very strong presence in this vertical by virtue of its time-tested engagements with leading broadcast and cable companies. The Company has products and services across the value chain helping its customers offer services with enhanced experience, distribution and delivery with better QoS, and ad monetisation. Tata Elxsi has developed and deployed various solutions like TEPlay – an OTT/IPTV platform, QoEtient– an agentless test and automation platform for video quality of experience, and iCX for management and monitoring of customer premises equipment (CPE) like set-top boxes and gateways.



HEALTHCARE

CY 2021 witnessed the global healthcare industry move at an accelerated pace towards digitalisation, with Covid-19 serving as an inflexion point for digital transformation across the healthcare ecosystem. Digital technologies and the data they generate are being increasingly used by health professionals, policymakers and individuals worldwide to improve health and well-being. The field of digital health includes a growing range of tools and approaches, from digital health records, smartphone apps, and video consultations with health workers to artificial intelligence and virtual reality. Transforming the patient experience value chain has now become a top priority for healthcare providers.

Adoption of new technologies are bringing rapid shifts in digital healthcare services. These include incorporating

intelligence in products to facilitate predictive diagnostics and early detection, enabling remote patient care in therapeutic areas like cardiovascular and diabetes, and applying advanced analytics for key insights and better decision making.

Medical device companies are working to adopt device platforms that help collect and analyse real-world data. With the help of this data, these companies are targeting to improve device efficiency while offering value-based care. The industry is moving towards more secure devices to facilitate remote monitoring in the post-pandemic era. Companies are further looking to make more customer-centric products by identifying evolving and emerging industry requirements. Additionally, patient centricity will also enable manufacturers to better understand purchasing patterns, outcomes, and risk profiles.

Over the years, medical device, pharmaceutical, and healthcare industries have all expedited their adoption of digital technologies due to highly competitive marketplaces and dynamic business requirements.

Considering the trends in Global ER&D expenditures towards the healthcare sector, there is an anticipation of higher investments in the sector, going ahead. The digital health market itself is expected to grow to more than US$ 400 Billion by CY 2025.

Tata Elxsi, with more than 20 years of experience in design led development, has offered cutting edge solutions for helping global companies streamline existing processes for improved efficiency, and create new business opportunities and revenue streams. Tata Elsi's TEngage is a scalable, cloud-first digital health platform for omnichannel care that allows hospitals and healthcare providers to offer multimodal touchpoints throughout the patient journey. TEDREG, a yet another innovation of Tata Elxsi, is a regulatory intelligence platform which provides actionable insights to the manufacturers for new market launches and product sustenance.

BUSINESS ANALYSIS

Tata Elxsi is amongst the world's leading design and technology services providers in the chosen verticals of transportation, media, communications and healthcare. The Company reported operating revenues of Rs. 2,470 crores in 2021-22, an increase of 35% year on year (YoY). This growth was mostly volume-led with constant currency growth of 34% YoY. Our operating profit (EBITDA) was Rs. 766 crores, up 47% YoY, with EBITDA margins of 31.0%, up 240 bps. Profit before tax stood at Rs. 745 crores, up 46% YoY. The Company's net profit for the year was registered at Rs. 549.7 crores, up 49% YoY.

The onsite-offshore revenue mix also shifted this year, with the off-shore share at 74.5%. This showcased the Company's mature and proven offshore delivery processes and project management capabilities even in tough situations when global travel was severely restricted.

During the year, the Company hired a net of 2014 new employees and saw its attrition rate remain stable for 2021-22. This relatively low attrition rate was possible because of the Company's initiatives to provide a healthy working environment while maintaining work-life balance. Our employee friendly policies which take care of employee growth and their well-being brings a sense of belongingness and results in high level of employee engagement.

In line with our strategic intent, the customer revenue concentration from our top 10 clients was reported at 46.5%, dropping marginally from 46.8% a year ago. Our geographical revenue contribution continues to remain diversified in line with our plan, with the US contributing 42%, Europe 31% and India 16% as against 37%, 35% and 13%, respectively, clocked in 2020-21.

Our operations are classified into two business divisions, i.e., software development and services and systems integration and support.

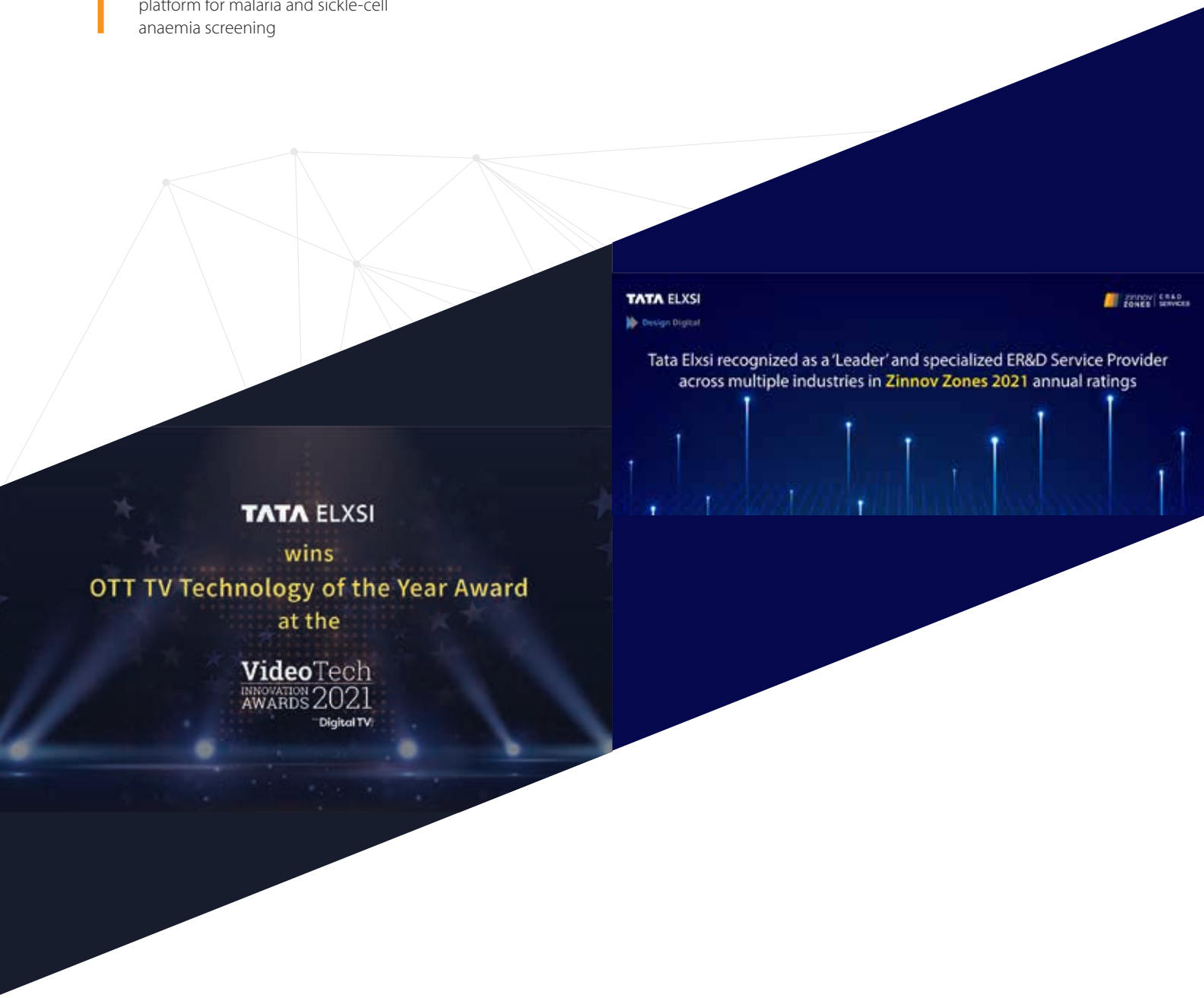
SOFTWARE DEVELOPMENT AND SERVICES

Tata Elxsi' software development services division provides design led technology and engineering services. The four segments under this division are transportation, media and broadcast, healthcare and industrial design. During 2021-22, the Software Development and Services division generated Rs. 2,421 crores in revenues, registering a growth of 35.9% YoY. The division's growth was broad based across transportation, broadcast & communications, and healthcare deals.

During the course of the year, services and offerings of Tata Elxsi was well recognised by both analyst and business community. NASSCOM, under Engineering and Innovation Excellence Awards 2021, recognised Tata Elxsi in the following three categories:

- **Next-gen Product of the Year**: Cloud based connected vehicle IoT platform, Tether
- **Engineered in India Product of the Year**: FalconEye QoEtient, a proactive Quality-of-Experience improvement platform that enables telcos and content owners to improve streaming performance of video content
- **Social Impact Solution of the Year**: Gazelle, a portable and easy to use point-of-care diagnostic platform for malaria and sickle-cell anaemia screening

Tata Elxsi was recognised as a 'Leader and Specialised ER&D Service Provider' across all our key industry verticals in the Zinnov Zones 2021 annual ratings. We were also ranked as leaders in the automotive, medical devices and telecom industries. Tata Elxsi has positioned itself in the leadership zone for advanced driver-assistance systems (ADAS) and OTT technologies. The Company also won the OTT TV technology of the Year Award at the VideoTech Innovation Awards, 2021.



TRANSPORTATION

The Transportation vertical posted strong growth of 29% YoY, generating Rs. 887 crores which is 36% of Tata Elxsi's operating revenue.

This growth was a result of our diversified business outlook with focus on adjacencies in the off-road (including agriculture, construction equipment and mining) and rail industries, accelerated customer acquisition, and diversification strategies to de-risk revenue dependency from customers, segments, and regions. In the passenger car and commercial vehicle segments, the growth was secular across autonomous and connected technologies, infotainment, connectivity and security and electric vehicle platforms with both original equipment manufacturers (OEMs) and suppliers.



Our automotive engineering business is well poised to address the emerging opportunities from the ecosystem transformation in the sector, allowing Tata Elxsi to actively engage with its customers to drive projects around Autonomous Driving (AD), ADAS (Advanced Driver Assistance Systems), electrification projects and digitalisation. We are actively engaged with some of the world's best known automotive OEMs and suppliers for the development and deployment of future mobility.

The Company is actively engaged with leading car manufacturers and suppliers to design and develop software and solutions for powertrain, infotainment, AD (Autonomous Driving) and ADAS (Advanced Driver Assistance Systems) and other related areas. Tata Elxsi' design led approach is proving to be a great differentiator for our services. We were awarded a 'Design Digital' deal by a leading Japanese OEM for development of next-gen HMI for infotainment and in-cockpit interface for their range of vehicles. This engagement encompasses design-led approach from consumer research to design strategy, HMI design and implementation. Our efforts to expand in adjacencies is also showing good results. During the year, Tata Elxsi was selected by a world-leading systems supplier for development of autonomous driving platform for commercial vehicles.

The Company also has invested in developing a leading Connected Vehicle Platform (CVP) called Tether. It is a cloud-based Internet of Things (IoT) data platform that enables automotive customers to offer a range of customer-centric and digitally enhanced features. CVP takes advantage of cutting-edge technologies such as cloud computing and big data analytics, and provides off-the-shelf dashboards for insights and actions for vehicle maintenance, accurate real-time vehicle location tracking, driver behaviour monitoring, navigation, electric vehicle battery management, and fleet management etc.

MEDIA, BROADCAST AND COMMUNICATIONS

Media, broadcast and communications, was a major contributor to our Company's revenue, accounted for 39% of Tata Elxsi operating revenues. Total revenue generated from the segment stood at Rs. 960 crores, reporting a growth of 32% compared to the 2020-21.

Digitisation has worked to redefine customer expectations. It has changed audiences' preferences from television to digital, accelerating the adoption of 'Entertainment on the Go' and demand for 'complete viewer experiences' across all platforms. Broadcasters and operators are now integrating capabilities like over-the-top (OTT) platforms, connected devices, Artificial Intelligence (AI), and analytics to meet consumers' changing needs.

Services provided under media, broadcast and communications include multi-play services to optimise the viewing experience, ensuring technology-led transformation for comprehensive lifecycle management of services, and Adtech services to provide high-performance advertising solutions.

During the year, the Company has won several deals from new customers in the segment. Also, it was awarded a 3-year US$ 20 Million deal by a leading global MSO to support and manage its

network operations across data, mobile and video service delivery. Another notable deal was the selection of Tata Elxsi as the platform provider and system integrator for a multi-region Android TV launch for a leading US based operator. We were also selected to deploy iCX, our award-winning Software as a Service (SaaS)-based customer experience platform, for a leading global telecom operator across multiple countries. These representative engagements show our capabilities across the media, broadcast and communication segment in multiple geographies. Company's flagship product for proactive video quality of experience (QoE) improvement, QoEtient, won the OTT TV Technology of the Year Award at the renowned VideoTech Innovation Awards 2021.

HEALTHCARE

The healthcare segment contributed 12.5% to total revenues and grew by 72% compared to 2020-21. It contributed Rs. 308 crores to the overall revenues of the Company.

As the healthcare segment is getting digitalised, more and more data is getting generated, in turn helping healthcare providers with a holistic perspective of health and well-being, allowing people more control over their health. Digital health has the potential to improve medical outcomes while also increasing efficiency. These technologies can empower customers to make better-informed decisions about their own health and provide new options for facilitating prevention, early diagnosis of life-threatening diseases, and management of chronic conditions outside of traditional health care settings. More and more digital features are being added to devices that have already been approved, authorised, or cleared by the FDA. Also, highly competitive marketplaces and dynamic business environment are pushing medical device, pharmaceutical, and healthcare industries to expedite their adoption of digital technologies.

Tata Elxsi' unique capabilities in design led engineering has helped several global enterprises enhance productivity by streamlining existing operations and generating new revenue streams. As a testament to strong capabilities in healthcare segment, Tata Elxsi won several new logos this financial year, and expanded its ongoing engagements with current customers. A leading global healthcare provider selected Tata Elxsi as their strategic digital partner for next-gen digital health platform. In the digital transformation space, a US based healthcare technology leader awarded a long-term multi million-dollar deal for its digital transformation and cloud migration program.

INDUSTRIAL DESIGN AND VISUALISATION

Our industrial design and visualisation (IDV) segment provides various innovation centric services to our customers. These services include consumer research and strategy, branding and graphics, product design, service design, user experience design, transportation design, 3D-prototyping, visualisation, and manufacturing support. Our industrial design and visualisation capabilities helps us provide design led engineering services to our customers in the field of transportation, media, broadcast & communication and healthcare verticals. IDV helps us in creating traction through design led deals, which has a multiplier effect on winning deals for these three verticals. One of the deals, which is illustrative of Tata Elxsi' capabilities to do a complete product portfolio redesign, was awarded by a leading Asian appliances company.

On the financial front, IDV performance showed a robust growth during the year. The revenue of IDV grew by 36% from 2020-21 and stood at Rs. 262 crores. This revenue growth was driven by strategic design-led digital deal wins for the Company.



SYSTEM INTEGRATION AND SUPPORT

The Company provides system integration and support services for specialised applications, including experience centres, training and safety, and design visualisation. Customers in industries like automotive, aerospace, entertainment, manufacturing, Government, and education benefit from our expertise in implementing complicated design solutions. We are continuously expanding our portfolio to provide various solutions to meet customers' evolving digital technology needs. We offer solutions and services, including professional services for cloud and infrastructure management, virtual reality (VR), and 3D printing.

System integration combines design, technology, and content to assist corporate brands in building experience centres to enhance communication about their business impact and brand with customers, stakeholders and the community. We have successfully conceptualised and build several such experience centres for our medical devices, transportation, consumer products, and industrial customers.

The Company, along with Tata Steel, won the prestigious L&D Vision and Innovation Award 2021 for Tata Steel Safety Leadership Development Centre. The project involved technology integration along with immersive content development and fit-out execution.

Revenue generated through system integration stood at Rs. 54 crores, reporting growth of 18% from 2020-21.

FINANCIAL REVIEW

Particulars	Rs. in crores		Change over Previous Year%	Percentage of Income	
Income	**2021-22**	**2020-21**		**2021-22**	**2020-21**
Revenue from operations	2,470.8	1,826.2	35.3	98	98
Other income	44.5	39.8	12.0	2	2
Total	**2,515.3**	**1,865.9**	**34.8**	**100**	**100**
Expenditure					
Cost of sales	126.2	87.0	45.0	5	5
Personnel expenses	1,288.1	1,024.5	25.7	51	55
Finance costs	9 .4	5.9	58.9	0	0
Depreciation / amortisation expense	55.3	44.4	24.7	2	2
Other expenses	290.8	192.2	51.3	12	10
Total expenditure	**1,769.8**	**1,354.1**	**30.7**	**70**	**73**
Profit before tax	745.5	511.9	45.6	30	27
Tax expense	195.8	143.7	36.2	8	8
Profit for the year	549.7	368.1	49.3	22	20

Analysis of overheads

Particulars	Rs. in crores		Variance %
	2021-22	2020-21	
Communication expenses	5.1	5.9	(14.2)
Inland travel and conveyance	2.6	2.0	27.3
Overseas travel	28.6	26.9	6.1
Advertisement and sales promotion expenses	12.0	6.7	78.2
Legal and professional charges	17.2	10.8	59.0
Consultant fees for software development	139.3	71.5	94.7

Significant Ratio Analysis

Sl. No	Particulars	Unit	March 31, 2022	March 31, 2021
1	Earnings before interest, depreciation and tax/sales	%	31.0	28.6
2	Profit before taxes/sales	%	29.6	27.4
3	Profit after taxes/sales	%	21.9	19.7
4	Current ratio	No. of times	4.1	5.3
5	Earnings per share	Rs.	88.26	59.11

EBITDA (Earnings before interest, taxes, depreciation, and amortisation) margin:

This ratio helps measure operating profit as a percentage of revenue. The EBITDA margins increased by 20 bps during the year, showcasing how Company's improved its operational efficiency while lowering operating expenses in relation to total revenue.

PBT (Profit before tax) / sales:

This ratio defines the percentage of sales turned into profits. During the year, the Company's PBT margins improved by 33 bps, showcasing how the Company generated healthy profit margins and reduced overall expenses efficiently.

PAT (Profit after tax) / sales:

This ratio gives the investors a clear impression of the Company's profit margins basis the revenue generated. During the year, the PAT margins increased by 77 bps, indicating higher returns for the investors and growth for the Company.

Current Ratio:

This ratio helps measure Company's ability to pay short-term obligations or dues. During the year, the Company's current ratio stood at 5.25 times, highlighting how the Company is trying to maintain healthy working capital while ensuring that it does not have idle liquidity.

Earnings per share (EPS):

The fraction of Company's earnings allocated to each individual share of stock is referred to as EPS. The increase in EPS of a Company underlines how the Company is providing higher earnings to its equity shareholders. For 2021-22, EPS was as Rs. 86.0 against ESP of Rs. 59.1 for 2020-21.

HUMAN RESOURCES

Tata Elxsi recognises human capital to be one of its most important assets. The Company has consciously developed a positive working atmosphere that provides a satisfying work environment, promotes career progression and encourages employee safety. In the current financial year, we have focussed our efforts on enhanced learning and development programs, enhanced communications, making our policies more employee friendly, and overall nurturing a culture of collaboration and teamwork.

Our concerted efforts to enable the growth of our employees along with the Company, has helped us significantly in ensuring enhanced employee satisfaction in Tata Elxsi. Employee satisfaction survey known as VoTE (Voice of Tata Elxsi), which was conducted in 2021-22, reflected a 22% improvement in overall employee satisfaction. This is reflective of the success of employee centric initiatives that we have undertaken.

In terms of diversity, Tata Elxsi is among the world's leading technology services companies in terms of women employees in workforce. With more than 35% of women employees in our workforce, we have adopted some of industry best practices like supporting career through critical life phases, support for flexible work options and several others. This has helped us hire and retain best talent from the available resource pool.

All our employee centric initiatives and policies have helped us contain attrition numbers and help us add more than 2,000 employees to our team. In the current industry context, the Company has done very well on both retention as well as recruitment, with a net employee addition of more than 27% over previous year.

RISK MANAGEMENT

Tata Elxsi's global operations bring significant complexities in an uncertain and ever-changing business environment. The Company's robust risk management framework (including processes for risk identification, risk assessment, risk response planning risk monitoring, and overall risk governance) helps ensure that its strategic objectives are met. Our integrated risk management program provides a comprehensive approach for informed decision making by giving an enterprise-wide picture of strategic, operational, financial and compliance risks. The Company analyses and manages risks at multiple levels, including the enterprise, business units, regions, functions, and projects, using a top-down and bottom-up strategy.



Some of the most significant risks and their expected impact on the Company, and mitigation plans are mentioned below.

