



May 18, 2023

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,

Sub: Audited Financial Results for the quarter and year ended March 31, 2023.

Please find enclosed, the audited financial results of the Company in the prescribed format for the quarter and year ended March 31, 2023 under Ind AS, which were approved and taken on record by the Board of Directors of the Company at their Meeting held today – May 18, 2023.

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

Further, we are pleased to inform you that the Board of Directors has recommended a final dividend of 606% at Rs. 60.60 per share for the financial year 2022-23, subject to tax, which shall be paid/dispatched on or after the seventh day from the conclusion of the 34th Annual General Meeting, subject to the approval of the shareholders of the Company.

The Board Meeting commenced at 2.00 PM and concluded at 5.15 PM

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

Yours faithfully,
For Tata Elxsi Limited

Cauveri Sriram
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

(CIN-L85110KA1989PLC009968)

TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

Regd. Office: ITPB Road, Whitefield, Bengaluru - 560 048

email:investors@tataelxsi.com website:www.tataelxsi.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO MARCH 31, 2023

Particulars	Quarter ended			Year to date for the period from	
	March 31, 2023	December 31, 2022	March 31, 2022	April 01, 2022 to March 31, 2023	April 01, 2021 to March 31, 2022
1 Income from operations					
(a) Revenue from operations	83,791.98	81,774.31	68,173.87	3,14,472.25	2,47,079.92
(b) Other income (Refer note 3)	2,568.69	1,913.48	1,808.89	7,381.01	4,453.27
Total income from operations (net)	86,360.67	83,687.79	69,982.76	3,21,853.26	2,51,533.19
2 Expenses					
(a) Cost of materials consumed	5,507.24	5,025.75	3,444.60	18,611.59	12,670.23
(b) Changes in inventories of stock-in-trade	75.58	(110.41)	(56.75)	18.13	(50.46)
(c) Employee benefits expense	42,921.85	41,071.27	34,476.68	1,59,777.49	1,28,810.56
(d) Finance costs	411.76	446.65	318.68	1,619.86	942.51
(e) Depreciation and amortisation expense	2,107.88	2,142.95	1,588.23	8,138.98	5,533.55
(f) Other expenses	10,314.80	11,101.87	8,184.91	39,937.18	29,077.90
Total expenses	61,339.11	59,678.08	47,956.35	2,28,103.23	1,76,984.29
3 Profit before tax (1-2)	25,021.56	24,009.71	22,026.41	93,750.03	74,548.90
4 Tax expense					
a) Current tax	4,581.00	4,798.00	5,528.61	18,319.00	19,374.61
b) Deferred tax	288.95	(256.15)	496.65	(88.29)	207.14
Total tax	4,869.95	4,541.85	6,025.26	18,230.71	19,581.75
5 Net profit for the period / year (3-4)	20,151.61	19,467.86	16,001.15	75,519.32	54,967.15
6 Other comprehensive income / (losses)					
(i) Items that will not be reclassified to profit or loss	(380.46)	3.30	(185.00)	(869.12)	(309.46)
(ii) Income tax relating to items that will not be reclassified to profit or loss	132.95	(1.15)	64.65	303.71	108.14
Total other comprehensive income / (losses) (net of tax)	(247.51)	2.15	(120.35)	(565.41)	(201.32)
7 Total comprehensive income (5+6)	19,904.10	19,470.01	15,880.80	74,953.91	54,765.83
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
9 Other equity				2,02,349.07	1,53,862.65
10 Earnings per share					
- Basic EPS (₹)	32.36	31.26	25.69	121.26	88.26
- Diluted EPS (₹)	32.36	31.26	25.69	121.26	88.26

