



TATA ELXSI LIMITED

18TH ANNUAL REPORT
2006 - 07

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blending

engineering and creativity

VALUES
PEOPLE
TECHNOLOGY
DELIVERY
SOLUTIONS

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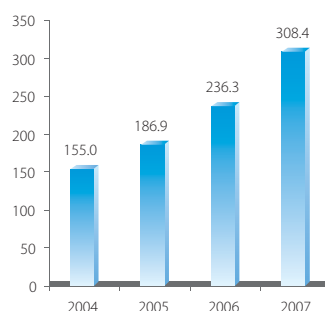
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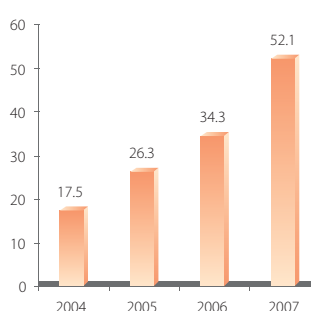
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FINANCIAL HIGHLIGHTS

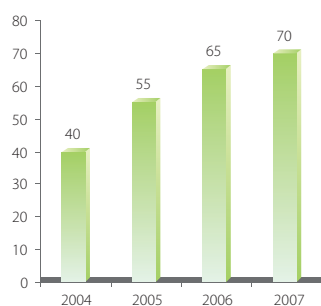
Turnover (Rs. Crores)



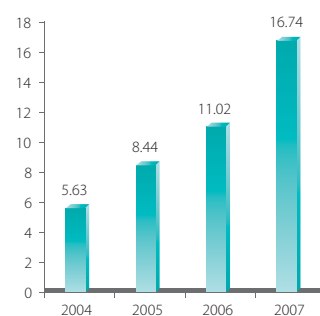
Profit after tax (Rs. Crores)



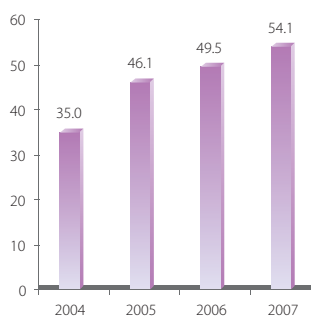
Dividend (%)



Earning per share (Rs.)



Return on capital employed (%)



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about us

At Tata Elxsi, we have created and fostered a culture embodied by **creative technology, best-fit solutions, seamless delivery, responsive people and abiding values.**

Today we boast of strong competencies across the product design lifecycle in verticals such as automotive, storage, consumer electronics, media, scientific instrumentation, semiconductors, and networking and communication...



technology

Since incorporation in 1989, Tata Elxsi has built strong competencies across the product design lifecycle in verticals such as automotive, storage, consumer electronics, media, scientific instrumentation, semiconductors, networking and communication.

The company's core practices encompass Embedded Product Design Services, Industrial Design and Engineering, Animation and Visual Effects, and Systems Integration Services.

Tata Elxsi brings contemporary technologies to customers through partnerships with global leaders such as ARM, TI, SuperH, Intel, Microsoft, Tensilica and Xilinx; and alliances with standards bodies such as FlexRay, SNIA and UPnP Forum.

Tata Elxsi provides expertise in VLSI design, embedded software, networking, telecom, multimedia, storage, visual and high-performance computing, mechanical product design and digital content creation.

solutions

Tata Elxsi has architected solutions with tough-to-beat value: full life cycle product design services (including hardware, software, enclosures and embedded systems); styling and Class A surfacing services for automotive industry; animation and visual effects for film, television and games; and systems integration services for design tools, visualization, advanced compute infrastructure, networking and storage systems, and media and broadcast.

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people technology value solutions delivery

Tata Elxsi's specialists help build silicon, system and software layers across product life cycles, complemented by a unique IP portfolio comprising reusable software components and ready-to-deploy product frameworks.

Driven by a passion for excellence and backed by SEI CMMi Level 5, ISO 9001: 2000 and BS 7799 certified processes, Tata Elxsi accelerates customers' time-to-market while lowering design risks. Tata Elxsi is the world's first company to be certified at SEI CMMi Level 5 for product design workflows – a testimony to its quality focus.

delivery

Working out of 20 international offices, four India development centers, a state-of-the-art pre/post production center in Mumbai for visual effects, a rich network of 12 offices across India supporting Indian customers, and a near-shore center in Japan – Tata Elxsi's technologists offer time-to-market solutions seamlessly to an expanding global client-base.

people

Headquartered in Bangalore, Tata Elxsi is a 2500+ combination of high-end engineering and creative minds – left and right brain thinkers: software and hardware engineers; styling mechanical, graphic and interface designers, animators and visual effects experts.