Geopolitical Risks: The Company is present in multiple geographies, with fairly even spread across Americas, Europe and rest of the world. This also reduces our currency risks as our revenue flows in from a basket of currencies. Further, Tata Elxsi currently has no presence in Russia, Ukraine and Republic of Belarus, nor does it currently serve any customer based out of these three countries.

Currency Risks: By virtue of our presence across geographies, Tata Elxsi's revenues are distributed across US Dollar, Euro and British Pound. This provides the Company natural hedge against currency risks from any particular region. Moreover, to provide for any possible risks associated with these global currencies, the Company has institutionalised a hedging policy.

Industry Risks: The Company's presence in three different verticals helps it mitigate any industry specific risks. Within an industry, we are actively looking for expanding into adjacencies which would help further mitigate industry risks.

Compliance Risks: As the Company is present in 15+ countries across the globe, it is exposed to statutory compliance risks in all countries it operates. To ensure that the Company stays compliant of all local laws, we have consultants across all our overseas offices advising us on required statutory compliance and updating us of any changes.

Cybersecurity Risks: Being in the domain of technology, the Company is aware of cyber security risks that it faces, and has taken all adequate measures to mitigate the risk. We have also taken additional measures in view of the current work from home scenario.

RISK MANAGEMENT COMMITTEE

The Company has a Risk Management Committee established by its Board of Directors to improve, implement, and monitor Tata Elxsi's risk management strategy. The Committee is in charge of monitoring, reviewing, and confirming the effectiveness of Company's risk management plan. The key risks recognised by the businesses and functions are regularly and methodically addressed and mitigated.

QUALITY INITIATIVES

The Company has independent SQA function ensuring delivery quality and schedule adherence. We have seamless integration with leading industry standards like CMMI, ASPICE, ISO 13485 and agile maturity framework. We have also instituted robust information security management processes to assure our global customer base of the required level of confidentiality and protection of data and information.

The Company has been assessed and certified for ISO 9001:2015 and ISO 27001:2013. We are also certified for design and development of medical devices with ISO 13485:2016 certification, and Automotive SPICE® Level 5 certification for the transportation business. Our facilities comply with ISO 45001:2018, an international standard on Occupational Health and Safety.

Additionally, our Trivandrum and Pune facilities are certified for TISAX (Trusted Information Security Assessment Exchange). TISAX standard has been designed to support cross-company recognition of information security assessments in the automotive industry.

Directors and Key Managerial Personnel

Mr. N. G. Subramaniam
Chairman, Non-Independent, Non-Executive

Mrs. Shyamala Gopinath
Independent, Non-Executive

Mr. Sudhakar Rao
Independent, Non-Executive

Prof. Anurag Kumar
Independent, Non-Executive

Mr. Ankur Verma
Non-Independent, Non-Executive

Mr. Manoj Raghavan
Managing Director & CEO

Mr. Gaurav Bajaj
Chief Financial Officer

Mrs. Cauveri Sriram
Company Secretary

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust Internal controls framework, commensurate with the size of its operations, geographical spread and changing risk complexity, impacted by varying internal and external factors. The Company's internal control systems comprises policies and procedures designed to ensure sound management of its operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance. The Company has appointed B S R & Co. LLP, Chartered Accountants, to give independent, objective, and reasonable assurance on the sufficiency and effectiveness of the Internal Controls.

The audit firm evaluates and tests the effectiveness and appropriateness of internal controls on a regular basis.

The Audit Committee is informed of significant audit findings after the evaluation, and measures taken thereof. The various process owners implement corrective measures in their respective domains based on internal audit results, thereby strengthening controls. The Audit Committee approves the yearly internal audit plan, examines the internal control system's sufficiency and effectiveness, assesses key audit observations, and supervises the implementation of audit recommendations.

CAUTIONARY STATEMENT

This report may contain certain forward-looking remarks within the meaning of applicable Securities Law and Regulations. Many factors could cause the Company's actual results, performances, or achievements to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions, changes in Government regulations, tax regimes and other statutes.

ANNEXURE "C" TO DIRECTORS' REPORT

Form No. AOC-2

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

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

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

   Tata Elxsi Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 21-22.

   (a) Name(s) of the related party and nature of relationship: Not Applicable

   (b) Nature of contracts/arrangements/transactions: Not Applicable

   (c) Duration of the contracts / arrangements/transactions: Not Applicable

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

   (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

   (f) Date(s) of approval by the Board: Not Applicable

   (g) Amount paid as advances, if any: Not Applicable

   (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   (a) Name(s) of the related party and nature of relationship: Jaguar Land Rover Limited

   (b) Nature of contracts/arrangements/transactions: Contract/agreement to provide design, technology and engineering services, including advanced R&D.

   (c) Duration of the contracts/arrangements/transactions: Ongoing, multi year engagements.

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Tata Elxsi provides niche product design expertise and engineering services in the areas of mechanical, electronics and software development and complete vehicle program management for Jaguar Land Rover Limited. The total value of transactions during FY 21-22 is Rs. 285.80 crores.

   (e) Date(s) of approval by the Board, if any: April 22, 2021 and December 17, 2021.

   The Company had sought the approval of shareholders at the 32nd AGM for transactions with Jaguar Land Rover Limited, up to a maximum aggregate value of Rs. 250 crores per year, for each of the financial years 2021-22 and 2022-23. Further, the limits as approved in the 32nd AGM were revised vide postal ballot dated December 17, 2021, from Rs. 250 crores per annum for each of the financial years 2021-22 and 2022-23, to up to a maximum aggregate value of Rs. 325 crores per annum for the financial year 2021-22 and Rs. 450 crores per annum for the financial year 2022-23 for related party transactions with Jaguar Land Rover Limited.

   (f) Amount paid as advances, if any: None

For and on behalf of the Board

N. G. Subramaniam
Chairman

Bengaluru, April 20, 2022

ANNEXURE "D" TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1 Brief Outline on CSR Policy of the Company

Our CSR activities are designed to:

Serve societal, local and Serve societal, local and national goals in line with the Sustainable Development Goals (SDG) across locations where we operate.

Create a significant and sustained impact on communities affected by our businesses.

Provide opportunities for Tata Employees to contribute to these efforts through volunteering.

CSR Policy has been adopted and the same is available on the Company's Website at the following link: www.tataelxsi.com/corporatesocial-responsibility

2 Composition of CSR Committee

Sl. No.	Name of the Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee attended During the Year
1	Mr. Sudhakar Rao	Chairman, Independent Director	Two (2)
2	Mrs. Shyamala Gopinath	Member, Independent Director	Two (2)
3	Mr. Manoj Raghavan	Member, CEO & MD	Two (2)

3 Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company : www.tataelxsi.com/corporatesocial-responsibility

4 Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : **Not Applicable**

5 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1		Nil	Nil
2		Nil	Nil
3		Nil	Nil
	Total		

6 Average net profit of the Company as per section 135(5) : **Rs. 34,996.35 Lakhs**

7 (a) Two percent of average net profit of the company as per section 135(5) : **Rs. 699.93 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous finanical years : **Nil**

(c) Amount required to be set off for the financial year: if any : **Nil**

(d) Total CSR Obligation for the finanical year (7a+7b+7c). : **Rs. 699.93 Lakhs**

8 (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount Transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
655.06	44.87			-	

ANNEXURE "D" TO DIRECTORS' REPORT (Contd.)

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the project	Item fom the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (Rs. in Lakhs)	Amount spent in the current financial Year (Rs. in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Sec 135(6) (Rs. in Lakhs)	Mode of Implementation - (Direct) (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Sponsoring educational assistance for needy students for MSc program in Environmental Studies						30.00	15.28	14.72		Ashoka Trust for Research in Ecology and the Environment	CSR00004694
2	Scholarship for 100 needy diploma students						40.20	10.05	30.15		Viswa Santhi Foundation	CSR00004579
	Total						**70.20**	**25.33**	**44.87**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the project	Item fom the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Sponsoring educational assistance for needy students for MSc program in Environmental Studies **[No. of beneficiaries 22]**	Education	Yes	Karnataka	Bangalore	15.28	Yes	Ashoka Trust for Research in Ecology and the Environment	CSR00004694
2	Converting 15 normal beds into semi-ICU Beds. **[No. of beneficiaries 235]**	Healthcare	Yes	Karnataka	Bangalore	83.78	Yes	Bangalore Baptist Hospital	CSR00005121
3	Clinics at D J Halli slum and mobile clinic. **[No. of beneficiaries 26,790]**	Healthcare	Yes	Karnataka	Bangalore	40.00	Yes	Bangalore Baptist Hospital	CSR00005121
4	11 beds for Priority bay 1	Healthcare	Yes	Tamil Nadu	Vellore	135.00	Yes	CMC Vellore - Advanced Trauma Care Centre	CSR00001924
5	Financial help for critically ill needy patients **[No. of beneficiaries 208]**	Healthcare	Yes	Kerala	Trivandrum	50.00	Yes	Sree Chitra Tirunal Institute for Medical Science & Technology (SCTIMST), Trivandrum	CSR00005589
6	Creating protoypes of mobility assistance devices through research	Healthcare	Yes	Tamil Nadu	Chennai	105.00	Yes	IIT, Madras R2D2	CSR00004320
7	Education through art for spastic children **[No. of beneficiaries 20]**	Education	Yes	Karnataka	Bangalore	10.00	Yes	Ramana Sunritya Aalaya (RASA)	CSR00004975
8	Education through art for spastic children **[No. of beneficiaries 20]**	Education	Yes	Tamil Nadu	Chennai	10.00	Yes	Ramana Sunritya Aalaya (RASA)	CSR00004975
9	Financial help for critically ill needy patients **[No. of beneficiaries 98]**	Healthcare	Yes	Karnataka	Bangalore	25.00	Yes	Sri Jayadeva Institute of cardiovascular sciences and research	CSR00002786
10	Transalation of Badhti Ka Naam Gaadi quiz into several Indian languages to increase usage **[No. of beneficiaries 5,900]**	Education	Yes	Karnataka	Bangalore	10.00	Yes	Tata Strive - BKNG Project	CSR00002739

ANNEXURE "D" TO DIRECTORS' REPORT (Contd.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the project	Item fom the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
11	Education of orphan children **[No. of beneficiaries 10]**	Education	Yes	Karnataka	Bangalore	6.00	Yes	Vishranthi Trust	CSR00006482
12	Scholarship for needy diploma students **[No. of beneficiaries 100]**	Education	Yes	Kerala		10.05	Yes	Viswa Santhi Foundation	CSR00004579
13	Masks, sanitisers, gloves, mineral water **[No. of beneficiaries 2000]**	Healthcare	Yes	Kerala	Trivandrum	1.84	Yes	Trivandrum Police force	-
14	Scholarship for needy students from slums in Pune **[No. of beneficiaries 25]**	Education	Yes	Maharashtra	Pune	5.53		Swa-roopawarvhinee	CSR00002033
15	Medicine for the patients **[No. of beneficiaries 27]**	Healthcare	Yes	Karnataka	Bangalore	5.00	Yes	Karunashraya - Bangalore Hospice Trust	CSR00002889
16	Settting up an endoscopy unit	Healthcare	Yes	Kerala	Trivandrum	102.06	Yes	Ramakrishna Mission Hospital	CSR00002806
17	Purchase of electro surgical unit for the gasto-endsoscopy suite	Healthcare	Yes	Kerala	Trivandrum	8.15	Yes	Ramakrishna Mission Hospital	CSR00002806
	Total					**622.69**			

(d) Amount spent in Administrative Overheads - Rs. 32.37 lakhs

(e) Amount spent on Impact Assessment, if applicable -

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) Rs. 655.06 lakhs

Excess amount for set off, if Any

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9 (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting Financial Year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. in Lakhs)
				Name of the Fund	Amount (Rs. in Lakhs)	Date of Transfer	
1	2020-21	208.1	208.1	-	-	-	-
2							
3							
	Total						

ANNEXURE "D" TO DIRECTORS' REPORT (Contd.)

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (Rs. in Lakhs)	Amount spent on the project in the reporting Financial Year (Rs. in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (Rs. in Lakhs)	Status of the project - Completed/ Ongoing
1	Education	Setting up a lab for the new M. Tech – AI batch at IIsc (Rs. 184.5 Lakhs for two years)	2019-20	2	184.50	108.5	184.5	Ongoing
2	Education	Supporting research in cyber security, functional safety for automotives and next gen. communication network architecture at IIT, Madras (Rs. 200 Lakhs for two years).	2019-20	2	200.00	99.6	200	Completed
	Total				384.50	208.10	384.50	

10 **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**

(asset wise details) **Not Applicable**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquistion of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

Manoj Raghavan	**Sudhakar Rao**	**Gaurav Bajaj**
Managing Director	Chairman, CSR Committee	Chief Financial Officer

ANNEXURE "E" TO DIRECTORS' REPORT

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

TO THE MEMBERS OF TATA ELXSI LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Elxsi Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations and clarifications given to us and the representations made by the Management, and consideration of the relaxations granted by the Ministry of Corporate Affairs, and Securities and Exchange Board of India warranted due to the COVID-19 pandemic, We, hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 generally complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records made available to us and maintained by Tata Elxsi Limited for the financial year ended on March 31, 2022 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992("SEBI Act"): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

(b) The Securities and Exchange Board of India (Prohibition of Insiders Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the amendments from time to time.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Listing Obligations and Disclosure

ANNEXURE "E" TO DIRECTORS' REPORT (Contd.)

Requirements) Regulations, 2015 and amendments from time to time.

(vi) Other Laws as informed and certified by the management of the company which are specifically applicable to the company based on their sector/industry are:

(a) The Information Technology Act, 2000 and the Rules made thereunder.

(b) Policy relating to the Software Technology Park of India and its regulations

(c) The Indian Copyright Act, 1957

(d) The Patents Act, 1970

(e) The Trade Marks Act, 1999

(f) The Special Economic Zone Act 2005 & the rules made thereunder.

(vii) Other Laws:

(a) The Shops and Establishment Act 1953

(b) The Water (Prevention and Control of Pollution) Act, 1974 & Rules there under

(c) The Sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013

(d) The Payment of Bonus Act 1965

(e) The Payment of Gratuity Act 1972

(f) The Employees Provident Funds and Miscellaneous Provisions Act 1952

(g) The Contract Labour (Regulations & Abolition) Act 1970

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards of The Institute of Company Secretary of India with respect to Board and General meeting

ii. the Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

During the period under review and as per the explanation and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes, All the decisions at the Board meeting and committee meeting are carried out unanimously.

We further report that based on the Compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the review period, no major events which had bearing on the Company's affairs in pursuance of the above referred laws rules, regulations, guidelines standards etc. have taken place.

For Jayashree Parthasarathy & Co
Company Secretaries

Jayashree Parthasarathy
FCS No 4610; CP NO. 1988
UDIN F004610D000164836

Place: Bangalore
Date: April 20, 2022

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

ANNEXURE "E" TO DIRECTORS' REPORT (Contd.)

Annexure: A

TO THE MEMBERS OF TATA ELXSI LIMITED

Our report on even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on their secretarial records based on my Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The Verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for my opinion.
3. The correctness and appropriateness of the financial records and Books of accounts of the company have not been verified.
4. Wherever required, We have obtained the Management representation about the compliances of laws, Rules, Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination is limited to verification of procedure on random test basis.
6. The Secretarial Audit is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jayashree Parthasarathy & Co
Company Secretaries

Jayashree Parthasarathy
FCS No 4610; CP NO. 1988
UDIN F004610D000164836

Place: Bangalore
Date: April 20, 2022

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members,
Tata Elxsi Limited
ITBP Road, Whitefield,
Bangalore 560048

We have examined the following documents:

1. Declaration of non -disqualification as required under section 164 of the companies Act 2013,
2. Disclosure of concern of interest as required under section 184 of the Act. (hereinafter referred to as relevant documents)

as received from the Directors of Tata Elxsi Limited bearing CIN-L85110KA1989PLC009968, having its registered office at ITBP Road, Whitefield, Bangalore 560068 (herein after referred to as 'the company'), and the relevant registers, records, forms, and returns maintained by the Company and made available to us by the company for the purpose of issuing this certificate in accordance with regulation 34(3) read with schedule V Part C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations 2015.

Based on the examination as aforesaid, and such other verification carried out by us as deemed necessary and adequate (Including Director Identification Number(DIN) status of the respective directors at the portal www.mca.gov.in. In our opinion and best of our belief, information and knowledge and according to the explanations provided by the company its officers and authorised representatives and written representation made by the respective directors, we hereby certify that none of the directors on the board of the company as stated below for the financial year ending on 31st March 2022 have been debarred or disqualified from being appointed or continuing as the director of the company by the securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sl. no	Name of the Director	DIN	Date of appointment	Date of cessation
1	Sudhakar Rao	00267211	August 01, 2016	---
2	Shymala Gopinath	02362921	August 18, 2011	---
3	Ganapathy Subramaniam Natarajan	07006215	November 01, 2014	---
4	Ankur Verma	07972892	August 01, 2018	---
5	Manoj Raghavan	08458315	October 02, 2019	---
6	Anurag Kumar	03403112	November 15, 2020	---

Ensuring the eligibility for the appointment/ continuity as the director of the board is the responsibility of the management of the company. Our responsibility is to express an opinion based on our verification and representation made by the respective directors.

This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jayashree Parthasarathy & Co
Company Secretaries

Jayashree Parthasarathy
FCS No 4610; CP NO. 1988
F004610D000164781

Place: Bangalore
Date: April 20, 2022

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL DISCLOSURES

Details of the Listed Entity		
1.	Corporate Identity Number (CIN) of the Listed Entity	L85110KA1989PLC009968
2.	Name of the Listed Entity	Tata Elxsi Limited
3.	Year of Incorporation	1989
4.	Registered Office Address	ITPB Road, Whitefield, Bengaluru 560048, India
5.	Corporate Address	ITPB Road, Whitefield, Bengaluru 560048, India
6.	E-mail	investors@tataelxsi.com
7.	Telephone	080 2297 9123
8.	Website	http://www.tataelxsi.com/
9.	Financial Year for which the Reporting is being Done	April 1, 2021, to March 31, 2022
10.	Name of the Stock Exchange(s) where Shares are Listed	BSE, NSE
11.	Name and Contact Details (Telephone, E-mail Address) of the Person who may be Contacted in Case of Any Queries on the BRR Report	Dr. Sajiv Madhavan investors@tataelxsi.com
12.	Reporting Boundary: Are the Disclosures in this Report Made on a Standalone Basis (i.e. Only for the Entity), or on a Consolidated Basis (i.e. for the Entity and All the Entities which Form a Part of its Consolidated Financial Statements, taken Together)?	The disclosures under this report are made on a consolidated basis

13. List three key products/services that the Company manufactures/provides (as in balance sheet):

The services provided by Tata Elxsi Limited are listed below:

Software Development & Services

- Technology Consulting, New Product Design & Development and Testing Services
- Consumer Insights & Strategy, Visual Design & Branding, Product & Packaging Design, User Experience Design, Service Experience Design & Transportation Design
- High-end Content and 3D Animation Services

Systems Integration & Support

- Implement and integrate complete systems and solutions for High-Performance Computing, CAD/CAM/CAE/PLM, Broadcast, Virtual Reality, Storage, and Disaster Recovery
- Professional services for maintenance and support of IT infrastructure in India and overseas

14. Total number of locations where business activity is undertaken by the Company

a) Number of international locations (Provide details of major 5): The Company has sales operations across 16 international locations, including France, Germany, Japan, UAE, UK, and USA, amongst others

b) Number of national locations: The Company is headquartered in Bengaluru and operates through 13 design and development centres and 6 sales offices

15. Markets served by the Company

The Company provides its design and engineering services to national and international markets

BUSINESS RESPONSIBILITY REPORT (Contd.)

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	**Paid-up Capital (Rs.)**	Rs. 6,227.64 Lakhs
2.	**Total Turnover (Rs.)**	Rs. 251,533.19 Lakhs
3.	**Total Profit after Taxes (Rs.)**	Rs. 54,967.15 Lakhs
4.	**Total Spending on Corporate Social Responsibility (CSR) as a Percentage of Profit after Tax (%)**	In accordance with the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company spent over 2% of its average net profit of the previous three financial years on corporate social responsibility activities.
5.	**List of Expenditure-incurring Activities (Explained in Point 4 Above):**	Rs. 655.06 Lakhs

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary company/companies?**

   No.

2. **Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes, indicate the number of such subsidiary company(ies):**

   Not Applicable.

