



January 12, 2021

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

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

Dear Sir,

**Audited Financial Results for the quarter and period ended December 31, 2020.**

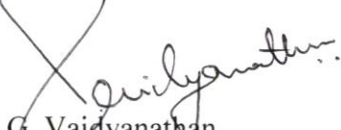
Please find enclosed, the audited financial results of the Company in the prescribed format for the quarter and period ended December 31, 2020 under Ind AS, which were approved and taken on record by the Board of Directors of the Company at their Meeting held today - January 12, 2021.

The Auditors' Report with unmodified opinion on the said financial statement is also attached herewith.

You are requested to please take the same on record and confirm.

Yours faithfully,

**For Tata Elxsi Limited**



G. Vaidyanathan  
**General Counsel & Company Secretary**

Encl: a/a

**TATA ELXSI**

Registered Office **Tata Elxsi Limited** ITPB Road Whitefield Bangalore 560 048 India

Tel +91 80 2297 9123 Fax +91 80 2841 1474

[www.tataelxsi.com](http://www.tataelxsi.com)

(CIN-L85110KA1989PLC009968)

**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 1, 2020 TO DECEMBER 31, 2020**

₹ lakhs

Particulars	Quarter ended			Year to date for the period from		Year ended
	Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Apr 1, 2020 to Dec 31, 2020	Apr 1, 2019 to Dec 31, 2019	Mar 31, 2020
<b>1 Income from operations</b>						
(a) Revenue from operations	47,709.71	43,017.91	42,343.81	1,30,776.39	1,17,097.50	1,60,986.04
(b) Other income (Refer note 2)	1,508.50	440.73	2,052.46	3,294.10	4,502.32	5,841.25
<b>Total income from operations (net)</b>	<b>49,218.21</b>	<b>43,458.64</b>	<b>44,396.27</b>	<b>1,34,070.49</b>	<b>1,21,599.82</b>	<b>1,66,827.29</b>
<b>2 Expenses</b>						
(a) Purchases	2,182.95	1,825.99	2,167.65	5,449.74	5,968.91	8,112.51
(b) Changes in inventories of stock-in-trade	-	80.27	50.26	171.20	82.25	(4.97)
(c) Employee benefit expense	26,283.70	24,588.56	24,256.50	75,968.55	69,707.66	95,086.76
(d) Finance costs	134.78	130.11	144.33	403.47	411.98	556.26
(e) Depreciation and amortisation expense	1,105.29	1,120.56	1,121.75	3,308.26	3,262.52	4,341.34
(f) Other expenses	4,882.03	4,717.99	6,450.16	13,749.73	17,898.43	23,491.35
<b>Total expenses</b>	<b>34,588.75</b>	<b>32,463.48</b>	<b>34,190.65</b>	<b>99,050.95</b>	<b>97,331.75</b>	<b>1,31,583.25</b>
<b>3 Profit before tax (1-2)</b>	<b>14,629.46</b>	<b>10,995.16</b>	<b>10,205.62</b>	<b>35,019.54</b>	<b>24,268.07</b>	<b>35,244.04</b>
<b>4 Tax expense</b>						
a) Current tax	4,324.00	3,133.00	2,641.00	10,080.00	6,934.00	9,513.00
b) Deferred tax	(214.65)	(25.75)	22.61	(355.78)	(67.77)	121.03
<b>Total tax</b>	<b>4,109.35</b>	<b>3,107.25</b>	<b>2,663.61</b>	<b>9,724.22</b>	<b>6,866.23</b>	<b>9,634.03</b>
<b>5 Net profit for the period / year (3-4)</b>	<b>10,520.11</b>	<b>7,887.91</b>	<b>7,542.01</b>	<b>25,295.32</b>	<b>17,401.84</b>	<b>25,610.01</b>
<b>6 Other comprehensive income / (losses)</b>						
(i) items that will not be reclassified to profit or loss	(212.77)	59.37	35.46	(358.35)	(378.90)	(655.41)
(ii) Income tax relating to items that will not be reclassified to profit or loss	74.35	(20.75)	(12.39)	125.22	132.40	229.03
<b>Total other comprehensive income / (losses)</b>	<b>(138.42)</b>	<b>38.62</b>	<b>23.07</b>	<b>(233.13)</b>	<b>(246.50)</b>	<b>(426.38)</b>
<b>7 Total comprehensive income (5+6)</b>	<b>10,381.69</b>	<b>7,926.53</b>	<b>7,565.08</b>	<b>25,062.19</b>	<b>17,155.34</b>	<b>25,183.63</b>
8 Paid-up equity share capital (face value ₹ 10/- each)	6,227.64	6,227.64	6,227.64	6,227.64	6,227.64	6,227.64
9 Reserves excluding revaluation reserves as per balance sheet of previous accounting year						1,02,775.89
<b>10 Earnings per share</b>						
- Basic EPS (₹)	16.89	12.67	12.11	40.62	27.94	41.12
- Diluted EPS (₹)	16.89	12.67	12.11	40.62	27.94	41.12