AUDITED SEGMENT WISE REVENUE AND RESULTS

Particulars	Quarter ended			Year to date for the period from	
	March 31, 2023	December 31, 2022	March 31, 2022	April 01, 2022 to March 31, 2023	April 01, 2021 to March 31, 2022
1 Segment revenue					
(a) Software development & services	81,517.00	79,637.80	67,005.62	3,06,594.75	2,42,131.14
(b) System integration & support services	2,274.98	2,136.51	1,168.25	7,877.50	4,948.78
Total	83,791.98	81,774.31	68,173.87	3,14,472.25	2,47,079.92
2 Segment results					
(a) Software development & services	27,475.40	28,270.78	24,891.85	1,06,669.67	82,894.53
(b) System integration & support services	56.28	40.97	11.12	381.08	248.98
Total	27,531.68	28,311.75	24,902.97	1,07,050.75	83,143.51
Less: Finance costs	411.76	446.65	318.68	1,619.86	942.51
Less: Unallocable expenditure (net of unallocable income)	2,098.36	3,855.39	2,557.88	11,680.86	7,652.10
Profit before tax	25,021.56	24,009.71	22,026.41	93,750.03	74,548.90

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.

Assets and liabilities of the Company are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence, assets and liabilities have not been identified to any of the reportable segments.



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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD
FROM APRIL 01, 2022 TO MARCH 31, 2023

AUDITED BALANCE SHEET

	As at March 31, 2023	₹ lakhs As at March 31, 2022
ASSETS		
Non-current assets		
(a) Property, plant and equipment	15,973.36	12,677.42
(b) Capital work-in-progress	697.93	2,208.92
(c) Right of use assets	15,765.88	12,438.36
(d) Intangible assets	1,620.20	2,034.77
(e) Financial assets		
(i) Investments *	-	-
(ii) Other financial assets	6,845.28	13,840.19
(f) Deferred tax assets (net)	1,288.83	896.83
(g) Other non-current assets	85.82	1,704.75
(h) Tax assets (net)	2,724.00	1,545.95
Total non-current assets	45,001.30	47,347.19
Current assets		
(a) Inventories	38.62	56.75
(b) Financial assets		
(i) Trade receivables		
Billed	85,665.90	55,368.06
Unbilled	11,971.65	11,910.74
(ii) Cash and cash equivalents	13,389.17	15,110.51
(iii) Bank balances other than cash and cash equivalents	1,05,766.12	81,410.39
(iv) Loans receivable	181.43	100.14
(v) Other financial assets	4,565.28	1,429.71
(c) Other current assets	9,770.79	4,183.84
Total current assets	2,31,348.96	1,69,570.14
TOTAL ASSETS	2,76,350.26	2,16,917.33
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	6,227.64	6,227.64
(b) Other equity	2,02,349.07	1,53,862.65
Total equity	2,08,576.71	1,60,090.29
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	15,372.68	11,828.60
(b) Provisions	4,545.32	3,976.17
Total non-current liabilities	19,918.00	15,804.77
Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	2,853.72	2,021.83
(ii) Trade payables		
a) Dues of micro, small and medium enterprises	3.16	45.94
b) Dues of creditors other than micro, small and medium enterprises	10,313.87	8,383.73
(iii) Other financial liabilities	12,268.91	10,795.45
(b) Other current liabilities	15,307.04	14,978.80
(c) Provisions	2,559.73	1,259.83
(d) Current tax liabilities (net)	4,549.12	3,536.69
Total current liabilities	47,855.55	41,022.27
TOTAL EQUITY AND LIABILITIES	2,76,350.26	2,16,917.33
* value is less than a lakh		



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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO MARCH 31, 2023