3. **Do any other entity/entities, that the Company does business with (e.g., suppliers, distributors, and others), participate in its BR initiatives? If yes, indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:**

   Yes. The Company promotes responsible supply chain and procurement practices. We encourage adoption of highest ESG standards and compliance with applicable laws and regulations, fair business practices, environmental protection and community development. All our suppliers participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. **Details of Director/Directors Responsible for BR**

   a) Details of the Director/Directors responsible for the implementation of the BR policy/policies:

      1. **DIN Number:** 08458315
      2. **Name:** Mr. Manoj Raghavan
      3. **Designation:** Managing Director & Chief Executive Officer

   b) Details of the BR Head:

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	-
2.	Name	Dr. Sajiv Madhavan
3.	Designation	Chief Risk & Sustainability Officer
4.	Telephone Number	+91 80 2297 9302
5.	E-mail ID	investors@tataelxsi.com

BUSINESS RESPONSIBILITY REPORT (Contd.)

2. Principle-wise (as per NVGs) BR Policy/Policies

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for....?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify (within 50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the Board approved the policy? If yes, has it been signed by the MD/Owner/CEO/appropriate Board Director?#	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the concerned policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online https://tataelxsi.com/storage/quick-links/August2021/Tata-Elxsi-Sustainability-Policy.pdf	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?$	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out an independent audit/evaluation of the working of the policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*Our BR Report has been drafted within the National Voluntary Guidelines on Social, Environment, and Economic Responsibilities of Business and reflects our commitment to integrating environmental, social, and ethical principles in our business.

#Tata Elxsi's Sustainability Policy is approved by the Managing Director & Chief Executive Officer.

$The Company policies are accessible to all its employees on the intranet, and other relevant policies for its stakeholders are suitably made available.

3. Governance related to BR

a) Indicate how frequently the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company.

Semi-annually

b) Does the Company publish a BR or a Sustainability Report? If yes, how frequently is it published? What is the hyperlink for viewing such report?

The Company's Business Responsibility Report forms a part of its Annual Report, published annually, and is hosted on the Company's website : www.tataelxsi.com/Business-Responsibilty-Report.

BUSINESS RESPONSIBILITY REPORT (Contd.)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle-wise Business Responsibility Policy/Policies: The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of business responsibility, briefly mentioned as follows:

Principle 1: Business should conduct and govern itself with ethics, transparency and accountability	**Principle 2:** Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle	**Principle 3:** Business should promote the well-being of all employee
Principle 4: Business should respect the interests of, and be responsive towards, all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	**Principle 5:** Business should respect and promote human rights	**Principle 6:** Business should respect, protect and make efforts to restore environment
Principle 7: Business, when engaged in influencing public and regulatory policy / policies, should do so in a responsible manner	**Principle 8:** Business should support inclusive growth and equitable development	**Principle 9:** Business should engage with and provide value to their customers and consumers in a responsible manner

BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 1

1. **Does the policy/policies relating to ethics, bribery and corruption cover/covers only the Company? (Yes/No) Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   The Tata Code of Conduct is applicable to all the employees, business partners and suppliers associated with the Company. Following are the policies adopted by the Company:

   - Anti-bribery and Anti-corruption Policy
   - Anti-money Laundering Policy
   - CSR Policy
   - Dividend Distribution Policy
   - Policy on Preservation of Documents
   - Policy on Materiality of Event
   - Policy on Determination of Legitimate Purpose
   - Policy on Board Diversity
   - Privacy Policy
   - Related Party Transactions Policy
   - Supply Chain and Procurement Policy
   - Sustainability Policy
   - **Whistle-blower Policy**

2. **How many stakeholder complaints did the Company receive in the past financial year? What percentage of the same was satisfactorily resolved by the Management? Provide details thereof, in about 50 words or so.**

   No concerns/complaints were received relating to ethics, bribery and corruption from any of our stakeholders during 2021-22.

   During this period, we have received 37 queries/complaints from our investors and all stand resolved as on March 31, 2022.

3. **Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken for the charges of bribery/corruption by any law enforcement agency:**

	2021-22	2020-21
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

4. **Provide details of any corrective action taken/underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions on cases of corruption and conflicts of interest.**

   None.

BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 2

1. **List up to 3 of your products or services whose design incorporates social or environmental concerns, risks and/or opportunities.**

a) Social:

We have designed solutions that support low cost public infrastructure. For example, an alternative traffic control system has been designed that is lightweight drone based and can be deployed on demand at locations with unexpected traffic such as accident or construction sites. Another example is the design of energy-efficient traffic control system that is 70% lesser weight and at a significantly reduced cost. It also includes a failure mitigation system that deploys a drone with backup battery to supply power to the traffic light in the event of a power failure.

Electric vehicles consist of multitude of sensors and electronic components that emit significant electromagnetic radiations and hence solutions for monitoring and controlling these electromagnetic radiations are developed. This radiation monitoring system detects the components that are emitting unsafe radiation levels, and intelligently adjusts operation of components within the vehicle to reduce overall radiation levels based on whether the faulty component and other active components are critical or non-critical for prevailing driving conditions. This real-time radiation monitoring system enables active safety to mitigate risk of radiation exposure to driver & passengers.

Our medical devices capability extends to designing contactless detection of respiratory disease markers. This enables medical screening in rural areas, in the absence of specialists or expert medical practitioners. This contact-less system can be implemented as a smartphone app to record audio samples of respiratory events such as coughs using a typical smartphone microphone. The system builds a software model of the respiratory tract customized for age, gender, and physical characteristics of the patient. The customized model, along with spectral and temporal analyses of the audio samples, is then used to identify an origin of the cough, and the specific respiratory disease without requiring mouthpiece, tubes, or other sensors.

b) Environmental:

We have designed a battery box for autonomous, electric and hybrid vehicles that has a simple, light-weight and cost-effective cooling mechanism employing a telescopic duct for precise and localized management of individual battery cells in a battery pack. The telescopic duct can carry coolant fluid to any region within a battery box having the battery pack and perform localized battery cooling to achieve optimal temperature for individual battery cells to prevent malfunctioning. This design significantly reduces risk of battery malfunctioning or fire, as well an improved battery life and driving range.

As a part of our competency in designing solutions for our transportation business, we have developed a new hood assembly suited for any vehicle for reducing aerodynamic drag without affecting vehicle aesthetics. At high speeds, this hood automatically rotates, while extending under-hood devices to cover any gaps resulting from the rotation to adapt end portions of the vehicle into an airfoil-like shape that allows for smooth airflow. This can reduce up to 10-25% aerodynamic drag and associated fuel usage.

Another design feature is the development of a geared fluid transmission device that aims at reduced servicing & maintenance cost and time. This transmission device with multiple split housings are capable of being uncoupled and coupled to accommodate gear assemblies of different sizes. The device also includes a non-split type flow insert of variable thickness adapted to obtain

multiple flow rates, thus preventing a need for frequent overhauls.

2. **Does the Company have procedures for sustainable sourcing (including transportation) in place?**

   a) **If yes, what percentage of your inputs were sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Tata Elxsi follows the Tata Code of Conduct and is well-focused on sustainable procurement practices. All of the Company's suppliers adopt the supplier code of conduct that is aimed at achieving responsible supply chains. Onboarding suppliers, include evaluation of CSR practices.

3. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding its place of work?**

   a) **If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   Tata Elxsi engages with multiple local and international suppliers, with a preference for the local vendors. We have a robust engagement model for meaningfully engaging with our suppliers on material aspects. We also undertake regular capacity-building and assessment measures for our key suppliers.

4. **Does the Company have a mechanism to recycle products and waste? If yes, what percentage of products and waste is recycled (separately as <5%, 5-10%, >10%)? Also, provide details thereof, in about 50 words or so.**

   Our commitment to ESG is exemplified by our sustainability policy and supplier sustainability policy. We have systems and methods in place, while having adopted a focused approach to managing the waste generated by our operations. Some of the Company's specific initiatives include recharging groundwater using rainwater, effluent treatment, and reusing treated water. Our e-waste recycling process takes care of computers, monitors, computer accessories and other electronic office equipments, and specialized agencies are employed to carry out the e-waste disposal. The Company encourages reduced use of paper. By means of reliable processes and efficient resource usage, we ensure optimal use of equipments. We are focused on achieving 'zero waste to landfills,' and we continue to consciously work on further segregation, recycling, and reducing mixed waste to landfills.

BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 3

1. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1.	Permanent (D)	8,789	5,732	65.22	3,057	34.78
2.	Other than permanent (E)	587	434	73.94	153	26.06
3.	Total employees (D+E)	9,376	6,166	65.76	3,210	34.23

2. Differently abled employees

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	10	8	80	2	20
2.	Other than permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D+E)	10	8	80	2	20

3. Please indicate the total number of employees hired on a temporary/contractual/casual basis:

Please refer Table 1 and 2 above

4. Do you have an employee association recognised by the Management? [Yes/No]

No. Despite there being no formal employee association, we have undertaken various initiatives to address industry-specific hindrances faced by the employees. Tata Elxsi facilitates harmony and care at workplace through individual counselling, Employee Connect/Employee Touch Base mechanisms, 3rd party helpdesk, and an efficient whistle-blower process.

5. What percentage of your permanent employees are members of this recognised employee association?

N/A

6. Please indicate the number of complaints registered or pending, relating to child labour, forced labour, involuntary labour, sexual harassment during the last financial year and as at the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at the end of the financial year
1.	Child labour/Forced labour/Involuntary labour	-	-
2.	Sexual harassment	3	-
3.	Discriminatory employment	-	-

7. What percentage of your below-mentioned employees were given safety and skill upgradation training last year?

(a) Permanent Employees: 91%

(b) Permanent Women Employees: 80%

(c) Casual/Temporary/Contractual Employees: 79%

(d) Employees with Disabilities: Safety and skill up-gradation training is an ongoing process in the company. This data is not separately maintained

BUSINESS RESPONSIBILITY REPORT (Contd.)

8. Participation/Inclusion/Representation of Women in:

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	1	16.66%
Key Management Personnel	3	1	33.34%

9. Details of measures taken for the well-being of employees

All our employees are covered by health insurance and maternity/paternity benefits.

10. Details of retirement benefits for the current and previous financial year

PF and gratuity benefits are available to all our employees

11. Whether the entity has implemented an occupational health and safety management system? (Yes/ No). If yes, the coverage of such system?

Yes. Tata Elxsi has adopted a systematic approach to control occupational health and safety risks. We have tied up with a third party as medical assistance partner. We have also provided hotline numbers to our employees to ensure their safety and well-being. The Company conducts regular training to raise awareness regarding occupational health and safety and also undertakes audits regularly.

The Company's Occupational Health and Safety Management System complies with the requirements of ISO 45001:2018.

12. Details of safety-related incidents: We monitor our Lost Time Injury Frequency Rate (LTIFR), any work related injuries or work related ill-health. There have been no fatalities during this financial year.

13. Describe the measures undertaken by the entity to ensure a safe and healthy workplace

We have established our health and safety policies, practices, and the same are reviewed periodically. Our Trivandrum and Bangalore facilities have been accorded ISO 45001 certification based on the audit conducted by the certification body.

14. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have provided 'Speak Up' platform and 'Helpdesk' facility for addressing grievances that our employees have. In addition there is also an efficient whistle-blower policy in place.

Principle 4

1. Has the Company mapped its internal and external stakeholders?

Yes. We have mapped our internal and external stakeholders, and they include our shareholders, employees, customers, business partners, suppliers, and the communities that we serve.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

Yes. Tata Elxsi gives attention to the weaker sections of society and supports them through various initiatives related to healthcare, education and environment. We are committed to resolving various issues of society and strive towards community development. The Company has robust CSR policies which are designed to,

- Serve societal, local and national goals in all the locations we operate
- Provide opportunities for Tata employees to contribute to these efforts through volunteering

Our CSR interventions are aimed at educating children to give them a better future while focusing and researching on ways for a more sustainable development of the communities. We prioritise and emphasise healthcare by providing life-saving treatment and medicines to the lesser-privileged patients.

3. **Does the Company take any special initiatives to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

   We engage with our stakeholders through our CSR initiatives that prioritise engagement with the disadvantaged, vulnerable and marginalised by promoting healthcare, socio-economic development, and education.

Principle 5

1. **Does the policy of the Company on human rights cover only the Company or extends to the Group/ Joint Ventures/Suppliers/Contractors NGOs/ Others?**

   The Company's code of conduct and sustainability policy covers its employees, customers and its suppliers.

2. **How many stakeholder complaints were received in the last financial year, and what percentage was satisfactorily resolved by the Management?**

   Tata Elxsi follows a strong and robust stakeholders' management process and has established efficient channels and platforms of communication. These address stakeholders' needs and opinions, aided by helpdesk facilities for the employees and Service-Level Agreements (SLAs) for timely closure.

   There were no complaints received related to Principle 5 during the year.

3. **Complaints/Grievances received on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

   There were no complaints / grievances received from stakeholder groups on any of the principles under NVG.

4. **Please indicate material responsible for business conduct and sustainability.**

   a. **Data Privacy & Security:** The Company has put in place appropriate security measures to ensure data privacy and security by instituting Information Security Management Systems. There are measures and controls to enable human resource related security, physical and environment security, asset management, access controls and operations security.

   b. **Corporate Governance & Conduct:** Strong governance and compliances are imperative for sustainable growth, backed by a competent management team to mitigate the risk and make the most of the opportunities.

   c. **Talent Management:** Tata Elxsi's core is its employees and adopts a focused approach to harnessing employee talent. There are processes in place for leadership development, functional training and support for performance and career development.

   d. **Employee Well-being, Health & Safety:** The Company has taken various measures were undertaken to ensure employee health and safety, especially during Covid-19, allowing work from home/area of convenience and supporting vaccination drives. The company's systems are driven based on ISO 45001 norms and includes regular reviews of the approaches towards health and safety.

   e. **Diversity, Equity, and Inclusion:** The Company policy framework fosters diversity, equity and inclusion. Adoption of inclusive programs, minority friendly policies and collaboration opportunities with similar institutions are part of this inclusive culture.

   f. **Waste, Water and Biodiversity:** The Company takes various initiatives to ensure water availability, waste management and biodiversity conservation. Initiatives have also been taken to optimise water use, enable availability and recycle waste. The company's waste management focuses on reducing waste generation and proper waste disposal.

   g. **CSR:** The key components of our CSR are community projects and employee volunteering. Our CSR initiatives are driven with a focus on healthcare, environment and education for the underprivileged.

BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 6

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   The Company extends its support to all (suppliers, contractors, and NGOs working with the Company) through the Safety-Health-Environment, Sustainability Policy and Supplier Sustainability Policy.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, and others? Yes/No. If yes, please give hyperlinks to the webpage.**

   We strive for environmental sustainability and comply with all applicable laws and regulations in all our services. We seek to prevent the wasteful use of natural resources and are committed to improving the environment. To this end, we have declared our ambition to become Carbon Neutral by 2030. We have also implemented systems to effectively manage energy, water, waste and biodiversity.

   Link to the policy: https://tataelxsi.com/storage/quick-links/August2021/Tata-Elxsi-Sustainability-Policy.pdf

3. **Does the Company identify and assess potential environmental risks?**

   Yes, the Company identifies and assesses potential environmental risks by means of asset and impact assessments.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report was filed?**

   No, there were no projects related to Clean Development Mechanism

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, and more? Yes/No. If yes, please give hyperlinks to the webpage and more**

   Being in a knowledge-intensive industry, we do not operate industrial machinery, production facilities, or other energy-intensive operations. But we do realise our role and responsibility as responsible corporate citizens. Therefore, we have been emphasising and continually pursuing and adopting appropriate energy conservation measures.

   We undertake active measures towards energy conservation and carbon footprint reduction. These measures include: Using technology to monitor and control the power consumption of air conditioning and other related equipments; Using energy-efficient light bulbs; and Using technology for switching off computer monitors and motion sensors for lighting controls, among others.

   We regularly review our energy requirements and consumption patterns. This exercise helps us identify and arrive at our plan of action for effective power utilisation during peak and non-peak seasons. Apart from these, we also continually undertake initiatives aimed at educating all our employees regarding energy conservation while also creating awareness for the same. We discuss energy conservation measures with our employees that can be adopted at individual levels to help conserve power and energy. Usage of green power and deployment of solar panels for power generation are some of the approaches that we are adopting in to reduce our carbon footprint.

6. **Were the emissions/waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**

   Yes. In compliance with the norms set by the Pollution Control Board, Tata Elxsi adheres to the limits mentioned for emissions and waste generation by entities.

7. **Number of show cause/legal notices received from CPCB/SPCB which were pending (i.e., not resolved to satisfaction) as at the end of the financial year.**

   None.

BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 7

1. **Is the Company a member of any trade and chamber or association? If yes, name only the major ones that the Company's business deals with.**

   No, Tata Elxsi is not a part/member of any trade and/or chamber and/or association.

2. **Has the Company advocated/lobbied through the above-mentioned associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (drop box: Governance and administration, economic reforms, inclusive development policies, energy security, water, food security, sustainable business principles, and others)**

   No.

Principle 8

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   We have designed our CSR objectives so as to serve societal, local, and national goals in the locations where we operate. Our aim is to create a significant and sustained impact on local communities in line with the priority Sustainable Development Goals of our country. We provide opportunities to our employees to contribute to these efforts through volunteering. Our CSR committee recommends and monitors our CSR initiatives closely to guide us better. Based on the recommendation of our CSR Committee, our Board has adopted a CSR Policy.

   For the past six years, our flagship programmes Shiksha (Education) and Niramay (Cure) have been running successfully. Tata Elxsi thrives on cutting-edge technology. This gives us the natural urge to empower our communities' young minds with knowledge. Our target is to prepare these young people of the communities for a bright future by creating necessary facilities for them. Our Shiksha programme was designed keeping all of the above in mind. Today, our Shiksha programme benefits 200+ students in various stages of education (Primary school to master's programmes), including 100 diploma engineering students, 45 differently abled and 35 from weaker sections of the society.

   One of the key parts of our business is associated with the field of healthcare and patients. We identified the lack of critical healthcare facilities for the needy or the lesser privileged. And hence, we came up with Niramay to fill this gap. Our Niramay programme helps the needy by providing financial support for lifesaving treatments, creating infrastructure for charitable hospitals, extending quality medical care in slums and rural areas and palliative care for the terminally ill. Through Nirmay, we have touched the lives of 27,000+ patients across the country in FY 22 alone. In FY 22, we have started funding IIT Madras for multi-year research, design and prototyping of an affordable high-quality hand-neuro-rehabilitation device, a high performance prosthetic foot and a motorised version of standing wheelchair, which have the potential of very positively impacting the lives of thousands of physically challenged individuals.

   In FY 21, we were approached by CMC Vellore to help them set up the new Advanced Trauma Care Centre at Kannigapuram. We sponsored 60 patient beds and one ventilator for the facility. We subsequently sponsored the critical devices for a 11-bed ICU for the centre in FY 22.

   When the pandemic hit, we joined the nationwide drive to fight Covid-19. We provided large consignments of PPE kits, masks and other urgently needed items for the medical professionals at Sassoon Hospital (Pune), Bangalore Baptist Hospital, Government College (Trivandrum), Trivandrum General Hospital and Adyar Cancer Hospital (Chennai). In the second wave also, we upgraded 15 normal beds to ICU beds for Baptist Mission Hospital, Bangalore for faster care of critical patients.

   We sponsored a Gastro-endoscopy Suite for Sri Ramakrishna Ashrama Charitable Hospital at Trivandrum.

BUSINESS RESPONSIBILITY REPORT (Contd.)

2. **Are the programmes/projects undertaken through an in-house team/own foundation/ external NGO/Government structures/any other organisation?**

   The programmes/projects chosen are a mix of in-house, external and group level initiatives.

3. **Did the Company carry out any impact assessment of its initiatives?**

   Tata Elxsi believes in conducting effective assessments to understand all its long-term initiatives better and make corrections as per requirement. The Company also ensures that site visits and impact assessment studies are conducted when the projects are mature enough to be evaluated. This period can last anywhere from three to four years. To this end, we have carefully chosen programmes that intend to directly impact the end beneficiaries. The procedure of reporting for the same has been laid down very clearly.

4. **What is the Company's direct contribution to community development projects? Specify amount in Rs. and the details of the projects undertaken?**

   The Company's contribution in 2021-22 towards community development projects was Rs. 6.99 crores, on projects relating to 16 events.

5. **Did the Company undertake steps to ensure the successful adoption of this community development initiative by the community? Please explain in 50 words, or so.**

   We work closely with professional institutions with proven track record to ensure that the benefits are passed on to the target community. Examples of such institutions are Sri Jayadeva Hospital, Baptist Hospital, RASA (Ramana Sunritya Aalaya), Vishranthi Trust, Ashoka Trust for Research in Ecology and the Environment (ATREE) and Karunashraya in Bangalore, Sri Chitra Tirunal Hospital and Sri Ramakrishna Ashrama Charitable Hospital in Trivandrum, RASA and IIT in Chennai, CMC in Vellore.

