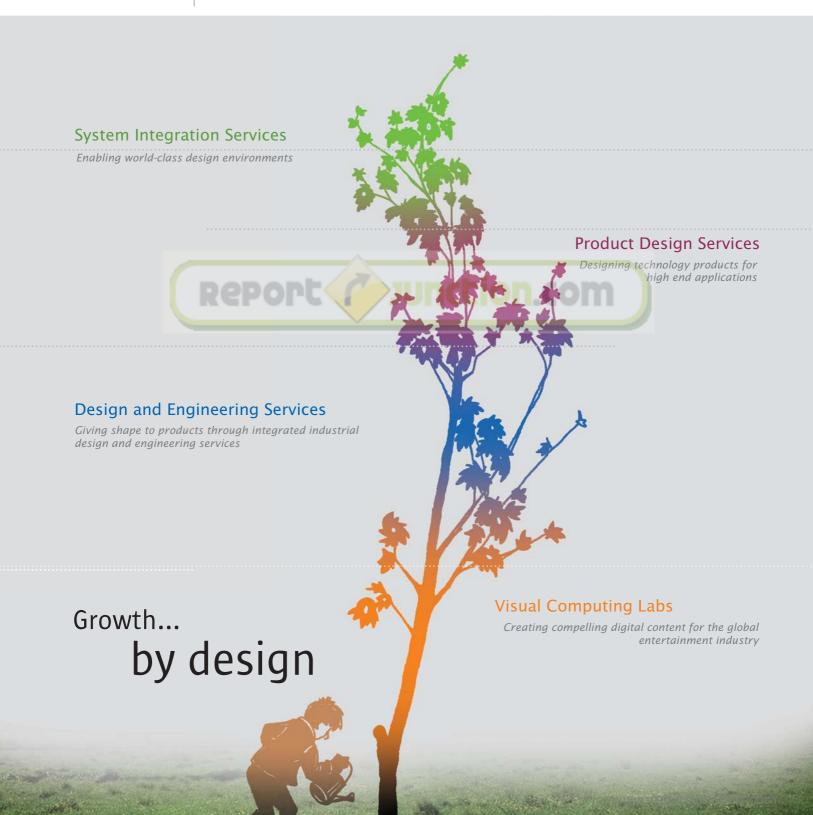


ANNUAL REPORT 2005



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INTRODUCTION

Today's technology evolves on a day-to-day basis. Companies around the world look for technology solutions, which can keep up with the rapid progress. In the ardent pursuit to innovate, to think anew and to provide inspired solutions, Tata Elxsi is in a unique position to partner with the best in the industry.

Seamlessly integrating precision and ingenuity, Tata Elxsi provides for creative leadership in hard-core technology and strength in design. Empowered with the best of both worlds, Tata Elxsi is able to offer creative excellence and technology expertise to its clients worldwide.

In the advance of civilization, it is new knowledge.



TATA ELXSI

Tata Elxsi is a part of the multi-billion
Tata conglomerate. Incorporated in
1989, the Company has garnered an
excellent reputation in the niche area
of design technology. This
encompasses technology solutions
and services to automotive styling and
animation.

The Company has built competence across the services-spectrum from conceptualizing and prototyping to realization across Industry verticals ranging from automotive to aerospace, bioinformatics to consumer electronics and semicon to telecom. This lateral exposure coupled with our expertise enables partners to leverage a whole new level of thinking.

Tata Elxsi is an SEI CMMi Level 5 Company - the first Company in the world for processes and methodologies exclusively in product design. This quality focus strengthens our clients, and our practices translate into shorter time-to-market- just what enterprises expect from an alliance in today's world.

Located in Bangalore, the IT hub of India, Tata Elxsi's network includes over 20 offices worldwide.

A 1700 strong workforce actively engages in providing expertise in VLSI design, embedded software, network telecom, multimedia, storage, visual and high-performance computing, mechanical product design, animation and special effect services. All this is supported by state-of-the-art development centers in Bangalore Chennai, Thiruvananthapuram, and production studios in Mumbai.

The Company's core practice areas cover

I. Software Development & Services, which encompass

Product Design Services: Designing technology products, including hardware and software, offering a cost and time benefit.

Design & Engineering Services:

Providing integrated mechanical design solutions to give shape to products.

