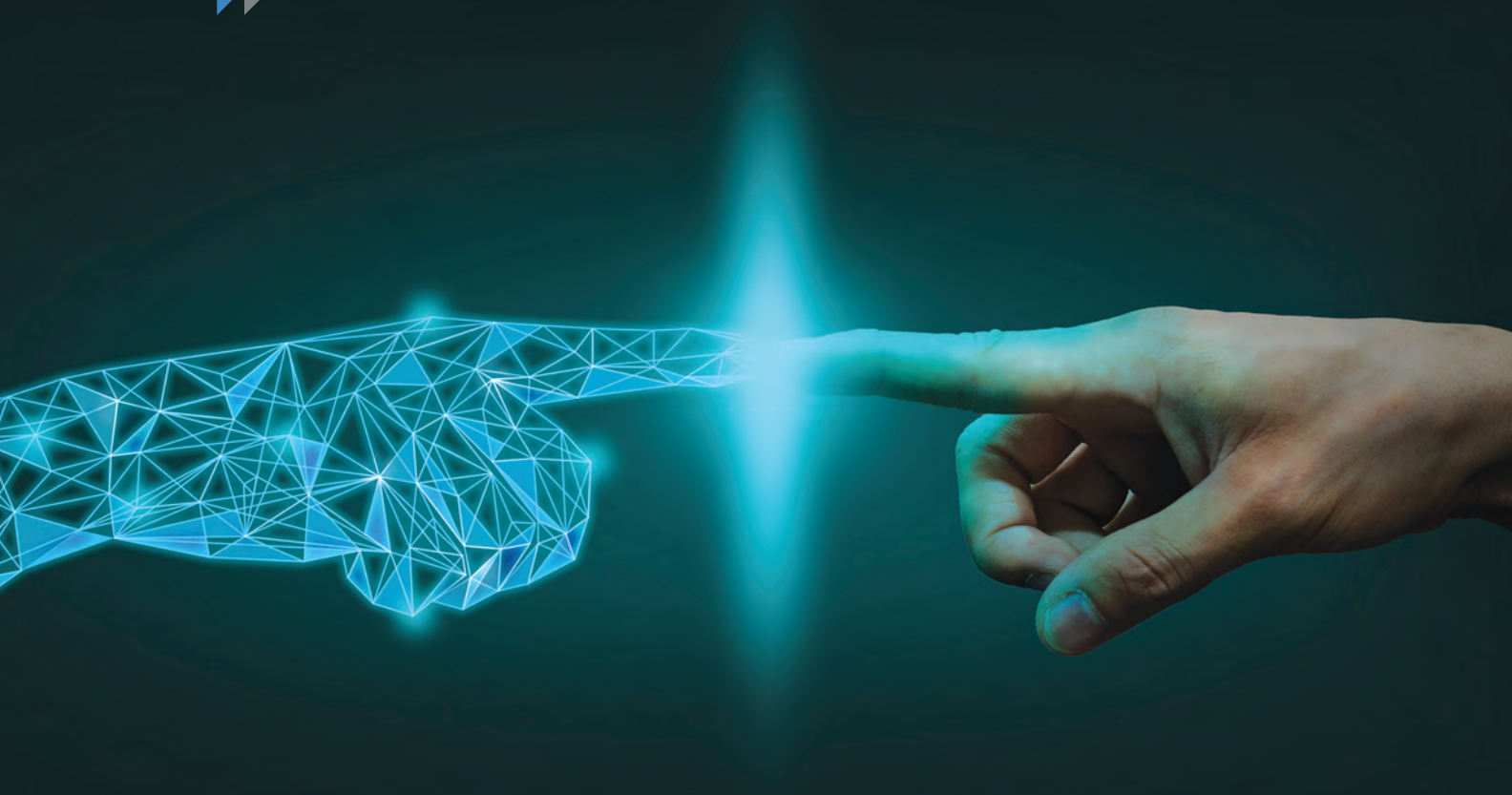
TATA

Design Digital



TATA ELXSI

ANNUAL REPORT 2020 - 21

FINANCIAL
HIGHLIGHTS

Operating Revenue

1826.2
₹ Crores

13.4%
YoY

Profit After Tax

368.1
₹ Crores

43.7%
YoY

Earnings Per Share

59.11
₹/ Share

43.8%
YoY

Book Value

217.1
₹/ Share

24.0%
YoY

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MESSAGE FROM THE **CHAIRMAN**

Dear Shareholder,

I hope you and your family are safe and healthy in these difficult times.

