



TATA ELXSI

21ST ANNUAL REPORT 2009 - 10

A silhouette of a man in a suit, seen from the side, reaching his right arm up towards a bright star in a dark blue sky. The man is holding a briefcase in his left hand. The sky is filled with clouds and several small stars.

Envisioning the future

Envisioning the future

The world has seen dramatic changes over the last two years. Traditional business models, markets and industries have been challenged, and companies have been forced to seek new markets and ways of doing business, and actively seek innovations in technology, products and business models. The dynamics of what were regarded to be strong markets and industries have changed completely.

It has been no different for Tata Elxsi.

What has remained unchanged is our focus and our DNA for innovation. This has kept us in good stead. We have made certain changes in our businesses, invested in key emerging areas and got back to the drawing board in a few others, to ensure we stay ahead of the curve. It is our intent to grow – and grow manifold.

There is only one way for TATA ELXSI. Forward.



MESSAGE FROM THE CHAIRMAN

Your Company has demonstrated its leadership in this past year initiating new projects and engagements with new customers across geographies. This is significant given that the market environment has been challenging, as the global economy is slowly recovering from the downturn. The rapid appreciation of the rupee against key currencies as you may know, also affected the Indian IT industry.

Your Company has aligned its structure to focus better on key markets and customers, and invested in acquiring capabilities in key emerging technologies, to help emerge stronger and more focused in a dynamic business environment.

We are investing in people and technology to attain the global scale required to establish ourselves as leaders in our chosen business areas, across multiple markets and countries.

Mr. Syamal Gupta was the Chairman of the Board of Directors until September 2009, and he provided the guidance and impetus for the Company to establish an excellent foundation for growth.

I am pleased to be associated with your Company as the Chairman and I see a bright future for the Company to scale its operations and businesses manifold.

Your Company's Board of Directors has recommended a final dividend of Rs 7 per share, maintaining consistent dividends and returns to our shareholders.

S Ramadorai

FINANCIAL HIGHLIGHTS

377.32

Total income (Rs. Crs.)

47.91

Profit after tax (Rs. Crs.)

15.39

Earnings per share (Rs.)

55.87

Book value per share (Rs.)

70

Dividend (%)

CONTENTS

04	Product Design Services (PDS)
05	Industrial Design & Engineering (IDE)
06	Visual Computing Labs (VCL)
07	Systems Integration (SI)
08	Board of Directors/Statutory Committees
09	Notice of AGM
12	Directors' Report
17	Compliance Report on Corporate Governance
26	Management Discussion & Analysis Statement
31	Auditors' Report
34	Balance Sheet
35	Profit & Loss Account
36	Cash Flow Statement
37	Schedules
52	Balance Sheet Abstract
53	Auditors' Report on the Consolidated Financial Statements
54	Consolidated Balance Sheet
55	Consolidated Profit & Loss Account
56	Consolidated Cash Flow Statement
57	Consolidated Schedules
71	Statement Pursuant to Sec 212/ Significant Five Year Highlights

BUSINESS UNITS

Product Design Services (PDS)

Product Design Services (PDS) division provides full service embedded software, hardware and system design programs for a variety of technology products. PDS has core domain and technology expertise in VLSI design, embedded software, multimedia, networking and wireless communications.

PDS addresses the broadcast and consumer electronics industry, the transportation industry for automotive electronics and avionics, and wireless and convergence markets including mobile communication devices.



Industrial Design & Engineering (IDE)

Industrial Design & Engineering (IDE) division supports global corporations in the area of new brand/product introduction from concept to market. Its expertise lies in the areas of consumer insights, product / service innovation, industrial design, functional prototyping and mechanical engineering. It also engages in brand development and retail design.

IDE today is one of the leading global design players, with a talented pool of creative designers and engineers and a portfolio of customers across industries. It offers a unique value proposition to these customers of transforming concepts into marketable products and has supported the launch of over 50 new products across the world. It services diverse industries ranging from FMCG, automotive, electronics & appliances to healthcare and has won several awards for excellence in design.



BUSINESS UNITS

Visual Computing Labs (VCL)

Visual Computing Labs (VCL) is an award winning digital production studio, offering 3D Animation and Visual Effects (VFX) services. With a blend of creativity and leading-edge technology, VCL offers pre and post production services for feature films, television series, television commercials and custom content development.

VCL opened its state of the art studio in Los Angeles in January 2010 to service North American business interests. The studio is equipped with cutting-edge technology infrastructure, and boasts of a team of experienced and accomplished professionals, including an Oscar award winning visual effects supervisor and a BAFTA nominated producer. The first project it delivered was in 3D stereoscopy for a major Hollywood studio.

VCL has won numerous awards in 2009-10 including two at the 56th National awards, for exemplary animation in "Roadside Romeo" and Visual Effects in "Mumbai Meri Jaan."

VCL is currently in the final stages of completing the 3D film "Arjun", slated for release later this year.



Systems Integration (SI)

Systems Integration (SI) division implements complete systems and solutions in the entertainment, manufacturing, government and education sectors.

This is backed by a network of offices, a team of specialists in design tools, visualization, high performance computing, storage and strategic partnerships with world-leading technology providers.

SI also offers professional services including consultancy along with infrastructure management services for key customers.



BOARD OF DIRECTORS

(as on 30th April 2010)

S Ramadorai
Chairman

H H Malgham

P McGoldrick

P G Mankad

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

Dr. R Natarajan

Investor Grievance Committee

P G Mankad
Chairman

H H Malgham

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

Deloitte Haskins & Sells
Chartered Accountants

Registered & Corporate Office

ITPB Road, Whitefield
Bangalore - 560 048, India