Rather than spreading expertise thinly across markets and industries – trying to mean everything to everyone with middle-of-the-road solutions – Elxsians do what they are good at: creativity, design and emerging technologies.

Competence and contribution determine the career trajectory of every Elxsian, ensuring everyone finds a place in a thriving organization.

values

Tata Elxsi is driven by Trust, Quality and Leadership – the values championed by the Tata Group for over a 100 years.

Tata Elxsi is a caring corporate citizen with a solid history of demonstrated responsibility to the countries, communities and environments in which it operates.

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UNIQUE SOLUTIONS DELIVERY



Embedded Product Design Services

Tata Elxsi's Embedded Product Design Services includes full service software, hardware, and system design and development programs for technology products. Embedded Product Design Services offers a rich portfolio of reusable software components, ready-to-deploy product frameworks, licensable IPs (intellectual property) and product development services. It services sectors such as automotive, aerospace, consumer products, networking, semiconductors, multimedia, telecom, storage and instrumentation with cost effective product engineering, time-to-market advantage, multi-site delivery model and quality standards.

Tata Elxsi draws on its core domain and technology expertise in VLSI design, embedded software, networking, telecom, multimedia, storage, visual and high-performance computing, mechanical product design and digital content creation.



PRODUCT DESIGN VISUAL
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DESIGN AND ENGINEERING



Industrial Design and Engineering

Tata Elxsi provides full service mechanical product design programs to global customers in transportation, FMCG, consumer and industrial electronics, and appliances sectors. These include complete design lifecycle services for new product development covering concept ideation, product strategy, prototype development and implementation.

These mechanical product design programs are enabled by a large specialist team of industrial designers and mechanical engineers, graphics and brand designers employing advanced digital styling, CAD tools and concurrent design processes.



Animation and Visual Effects

Visual Computing Labs (VCL) is an Animation, Visual Effects and Game Asset Building facility servicing production houses worldwide, intersecting high creativity with leading-edge technology.

VCL addresses its customers' pre-production, production and post-production requirements (including Character Design, Asset Building, Animation, High end Visual Effects, Compositing, Virtual Sets).

VCL boasts of a diverse portfolio of Hollywood productions including **Spider-Man 3** (for Sony Pictures Imageworks), **Into the Blue** (for MGM), and **One Night with the King**. Its equally strong India portfolio comprises of movies such as **Ta Ra Rum Pum**, **Kabhi Alvida Naa Kehna**, **Dhoom 2**, **Fanaa** and **Rang De Basanti**.

VCL has created 3D animation for popular international television series and commercials for clients as diverse as Coke, Hindustan Lever, Reebok and Wrigley.