AUDITED STATEMENT OF CASHFLOW

	₹ lakhs	
	For the year ended	
	March 31, 2023	March 31, 2022
A. Cash flows from operating activities		
Profit for the period	75,519.32	54,967.15
Adjustment for:		
Income tax expense recognised in profit and loss	18,230.71	19,581.75
Depreciation and amortisation	8,138.98	5,533.55
Interest income	(5,315.48)	(3,041.60)
Finance costs	1,619.86	942.51
Bad debts written off	59.78	325.68
Provision for doubtful debts	(106.36)	748.37
Net loss on sale of assets	5.43	2.54
Net gain on lease modification	(116.03)	-
Net (gain)/loss arising on financial assets measured at fair value through profit and loss	219.63	(87.66)
Net unrealised exchange gain	(116.21)	(27.66)
Operating profit before working capital changes	98,139.63	78,944.63
Movement in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Loans receivables	(81.29)	(9.63)
Trade receivables- Billed	(29,889.29)	(16,411.81)
Trade receivables- Unbilled	(60.91)	(3,199.27)
Other financial assets	(1,240.19)	(213.90)
Other assets	(5,485.04)	(2,866.52)
Inventories	18.13	(50.46)
Adjustments for increase / (decrease) in operating liabilities:		
Provisions	978.42	(292.15)
Trade payables	1,545.58	2,928.01
Other financial liabilities	2,917.18	3,423.74
Other current liabilities	328.24	6,673.45
Cash generated from operations	67,170.46	68,926.09
Income tax paid (net)	(18,484.62)	(20,622.89)
Net Cash generated from operating activities - (A)	48,685.84	48,303.20
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles	(6,410.08)	(7,118.82)
Proceeds from sale of property, plant and equipment and intangibles	37.73	0.81
Movement in bank deposits (net)	(16,950.00)	(6,559.60)
Interest received	3,131.26	2,848.18
Net Cash used in investing activities - (B)	(20,191.09)	(10,829.43)
C. Cash flows from financing activities		
Payment of lease liability	(3,808.45)	(2,709.10)
Interest paid	(36.17)	(8.19)
Dividend paid	(26,467.49)	(29,892.69)
Net Cash used in financing activities - (C)	(30,312.11)	(32,609.98)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,817.36)	4,863.79
Cash and cash equivalents as at beginning of the year	15,110.51	10,041.73
Effects of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies	96.02	204.99
Cash and cash equivalents as at end of the year	13,389.17	15,110.51



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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR TO DATE FOR THE PERIOD FROM APRIL 01, 2022 TO MARCH 31, 2023

Notes:

- 1 These results have been prepared on the basis of the audited financial statements for the year ended March 31, 2023 and the audited interim financial results up to the end of the third quarter, which are 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 May 18, 2023. The statutory auditors have expressed an unmodified audit opinion on these results. The annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.
- 2 The earnings per share (basic and diluted) for the interim periods have not been annualized.
- 3 Other income includes:

	Quarter ended			Year to date for the period from	
	March 31, 2023	December 31, 2022	March 31, 2022	April 01, 2022 to March 31, 2023	April 01, 2021 to March 31, 2022
Exchange gain / (loss)	246.75	484.39	585.10	759.40	429.39

- 4 Dividend at ₹ 60.6 per share for the financial year 2022-23 has been recommended by the Board of Directors.
- 5 The results of the Company for the quarter and year to date for the period from April 01, 2022 to March 31, 2023 are available on the Company's website - www.tataelxsi.com, on the BSE Limited website - www.bseindia.com and the National Stock Exchange of India Limited website - www.nseindia.com.

By Order of the Board
for TATA ELXSI LIMITED



Manoj Raghavan
Managing Director
DIN: 0008458315



Bengaluru, May 18, 2023

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor,
No. 13/2, off Intermediate Ring Road,
Bengaluru 560 071 India
Tel: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Board of Directors of Tata Elxsi Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Tata Elxsi Limited (hereinafter referred to as the "Company") for the year ended 31 March 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (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, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive loss and other financial information for the year ended 31 March 2023.

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 Annual 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 statements 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

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

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual 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 Standards 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;

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Independent Auditor's Report (Continued)

Tata Elxsi Limited

making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual 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 annual 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 annual 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 annual 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 annual financial results, including the disclosures, and whether the annual 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.

Independent Auditor's Report (Continued)

Tata Elxsi Limited

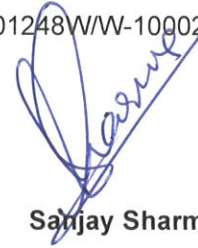
Other Matter

- a. The annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

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

Chartered Accountants

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



Sanjay Sharma

Partner

Bangalore

18 May 2023

Membership No.: 063980

UDIN:23063980BGWNPA9775