Principle 9

1. **What percentage of customer complaints/ consumer cases were pending as at the end of the financial year?**

   Tata Elxsi uses periodic/frequent interactions, e-mails, dedicated relationship managers, established SLAs and escalation mechanisms to draw customer queries, complaints, and satisfaction. Using these processes, we promptly resolve any dissonance with our customers.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/Not Applicable/Remarks (additional information).**

   Not Applicable.

3. **Were there any cases filed by any stakeholder/ stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of the end of the financial year? If so, provide details thereof, in about 50 words or so.**

   No. There were no cases filed against the Company by any stakeholder regarding unfair trade practices, irresponsible advertising, and/or anti-competitive behaviour in the last five years.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

   We conduct customer satisfaction surveys periodically. These surveys are done from both, delivery and engagement perspective, and they help derive an index of our customers' satisfaction levels along with qualitative feedback on our services.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

MANDATORY REQUIREMENTS:

1. A brief statement on the Company's philosophy on the code of governance

The corporate governance philosophy of your Company is based on the tenets of integrity, accountability, transparency, value and ethics. As part of Tata Group, your Company has a strong legacy of fair, transparent and ethical governance. The Company constantly endeavours to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, business partners, suppliers, and the wider communities that we serve. The corporate governance philosophy of the Company has been further strengthened through the Tata Code of Conduct, Tata Business Excellence Model, Tata Code for Prevention of Insider Trading and Code of Corporate Disclosure practices policies. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

2. Board of Directors

The Board comprises of members having varied skills, experience and knowledge. The Board has a mix of both Independent and Non-independent Directors. As on March 31, 2022, the Board of Directors of the Company comprised of six Directors, with three Independent Directors and three Non-Independent Directors. The Chairman of the Company is Non-Executive, Non-Independent. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors. The Independent Directors are independent of the management and fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Board of Directors as on March 31, 2022 is as follows:

1. Mr. N.G. Subramaniam – Chairman – Non Executive, Non Independent

Mr. N. Ganapathy Subramaniam is the Chairman (Non-Executive and Non-Independent) of Tata Elxsi Limited since November, 2014. He is also the Chief Operating Officer (COO) and Executive Director of Tata Consultancy Services (TCS) Limited since February 2017. Prior to taking over as the COO of TCS, he served as the Executive Vice President and Head of TCS Financial Solutions, a strategic business unit of TCS. Mr. Subramaniam brings in-depth knowledge about technology trends, systems and policies of leading global corporations, and international business. He actively participates in banking, technology and business forums in addition to specific knowledge streams in risk management and Six Sigma orientation.

The details of other directorship in listed companies of Mr. Subramaniam as on March 31, 2022 is as follows:

Sl. No	Name of the Company	Category of Directorship
1.	Tata Consultancy Services Limited	Chief Operating Officer and Executive Director
2.	Tata Communications Limited	Additional Director
3.	Tejas Networks Limited	Director

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

2. **Mrs. S. Gopinath – Non-Executive, Independent Director**

Mrs. Shyamala Gopinath has vast experience in guiding and influencing the national policies in diverse areas of financial sector regulation and supervision, development and regulation of financial markets, capital account management, management of government borrowings, forex reserves management, RBI accounts, and payment and settlement systems. Mrs. Gopinath holds a Master of Commerce degree and is a Certified Associate of Indian Institute of Bankers and has retired as Deputy Governor of Reserve Bank of India. She is also on the Board of other Listed and Unlisted companies. The details of directorship in other listed companies of Mrs. S Gopinath as on March 31, 2022 are as follows:

Sl. No	Name of the Company	Category of Directorship
1.	Colgate-Palmolive (India) Limited	Independent Director
2.	BASF India Limited	Independent Director
3.	CRISIL	Independent Director
4.	CMS Info Systems Limited	Chairperson of the Board and Non-Executive Director.

3. **Mr. Sudhakar Rao – Non-Executive, Independent Director**

Mr. Sudhakar Rao is a retired Indian Administrative Service (IAS) Officer of the 1973 batch. He held various positions including Chairman & Managing Director of the Karnataka Urban Infrastructure development and Finance Corporation (KUIDFC); Principal Secretary - Finance; Principal Secretary - Home; Principal Secretary to the Chief Minister of Karnataka; Development Commissioner and was the Chief Secretary of Karnataka until his super-annuation from government service on September 30, 2009. Mr. Rao holds a Master's Degree in Economics from the Delhi School of Economics and a Master's Degree in Public Administration from the Kennedy School of Government, Harvard University.

He was conferred with the Kannada Rajyotsava Award, under the Public Service category by the Government of Karnataka on November 01, 2010.

As on March 31, 2022 Mr. Sudhakar Rao does not hold any directorship in any other listed company.

4. **Prof. Anurag Kumar - Non-Executive, Independent Director**

Prof. Anurag Kumar, B.Tech (1977) IIT Kanpur, PhD (1981) Cornell Univ., was a Member of Technical Staff in AT&T Bell Laboratories (1981-1988), before returning to India and joining the Indian Institute of Science (IISc) as a faculty member in the ECE Department. He became a Professor in 1996, and was the Director of IISc during 2014-2020. He has published 200 peer reviewed papers in journals and conferences, in the area of communications networking and distributed systems.

He has consulted for government and private organisations, and has mentored a networking start-up from its early years to a global footprint. He has led the authorship of two major books that have been used around the world. He was the 1977 President's Gold Medallist in IIT Kanpur. He has been elected Fellow of the IEEE, the Indian National Science Academy (INSA), the Indian National Academy of Engineering (INAE), the Indian Academy of Science (IASc), and The World Academy of Sciences (TWAS). He received the 2015 Vasvik Award for Information Technology, and the 2017 IEI-IEEE Award for Engineering Excellence. He is a recipient of the J.C. Bose National Fellowship, awarded by the Department of Science Technology, for the period 2011-2021.

As on March 31, 2022 Prof. Anurag Kumar does not hold any directorship in any other listed company.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

5. Mr. Ankur Verma - Non-Executive, Non-Independent Director

Mr. Ankur Verma, a B.E. in Mechanical Engineering and PGDM from IIM, Calcutta, has around 15 years of experience in Investment Banking, Capital Markets and Corporate Strategy. Mr. Verma currently serves as Senior Vice President, Chairman's Office at Tata Sons Private Limited. Previously, Mr. Verma was Managing Director (Investment Banking Division) in Bank of America Merrill Lynch and prior to that he was Group Manager & Head, Business Planning in Infosys Technologies Limited - Corporate Planning Group.

The details of Mr. Ankur Verma's directorship in other listed companies of as on March 31, 2022 are as follows:

Sl. No	Name of the Company	Category of Directorship
1.	Tata Teleservices (Maharashtra) Limited	Non-Executive, Non-Independent Director

6. Mr. Manoj Raghavan – Managing Director

Manoj Raghavan is the CEO & Managing Director of Tata Elxsi and has over 25 years of industry experience. Prior to taking over the role of CEO & MD, he served as the Executive Vice President and Head of the Embedded Product Design (EPD) division, spearheading the sales, overall delivery and P&L for this division.

He joined Tata Elxsi Limited in 1997 as Regional Manager to set up and grow Japan operations. Subsequently, he was also responsible for developing the business in South Korea, Taiwan, Singapore and China. More recently, Manoj was responsible for the North American business and helped grow the region to become a top revenue earner for the company.

Manoj Raghavan holds a B.Tech in Metallurgical Engineering from IIT Madras, an MBA from The Indian Institute of Foreign Trade, New Delhi and has completed the Advanced Management Program from Harvard Business School. As on March 31, 2022, Mr. Raghavan does not hold directorship in any other listed company.

Core Competencies

Tata Elxsi provides design and technology services for product engineering and solutions to select industries namely Automotive, Broadcast, Communications and Medical Electronics. The Board has, taking into consideration the Company's nature of business, core competencies, key characteristics, identified the following core skills/ expertise/ competencies as required in the context of its business(es) & sector(s) for it to function effectively and which are available with the Board.

The mapping of the same with each of the Directors are as below:

Competencies	N.G. Subramaniam	S. Gopinath	Sudhakar Rao	Prof. Anurag Kumar	Ankur Verma	Manoj Raghavan
Understanding of IT services business	✓	✓	✓	✓	✓	✓
Knowledge on key industry and technology trends	✓	✓	✓	✓	✓	✓
International business management and familiarity with global policies and regulations	✓	✓	✓	✓	✓	✓
Corporate Strategy	✓	✓	✓	✓	✓	✓
Risk management	✓	✓	✓	✓	✓	✓
Financial management	✓	✓	✓	✓	✓	✓
Governance and Compliance	✓	✓	✓	✓	✓	✓
Stakeholders management	✓	✓	✓	✓	✓	✓
Performance management and evaluation	✓	✓	✓	✓	✓	✓

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

Performance evaluation of Board and Directors: The Company has laid down a process for evaluation of the Board and Committees of Board as also evaluation of the performance of each of the Directors. The evaluation criteria include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board, effectiveness of the Board process, information and functioning, Board culture and dynamics, quality of relationship between the Board and management, meetings of the Board, including regularity and frequency, discussion and dissent, corporate culture and values, governance and compliance, evaluation of risk amongst others. The criteria is based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. The evaluation process is conducted and monitored by the Chairperson, Nomination & Remuneration Committee (NRC) in consultation with the members of the committee. The Chairperson, NRC on the basis of the feedback received from each of the Directors has one to one meeting with them. Thereafter, briefs the Chairman of the Board on the outcome, which in turn discussed in the Board meeting. The performance of the Independent Directors was also reviewed at the Board meeting. For the year 2021-22 the Board evaluation has been conducted as per the process mentioned above.

Meeting of Independent Directors: A separate meeting of Independent Directors for the Financial Year 2021-22 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of the Listing Regulations was held on April 21, 2021, wherein the Independent Directors reviewed the performance of the Managing Director, Non-Independent Directors and other matters. The Independent Directors have confirmed that they satisfy the criteria of Independence as stipulated under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Familiarisation: The Independent Directors immediately on appointment are issued a formal letter of appointment and a welcome docket outlining their rights, roles and responsibilities, and the Business overview of the Company, policies etc. The Chairman as well as the Managing Director of the Company, brief the Director individually on the industry and businesses of the Company, prior to their appointment. At each of the Business plan meeting, normally held in the third/fourth quarter each year, the Directors are briefed on the different business units of the company, the industry as a whole and other details like customers, market etc. During the year, the Annual Business Plan meeting was held on December 17, 2021, which included a session with the management team, wherein, the Directors were walked through the market of different Business units, the customers, the future prospects, emerging technologies etc. The future strategy of the Company was also discussed.

The Board has adopted a Governance guideline, enumerating the rights and roles of the Directors. A copy of the same has been circulated to all the Directors. The in-house magazine of the Company is also sent to the Directors periodically keeping them abreast with the recent happenings and developments. The familiarisation program for the Independent Directors is available at www.tataelxsi.com/FamiliarisationProgram

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

Five Board Meetings were held during the year 2021-22 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were April 22, 2021; July 15, 2021; October 22, 2021; December 17, 2021, and January 18, 2022. The necessary quorum was present at all the Board meetings. The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships held by them in other companies are given below:

Name	Category	No. of Board Meetings attended during 2021-22	Whether attended AGM held on June 25, 2021	No. of Chairmanships / Directorships in other Boards / Committees* of public companies**			
				Chairman / Chairperson of the Board	Chairman / Chairperson of the Committee	Member of the Board	Member of the Committee
Mr. N.G. Subramaniam [DIN 07006215]	Non Independent/ Non-Executive	5	Yes	-	-	1	-
Mrs. Shyamala Gopinath [DIN 02362921]	Independent/ Non-Executive	5	Yes	1	4	4	2
Mr. Sudhakar Rao [DIN 00267211]	Independent/ Non-Executive	5	Yes	-	2	2	-
Dr. Anurag Kumar [DIN: 03403112]	Independent/ Non-Executive	5	Yes	-	-	-	-
Mr.Ankur Verma [DIN: 7972892]	Non Independent/ Non-Executive	5	Yes	-	-	5	5
Mr. Manoj Raghavan [DIN 8458315]	Non Independent/ Managing Director	5	Yes	-	-	-	-

* Only Audit and Stakeholders' Relationship Committees are considered.

** Excludes private/foreign/non-profit companies with charitable objects.

None of the Non-Executive Directors hold any shares and/or convertible instruments in the Company as at March 31, 2022.

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013.

3. Audit Committee

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
   b. Changes, if any, in accounting policies and practices and reasons for the same.
   c. Major accounting entries involving estimates based on the exercise of judgment by management.
   d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Qualifications in the draft audit report, if any.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to review the report of the Compliance Officer with the provisions of these regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

The Audit Committee reviewed the reports of the internal auditors including the external internal Auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

Six Audit Committee Meetings were held during the year 2021-22. The Audit Committee Meetings held were April 22, 2021; July 15, 2021, October 22, 2021 and January 18, 2022 with two meetings being held on July 15, 2021 and January 18, 2022.

The constitution of Audit Committee is in conformation with the requirements of Section 177 of the Companies Act, 2013 and also as per the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition, name of the members, chairperson, particulars of the Meetings, and attendance of the members during the year are as follows:

Sl. No	Name of Members	Category	No. of Meetings attended during the year 2021-22
1.	Mrs. Shyamala Gopinath, Chairperson	Independent / Non-Executive	6
2.	Mr. Sudhakar Rao	Independent / Non-Executive	6
3.	Mr. Ankur Verma	Non-Independent / Non-Executive	6

The quorum as required under Regulation 18(2) of the Listing Regulations was maintained at all the meetings.

4. Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

5. Board composition and succession planning, evaluation of every Director.
6. To recommend remuneration policy for the directors, KMP, executives and other employees of the Company.
7. To oversee familiarisation programme for Directors, review of HR strategy, philosophy and practices and any other activities related to change as requested by the Board from time to time.

The Board has also adopted a charter for the Nomination and Remuneration Committee covering its rights, roles and responsibilities.

All Non-Executive Directors of your Company receive sitting fees for each meeting of the Board or Committee thereof attended by them. The net profits of the Company, not exceeding 1%, are distributable, as commission, amongst the Independent Directors considering the special services and efforts rendered, including their attendance at the meetings and their Chairmanship of each of the meetings.Other than sitting fees and commission paid to the Independent Directors on the net profits of the Company, no other remuneration is paid/payable to the Non- Executive Directors for 2021-22.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Two Nomination and Remuneration Committee Meetings were held on April 22, 2021, and January 18, 2022.

The composition, name of the members, chairperson, particulars of the Meetings, and attendance of the members during the year are as follows:

Sl. No	Name of Members	Category	No. of Meetings attended during the year 2021-22
1.	Mrs. Shyamala Gopinath, Chairperson	Independent / Non-Executive	2
2.	Mr. N.G. Subramaniam	Non-Independent / Non-Executive	2
3.	Mr. Sudhakar Rao	Independent / Non-Executive	2

Details of remuneration paid/payable for the year ended March 31, 2022

Non-Executive Directors (NEDs):

Sl. No	Name of the Non-Executive Director	Sitting Fees (Rs.)	Commission (Rs.)
1.	Mr. N.G. Subramaniam	120,000	-
2.	Mrs. Shyamala Gopinath	225,000	1,92,00,000
3.	Mr. Sudhakar Rao	270,000	1,87,00,000
4.	Prof. Anurag Kumar	150,000	1,51,00,000
5.	Mr. Ankur Verma	165,000	-

Managing Director:

Name	Salary (Rs.)	Commission (Rs.)	Contribution to Provident & other Funds (Rs.)	Other Allowances & Perquisites (Rs.)	Total (Rs.)
Mr. Manoj Raghavan	1,74,30,804	4,00,00,000	22,77,320	51,04,615	**6,48,12,739**

The Board on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees of the company. The Board has also adopted a policy on Board diversity. The said Policies are available at www.tataelxsi.com/Board-Diversity

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

5. Stakeholders' Relationship Committee

The Stakeholders terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Oversight of the implementation of the ESG initiatives.
6. Approval of all relevant policies under ESG;
7. Any other terms that may be assigned by the Board time to time.

Three Stakeholders' Relationship Committee (SRC) Meeting was held during the year 2021-22 on April 21, 2021; July 05, 2021 and October 21, 2021. The composition, name of the members, chairman, particulars of the Meetings and attendance of the members during the year are as follows:

Sl. No	Name of Members	Category	No. of Meetings attended during the year 2021-22
1.	Mr. Sudhakar Rao, Chairman	Independent/ Non-Executive	3
2.	Prof. Anurag Kumar	Independent/ Non-Executive	3
3.	Mr. Manoj Raghavan	Non-Independent / Executive	3

Name, designation & address of the Compliance Officer:

Ms. Cauveri Sriram

Company Secretary

Tata Elxsi Limited

ITPB Road, Whitefield, Bengaluru – 560048.

Phone : +91-80-22979316
Fax : +91-80-28411474
E-mail : investors@tataelxsi.co.in

Details of complaints received and redressed during 2021-22:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
3	37	40	0

Complaints/correspondences are usually dealt with within 15 days of receipt and are completely resolved, except in cases where litigation is involved.

The contact details for investor grievances are as below:
TSR Consultants Private Limited

e-mail : csg-unit@tcplindia.co.in
Phone : +91-022-6656 8484
Fax : +91-022-6656 8494

6. Risk Management Committee

The Board has constituted a Risk Management Committee (RMC) in line with the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is responsible to provide oversight in achieving the Company's Enterprise Risk Management (ERM) objectives. The ERM helps these objectives by creating a comprehensive approach to anticipate, identify, prioritise and manage material risks attached to the Company's operations. The primary responsibility of the Committee is to ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to the Company's Audit Committee. The terms of reference of the Committee are:

1. Provide ongoing guidance and support for the refinement of the overall risk management.
2. Ensure that management understands and accepts its responsibility for identifying, assessing and managing risk.
3. Determine which enterprise risks are most significant.
4. Assign risk owners and approve action plans.
5. Approve company-wide Risk Assessment & Risk Profile.
6. Update the leadership team from time to time on the on-going ERM progress/changes.
7. Review & report to the Company's Audit Committee/Board.
8. Review and monitor Cyber security measures.

Two Risk Management Committee (RMC) meetings were held on April 21, 2021 and October 22, 2021 during the year 2021-22.

The composition, name of the members, chairperson, particulars of the Meeting and attendance of the members during the year are as follows:

Sl. No	Name of Members	Category	No. of Meetings attended during the year 2021-22
1.	Prof. Anurag Kumar, Chairman	Independent / Non-Executive	2
2.	Mr. N.G. Subramaniam	Non-Independent, Non-Executive	1
3.	Mr. Gaurav Bajaj*	Company Executive (CFO)	1
4.	Mr. Muralidharan H.V*	Company Executive (CFO)	1

* Mr. Muralidharan ceased to be a Member of the Committee wef July 30, 2021 subsequent to his superannuation from the services of the Company and Mr. Gaurav Bajaj, CFO was appointed as a Member wef August 01, 2021.

7. Corporate Social Responsibility (CSR) Committee

The Board has constituted a Corporate Social Responsibility (CSR) Committee in line with the provisions of Section 135 of the Companies Act, 2013 with majority members being Independent Directors, to recommend to the Board the CSR initiatives of the Company and also to monitor the implementation of the CSR initiatives.

Two Corporate Social Responsibility (CSR) Committee Meetings were held during the year 2021-22. The dates on which the Corporate Social Responsibility (CSR) Meetings held were April 22, 2021 and October 07, 2021.

The composition, name of the members, chairperson, particulars of the meeting and attendance of the members during the year are as follows:

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

Sl. No	Name of Members	Category	No. of Meetings attended during the year 2021-22
1	Mr. Sudhakar Rao, Chairman	Independent / Non-Executive	2
2	Mrs. S. Gopinath	Independent / Non-Executive	2
3	Mr.Manoj Raghavan	Managing Director	2

The Board has also constituted an Executive Committee. The terms of reference of Executive committee are to review the capital expenditure, long term strategy, long term financial projections and cash flow.

8. General Body Meetings

Particulars about the last three Annual General Meetings (AGMs) of the Company are:

a) Location, date and time of Annual General Meetings held during the last 3 years:

Sl. No.	Year	Date	Venue	Time
1	2020-21	June 25, 2021	Video Conference / Other Audio Visual means	2.30 p.m.
2	2019-20	July 21, 2020	Video Conference / Other Audio Visual means	12.30 p.m.
3	2018-19	July 17, 2019	St.John's Auditorium, John Nagar, Koramangala, Bengaluru- 560 034	12.30 p.m.

b) No Extra-Ordinary General Meeting of the shareholders was held during the financial year 2021- 22.

c) Special Resolutions passed in previous three Annual General Meetings:

(i) At the Annual General Meeting held on June 25, 2021 a special resolution for re-appointment of Mr. Sudhakar Rao as an Independent Director was passed.