COMPUTING

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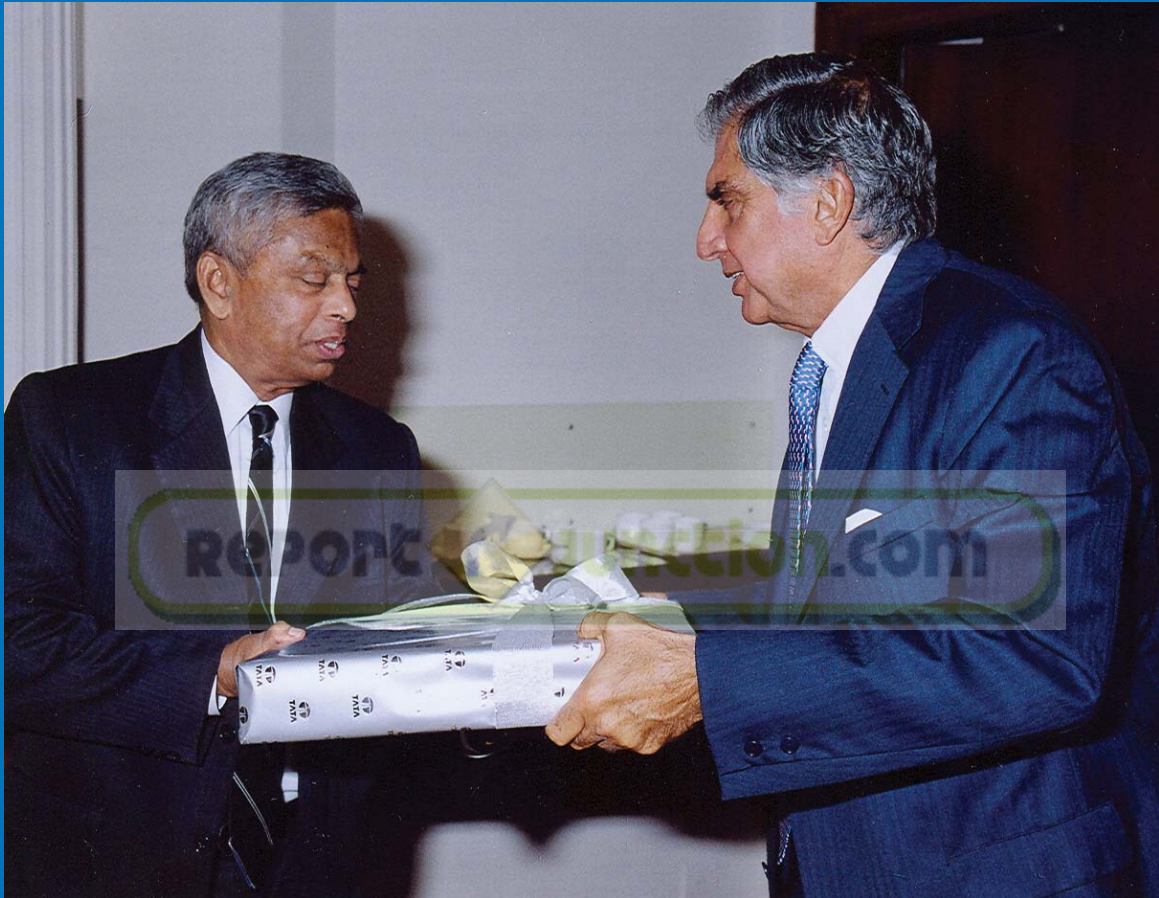
Systems Integration Services

Tata Elxsi's Systems Integration Services implements design solutions in the automotive, aerospace, entertainment, manufacturing, government and education segments. This is backed by a network of offices; a team of specialists in design tools, visualization, compute systems, storage, and networking; and alliances with world leaders.

Systems Integration Services includes the Professional Services Group (PSG) that further extends services to applications, data mining, facilities management, network management, storage consultancy and management, and overseas support and services.

INTEGRATION

50 GLORIOUS YEARS WITH THE TATA GROUP



Our Chairman, Mr. Syamal Gupta receives a memento from Mr. Ratan Tata, Group Chairman on his completion of 50 years with the Tata Group.



Mr. S Ramadorai



Mr. Syamal Gupta



Mr. Cyrus Pallonji Mistry



Mr. E A K Faizullabhoj



Mr. Hoshie Malgham



Mr. Patrick McGoldrick



Mr. Piyush G Mankad



Mr. Sujit Gupta



Mr. Madhukar Dev



Dr. R Natarajan

Board

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Of
Directors

BOARD OF DIRECTORS

| | |
|--------------------|-------------------|
| Syamal Gupta | Chairman |
| S Ramadorai | Vice Chairman |
| E A K Faizullabhoy | |
| Sujit Gupta | |
| H H Malgham | |
| P G Mankad | |
| P McGoldrick | |
| C P Mistry | |
| Dr. R Natarajan | |
| Madhukar Dev | Managing Director |

STATUTORY COMMITTEES

(Pursuant to the Listing Agreement with the Stock Exchanges)

AUDIT COMMITTEE

| | |
|--------------------|----------|
| H H Malgham | Chairman |
| S Ramadorai | |
| E A K Faizullabhoy | |

INVESTOR GRIEVANCE COMMITTEE

| | |
|--------------------|----------|
| E A K Faizullabhoy | Chairman |
| H H Malgham | |
| P G Mankad | |

| | |
|---------------------|-------------------------|
| Vijay Krishnamurthy | CFO & Company Secretary |
|---------------------|-------------------------|

Registrars & Share Transfer Agents

TSR Darashaw Limited
6-10, Haji Moosa Patrawala Ind. Estate
20, Dr. E. Moses Road
Mahalaxmi, Mumbai - 400 011

Auditors

M/s. RSM & Co.
Chartered Accountants

Registered & Corporate Office

ITPB Road, Whitefield, Bangalore - 560 048, India