Your Company generated operating revenues of Rs. 1826.2 Cr in FY21, registering a healthy growth of 13.4% YoY over FY20. The Profit before tax was Rs. 511.9 Cr for the year, a growth of 45.3% YoY, crossing the 500 Cr mark for the first time in the Company's history. Your Company's Net Profit for the year stood at Rs. 368.1 Cr, reporting a growth of 43.7% YoY.

In the coming year, the continued impact of the Covid-19 pandemic, stagnant economic performance, foreign exchange rate fluctuations, and a downturn in some sectors would all pose challenges to economic growth.

We expect that advanced economies will recover faster, supported by fiscal stimulus and vaccination mechanisms. Industries have seen varied impact for continuity of operations, supply chains and consumer demand.

Your Company has spent the last few years building relevant capabilities and strategies in industry verticals with low overlap, such as Transportation, Media, Broadcast and Communications, and Healthcare.

Your Company's customer base is diversified in terms of both geographies we operate in, and currencies we bill in. This mitigates risks arising from geopolitical and currency volatility to a certain degree.

During the past year, amidst travel restrictions and lockdowns instituted by various governments across geographies, your Company ensured safety and wellbeing of all its employees, and also facilitated a seamless transition for employees to work from home, supported with processes and tools for remote working, communication, and collaboration.

This strategic diversification, seamless continuity of delivery and operations, and investments in improving offerings, sales, and marketing, enabled the Company to increase operating revenue by 13.4% in a year where the global economy was contracting.

In the Zinnov Zones 2020 Report, your Company was ranked in the 'Leadership Zone' in the Automotive and Media & Communications industries. Your Company was also recognised as an emerging niche leader in innovative technologies like Digital Engineering, Artificial Intelligence and the Internet of Things.

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

I take this opportunity to also record my appreciation for my fellow directors for guiding the Company amidst this challenging operating environment.

We recognize the difficult period that the entire economy has witnessed in the past few quarters and the predominance of individual retail investors in our investor base.

I am pleased to inform you that your Board of Directors has approved a final dividend of 240% for the year 2020-21, along with a one-time special dividend of 240% for your consideration.

Last but not 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.

N G Subramaniam

BOARD OF DIRECTORS

as on April 22, 2021

Mr. N G SUBRAMANIAM
Chairman (Non-Independent and Non-Executive)

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

Mr. MANOJ RAGHAVAN
CEO & Managing Director

COMMITTEES

Audit

Mrs. S Gopinath
Chairperson

Mr. Sudhakar Rao

Mr. Ankur Verma

Stakeholders' Relationship

Mr. Sudhakar Rao
Chairman

Prof. Anurag Kumar

Mr. Manoj Raghavan

Corporate Social Responsibility

Mr. Sudhakar Rao
Chairman

Mrs. S Gopinath

Mr. Manoj Raghavan

Nomination & Remuneration

Mrs. S Gopinath
Chairperson

Mr. N G Subramaniam

Mr. Sudhakar Rao

Risk Management

Prof. Anurag Kumar
Chairman

Mr. N G Subramaniam

Mr. H V Muralidharan

Chief Financial Officer

Mr. H V Muralidharan

Company Secretary

Mr. G Vaidyanathan

Auditors

BSR & Co. LLP
Chartered Accountants

Registered & Corporate Office

Tata Elxsi Limited

ITPB Road Whitefield
Bengaluru - 560 048
India

Email: investors@tataelxsi.com

Registrars & Share Transfer Agents

TSR Darashaw Consultants Pvt. Ltd

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

Design Digital

Digital technologies like Mobility, Internet of Things, Artificial Intelligence, and Cloud-based applications are being integrated into consumer contexts, services, and products.

These technologies are creating huge opportunities to drive operational efficiency, reduce costs, deliver new services to consumers, and generate new revenue sources for our customers. However, these technologies also drive an exponential increase in the technological complexity required to develop new products and services.

Tata Elxsi's Design Digital brings together a global and diverse team of strategic thinkers, consumer insights experts, award-winning designers, technologists, and digital experts.

Our network of Design Studios, Innovation Hubs, and Centers of Excellence for Digital technologies, help enterprises re-imagine their products and services - from strategy, insights, service design, interaction design to technology implementation and integration.

INDUSTRIAL DESIGN AND VISUALIZATION

HIGHLIGHTS

- Selected by DishTV to develop 'Orbit,' the new user interface for both its brands Dish TV & D2H, enabling subscribers with a seamless TV and online viewing experience

Tata Elxsi is a fully integrated global design consultancy, creating innovative products, services, and experiences to build brands and help businesses grow. We have a multi-disciplinary and award-winning team of design researchers, strategists, product and UX/UI designers, technologists, and engineers.