(ii) At the Annual General Meeting held on July 21, 2020, no special resolution was passed

(iii) At the Annual General Meeting held on July 17, 2019 a special resolution for re-appointment of Mrs. Shyamala Gopinath as an Independent Director was passed.

d) Details of Postal Ballot was conducted during the financial year 2021-22:

During the year, the Company sought the approval of the shareholders by way of a Ordinary Resolution through notice of postal ballot dated December 17, 2021 for approval of the Related Party Transactions with Jaquar Land Rover Limited,UK. The results of the Postal Ballot were announced on February 28, 2022. Mr. Madan V, Practicing Company was appointed as the Scrutiniser to scrutinise the postal ballot and remote e-voting process in a fair and transparent manner.

Number of members voted / Total number of votes (shares) cast	No. of votes in favour	No. of votes against	No. of invalid votes
2,420 / 90,61,787	90,59,779	2,008	Nil
	99.98	0.02	Nil

e) Procedure for Postal Ballot

The Company conducted the postal ballot in accordance with the provisions of Section 108, 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014 ("Rules").

In compliance with Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs ("MCA"), Company sent the Postal Ballot Notice along with the explanatory statement in electronic form on January 24, 2022 only to those Members whose e-mail addresses were registered with the Company/ Depositories, to enable them to cast their votes electronically. The Company also published a Notice

in the newspaper and other requirements as mandated under the provisions of the Act and Rules framed thereunder. The voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date.

In compliance with the provisions of Sections 108 and 110 of the Act and Rule 20 and 22 of the Rules read with Regulation 44 of the SEBI Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their vote electronically. The voting under the postal ballot was kept open from Thursday, January 27, 2022 at 9:00 a.m (IST) until Saturday, February 26, 2022 at 5:00 p.m (IST).

Upon completion of scrutiny of the votes cast through e-voting in a fair and transparent manner, the scrutiniser i.e. Mr. Madan V, submitted his report on the outcome of the postal ballot to the Company and the results of the postal ballot were announced by the Company on February 28, 2022. The voting results were sent to the Stock Exchanges and also displayed on the Company's website www.tataelxsi.com and on the website of National Securities Depository Limited www.evoting.nsdl.com

(f) Details of special resolution proposed to be conducted through postal ballot: None

9. Disclosures

- There are no Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee and shareholders. Please refer to Annexure C of the Directors Report for details of transactions with related parties during the FY 21-22.
- The Company has formulated a policy on Related Party Transactions and the same is available on the Company's website www.tataelxsi.com/policy-on-related-partytransactions
- There has been no non-compliance or penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years;
- The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in the preparation of the financial statements of the Company.
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - For employees to report concerns about unethical behaviour;
  - To establish a mechanism to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the integrity policy;
  - The disclosure reported are addressed in the manner and within the time frames prescribed in the policy.
  - To ensure that adequate safeguards are being provided to the Whistle blower against any victimisation or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment.

  The policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

  No personnel/person has been denied access to the Audit Committee.

- Your Company has comprehensive guidelines on Prohibition of Insider Trading and the Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices along with the Policy on Leak of Unpublished Price Sensitive Information and Policy on determination of legitimate purpose, as mandated by SEBI. The policies are available at www.tataelxsi.com/Prevention-of-Insider-Trading
- The Company has formulated a policy on determination of materiality of event / information as required under Regulation 30 (1) of Listing Regulations, 2015. The same is available on Company's website at www.tataelxsi.com/Policy-on-materialityofanevent
- The Company has complied with all mandatory requirements and has fulfilled the following discretionary requirements specified in Part E of Schedule II under Regulation 27 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
  a. The statutory financial statements of the Company are unqualified.
  b. The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

  Volatility of exchange rates is a risk to the Company which is mitigated by way of forex options and forward covers in terms of the Forex Policy as approved by the Board.

  None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. Ms. Jayashree Parthasarathy, Practicing Company Secretary which is included as an Annexure to the Directors' Report.
- The Company has paid a consolidated amount of Rs.62.13 lakhs as total fees for all services rendered by the statutory auditor and all entities in the network firm/network entity to which the statutory auditor is part.
- The Company adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints under the above Act.
  a. The details of complaints received and disposed of during the year 2021-22 are as below:
  b. number of complaints filed during the financial year - 3
  c. number of complaints disposed of during the financial year - 3
  d. number of complaints pending as on end of the financial year – 0

10. Means of Communication

- Your Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its website (www.tataelxsi.com), intimation to the Stock Exchanges, responding to analyst's queries etc.
- The quarterly, half-yearly and annual results are displayed on the Company's website www.tataelxsi.com and also disseminated through all the modes mentioned above. The quarterly results are also published in leading dailies such as Financial Express (English daily) and Sanjevani (vernacular daily).
- Your Company's Management Discussion & Analysis of the Business for the year ended March 31, 2022 forms part of the Directors' Report and is given under the section so captioned.
- The transcripts and audio of the Company's investors/analysts conference calls are available at: https://www.tataelxsi.com/investors

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

11. General Shareholders Information:

Sl. No.	Salient Items of Interest	Particulars
i.	AGM Date, Time, and Venue	June 23, 2022, Thursday at 2:30 pm through Video Conferencing (VC) or Other Audio Visual Means (OAVM) at Bangalore.
ii.	Financial Calendar	April 20, 2022 – Q4 & FY20-21 Results July 15, 2022 – Q1 Results October 14, 2022 – Q2 Results January 17, 2023 – Q3 Results
iii.	Date of Book Closure	June 17, 2022 to June 23, 2022 (both days inclusive)
iv.	Dividend Payment Date	On and after June 27, 2022 Dividends are subject to TDS. Kindly visit www.tataelxsi.com for more details.
v.	Listing on Stock Exchanges	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel. : +91-22-22721234 | Fax : +91-22-22722041 **National Stock Exchange of India Limited** Exchange Plaza Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051, India Tel. : +91-22-26598100 | Fax : +91-22-26598237 The listing fee has been paid to BSE & NSE for the FY 2021-22.
vi.	Stock Code	BSE Limited : 500408; National Stock Exchange Limited: TATAELXSI National Stock Exchange Limited: TATAELXSI
vii.	Registrar & Share transfer Agent	TSR Consultants Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083.
viii.	Share Transfer System	As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. The transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.
ix.	Dematerialisation of shares and liquidity	6,06,41,587 shares were held in dematerialised mode, as at March 31, 2022. The Company's equity shares are actively traded on BSE and NSE.
x.	Outstanding GDRs /ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	There are no outstanding instruments and hence there will be no dilution of the equity.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

Sl. No.	Salient Items of Interest	Particulars
xi.	Development Centre Locations	Your Company's software development centers are located at the following addresses: a. ITPB Road, Whitefield, Bengaluru – 560 048; b. Crescent-4, 9th Floor, Prestige Shantiniketan, Whitefield road, Bengaluru - 560 048 c. IITM Research Park, 3rd Floor, E Block, Kanagam Road, Taramani, Chennai – 600 113; d. Chennai One IT Park, SEZ, Phase 2, 3rd Floor, Pallavaram - Thoraipakkam 200 Feet Road, Thoraipakkam, Chennai 600097 e. Giga Space IT Park, Alpha – 1 Building, 2nd Floor, Viman Nagar, Pune – 411 014; f. SEZ Tower IX, A Wing, Level – 2, Magarpatta City, Hadapsar, Pune – 411 013; g. SEZ Tower VII, Level 4 & 7, Magarpatta City, Hadapsar, Pune – 411 013; h. RN Development Center, Technopark Campus, Kariyavattom, Thiruvananthapuram– 695 581; i. Gayathri, 1st Floor, Technopark Campus, Kariyavattom, Thiruvananthapuram– 695 581; j. Carnival Building, 5th Floor, Plot No. 2, Technopark Campus, Thiruvananthapuram– 695 581; k. Yamuna SEZ Building, 4th Floor, Phase III Campus, Technopark, Thiruvananthapuram – 695581; l. Pragathi SEZ Building, KINFRA Film & Video Park, Near Sainik School, Chantavila, Kazhakuttom, Thiruvananthapuram – 695 881; m. Boston House, No. 202, B Wing, 2nd Floor,Suren Road, Off Andheri- Kurla Road, Andheri East, Mumbai – 400 093.
xii.	Address for correspondence	ITPB Road, Whitefield, Bengaluru – 560 048
xiii.	CIN	L85110KA1989PLC009968

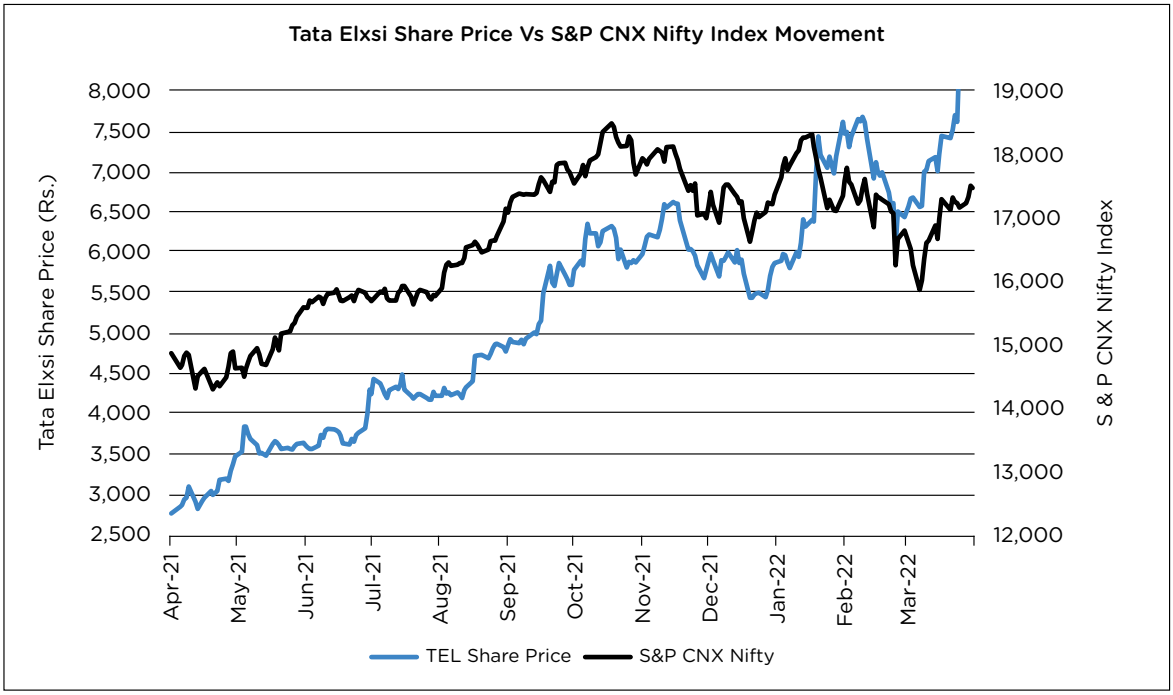
COMPLIANCE REPORT ON CORPORATE GOVERNANCE (Contd.)

Distribution of Shareholding as on March 31, 2022

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	4,17,843	98.54	1,24,34,090	19.97
501 – 1,000	3,646	0.86	27,01,494	4.34
1001 – 2,000	1,382	0.33	20,82,852	3.34
2001 – 3,000	369	0.09	9,30,426	1.49
3001 – 4,000	167	0.04	6,07,690	0.98
4001 – 5,000	118	0.03	5,47,488	0.88
5001 – 10,000	250	0.06	17,63,919	2.83
Over 10,000	259	0.06	4,12,08,481	66.17
Total	**4,24,034**	**100.00**	**6,22,76,440**	**100.00**

Categories of Shareholding as on March 31, 2022

Category	No. of shareholders	No. of shares held	% to capital
Promoter Companies	4	2,74,48,919	44.08
Mutual funds	31	19,66,418	3.16
FI / Banks	4	2,50,900	0.40
Insurance Companies	16	7,70,802	1.24
FII / FFI / FPI	310	81,93,734	13.16
NRI	8,413	8,93,191	1.43
Body Corporates	1,929	20,53,644	3.30
Trusts	20	42,453	0.07
Directors & relatives	1	2,000	0.00
Individuals	4,13,306	2,06,54,379	33.17
Total	**4,24,034**	**6,22,76,440**	**100.00**



INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI

(Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

TO THE MEMBERS OF TATA ELXSI LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 June 2020.
2. We have examined the compliance of conditions of Corporate Governance by Tata Elxsi Limited ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Sanjay Sharma
Partner
Membership Number : 063980
UDIN: 22063980AHLFVP5261

Place: Bengaluru
Date: 20 April 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Elxsi Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Tata Elxsi Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Amount of revenue recognition in respect of fixed price contracts (Refer Note 2.4 to the financial statements) The Company engages in fixed price contracts, with its customers where, revenue from each contract is recognized based on percentage of completion. This involves computation of actual cost incurred and estimation of total cost on each contract to measure progress towards completion (the input method). Amount of revenue recognition in respect of fixed price contracts has been identified as a Key Audit Matter considering that: ◆ these contracts involve identification of actual cost incurred on each contract including allocation and apportionment;	In view of its significance, we applied the following audit procedures in this matter, among others to obtain sufficient appropriate audit evidence: ◆ Obtaining an understanding the systems, processes and controls implemented by the Company with respect to recognition of actual cost incurred on each contract (including allocation and apportionment), estimation of future cost to completion, estimation of provision for onerous contract, measurement of unbilled revenue, unearned revenue and the total contract revenue on its completion. ◆ Involving Information technology ('IT') specialists to assess the design and operating effectiveness of key IT controls relating to revenue recognition and in particular:

INDEPENDENT AUDITOR'S REPORT (Contd.)

The key audit matter	How the matter was addressed in our audit
◆ these contracts require estimation of future cost-to completion of each contract as well as critical estimates to make provision for onerous contract; ◆ at year-end a significant amount of contract assets (unbilled revenue) and contract liabilities (unearned revenue) related to each contract is to be identified	➢ IT environment in which the business systems operate, including access controls, program change controls, program development controls and IT operation controls; ➢ Access and application controls pertaining to time recording and allocation systems which prevent unauthorised changes to recording of costs and revenue. ◆ For selected samples of fixed contracts, – ➢ Evaluated the contractual terms to identify the performance obligation and assessed the basis of revenue recognition;Checked the approval for estimates of cost to completion by authorised personnel of the Company; ➢ Carried out a retrospective assessment of costs incurred with estimated costs to identify any significant variation and checked whether those variations have been considered in estimating the remaining costs to complete the contract; ➢ Verified the contract assets and contract liabilities on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which require change in estimated costs to complete the remaining performance obligations; and ➢ Checked journal entries impacting the revenue recognition for the period selected based on specified risk-based criteria. ◆ Checked the adequacy of provision in respect of onerous contracts.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our Auditor's report thereon. The other information is expected to be made available to us after the date of the Auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 33 to the financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Sanjay Sharma
Partner
Membership Number : 063980
UDIN: 22063980AHLHBM1662

Place: Bengaluru
Date: 20 April 2022

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in the paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of Tata Elxsi Limited ('the Company') on the Ind AS financial statements for the year ended 31 March 2022, we report the following:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. The discrepancies noticed on verification between the physical stock and the book records were not material.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable. –

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, given any loans, guarantees, or security which attracts compliance of section 185 and section 186 of Companies act. Accordingly, Clause 3(iv) of the Order is not applicable to the Company.

ANNEXURE A
TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Service Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ lakhs)*	Period to which amount relates (FY)	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	67.29	2008-09	Income Tax Appellate Tribunal - Bengaluru
The Income Tax Act, 1961	Income Tax	2,930.13	2012-13	Commissioner of Income-tax (Appeals) - Bengaluru
The Income Tax Act, 1961	Income Tax	40.00	2015-16	Commissioner of Income-tax (Appeals) - Bengaluru
The Income Tax Act, 1961	Income Tax	92.26	2016-17	Commissioner of Income-tax (Appeals) - Bengaluru
The Income Tax Act, 1961	Income Tax	291.86	2017-18	Commissioner of Income-tax (Appeals) - Bengaluru
The Income Tax Act, 1961	Income Tax	6,991.05	2019-20	Commissioner of Income-tax (Appeals) - Bengaluru

* These amounts are net of amount paid/ adjusted under protest ₹ 938.14 lakhs.

ANNEXURE A
TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

ANNEXURE A
TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account till the date of our report. However, the time period for such transfer i.e., thirty days from the end of the financial year as permitted under the sub-section (6) of section 135 of the Act, has not elapsed till the date of our report.

ANNEXURE B

TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TATA ELXSI LIMITED FOR THE PERIOD ENDED 31 MARCH 2022.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Tata Elxsi Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

ANNEXURE B
TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF TATA ELXSI LIMITED FOR THE PERIOD ENDED 31 MARCH 2022 (Contd.)

A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Sanjay Sharma
Partner
Membership Number : 063980
UDIN: 22063980AHLHBM1662

Place: Bengaluru
Date: 20 April 2022

BALANCE SHEET

As at March 31, 2022

₹ lakhs

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3 (i)	12,677.42	8,600.59
(b) Capital work-in-progress	3 (ia)	2,208.92	726.73
(c) Right of use assets		12,438.36	6,509.42
(d) Intangible assets	3 (ii)	2,034.77	1,855.22
(e) Financial assets			
(i) Investments *	4	-	-
(ii) Other financial assets	6 (i)	13,840.19	12,239.96
(f) Deferred tax assets (net)	7	896.83	995.83
(g) Other non-current assets	8 (i)	1,704.75	209.39
(h) Tax assets (net)	9 (i)	1,545.95	1,395.19
Total non-current assets		**47,347.19**	**32,532.33**
Current assets			
(a) Inventories	10	56.75	6.29
(b) Financial assets			
(i) Trade receivables	11		
Billed		55,368.06	40,225.83
Unbilled		11,910.74	8,711.47
(ii) Cash and cash equivalents	12	15,110.51	10,041.73
(iii) Other bank balances	13	81,410.39	75,920.25
(iv) Loans receivable	5	100.14	90.51
(v) Other financial assets	6 (ii)	1,429.71	1,234.96
(c) Other current assets	8 (ii)	4,183.84	2,905.89
Total current assets		**169,570.14**	**139,136.93**
TOTAL ASSETS		**216,917.33**	**171,669.26**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	6,227.64	6,227.64
(b) Other equity	15	153,862.65	128,989.51
Total equity		**160,090.29**	**135,217.15**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		11,828.60	6,045.69
(b) Provisions	16 (i)	3,976.17	3,960.00
Total non-current liabilities		**15,804.77**	**10,005.69**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		2,021.83	1,275.30
(ii) Trade payables	17		
a) Dues of micro, small and medium enterprises		45.94	-
b) Dues of creditors other than micro, small and medium enterprises		8,383.73	5,613.07
(iii) Other financial liabilities	18	10,795.45	5,359.80
(b) Other current liabilities	20	14,978.80	8,305.35
(c) Provisions	16 (ii)	1,259.83	1,258.69
(d) Current tax liabilities (net)	19 (i)	3,536.69	4,634.21
Total current liabilities		**41,022.27**	**26,446.42**
TOTAL EQUITY AND LIABILITIES		**216,917.33**	**171,669.26**

* value is less than a lakh

See accompanying notes to the financial statements 1 - 43

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place: Bengaluru
Date: April 20, 2022

for and on behalf of the Board

N G Subramaniam
Chairman
DIN: 0007006215

Manoj Raghavan
Managing Director
DIN: 0008458315

Gaurav Bajaj
Chief Financial Officer

Cauveri Sriram
Company Secretary

STATEMENT OF PROFIT AND LOSS

As at March 31, 2022

₹ lakhs

	Note No.	For the year ended March 31, 2022	For the year Ended March 31, 2021
Revenue from operations	21	247,079.92	182,615.97
Other income (net)	22	4,453.27	3,976.52
Total income		**251,533.19**	**186,592.49**
EXPENSES			
Cost of materials consumed	23	12,670.23	8,539.21
Changes in inventories of stock-in-trade	24	(50.46)	164.91
Employee benefit expenses	25	128,810.56	102,452.34
Finance costs		942.51	593.19
Depreciation and amortisation expense	3	5,533.55	4,438.09
Other expenses	26	29,077.90	19,218.08
Total expenses		**176,984.29**	**135,405.82**
Profit before tax		**74,548.90**	**51,186.67**
Tax expense			
i) Current tax	27	19,374.61	14,320.00
ii) Deferred tax		207.14	54.48
Total tax	**Total**	**19,581.75**	**14,374.48**
Net Profit for the year		**54,967.15**	**36,812.19**
Other comprehensive income/(loss)			
(i) Items that will not be reclassified subsequently to profit or (loss)			
-Remeasurement of the defined benefit (liability)		(309.46)	(496.44)
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		108.14	173.48
Other comprehensive income / Other comprehensive loss for the year, net of income tax		**(201.32)**	**(322.96)**
Total comprehensive income for the year		**54,765.83**	**36,489.23**
Earnings per equity share (₹)	28		
(a) Basic		**88.26**	**59.11**
(b) Diluted		**88.26**	**59.11**
See accompanying notes to the financial statements	1 - 43		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place: Bengaluru
Date: April 20, 2022

for and on behalf of the Board

N G Subramaniam
Chairman
DIN: 0007006215

Manoj Raghavan
Managing Director
DIN: 0008458315

Gaurav Bajaj
Chief Financial Officer

Cauveri Sriram
Company Secretary

STATEMENTS OF CHANGES IN EQUITY

As at March 31, 2022

A. EQUITY SHARE CAPITAL

₹ lakhs

Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
6,227.64	-	6,227.64	-	6,227.64