**AUDITED SEGMENT WISE REVENUE AND RESULTS**

₹ lakhs

Particulars	Quarter ended			Year to date for the period from		Year ended
	Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Apr 1, 2020 to Dec 31, 2020	Apr 1, 2019 to Dec 31, 2019	Mar 31, 2020
<b>1 Segment revenue</b>						
(a) Software development & services	46,592.04	42,052.54	40,980.62	1,27,686.97	1,13,495.94	1,56,278.24
(b) System integration & support services	1,117.67	965.37	1,363.19	3,089.42	3,601.56	4,707.80
<b>Total</b>	<b>47,709.71</b>	<b>43,017.91</b>	<b>42,343.81</b>	<b>1,30,776.39</b>	<b>1,17,097.50</b>	<b>1,60,986.04</b>
<b>2 Segment results</b>						
(a) Software development & services	15,773.92	12,163.96	11,183.30	38,041.56	29,001.29	40,963.38
(b) System integration & support services	37.50	41.05	201.81	17.57	469.05	592.82
<b>Total</b>	<b>15,811.42</b>	<b>12,205.01</b>	<b>11,385.11</b>	<b>38,059.13</b>	<b>29,470.34</b>	<b>41,556.20</b>
Less: Finance costs	134.78	130.11	144.33	403.47	411.98	556.26
Less: Unallocable expenditure (net of unallocable income)	1,047.18	1,079.74	1,035.16	2,636.12	4,790.29	5,755.90
<b>Profit before tax</b>	<b>14,629.46</b>	<b>10,995.16</b>	<b>10,205.62</b>	<b>35,019.54</b>	<b>24,268.07</b>	<b>35,244.04</b>
<b>3 i) Segment assets</b>						
(a) Software development & services	63,706.24	59,579.90	58,657.91	63,706.24	58,657.91	69,035.66
(b) System integration & support services	1,243.90	1,931.89	1,442.24	1,243.90	1,442.24	1,371.74
(c) Unallocable assets	94,329.06	81,301.72	68,310.58	94,329.06	68,310.58	68,490.74
<b>Total</b>	<b>1,59,279.20</b>	<b>1,42,813.51</b>	<b>1,28,410.73</b>	<b>1,59,279.20</b>	<b>1,28,410.73</b>	<b>1,38,898.14</b>
<b>ii) Segment liabilities</b>						
(a) Software development & services	24,469.79	20,603.92	20,452.87	24,469.79	20,452.87	22,168.44
(b) System integration & support services	781.43	784.82	921.11	781.43	921.11	747.63
(c) Unallocable liabilities	10,237.87	8,016.35	6,061.51	10,237.87	6,061.51	6,978.54
<b>Total</b>	<b>35,489.09</b>	<b>29,405.09</b>	<b>27,435.49</b>	<b>35,489.09</b>	<b>27,435.49</b>	<b>29,894.61</b>

**Notes on segment information**

**Business segments**

The company is structured into two industry verticals- software development & services and system integration & support services. Accordingly, the information has been presented along these business segments.



STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 1, 2020 TO DECEMBER 31, 2020

Notes:

1 These results have been prepared in accordance with the Ind AS notified under Companies (Indian Accounting Standards) Rules 2015. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 12, 2021. The statutory auditors have expressed an unmodified audit opinion on these results.

2 Other income includes:

	Quarter ended			Year to date for the period from		Year ended
	Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Apr 1, 2020 to Dec 31, 2020	Apr 1, 2019 to Dec 31, 2019	Mar 31, 2020
	Exchange gain / (loss)	744.62	(193.88)	1,126.82	1,005.84	1,013.64

3 During the current quarter, 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. Consequently, considering the requirement of IND AS 110, Consolidated Financial Statements, the Company has become a Subsidiary of Tata Sons Private Limited effective December 1, 2020

4 The earnings per share (basic and diluted) for the interim periods have not been annualised.

5 The results of the Company for the quarter ended December 31, 2020 are available on the Company's website - www.tataelxsi.com

By Order of the Board  
for TATA ELXSI LIMITED



Mamoj Raghavan  
Managing Director  
DIN: 0008458315

Bengaluru, January 12, 2021





# BSR & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,  
Pebble Beach, B Block, 3<sup>rd</sup> Floor,  
Off Intermediate Ring Road,  
Bangaluru-560 071 India

Telephone: + 91 80 4682 3000  
Fax: + 91 80 4682 3999

## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF TATA ELXSI LIMITED

#### Report on the audit of the Financial Results

#### Opinion

We have audited the accompanying quarterly financial results of Tata Elxsi Limited ("the company") for the quarter ended December 31, 2020 and the year to date results for the period from April 1, 2020 to December 31, 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended December 31, 2020 as well as the year to date results for the period from April 1, 2020 to December 31, 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* 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 results 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.