Our services span across consumer research and insights, strategy and innovation, product, and experience design to the development and delivery of interactive and immersive experiences. Tata Elxsi's design teams help clients launch new ideas and award-winning products and services, helping brands differentiate and win in the marketplace.

Sunfeast Mom's Magic - Accentuating the biscuit design to communicate its goodness and richness

HEALTHCARE

Tata Elxsi supports global medtech, digital health, pharmaceuticals, and biotech businesses conceptualize, launch, and sustain products in one of the most regulated industries in the world.

Our ISO 13485 certified global delivery centers and engineering network ensure that our customers can leverage our people, process, and infrastructure to achieve their business goals in the competitive and evolving market.

HIGHLIGHTS

- **Selected by Aesculap AG, a B. Braun company and one of the world's leading manufacturers of medical devices, as its global engineering services partner**
- **Rolled out an industry-first outcome-based risk assurance business model for large regulatory transition programs for existing and new customers**

MEDIA, BROADCAST AND COMMUNICATIONS

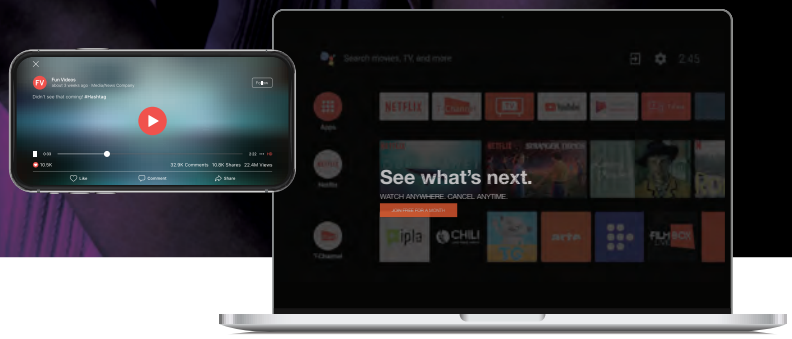
Tata Elxsi addresses the entire product development lifecycle for Media, Broadcast, Communications, and Consumer Electronics, from R&D to new product development, testing, and maintenance engineering.

We partner with leading broadcasters and operators to build connected services and deliver superior customer experience.

We also support leading telecom operators in their digital and network transformation efforts, helping with integration, process automation, and new service rollout.

HIGHLIGHTS

- Positioned in the Leadership Zone in Communications - Zinnov Zones 2020 Report
- Google Widevine has chosen us as a 3PL certification partner to offer safe premium content protection for Broadcast, Media, Consumer Electronics, and Automotive applications



TRANSPORTATION

Tata Elxsi offers engineering services and solutions for connected, autonomous, and electric vehicles to help customers achieve their vision for future mobility.

This encompasses the entire product development lifecycle, including product and design engineering, testing and validation, and vehicle program management.

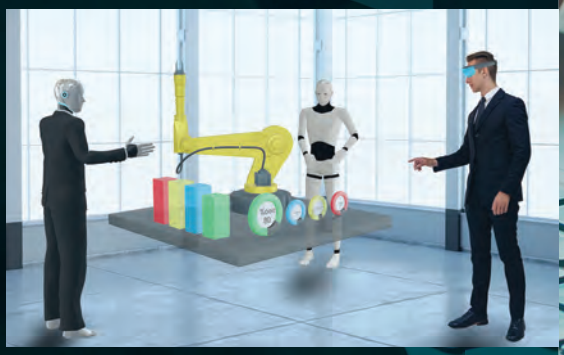
We are the preferred partner for leading OEMs and suppliers to develop electronics and software for powertrain, infotainment, connectivity, active safety, and comfort.

We are investing in building capabilities in the rail industry, working with leading operators, metro and rail authorities, rolling stock and systems suppliers to deliver design and technology services that enhance safety, convenience, quality, and overall customer experience, while accelerating product and service development and deployment.

HIGHLIGHTS

- **Positioned in the Leadership Zone in the Automotive sector - Zinnov Zones 2020 Report**
- **Launched a Global Engineering Center (GEC) focussed on innovation and drive digital transformation and growth for Schaeffler group**

SYSTEMS INTEGRATION

Tata Elxsi implements and integrates complete systems and solutions for specialized applications such as Experience Centers, Training and Safety, and Design Visualisation across industries such as automotive, aerospace, entertainment, manufacturing, government, and education.

Professional services for Cloud and Infrastructure Management, Virtual Reality (VR), 3D Printing, and Robotics continue to strengthen our solution portfolio to meet evolving technology needs of our customers.