₹ lakhs

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
6,227.64	-	6,227.64	-	6,227.64

B. OTHER EQUITY

₹ lakhs

	Reserves and surplus			Total
	General reserve	Retained earnings	Remeasurement of the defined benefit plans	
As at April 1, 2020	**8,596.00**	**95,083.04**	**(903.15)**	**102,775.89**
Profit for the year	-	36,812.19	-	**36,812.19**
Other comprehensive income (net of tax)	-	-	(322.96)	**(322.96)**
Total	**8,596.00**	**131,895.23**	**(1,226.11)**	**139,265.12**
Dividend paid (Refer note 41)	-	(10,275.61)	-	**(10,275.61)**
Transfer of profits of the year to general reserve	1,000.00	(1,000.00)	-	**-**
As at March 31, 2021	**9,596.00**	**120,619.62**	**(1,226.11)**	**128,989.51**
As at April 1, 2021	**9,596.00**	**120,619.62**	**(1,226.11)**	**128,989.51**
Profit for the period	-	54,967.15	-	**54,967.15**
Other comprehensive income (net of tax)	-	-	(201.32)	**(201.32)**
Total	**9,596.00**	**175,586.77**	**(1,427.43)**	**183,755.34**
Dividend paid (Refer note 41)	-	(29,892.69)	-	**(29,892.69)**
Transfer of profits of the year to general reserve	1,000.00	(1,000.00)	-	**-**
As at March 31, 2022	**10,596.00**	**144,694.08**	**(1,427.43)**	**153,862.65**

See accompanying notes to the financial statements 1 - 43

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place: Bengaluru
Date: April 20, 2022

for and on behalf of the Board

N G Subramaniam
Chairman
DIN: 0007006215

Manoj Raghavan
Managing Director
DIN: 0008458315

Gaurav Bajaj
Chief Financial Officer

Cauveri Sriram
Company Secretary

STATEMENT OF CASH FLOW

As at March 31, 2022

₹ lakhs

		For the year ended March 31, 2022	For the year Ended March 31, 2021
A.	Cash flows from operating activities		
	Profit for the year	**54,967.15**	**36,812.19**
	Adjustment for:		
	Income tax expense recognised in profit and loss	19,581.75	14,374.48
	Depreciation and amortisation	5,533.55	4,438.09
	Interest income recognised in profit and loss	(3,041.60)	(2,901.42)
	Finance costs	942.51	593.19
	Bad debts written off	325.68	669.31
	Provision for doubtful debts	748.37	498.51
	Loss on sale of assets	2.54	1.43
	Net gain arising on financial assets mandatorily measured at fair value through profit and loss	(87.66)	(386.73)
	Net unrealised exchange (gains) / loss	(27.66)	797.66
	Operating profit before working capital changes	**78,944.63**	**54,896.71**
	Movement in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Loans receivables	(9.63)	(1.14)
	Trade receivables- Billed	(16,411.81)	(2,738.90)
	Trade receivables- Unbilled	(3,199.27)	1,470.63
	Other financial assets	(213.90)	(15.73)
	Other assets	(2,866.52)	224.60
	Inventories	(50.46)	164.91
	Provisions	(292.15)	556.29
	Trade payables	2,928.01	878.28
	Other financial liabilities	3,423.74	517.71
	Other current liabilities	6,673.45	159.04
	Cash generated from operations	**68,926.09**	**56,112.40**
	Income tax paid (net)	(20,622.89)	(12,373.83)
	Net Cash generated from operating activities - (A)	**48,303.20**	**43,738.57**
B.	Cash flows from investing activities		
	Purchase of property, plant and equipment and intangibles	(7,118.82)	(3,883.97)
	Proceeds from sale of property, plant and equipment	0.81	0.60
	Movement in fixed deposits, net	(6,559.60)	(42,440.03)
	Interest received	2,848.18	2,550.14
	Net Cash used in investing activities - (B)	**(10,829.43)**	**(43,773.26)**
C.	Cash flows from financing activities		
	Payment of lease liability	(2,709.10)	(2,370.57)
	Interest paid	(8.19)	-
	Dividend paid	(29,892.69)	(10,275.61)
	Net Cash used in financing activities - (C)	**(32,609.98)**	**(12,646.18)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**4,863.79**	**(12,680.87)**
	Cash and cash equivalents as at beginning of the year	10,041.73	22,842.45
	Effects of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies	204.99	(119.85)
	Cash and cash equivalents as at end of the year (Refer note 12)	**15,110.51**	**10,041.73**

See accompanying notes to the financial statements 1 - 43

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place: Bengaluru
Date: April 20, 2022

for and on behalf of the Board

N G Subramaniam
Chairman
DIN: 0007006215

Manoj Raghavan
Managing Director
DIN: 0008458315

Gaurav Bajaj
Chief Financial Officer

Cauveri Sriram
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Tata Elxsi Limited ("the Company") is a public limited Company incorporated in India in the year 1989 and domiciled in India. The Company has its registered office in Bengaluru, Karnataka, India. It has its listings on the Bombay Stock exchange and National Stock Exchange in India.

The Company provides product design and engineering services to the consumer electronics, communications & transportation industries and systems integration and support services for enterprise customers. It also provides digital content creation for media and entertainment industry.

The Company is head quartered in Bengaluru, and operates through delivery centers in Bengaluru, Chennai, Pune, Mumbai and Thiruvananthapuram.

The Company's operations are located in multiple cities in India, and in multiple international locations including USA, UK, France, Germany, Japan, Ireland, Netherlands, South Africa, Portugal, Canada, and Spain.

The Board of Directors of the Company at their meeting held on October 14, 2020 have approved the alteration to the Articles of Association of the Company. The same has been approved by the shareholders through a special resolution passed vide postal ballot effective December 1, 2020, where in, Tata Sons Private Limited shall have the right to nominate 1/3rd (one third) of the total number of Directors (including the Chairman) on the Board. Accordingly, in accordance with provisions of IND AS 110, Consolidated Financial Statements, the Company has become a Subsidiary of Tata Sons Private Limited effective December 1, 2020.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS.

2.1 Statement of compliance.

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements were authorised for issue by the Board of Directors on April 20, 2022.

2.2 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

2.3 Use of estimates and judgement

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of percentage of completion of contracts and recognition of probable loss, useful lives of property, plant and equipment, provision for income tax and valuation of deferred tax assets, provision for warranty and other provisions and contingent liabilities.

Percentage of completion of contracts

The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method relies on estimates of total expected contract revenue and costs. This method is followed where reasonable dependable estimate of the revenue and costs applicable to various elements of the contract can be made. Key factors reviewed to estimate the future costs to complete include estimates of future manpower costs and productivity efficiency. These estimates are assessed continually during the term of the contracts and the recognised revenue and profit are subject to revision as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provision for income tax and valuation of deferred tax assets

The Company's major tax jurisdictions are India, United Kingdom (UK) and the United States of America (USA). The Company also files tax returns in other foreign jurisdictions. Significant judgment is involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note **2.9.**

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements. (Refer Note 33)

2.4 Revenue recognition

The Company earns revenue primarily from providing information technology, engineering design, systems integration and support services, sale of licenses and maintenance of equipment. The Company recognises revenue as follows

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects

to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation. The contract cost used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for. The Company disaggregates revenue from contracts with customers by geography and nature of services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered (refer note 8).

2.5 Other income

Interest income is accounted for using the effective interest method.

Export benefits are accounted for, in the year of exports, based on eligibility and when there is no uncertainty in receiving the same.

Foreign currency gains and losses are reported on net basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.6 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

2.7 Foreign currency:

The functional currency of the Company is Indian Rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated

at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

2.8 Taxes on income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.9 Current income taxes

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable for their worldwide income after taking credit for tax relief available for export operations in Special Economic Zones (SEZs).

Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in

the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

2.10 Inventories

Inventory comprise of computer systems and software, components and spares.

Components and spares are valued at lower of cost and net realisable value.

Cost is determined on the basis of specific identification method.

Computer systems and software, components and spares intended for customer support are written off over the effective life of the systems maintained, as estimated by the management.

2.11 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

2.12 Property, plant and equipment

Property, plant and equipment are stated at costs less accumulated depreciation (other than freehold land) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation is provided for property, plant and equipment on the straight-line basis over the estimated useful life from the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

*The Management believes that the useful lives as given below best represents the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives of some of these assets is different from the useful lives as prescribed under part C of Schedule II of the Act.

The estimated useful life on a straightline basis of amortisation is mentioned below:

Type of asset	Useful lives
Buildings	30 years *
Plant and equipment	6 years *
Computer equipment	3 to 6 years
Air conditioners	6 years *
Vehicles	8 years
Office equipment	5 years
Electrical installations	6 years *
Furniture and fixtures	6 years *

Leasehold improvements are depreciated over the lower of the lease term and their useful lives.

Capital work-in-progress:

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

The capital work- in-progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.13 Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives from the date that they are available for use.

The estimated useful lives of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

The estimated useful life on a straightline basis of amortisation is mentioned below:

Type of asset	Useful lives
Technical Know-how	3 years
Computer Software	6 years

Intangible assets under development.

Expenditure on research and development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

2.14 Employee benefits

Employee benefits include contribution to provident fund, superannuation fund, gratuity fund, compensated absences, pension and employee state insurance scheme.

Defined benefit plans

Gratuity and Pension are defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations, being carried out at the date of each statement of financial position. The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined obligations reduced by the fair value of scheme assets. Any, asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

Defined contribution plans

Contributions to defined contribution plans like provident fund and superannuation, funds are recognised as expense when employees have rendered services entitling them to such benefits.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are stated as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are stated as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.15 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management reporting structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.16 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.17 Impairment

(i) Financial assets (other than a fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Property, plant and equipment and Intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

2.18 Operating cycle:

Based on the nature of products/ activities of the company and the normal time between acquisition of assets and their realisation in cash and cash equivalents, the company has

determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.19 Impact of COVID-19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

2.20 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3. (i) Property, plant and equipment

₹ lakhs

Description of assets	Land - freehold	Land - leasehold	Buildings	Improvements to leasehold premises	Plant and equipment	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Air conditioners	Vehicles	Total
I. Gross carrying amount												
Balance as at April 1, 2021	**929.90**	**49.96**	**3,920.62**	**1,482.90**	**156.78**	**8,189.07**	**1,101.06**	**1,482.84**	**666.40**	**581.17**	**27.98**	**18,588.68**
Additions	-	-	-	883.45	-	5,122.25	405.74	19.22	155.07	26.73	78.58	6,691.04
Less: Disposals/Deletions	-	-	-	223.01	-	46.32	11.04	8.74	6.89	0.43	-	296.43
Balance as March 31, 2022	**929.90**	**49.96**	**3,920.62**	**2,143.34**	**156.78**	**13,265.00**	**1,495.76**	**1,493.32**	**814.58**	**607.47**	**106.56**	**24,983.29**
II. Accumulated depreciation												
Balance as at April 1, 2021	**-**	**17.01**	**781.13**	**792.88**	**89.09**	**5,752.69**	**648.53**	**1,110.74**	**424.33**	**355.26**	**16.43**	**9,988.09**
Add: Depreciation expense for the year	-	3.40	158.05	188.31	19.44	1,774.15	156.52	166.02	76.51	56.45	12.01	2,610.86
Less: Eliminated on disposal of assets	-	-	-	223.01	-	44.57	9.66	8.62	6.79	0.43	-	293.08
Balance as March 31, 2022		**20.41**	**939.18**	**758.18**	**108.53**	**7,482.27**	**795.39**	**1,268.14**	**494.05**	**411.28**	**28.44**	**12,305.87**
III. Net carrying amount (I-II)	**929.90**	**29.55**	**2,981.44**	**1,385.16**	**48.25**	**5,782.73**	**700.37**	**225.18**	**320.53**	**196.19**	**78.12**	**12,677.42**

₹ lakhs

Description of assets	Land - freehold	Land - leasehold	Buildings	Improvements to leasehold premises	Plant and equipment	Computer equipment	Furniture and fixtures	Office equipment	Electrical installations	Air conditioners	Vehicles	Total
I. Gross carrying amount												
Balance as at April 1, 2020	929.90	49.96	3,920.62	850.73	156.78	6,807.32	963.51	1,417.92	640.41	434.06	27.98	**16,199.19**
Additions	-	-	-	632.60	-	1,389.86	138.51	67.77	27.65	153.61	-	**2,410.00**
Less: Disposals/Deletions	-	-	-	0.43	-	8.11	0.96	2.85	1.66	6.50	-	**20.51**
Balance as at March 31, 2021	929.90	49.96	3,920.62	1,482.90	156.78	8,189.07	1,101.06	1,482.84	666.40	581.17	27.98	**18,588.68**
II. Accumulated depreciation												
Balance as at April 1, 2020	-	13.60	623.09	556.91	61.63	4,707.38	491.93	911.50	313.52	277.77	12.61	**7,969.94**
Add: Depreciation expense for the year	-	3.41	158.04	236.34	27.46	1,052.75	157.31	201.93	111.56	83.99	3.82	**2,036.61**
Less: Eliminated on disposal of assets	-	-	-	0.37	-	7.44	0.71	2.69	0.75	6.50	-	**18.46**
Balance as at March 31, 2021	-	17.01	781.13	792.88	89.09	5,752.69	648.53	1,110.74	424.33	355.26	16.43	**9,988.09**
III. Net carrying amount (I-II)	929.90	32.95	3,139.49	690.02	67.69	2,436.38	452.53	372.10	242.07	225.91	11.55	**8,600.59**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

3. (ia) Capital work-in-progress

₹ lakhs

Particulars	Capital work-in-progress
As at April 1, 2020	91.31
Add: Additions	4,066.44
Less: Capitalisations	3,431.02
As at March 31, 2021	726.73
As at April 1, 2021	726.73
Add: Additions	8,900.19
Less: Capitalisations	7,418.00
As at March 31, 2022	**2,208.92**

Capital work-in-progress ageing *

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

₹ lakhs

CWIP	Amount in CWIP as at March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,019.92	189.00	-	-	**2,208.92**
	2,019.92	**189.00**	**-**	**-**	**2,208.92**

Ageing for capital work-in-progress as at March 31, 2021 is as follows:

₹ lakhs

CWIP	Amount in CWIP as at March, 31 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	726.73	-	-	-	726.73
	726.73	-	-	-	726.73

* Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

3. (ii) Intangible assets

₹ lakhs

Description of assets	Computer software	Total
I. Gross carrying amount		
Balance as at April 1, 2021	4,483.79	4,483.79
Additions	726.96	726.96
Less: Disposals/Deletions	0.16	0.16
Balance as March 31, 2022	**5,210.59**	**5,210.59**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Description of assets	Computer software	Total
II. Accumulated amortisation		
Balance as at April 1, 2021	2,628.57	2,628.57
Add: Amortisation expense for the year	547.41	547.41
Less: Eliminated on disposal of assets	0.16	0.16
Balance as March 31, 2022	**3,175.82**	**3,175.82**
III. Net carrying amount (I-II)	2,034.77	2,034.77

₹ lakhs

Description of assets	Computer software	Total
I. Gross carrying amount		
Balance as at April 1, 2020	3,462.77	3,462.77
Additions	1,021.02	1,021.02
Less: Disposals/Deletions	-	
Balance as at March 31, 2021	4,483.79	4,483.79
II. Accumulated amortisation		
Balance as at April 1, 2020	2,169.28	2,169.28
Add: Amortisation expense for the year	459.29	459.29
Less: Eliminated on disposal of assets	-	-
Balance as at March 31, 2021	2,628.57	2,628.57
III. Net carrying amount (I-II)	1,855.22	1,855.22

4. INVESTMENTS

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unquoted		
Investments in other entities * (Refer Note 38)	-	-
	-	-

* value is less than a lakh

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

5. LOANS RECEIVABLE

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Current		
Loans to employees	100.14	90.51
	100.14	90.51

6. OTHER FINANCIAL ASSETS

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Non-current		
(a) Security deposits		
Considered good	2,340.19	2,039.96
Considered doubtful	17.07	15.98
	2,357.26	**2,055.94**
Less: provision for doubtful deposits	17.07	15.98
	2,340.19	**2,039.96**
(b) Fixed deposits with maturity greater than 12 months	11,500.00	10,200.00
	13,840.19	**12,239.96**
(ii) Current		
(a) Others		
- Fair value of foreign exchange derivative contracts	186.32	98.66
- Interest receivable	1,243.39	1,049.97
- Security deposits	-	86.33
	1,429.71	**1,234.96**

7. DEFERRED TAX ASSETS (NET)

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets / (liabilities) in relation to:		
a) Property, plant and equipment and intangible assets	(898.33)	(262.04)
b) Provision for employee benefits	776.63	710.68
c) Provision for doubtful receivables/other assets	523.13	261.62
d) Leases	495.40	285.57
	896.83	**995.83**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

8. OTHER ASSETS

₹ lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
(i) Non-current				
Considered good				
a) Capital advances	1,529.67	-	0.26	-
b) Prepaid expenses	175.08	1,704.75	209.13	209.39
		1,704.75		**209.39**
(ii) Current				
Considered good				
a) Prepaid expenses		1,667.82		978.32
b) Indirect taxes recoverable		557.27		541.79
c) Advance to suppliers		536.43		340.88
d) Claims receivable		1,124.64		807.58
e) Contract fulfilment cost		-		51.96
f) Advance to employees		297.68		26.94
g) Gratuity (refer note 29.1b)		-		158.42
		4,183.84		**2,905.89**
Considered doubtful				
Claims receivable	574.90	-	574.90	-
Less: Provision for claims receivable	(574.90)	-	(574.90)	-
		4,183.84		**2,905.89**

9. TAX ASSETS (NET)

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Non-current		
- Tax deducted at source/advance tax paid (net of provision)	1,545.95	1,395.19
	1,545.95	**1,395.19**

10. INVENTORIES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(At lower of cost or net realisable value)		
Components and spares - for trading	56.75	6.29
	56.75	**6.29**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

11. TRADE RECEIVABLES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Billed		
Unsecured, considered good	**55,368.06**	40,225.83
Unsecured, credit impaired	409.70	28.30
less: Impairment allowance	(409.70)	(28.30)
	-	-
Unsecured, which have significant increase in credit risk	495.38	129.50
less: Impairment allowance	(495.38)	(129.50)
	-	-
	55,368.06	**40,225.83**

₹ lakhs

Particulars	Outstanding for following periods from due date of payment for the FY 2021-22						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	45,585.60	8,826.26	195.83	760.37	-	-	**55,368.06**
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	106.70	303.00	-	-	**409.70**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	1.40	458.68	35.30	-	**495.38**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
	45,585.60	**8 ,826.26**	**303.93**	**1 ,522.05**	**35.30**	**-**	**56,273.14**
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	-	**(905.08)**
Trade receivables unbilled	-	-	-	-	-	-	**11,910.74**
	-	-	-	-	-	-	**67,278.80**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Particulars	Outstanding for following periods from due date of payment for the 2020-21						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	35,712.39	4,427.14	80.1	2.90	3.30	-	40,225.83
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	28.30	-	-	-	28.30
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	28.30
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	55.90	73.60	-	-	129.50
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	35,712.39	**4,427.14**	**164.30**	**76.50**	**3.30**	**-**	**40,383.63**
Less: Allowance for doubtful trade receivables billed	-	-	-	-	-	-	(157.80)
							40,225.83
Trade receivables unbilled	-	-	-	-	-	-	8,711.47
	-	-	-	-	-	-	**48,937.30**

12. CASH AND CASH EQUIVALENTS

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.29	0.30
Funds-in-transit	252.17	124.94
Balances with banks		
In current accounts	14,858.05	9,916.49
	15,110.51	**10,041.73**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

13. OTHER BANK BALANCES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
a) in earmarked accounts		
- Unclaimed dividends account	910.39	679.85
b) Fixed deposits with maturity greater than 3 months	80,500.00	75,240.40
	81,410.39	**75,920.25**

14. SHARE CAPITAL

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised :		
70,000,000 equity shares of ₹ 10/- each		
(March 31, 2021: 70,000,000 equity shares of ₹ 10/- each)	**7,000.00**	**7,000.00**
Issued :		
62,303,840 equity shares of ₹ 10/- each		
(March 31, 2021: 62,303,840 equity shares of ₹ 10/- each)	**6,230.38**	**6,230.38**
Subscribed and fully paid up :		
62,276,440 equity shares of ₹ 10/-each		
(March 31, 2021: 62,276,440 equity shares of ₹ 10/-each)	**6,227.64**	6,227.64
	6,227.64	**6,227.64**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

₹ lakhs

Equity shares with voting rights	As at March 31, 2022		As at March 31, 2021	
Particulars	**Number of shares**	**Amount in ₹ lakhs**	**Number of shares**	**Amount in ₹ lakhs**
Equity shares with voting rights				
Opening balance	62,276,440	6,227.64	62,276,440	6,227.64
Closing balance	**62,276,440**	**6,227.64**	**62,276,440**	**6,227.64**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Details of shares held by each shareholder holding more than 5% shares:

₹ lakhs

Name of share holder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
Equity shares of ₹ 10 each with voting rights				
Tata Sons Private Limited	**26,295,264**	**42.22%**	26,295,264	42.22%

Rights, preferences and contingencies attached to equity shares

The Company has only one class of equity shares, having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amounts exist. The distribution will be in proportion to number of equity shares held by the shareholders.