Visual Computing Labs: Making possible compelling digital content for the entertainment industry.

And

II. System Integration: Enabling the setting up of world-class design environments.

THE TATA LEGACY

The Tata Group is one of India's oldest, largest and most respected business conglomerates. The Group's businesses are spread over seven business sectors. It comprises 91 companies with revenues in 2003-04 of \$14.25 billion and operates in six continents. It employs some 220,000 people and collectively has a shareholder base of over two million.

From the establishment of textiles manufacturing, to the setting up of India's first luxury hotel, to the establishment of the first Iron and Steel plant in India, to the establishment of the Indian Institute of Science to serve as a center for advanced learning, the Tata group has been steadfast in its commitment to nation-building and improving the quality of life of the communities it serves, ever since its inception in 1868 by Jamsetji Tata, the founder of the group.

The Tata family of companies shares a set of five core values: **integrity**, **understanding**, **excellence**, **unity and responsibility**. These values, which have been part of the Group's beliefs and convictions from its earliest days, continue to guide and drive the business decisions of Tata companies. The Group and its enterprises have been steadfast and distinctive in their adherence to business ethics and their commitment to corporate social responsibility. This is a legacy that has earned the Group the trust of many millions of stakeholders in a measure few business houses anywhere in the world.

At Tata Elxsi we bear this legacy with pride, as we continue to tread the path set by the founder.





MR. SYAMAL GUPTA



MR. S RAMADORAI



DR. F C KOHLI



MR. MADHUKAR DEV



BRIG. K BALASUBRAMANIAM



MR. E A K FAIZULLABHOY

BOARD OF DIRECTORS



MR. SUJIT GUPTA



MR. HOSHIE MALGHAM



MR. PATRICK McGOLDRICK



MR. CYRUS PALLONJI MISTRY



MR. PIYUSH G MANKAD

PRODUCT DESIGN SERVICES



Tata Elxsi's Product Design Services answers the need for reliable outsourced R&D and product design, providing a full service software, hardware and system design and development program for technology products.

Over the years, the division has evolved "Inside the Box TM" competencies - a layered capability model enabling Full Life-Cycle product design services to customers worldwide. PDS caters to diverse sectors - from automobiles and consumer products to semiconductors, media, storage and scientific applications. Backed by an exclusive mix of capabilities, the highest levels of quality and a multisite delivery model, the division ensures cost-effective 'product engineering' and time to market advantages.

This very approach has won Tata Elxsi several customers in the last year - adding considerably to its client portfolio.

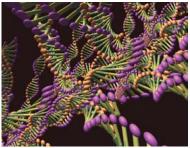
To meet the increasing needs of clients, the company has expanded its presence in key geographies to enable easy access.





06









SYSTEM INTEGRATION

System Integration Services, one of Tata Elxsi's long-standing practice areas, integrates products and services using the inherent domain expertise in design tools, visualization, compute systems, storage and networking, to offer clients highly customized and effective solutions.

Partnering with global leaders, the System Integration division assists customers in implementing complex design solutions across market segments such as Automotive, Aerospace, Entertainment, Manufacturing, Government and Education.

Professional Services Group

Facilitating strategy, design and implementation of IT solutions is Tata Elxsi's Professional Services Group (PSG). The PSG team comprises experts in providing solutions, implementing applications, data mining, analyzing and managing enterprise-wide IT Infrastructure and ensuring uninterrupted workflow across systems, organization wide.

Tata Elxsi addresses the entire spectrum of requirements including Facilities Management, Network Management, Storage Consultancy & Management, System Administration, Security Consultancy & Management and Overseas Support and Services.





visual computing labs

VISUAL COMPUTING LABS

Growing at a steady pace, Visual Computing Labs is setting a benchmark in the entertainment industry. Skillfully bringing technology and creativity together, the division provides Animation (2D / 3D), Special Effects and Games services to customers worldwide.

VCL leverages its unique mix of creative and specialized skills in 3D Computer Graphics, Animation and Visual Effects to offer Pre-Production, Production and Post-Production services for niche markets of advertising, film, television and games.

Versatility in handling diverse styles of animation plus offering VFX services under the same roof remains a key strength of VCL. Years of collective experience, and backed by an exceptional team has enabled VCL to take the lead in a burgeoning industry.