### **Management's and Board of Directors' Responsibilities for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements. The Company's Management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Management and the 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 Results**

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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 results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



## **B S R & Co LLP**

### **Auditor's Responsibilities for the Audit of the Financial Results (*Continued*)**

- Conclude on the appropriateness of the 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 results 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 results, including the disclosures, and whether the financial results 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.

*for* **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**SANJAY** Digitally signed  
by SANJAY  
SHARMA  
**SHARMA** Date: 2021.01.12  
15:39:30 +05'30'

**Sanjay Sharma**

*Partner*

Membership No.: 063980

UDIN: 21063980AAAAAD8134

Place: Bengaluru

Date: January 12, 2021



January 12, 2021

DGM – Corporate Relations  
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Mumbai – 400 001

The Listing Department  
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Plot No. C-1, Block G  
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Bandra (East)  
Mumbai – 400 051

Dear Sir,

**Sub: Press Release**


Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the Press Release on the financial results of the Company.

The copy of the same is also available on the Company's website - [www.tataelxsi.com](http://www.tataelxsi.com)

You are requested to please take the same on record and confirm.

Yours faithfully,

**For Tata Elxsi Limited**

  
G. Vaidyanathan  
**General Counsel & Company Secretary**

Encl: a/a

**TATA ELXSI**

Registered Office **Tata Elxsi Limited** ITPB Road Whitefield Bangalore 560 048 India

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(CIN-L85110KA1989PLC009968)

## **Tata Elxsi delivers another strong quarter with a QoQ growth of 10.9% in revenues and 33.3% in Profit After Tax**

**Bangalore, January 12, 2021:** Tata Elxsi (BSE: 500408 | NSE: TATAELXSI), among the world's leading providers of design-led technology services, announced its results for the third quarter ended December 31, 2020.

Company reported Rs 477.1 Cr of revenue from operations, registering a growth of 10.9% QoQ and 12.7% YoY. During the period reported, company generated PBT of Rs 146.3 Cr, registering a growth of 33.1% QoQ and 43.4% YoY. Company's net profit for the quarter stood at Rs 105.2 Cr, reporting a growth of 33.3% QoQ and 39.5% YoY.

### **Highlights of the Quarter Ended December 31, 2020**

- Total Income at Rs. 492.2 Cr, +13.2% QoQ, +10.9% YoY
- Revenues from operations at Rs. 477.1 Cr, +10.9% QoQ, +12.7% YoY
- Operating Margin at 30.1%; Net Margin at 21.4%
- Highest ever PAT of Rs. 105.2 Cr
- Net headcount of 6816, with industry leading attrition management of 6.1%

The growth was driven by strong performance in both key divisions

- Embedded Product Design (EPD) grew by 9.3% QoQ, 14.5% YoY
- Industrial Design and Visualisation (IDV) grew by 27.5% QoQ, 7.1% YoY

### **Q3 segment highlights:**

#### **Industries:**

- Transportation reported a smart recovery with revenue growth of 7.9% QoQ, led by deals and new projects in the automotive sector.
- Media and Communications continued on the growth path with revenue growth of 8.0% QoQ.
- Healthcare business accelerated further with revenue growth of 24% QoQ, supported by key deal wins and customer additions.



## Markets:

- The company saw all-round market growth, with Americas reporting 15.9% growth QoQ, while Europe reported 6.2% QoQ growth aided by key automotive deal wins. India reported accelerated growth of 19.9% QoQ.
- The company received industry analyst recognition as a leader in its key industry verticals, and specialist leadership in growth areas such as OTT, ADAS, 5G and Network Transformation.

## Commenting on the performance, Mr. Manoj Raghavan CEO and Managing Director, Tata Elxsi said:

*“It was a pretty satisfying quarter with all-round growth across industries and geographies. We continue to execute strongly on both top line and bottom line, with double digit QoQ revenue growth and industry leading operating margins.*

*Our Healthcare business continues to accelerate, while Media and Communications reported another strong quarter of sustained growth. We have seen new customer additions and large deals in both industries in the quarter.*

*We are seeing sustained recovery in the automotive market for the second consecutive quarter. This quarter has seen OEMs reinitiating key R&D programs, leading to resumption of projects as well as deals with Tier1 suppliers. We have added new automotive customers including a new age OEM in North America. We have also closed some large deals including a multi-million dollar deal with a European Tier1 supplier for vehicle electronics and software, and a North American Tier1 supplier for autonomous driving.*

*The growth in our design business has been equally satisfying. Customers are now recognizing the value of our integrated design and product engineering offerings to support innovation and enhanced customer experience, across verticals. We have also closed a large deal with a leading global technology company.*

*We are entering the fourth quarter and a new year with the reinforced confidence of a strong deal pipeline across markets and industries, and capabilities in product engineering, design and digital, that make our offerings more relevant and our market position stronger than ever before.”*

## About Tata Elxsi

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 application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality and Artificial Intelligence. For more information, please visit [www.tataelxsi.com](http://www.tataelxsi.com)

## Media Contact

### Tata Elxsi

Hari Balan

Corporate Communications

+91 80 2297 9123

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