₹ lakhs

Promoter Holding	As at March 31, 2022		As at March 31, 2021	
	No Shares	% of Holding	No Shares	% of Holding
Tata Sons Limited	**26,295,264**	**42.22%**	26,295,264	42.22%
Tata Investment Corporation Limited	**1,153,655**	**1.85%**	1,435,000	2.30%

15. OTHER EQUITY

₹ lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
(i) General reserve:				
Opening balance	9,596.00		8,596.00	
Add: Transferred from surplus in statement of profit and loss	1,000.00		1,000.00	
		10,596.00		**9,596.00**
(ii) Surplus in statement of profit and loss				
Opening balance		119,393.51		94,179.89
Add/(Less): Transferred from other comprehensive income for the year		(201.32)		(322.96)
Less: Dividend paid (Refer Note. 41)		(29,892.69)		(10,275.61)
Add: Net profit for the year		54,967.15		36,812.19
Balance available for appropriation		**144,266.65**		**120,393.51**
Less: Appropriations				
Transfer to general reserve		(1,000.00)		(1,000.00)
Closing balance		**143,266.65**		**119,393.51**
		153,862.65		**128,989.51**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

16. PROVISIONS

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Non-current		
(a) Provision for employee benefits		
- Provision for compensated absences	1,698.77	1,544.00
- Gratuity	80.40	-
- Pension	2,197.00	2,416.00
	3,976.17	**3,960.00**
(ii) Current		
(a) Provision for employee benefits		
-Provision for compensated absences	1,096.61	1,150.06
(b) Other provisions		
-Provision for warranty	163.22	108.63
	1,259.83	**1,258.69**

Details of movement in other provisions is as follows:

₹ lakhs

Particulars	Amount
Balance as at April 1, 2021	**108.63**
Net charge during the period	54.59
Balance as at March 31, 2022	**163.22**
Balance as at April 1, 2020	**102.80**
Net charge during the year	5.83
Balance as at March 31, 2021	**108.63**

Warranty claims:

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of services provided, the estimated cost of which is accrued at the time of providing service. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The products are generally covered under a free warranty period ranging up to 3 months.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

17. TRADE PAYABLES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade payables - Micro, small and medium enterprises	45.94	-
Trade payables - Other than micro, small and medium enterprises	8,383.73	5,613.07
	8,429.67	**5,613.07**

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment for the 2021-22				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	45.94	-	-	-	-	**45.94**
(ii) others	1,224.91	554.69	-	-	-	**1,779.60**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - others	-	-	-	-	-	**-**
	1,270.85	**554.69**	**-**	**-**	**-**	**1 ,825.54**
Accrued expenses						**6,604.13**
						8,429.67

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment for the 2021-22				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) others	659.60	358.62	0.64	15.49	3.48	**1,037.83**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - others	-	-	-	-	-	**-**
	659.60	**358.62**	**0.64**	**15.49**	**3.48**	**1,037.83**
Accrued expenses						**4,575.24**
						5,613.07

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

18. OTHER FINANCIAL LIABILITIES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
a) Employee related liabilities	6,107.44	4,598.69
b) Payables for purchase of Property, plant and equipments	1,862.43	81.06
c) Security deposit accepted	0.20	0.20
d) Unclaimed dividend	910.39	679.85
e) Liabilities against customer contracts	1,914.99	-
	10,795.45	**5,359.80**

19. TAX LIABILITIES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Current		
-Provision for taxation (net of advance tax)	3,536.69	4,634.21
	3,536.69	**4,634.21**

20. OTHER LIABILITIES

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
a) Advance from customers	5,876.05	2,276.99
b) Contract liabilities	4,721.46	2,744.83
c) Statutory and other liabilities	4,381.29	3,283.53
	14,978.80	**8,305.35**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

21. REVENUE FROM OPERATIONS

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rendering of services	245,375.23	181,031.66
Sale of traded goods	1,704.69	1,584.31
	247,079.92	**182,615.97**
Revenue disaggregation by segment is as follows:		
Software development and services	242,131.14	178,167.42
System integration and support services	4,948.78	4,448.55
	247,079.92	**182,615.97**
Revenue disaggregation by geography is as follows:		
India	39,307.28	24,201.39
US	104,163.70	66,719.81
Europe	75,577.94	64,429.71
Others	28,031.00	27,265.06
	247,079.92	**182,615.97**

22. OTHER INCOME (NET)

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest income:		
i) Interest from banks on deposits	2,973.15	2,852.18
ii) Interest income on financial assets at amortised cost	68.45	49.24
b) Other gains and losses:		
i) Net gain on foreign currency transactions	341.73	222.60
ii) Net gain arising on financial assets measured at fair value through profit or loss	87.66	386.73
iii) Loss on sale of property, plant and equipment	(2.54)	(1.43)
c) Other non-operating income:		
i) Export and other incentives/credits	936.55	128.36
ii) Miscellaneous income	48.27	338.84
	4,453.27	**3,976.52**

23. COST OF MATERIALS CONSUMED

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Spares, consumables and others	11,356.40	7,335.46
Purchase of traded goods - computers, networking and storage systems and components and parts	1,313.83	1,203.75
	12,670.23	**8,539.21**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

24. CHANGES IN INVENTORIES OF STOCK IN TRADE

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the end of the year:		
Stock-in-trade - components and spares	56.75	6.29
Inventories at the beginning of the year:		
Stock-in-trade - components and spares	6.29	171.20
Net (increase) / decrease	**(50.46)**	**164.91**

25. EMPLOYEE BENEFIT EXPENSES

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	120,488.92	95,181.72
Contribution to provident and other funds	4,690.92	3,725.77
Staff welfare expenses	3,630.72	3,544.85
	128,810.56	**102,452.34**

26. OTHER EXPENSES

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating lease rentals	89.93	82.86
Rates and taxes	311.97	166.44
Power and fuel	765.25	705.84
Repairs and maintenance : Building	415.87	428.35
: Plant and equipment	1,401.62	996.52
: Others	610.79	615.20
Communication expenses	509.70	594.06
Inland travel and conveyance	257.06	202.15
Overseas travel	2,857.90	2,694.50
Advertisement and sales promotion expenses	1,195.65	671.33
Commission on sales	906.04	637.57
Printing and stationery	29.19	30.22
Motor vehicle expenses	235.65	177.93
Recruitment and training	1,016.09	321.13
Consultant fees for software development	13,926.48	7,153.66
Expenditure on corporate social responsibility (Refer note 37)	667.56	580.56

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional charges	1,724.05	1,084.17
Non-Executive directors comission	530.00	400.00
Insurance	220.39	230.68
Bank and other charges	104.73	112.07
Auditors' remuneration	62.13	60.84
Bad debts/advances written off	325.68	669.31
Provision for doubtful debts	748.37	498.51
Miscellaneous expenses	165.80	104.18
	29,077.90	**19,218.08**

Note (i): Payments to the auditors excluding service tax, comprises:

₹ lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditors - statutory audit	54.00	50.00
Company law matters	-	1.00
Other services	2.75	8.00
Reimbursement of expenses	5.38	1.84
	62.13	**60.84**

27. INCOME TAX EXPENSE

₹ lakhs

Particulars	Current	
	As at March 31, 2022	As at March 31, 2021
Income tax expenses:		
Current tax	18,803.97	14,320.00
Tax pertaining to prior years	570.64	-
Deferred tax	207.14	54.48
Income tax included in Other comprehensive income:		
Remeasurement of employee defined benefit plans	(108.14)	(173.48)
Tax expense for the year	**19,473.61**	**14,201.00**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

A. The reconciliation of income tax expense at statutory income tax rate to income tax charged to statement of profit and loss is as follows:

₹ lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	74,548.90	51,186.67
Expected income tax expense calculated at 34.944% (PY 34.944%)	26,050.36	17,886.67
Effect of expenses that are not deductible in determining taxable profit	1,024.02	406.42
Effect of concessions	(7,492.63)	(3,918.61)
Income tax expense recognised in profit or loss	**19,581.75**	**14,374.48**

The tax rate used for 2021-22 reconciliation above is the corporate tax rate of 34.944% (PY 34.944%) payable by corporate entities in India on taxable profits under Indian tax law.

The Company benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005. These tax holidays are available for a period of fifteen years from the date of commencement of operations. Under the SEZ scheme, the units which begins providing services on or after April 1, 2005 will be eligible for deductions of 100% of profits or gains derived from export of services for the first five years, 50% of such profit or gains for a further period of five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions. Pune unit 1, Thiruvananthapuram, Chennai unit and Pune Unit 2, will be eligible for deductions of 100% of profits or gains derived from export of services for the first five years, 50% of such profit or gains for a further period of five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions.

B. Significant components of net deferred tax assets and liabilities for the years ended March 31, 2022 and March 31, 2021 are as follows:

₹ lakhs

Particulars	As at April 1, 2021	Recognised in statement of profit and loss	Recognised in Other comprehensive Income	As at March 31, 2022
Deferred tax assets				
Provision for doubtful trade receivables	261.62	261.51		**523.13**
Employee Benefits	710.68	(42.19)	108.14	**776.63**
Lease liabilities (Net right of use assets)	285.57	209.83		**495.40**
Deferred tax liabilities				
Property, Plant and equipments	(262.04)	(636.29)		**(898.33)**
	995.83	(207.14)	108.14	**896.83**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Particulars	As at April 20, 2020	Recognised in statement of profit and loss	Recognised in Other comprehensive Income	As at March 21, 2021
Deferred tax assets:				
Provision for doubtful trade receivables/ Claims receivable	179.94	81.68	-	261.62
Employee Benefits	691.42	(154.22)	173.48	710.68
Lease liabilities (Net right of use assets)	237.54	48.03	-	285.57
Deferred tax liabilities:				
Property, Plant and equipments	(232.07)	(29.97)	-	(262.04)
	876.83	**(54.48)**	**173.48**	995.83

28. EARNINGS PER SHARE

₹ lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per share		
Basic		
Net profit / (loss) for the year attributable to the equity shareholders (₹ lakhs)	**54,967.15**	36,812.19
Weighted average number of equity shares	**6,22,76,440**	6,22,76,440
Par value per share (₹)	**10**	10
Earnings per share - basic and diluted (₹)	**88.26**	59.11

29. EMPLOYEE BENEFIT PLANS

29.1a Defined contribution plans

The Company makes contribution to Provident Fund, Superannuation Fund and Employee State Insurance fund for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised i) ₹ 2,795.51 lakhs and ₹ 2,201.36 lakhs for Provident Fund contributions for the year ended March 31, 2022 and March 31, 2021, respectively.ii) ₹ 1,193.05 lakhs and ₹ 963.27 lakhs for Superannuation Fund contributions for the year ended March 31, 2022 and March 31, 2021, respectively. The contributions payable to these plans by the Company are at the rates specified in the rules of the schemes.

29.1b Defined benefit plans

The Company offers gratuity (included as part of Contribution to Provident and other funds in Note 25 Employee benefit expenses) to its eligible employees under defined benefit plans.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The gratuity fund is managed by third party fund.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

₹ lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Change in defined benefit obligations		
Present value of DBO at beginning of the year	4,720.88	3,863.38
Current service cost	633.11	533.98
Interest cost	304.02	263.48
Remeasurement of the net defined benefit liability	560.60	334.55
Benefits paid	(693.78)	(274.51)
Present value of DBO at the end of the year	5,524.83	4,720.88
Change in fair value of plan assets during the year		
Fair value of plan assets at beginning of the year	4,879.30	3,818.74
Interest Income	314.23	260.44
Employer's Contribution	901.56	1,041.53
Remeasurement -return on plan assets excluding amount included in interest income	43.13	33.11
Benefits paid	(693.79)	(274.52)
Plan assets at the end of the year	5,444.43	4,879.30
Funded status		
Deficit of plan assets over obligations	(80.40)	-
Surplus of plan assets over obligations	-	158.42
Category of assets		
Insurer managed funds	5,444.43	4,879.30
Service Cost	633.11	533.98
Net interest on net defined benefit (assets)/liability	(10.21)	3.04
Net periodic gratuity cost	622.90	537.02
Actual return on plan assets	314.23	260.44
Actuarial (gains) and losses arising from changes in financial assumptions	187.96	130.61
Actuarial losses and (gains) arising from changes in experience adjustments	345.07	203.93
Actuarial losses and (gains) arising from changes in demographic adjustments	27.55	-
Remeasurement of the net defined benefit liability	560.60	334.55
Remeasurement - return on plan as sets excluding amount included in interest income *	(43.13)	(33.11)
Total	**517.47**	**301.44**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial assumptions for long-term compensated absences		
Discount rate	6.96%	6.44%
Expected return on plan assets	6.96%	6.44%
Salary escalation	6.00%	5.00%
Attrition : If past service <5 years	11.00%	10.00%
: If past service >5 years	9.00%	8.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2022. The Company is expected to contribute ₹ 894.13 lakhs to defined benefit obligations funds for the year ended March 31, 2023.

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate, expected salary increase and employee attrition. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate increases (decreases) by 1%, the defined benefit obligations would decrease by ₹ 368.27 lakhs (increase by ₹ 422.16 lakhs) as at March 31, 2022. If the expected salary growth increases (decreases) by 1%, the defined benefit obligations would increase by ₹ 421.99 lakhs (decrease by ₹ 374.70 lakhs) as at March 31, 2022. If the employee attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 10.64 lakhs (decrease by ₹ 14.12 lakhs).

The sensitivity analysis has been performed based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumption may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The defined benefit obligations shall mature after year ended March 31, 2022 as follows.

₹ lakhs

Year ending March 31,	Defined benefit obligations
2023	497.52
2024	563.62
2025	561.74
2026	511.61
2027	490.23
Thereafter	7,795.01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

30. FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT.

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.11 to the financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2022 is as follows:

₹ lakhs

Particulars	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Assets:			
Trade receivables			
Billed	-	55,368.06	**55,368.06**
Unbilled	-	11,910.74	**11,910.74**
Cash and cash equivalents	-	15,110.51	**15,110.51**
Other bank balances	-	81,410.39	**81,410.39**
Loans	-	100.14	**100.14**
Other financial assets	186.32	15,083.58	**15,269.90**
Total	**186.32**	**1,78,983.42**	**1,79,169.74**
Liabilities:			
Lease liabilities	-	13,850.43	**13,850.43**
Trade payables	-	8,429.67	**8,429.67**
Other financial liabilities	-	10,795.45	**10,795.45**
Total	**-**	**33,075.55**	**33,075.55**

The carrying value of financial instruments by categories as of March 31, 2021 is as follows:

₹ lakhs

Particulars	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Assets:			
Trade receivables			
Billed	-	40,225.83	40,225.83
Unbilled	-	8,711.47	8,711.47
Cash and cash equivalents	-	10,041.73	10,041.73
Other bank balances	-	75,920.25	75,920.25
Loans	-	90.51	90.51
Other financial assets	98.66	13,376.26	13,474.92
Total	98.66	1,48,366.05	1,48,464.71

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Particulars	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Liabilities:			
Lease liabilities	-	7,320.99	7,320.99
Trade payables	-	5,613.07	5,613.07
Other financial liabilities	-	5,359.80	5,359.80
Total	-	18,293.86	18,293.86

(b) Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 —Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2—Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3—Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

₹ lakhs

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets / liabilities:				
Derivative financial assets	-	186.32	-	**186.32**
Derivative financial liabilities	**-**	**-**	**-**	**-**

₹ lakhs

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets / liabilities:				
Derivative financial assets	-	98.66	-	98.66
Derivative financial liabilities	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(c) Financial risk management

The Company is exposed primarily to fluctuations in credit, liquidity and market risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and financial liabilities. The risk management policy is approved by the Board of Directors. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

(d) Interest rate risk

The Company's investments are primarily in fixed rate interest bearing fixed deposits with banks. Hence the Company is not significantly exposed to interest rate risk

(e) Credit risk:

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, derivative financial instruments, cash and cash equivalents, other bank balances and other financial assets. Other bank balances include bank deposits for an amount of ₹ 92,000.00 lakhs(Previous year ₹ 85,440.00 lakhs) held with five schedule banks having high credit–rating which are individually in excess of 10% or more of the Company bank deposits for the year ended March 31, 2022. Trade receivables- billed and Trade receivables-unbilled include an amount of ₹ 16,611.84 lakhs (Previous year ₹ 5,901.77 lakhs) held with two customers having high credit-rating which are individually in excess of 10% or more of Company Trade receivables- billed and Trade receivables-unbilled for the year ended March 31, 2022.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to the credit risk was ₹ 1,79,169.74 lakhs and ₹ 1,48,464.71 lakhs as at March 31, 2022 and March 31, 2021, respectively, being the total of the carrying amount of balances principally with banks, other bank balances, Trade receivables- billed and Trade receivables- unbilled and other financial assets.

The Company's exposure to customers is diversified and except two customers, no single customer contributes to more than 10% and 10% of Trade receivables- billed and Trade receivables- unbilled as at March 31, 2022 and March 31, 2021, respectively.

Geographic concentration of credit risk

The Company also has a geographic concentration of Trade receivables- billed and Trade receivables-unbilled (gross and net of allowances) as given below:

Geographic concentration of credit risk is allocated based on the location of the customers.

Country	As at March 31, 2022		As at March 31, 2021	
	Gross %	Net %	Gross %	Net %
Europe	**39.46%**	**39.45%**	31.78%	32.25%
United States of America	**34.22%**	**34.63%**	31.31%	31.78%
India	**6.61%**	**6.63%**	28.33%	27.42%
Others	**19.71%**	**19.29%**	8.58%	8.55%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

ii) Liquidity risk:

Liquidity risk refers to the risk that Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that sufficient funds are available for use as per requirements.

The Company consistently generates sufficient cash flows from operations to meet its financial obligations as and when they fall due.

The table below provides details regarding the contractual maturities of significant financial liabilities as at:

₹ lakhs

Particulars	Due in year 1	Due in year 2- 3 years	More than 3 years	Total
March 31, 2022				
Non-derivative financial liabilities:				
Trade payables	8,429.67	-	-	**8,429.67**
Other financial liabilities	10,754.69	-	-	**10,754.69**
Lease liabilities	2,021.83	5,792.21	6,036.39	**13,850.43**
Total	**21,206.19**	**5,792.21**	**6,036.39**	**33,034.79**

₹ lakhs

Particulars	Due in year 1	Due in year 2- 3 years	More than 3 year	Total
March 31, 2021				
Non-derivative financial liabilities:				
Trade payables	5,613.07	-	-	5,613.07
Other financial liabilities	5,359.80	-	-	5,359.80
Lease liabilities	1,563.24	2,502.53	3,255.22	7,320.99
Total	**12,536.11**	**2,502.53**	**3,255.22**	**18,293.86**

iii) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign currency exchange rate risk:

The fluctuation in foreign currency rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great Britain Pound and Euro against the functional currency of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The Company, as per its risk management policy, uses derivative instruments primarily to cover the exchange rate risks. Further, any movement in the foreign currency of the various operations of the Company against major foreign currencies may impact Company's revenue in international business.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange risk. It covers a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which could affect the statement of profit and loss and other comprehensive income and equity. Further the exposure indicated below is mitigated by some of the derivative contracts entered into by the Company.

The following table sets forth information relating to foreign currency exposures as at March 31, 2022 and March 31, 2021.

₹ lakhs

March 31, 2022	USD	GBP	EUR	Others*	Total
Total financial assets	**31,805.54**	**15,259.02**	**11,441.66**	**8,102.4**	**66,608.62**
Total financial liabilities	**5343.26**	**636.13**	**895.20**	**959.27**	**7833.86**

₹ lakhs

March 31, 2021	USD	GBP	EUR	Others*	Total
Total financial assets	23,678.67	11,011.88	10,311.11	4,750.26	49,751.92
Total financial liabilities	3,100.47	1,211.43	998.55	1,026.43	6,336.88

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit before tax by approximately ₹ 11,194,20 lakhs for the year ended March 31, 2022 and ₹ 4,341.50 lakhs for the year ended March 31, 2021 respectively.

*Others include AED, AUD, CAD, JPY, KRW, MYR, SGD, ZAR etc.

The Company use various derivative financial instruments governed by policies approved by the board of directors such as foreign exchange forward and option contracts to manage and mitigate its exposure to foreign exchange rates. The counter party is generally a bank. The Company can enter into contracts for period up to one year.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

As at March 31, 2022			
Foreign Currency	No of contracts	Notional amount of contracts (Currency value in lakhs)	MTM Values (₹ lakhs)
US Dollar	**7**	**138.00**	**80.33**
Sterling Pound	**7**	**47.00**	**71.30**
Euro	**7**	**38.00**	**17.94**
JPY	**3**	**775.00**	**16.75**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2021		
Foreign Currency	**No of contracts**	**Notional amount of contracts (Currency value in lakhs)**	**MTM Values (₹ lakhs)**
US Dollar	4	166.00	36.03
Sterling Pound	4	51.00	9.68
Euro	4	45.00	52.95
JPY	-	-	-

Considering the COVID-19 situation, we have analysed the credit risk and the consequential delay in realisation from our customers. This assessment is based on market outlook and the financial strength of the customers in respect of whom amounts are receivable. Based on our assessment, the valuation of Trade receivables- billed and Trade receivables- unbilled and the provision for doubtful trade receivables as at March 31, 2022 is considered adequate. The Company continues to closely monitor the business outlook and the financial stress in the market and shall consider taking appropriate steps as may be needed to secure the financial interests of the Company

31. RELATED PARTY TRANSACTIONS

The Company's material related party transactions and outstanding balances are with its group companies with whom the Company routinely enters into transactions in the ordinary course of business.

Names of related parties	**Description of relationship**
Tata Sons Private Limited	Company with Controlling Interest
Mr. Manoj Raghavan, Managing Director	Key Managerial Personnel
Mr. Muralidharan HV, Chief Financial Officer (till July 31, 2021)	Key Managerial Personnel.
Ms. Bhavana Muralidharan (till July 31, 2021)	Relative of Key Managerial Personnel.
Mr. G. Vaidyanathan, Company Secretary (till February 28, 2022)	Key Managerial Personnel
Mr. Gaurav Bajaj (w.e.f August 01, 2021)	Key Managerial Personnel
Mr. Adarsh Narayan Ganapathy (w.e.f February 07, 2022)	Relative of Key Managerial Personnel.
Mrs. Cauveri Sriram (w.e.f March 01, 2022)	Key Managerial Personnel
Non-Executive Directors	
Mr. N.G.Subramaniam	Key Managerial Personnel
Mrs. Shyamala Gopinath	Key Managerial Personnel
Mr. Sudhakar Rao	Key Managerial Personnel
Mr. Ankur Verma	Key Managerial Personnel
Prof.Anurag Kumar	Key Managerial Personnel
Tata Elxsi (India) Limited Employees Gratuity Fund	Post-employment benefit plans of the Company
Tata Elxsi (India) Limited Employees Provident Fund	
Tata Elxsi (India) Limited Employees Superannuation Fund	
Bowler Motors Limited	Group entity
Jaguar Land Rover Limited	
Tata Advanced Systems Limited	
Tata Chemicals Limited	
Tata Class Edge-Div Of Tata Industries Limited	
Tata Consultancy Services Limited	
Tata Consumer Products Limited	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Names of related parties	Description of relationship
Tata Electronics Private Limited	Group entity
Tata Ficosa Automotive Systems Private Limited	
Tata Industries Limited	
Tata Marcopolo Motors Limited	
Tata Motors Limited	
Tata Steel Bsl Limited	
Tata Steel Limited	
Tata Technologies Limited	
The Indian Hotels Company Limited	
The Tata Power Company Limited	
Tata Power Solar Systems Limited	
Tata Autocomp Systems Limited	
Tata Power Company Limited	
Tata Technologies Pte Limited	
Tata Motors European Technical Centre Plc	
Tata Technologies Europe Limited	
Tata Consultancy Services- Japan	
Tata Motors Passenger Vehicles Limited	
Tata Communications Transformation Services Limited	
Indian Hotels Company Limited	
Piem Hotels Limited (Unit Vivanta By Taj Blue Diamond)	
Tajgvk Hotels & Resorts Limited	
Tata Aia Life Insurance Company Limited	
Tata Aig General Insurance Company Limited	
Tata Chemicals Limited	
Tata Communications Limited	
Tata Consultancy Services Limited	
Tata Internationl West Asia Dmcc	
Tata Limited	
Tata Motors Limited	
Tata Sia Airlines Limited	
Tata Steel Limited	
Tata Technologies Limited	
Tata Teleservices (Maharashtra) Limited	
Tata Teleservices Limited	
The Indian Hotels Company Limited - Vivanta Whitefield	
The Tata Power Company Limited	
Voltas Limited	
Tata Capital Financial Services Limited	
The Indian Hotels Company Limtied-Taj Mahal Hotel	
Tata Services Limited	
Tata Community Initiatives Trust	
Piem Hotels Limited (Unit- Vivanta By Taj President, 1 Mumbai)	
Tata Services Limited-Tmtc	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Details of related party transactions:

The transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022

₹ lakhs

Particulars	Company with significant influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Subsidiaries of Tata Sons Private Limited	Other related parties	Total
Revenue from operations	7.08	-	-	35,165.51	-	**35,172.59**
Dividend paid	11,359.55	0.96	-	619.92	-	**11,980.44**
Purchase of goods, services (including reimbursement)	-	-	-	2,128.46	-	**2,128.46**
Receiving of services - Brand fee and other services	605.10	-	-	-	-	**605.10**
Remuneration and commission (refer note-1 below)	-	1,757.55	19.69	-	-	**1,777.24**
Contribution to employees' post employment plan	-	-	-	-	5,621.01	**5,621.01**
Balances outstanding at the end of the year:	**-**	**-**	**-**	**-**	**-**	**-**
Trade Receivable	-	-	-	-	10,335.27	**10,335.27**
Trade Payable	605.10	-	-	-	44.97	**650.07**
Other payables	-	930.00	-	-	601.85	**1,531.85**

The transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

₹ lakhs

Particulars	Company with significant influence	Key Managerial Personnel	Relative of Key Managerial Personnel	Subsidiaries of Tata Sons Private Limited	Other related parties	Total
Revenue from operations	35.26	-	-	9,484.74	-	9,520.00
Dividend paid	4,338.72	-	-	236.78	-	4,575.50
Purchase of goods, services (including reimbursement)	5.39	-	-	841.50	-	846.89
Receiving of services - Brand fee and other services	476.54	-	-	-	-	476.54
Remuneration and commission (refer note-1 below)	-	674.04	44.47	-	-	718.51
Commission and sitting fee	-	409.15	-	-	-	409.15
Contribution to employees' post employment plan	-	-	-	-	4,946.14	4,946.14
Balances outstanding at the end of the year:						
Trade receivable	-	-	-	5,715.54	-	5,715.54
Trade payable	476.54	-	-	33.86	-	510.40
Other payables	-	650.00	-	-	389.70	1,039.70

Note-1: The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The above figures do not include provisions for compensated absences leave, gratuity and premium paid for group health insurance as separate actuarial valuation / premium paid are not available.

Note-2: All transactions with these related parties are priced on an arm's length basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

32. IND AS 116

a. Right-of-use assets

Right-of-use assets related to lease hold properties.

₹ lakhs

Particulars		As at March 31, 2022		Particulars		As at March 31, 2021	
		Land and buildings	Motor Lease			Land and buildings	Motor Lease
I.	Gross carrying amount			I.	Gross carrying amount		
	Balance as at April 1, 2021	**8,817.44**	**-**		**Balance as at April 1, 2020**	6,733.06	-
	Additions to right of use asset	8,055.50	253.06		Additions to right of use asset	3,271.98	-
	Less: Disposals /Deletions	1,284.64			Less: Disposals/Deletions	1,187.60	-
	Balance as at Mar 31, 2022	**15,588.30**	**253.06**		**Balance as at March 31, 2021**	**8,817.44**	-
II.	Accumulated depreciation			II.	Accumulated depreciation		
	Balance as at April 1, 2021	**2,308.02**	**-**		**Balance as at April 1, 2020**	1,549.79	-
	Amortisation for the year	2,331.07	44.20		Amortisation for the year	1,942.23	-
	Less: Eliminated on disposal of assets	1,280.29	-		Less: Eliminated on disposal of assets	1,184.00	-
	Balance as at Mar 31, 2022	**3,358.80**	**44.20**		**Balance as at March 31, 2021**	**2,308.02**	-
III.	**Net carrying amount (I-II)**	**12,229.50**	**208.86**	**III.**	**Net carrying amount (I-II)**	**6,509.42**	-

Other disclosure w.r.t. leases:

- Interest expense (included in finance cost) for the year ended March 31, 2022 amounts to ₹ 934.32 lakhs (Previous year ₹ 593.19 lakhs)
- The total cash outflow for the year ended March 31, 2022 amounts to ₹ 2,709.10 lakhs (Previous year ₹ 2,370.57 lakhs)
- The Company incurred ₹ 89.93 lakhs for the year ended March 31, 2022 towards expenses relating to lease of low-value assets (Previous year ₹ 82.86 lakhs)

Lease liabilities

Maturity analysis – contractual discounted cash flows

₹ lakhs

Year	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
2021-22	13,850.43	18,147.47	3,161.81	12,037.72	2,947.94
2020-21	7,320.99	9,430.20	2,155.89	5,696.16	1,578.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

33. CONTINGENT LIABILITIES AND COMMITMENTS:

₹ lakhs

Contingent liabilities and commitments (to the extent not provided for)	As at March 31, 2022	As at March 31, 2021
(i) Contingent liabilities:		
Claims against the Company not acknowledged as debt	**2,997.42**	2,997.42
Disputed demands for Income Tax aggregates.		

Notes:

i. Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/ decisions pending with various forums/authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

₹ lakhs

Capital commitments:	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	**826.72**	204.20
Intangible assets- Computer Software	**372.02**	222.83

34. SEGMENT INFORMATION

The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - operating segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, the segment information has been presented for industry classes.

The Company has identified business segments as its primary segment. Business segments are primarily software development & services and system integration and support.

Each segment item reported is measured at the measure used to report to CODM for the purposes of making decisions about allocating resources to the segment and assessing its performance.

Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant & equipment that are used interchangeably amongst segments are not allocated to primary segment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

₹ lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Segment revenue		
Software development and services	2,42,131.14	1,78,167.42
System integration and support services	4,948.78	4,448.55
Total	**2,47,079.92**	**1,82,615.97**
Segment results		
Software development and services	82,894.53	55,179.02
System integration and support services	248.98	364.81
Total	**83,143.51**	**55,543.83**
Less: Finance costs	942.51	593.19
Less: Unallocable expenditure (net of unallocable income)	7,652.10	3,763.97
Profit before tax	**74,548.90**	**51,186.67**
Tax expense	19,581.75	14,374.48
Net profit for the period / year	**54,967.15**	**36,812.19**
Segment assets		
Software development and services	88,482.16	63,783.04
System integration and support services	2,531.63	1,448.29
Unallocable assets	1,25,903.54	1,06,437.93
Total	**2,16,917.33**	**1,71,669.26**
Segment liabilities		
Software development and services	48,030.84	26,957.63
System integration and support services	359.23	651.34
Unallocable liabilities	8,436.97	8,843.14
Total	**56,827.04**	**36,452.11**

The geographic segments individually contributing 10 percent or more of the Company's revenues and segment non-current assets are shown separately:

₹ lakhs

Geographic Segment	Revenues	Non-current operating assets	Revenues	Non-current operating assets
	For the year ended March 31, 2022	As at March 31, 2022	For the year ended March 31, 2021	As at March 31, 2021
India	**39,307.28**	**46,410.09**	24,201.39	31,503.17
US	**1,04,163.70**	**20.39**	66,719.81	17.13
Europe	**75,577.94**	**1.37**	64,429.71	8.69
Others	**28,030.99**	**18.51**	27,265.06	7.51
Total	**2,47,079.92**	**46,450.36**	**1,82,615.97**	**31,536.50**

Geographical non-current assets (property, plant and equipment, intangible assets, income tax assets and other non-current assets) are allocated based on the location of the assets.

Information about major customers:

The revenues of ₹ 2,42,131.14 (Previous year ₹ 1,78,167.42) lakhs arising from the software development and services segment includes ₹ 62,141.51 (Previous year ₹ 42,556.58) lakhs representing revenue of more than 10% of the total revenue of the Company is from two customers.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

35. IND AS 115 - REVENUE

A. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**55,368.06**	40,225.83
Unbilled receivables	**11,910.74**	8,711.47
Contract liabilities	**4,721.47**	2,744.83

The following table discloses the movement in contract assets during the year ended March 31, 2022:

₹ lakhs

Particulars	As at March 31, 2022
Balance at the beginning	**2,579.88**
Add: Revenue recognised during the year	31,155.80
Less: Invoiced during the year	31,495.20
Less : Translation gain/(loss)	(158.32)
Balance at the end	**2,398.80**

The following table discloses the movement in contract liabilities during the year ended March 31, 2022:

₹ lakhs

Particulars	As at March 31, 2022
Balance at the beginning	**2,744.82**
Less: Revenue recognised during the year	31,352.74
Add: Invoiced during the year	33,161.52
Less: Translation gain/(loss)	(167.86)
Balance at the end	**4,721.47**

B. Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis and no information is provided about remaining performance obligations at March 31, 2022 that have an original expected duration of one year or less, as allowed by Ind AS 115.

The aggregate value of performance obligations that are completely or partially unsatisfied as of March 31, 2022 is ₹ 31,783.81 lakhs. Out of this, the Company expects to recognise revenue of around 56.14% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

36. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

₹ lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**45.94**	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**3,610.26**	1,853.30
(iv) The amount of interest due and payable for the year		
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

37. CORPORATE SOCIAL RESPONSIBILITY:

a. Gross amount required to be spent by the Company during the year ₹ 699.93 lakhs (March 31, 2021 ₹ 610.55 lakhs)

b. Amount spent during the year:

₹ lakhs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1. Amount required to be spent by the Company during the year	**699.93***	610.55*
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purposes other than (i) above	**655.06**	402.45
3. Shortfall at the end of the year	**44.87**	208.10
4. Total of previous years shortfall	**-**	-
5. Reason for shortfall	**Project in Progress**	Project in Progress
6. Nature of CSR activities	Promoting Health care and Education	
7. Details of related party transactions i n relation to CSR expenditure as per relevant Accounting Standard	**10.00**	-

* Includes overhead expense of ₹ 32.37 lakhs (March 31, 2021 ₹ 30.53 lakhs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

38. The Company had in the earlier year entered into incubation agreement for providing services pertaining to promotion of business of the entrepreneurs and also providing infrastructure facilities and resources. In consideration for the services rendered shares has been allocated /transferred as under. These investments are valued at fair value through profit and loss.

Name of the Company	No shares allotted /transferred	Face value of shares (₹)
Big V Telecom Private Limited	22,250	10
Sismatik Solutions Private Limited	1,000	10
Street Smart Mobile Technologies Private Limited	2,000	10

Considering probability of successful outcome of such development and the ability of these entities to commercialise the product being developed, as a matter of prudence the Company has recorded these investments at ₹ 1/-.

39. The sitting fee and commission for non-executive directors is ₹ 539.30 lakhs and ₹ 409.15 lakhs for the financial year 2021-22 and 2020-21 respectively.

40. ADDITIONAL REGULATORY INFORMATION- RATIOS

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance	Remarks
Current Ratio (in times)	Total current assets	Total current liabilities	**4.13**	5.26	-21%	
Debt-Equity Ratio (in times)	Total debt consist of Lease liabilities	Total equity	**0.09**	0.05	80%	*
Debt Service Coverage Ratio (in times)	Earning for Debt Servi ce = Net Profi after taxes + Non-cash operating expenses + finance cost	Debt service = Interest & lease payments	**22.68**	17.65	28%	
Return on Equity Ratio (in%)	Net Profit for the year	Average total equity	**37.23**	30.15	23%	
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	**4.25**	3.76	13%	
Trade payables turnover ratio (in times)	Cost of materials consumed + Changes in inventories of stock-in-trade + Other expenses	Average trade payable	**5.94**	5.41	10%	
Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e., Total current assets less total current liabilities)	**1.92**	1.62	19%	
Net profit ratio (in %)	Net Profit for the year	Revenue from operations	**22.25**	20.16	10%	
Return on Capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities +Deferred tax liabilities	**43.4**	36.33	19%	

*Increase in debit equity ratio and debt service coverage ratio, on account increase lease liability under IndAS 116 for additional capacity created during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

41. DIVIDENDS

During the year ended March 31, 2022, the Company paid total dividends at ₹ 24 and special dividend of ₹ 24 per equity share for the year ended March 31, 2021.

Dividends declared by the Company are based on the profit available for distribution. Distribution of dividend out of General Reserve and Retained earnings.

42.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

43. SUBSEQUENT EVENT NOTE

On April 20, 2022, the Board of Directors of the Company have proposed a dividend of ₹ 42.5 per share in respect of the year ended March 31, 2022 subject to the approval of shareholders at the Annual General Meeting

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place: Bengaluru
Date: April 20, 2022

for and on behalf of the Board

N G Subramaniam
Chairman
DIN: 0007006215

Manoj Raghavan
Managing Director
DIN: 0008458315

Gaurav Bajaj
Chief Financial Officer

Cauveri Sriram
Company Secretary

SIGNIFICANT THREE YEARS HIGHLIGHT

	March 31, 2022	March 31, 2021	March 31, 2020
Income			
Revenue from operations	2,470.8	1,826.2	1,609.9
Other Income	44.5	39.8	58.4
Total	**2,515.3**	**1,865.9**	**1,668.3**
Expenditure		-	-
Cost of sales	126.2	87.0	81.1
Personnel expenses	1,288.1	1,024.5	950.9
Finance costs	9.4	5.9	5.6
Depreciation / amortisation expense	55.3	44.4	43.4
Other expenses	290.8	192.2	234.9
Total expenditure	**1,769.8**	**1,354.1**	**1,315.8**
Profit before tax	745.5	511.9	352.4
Tax expense	195.8	143.7	96.3
Profit for the year	549.7	368.1	256.1

SIGNIFICANT RATIO ANALYSIS

Particulars	Unit	March 31, 2022	March 31, 2021	March 31, 2020
Earnings before interest, depreciation and tax/Sales	%	31.0	28.6	21.3
Profit before taxes/Sales	%	29.6	27.4	21.1
Profit after taxes/Sales	%	21.9	19.7	15.4
Current Ratio	No. of Times	4.1	5.3	5.5
Debt Equity Ratio	%	-	-	-
Earnings per share	₹	88.3	59.1	41.1
Dividend per share	₹	42.5	48.0	16.5
Book Value share	₹	257.1	217.1	175.0
Return on Net Worth	%	34.3	27.2	23.5

NOTES

ABOUT THIS REPORT

This report is aligned with the International Integrated Reporting Council's (IIRC) globally accepted framework. Tata Elxsi Limited ('Tata Elxsi' or 'the Company') aims to strengthen its communication to the stakeholders with respect to material activities, value creation process, business highlights and future prospects. The report also follows and adopts guidelines laid out by SEBI with respect to Annual Report.

SCOPE AND BOUNDARY

This annual report comprises of all the relevant aspects of operations of Tata Elxsi Limited. It also consists of the desired statutory disclosures and audited annual financial statements for the year ended 31 March, 2022. Consolidated financial information also forms part of this Annual Report.

FRAMEWORKS

The content and structure of our Annual Report is guided by the framework endorsed by the Integrated Reporting Council. Besides, the Company fully complies with the NSE and BSE listings as well SEBI compliances. It is committed to embracing best practices in reporting to ensure transparency and better stakeholder engagement.

ASSURANCE

Tata Elxsi Limited Board of Directors and its subcommittees have reviewed the Report and have satisfied themselves of the materiality, accuracy, and balance of disclosures in this Report. The Board has not sought independent assurance of the Report, other than for the annual financial statement.



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