



July 21, 2020

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 ended June 30, 2020.

Please find enclosed, the audited financial results of the Company in the prescribed format for the quarter ended June 30, 2020 under Ind AS, which were approved and taken on record by the Board of Directors of the Company at their Meeting held today - July 21, 2020.

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

(CIN-L85110KA1989PLC009968)

TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

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

email:investors@tataelxsi.com

www.tataelxsi.com

STATEMENT OF AUDITED INTERIM FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

₹ lakhs

Particulars	Quarter ended			Year ended
	Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Mar 31, 2020
1 Income from operations				
(a) Revenue from operations	40,048.77	43,888.54	36,171.02	1,60,986.04
(b) Other income (Refer note 4)	1,344.87	1,338.93	1,210.70	5,841.25
Total income from operations (net)	41,393.64	45,227.47	37,381.72	1,66,827.29
2 Expenses				
(a) Purchases	1,440.80	2,143.60	1,477.97	8,112.51
(b) Changes in inventories of stock-in-trade	90.93	(87.22)	47.34	(4.97)
(c) Employee benefit expense	25,096.29	25,379.10	21,751.80	95,086.76
(d) Finance costs	138.58	144.28	132.11	556.26
(e) Depreciation and amortisation expense	1,082.41	1,078.82	1,044.73	4,341.34
(f) Other expenses	4,149.71	5,592.92	5,908.86	23,491.35
Total expenses	31,998.72	34,251.50	30,362.81	1,31,583.25
3 Profit before tax (1-2)	9,394.92	10,975.97	7,018.91	35,244.04
4 Tax expense				
a) Current tax	2,623.00	2,579.00	2,243.00	9,513.00
b) Deferred tax	(115.38)	188.80	(103.41)	121.03
Total tax	2,507.62	2,767.80	2,139.59	9,634.03
5 Net profit for the period / year (3-4)	6,887.30	8,208.17	4,879.32	25,610.01
6 Other comprehensive income / (losses)				
(i) items that will not be reclassified to profit or loss	(204.95)	(276.51)	(130.96)	(655.41)
(ii) Income tax relating to items that will not be reclassified to profit or loss	71.62	96.63	45.76	229.03
Total other comprehensive income / (losses)	(133.33)	(179.88)	(85.20)	(426.38)
7 Total comprehensive income (5+6)	6,753.97	8,028.29	4,794.12	25,183.63
8 Paid-up equity share capital (face value ₹ 10/- each)	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
10 Earnings per share				
- Basic EPS (₹)	11.06	13.18	7.83	41.12
- Diluted EPS (₹)	11.06	13.18	7.83	41.12

AUDITED SEGMENT WISE REVENUE AND RESULTS

₹ lakhs

Particulars	Quarter ended			Year ended
	Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Mar 31, 2020
1 Segment revenue				
(a) Software development & services	39,042.39	42,782.30	35,191.57	1,56,278.24
(b) System integration & support services	1,006.38	1,106.24	979.45	4,707.80
Total	40,048.77	43,888.54	36,171.02	1,60,986.04
2 Segment results				
(a) Software development & services	10,103.68	11,962.09	7,836.94	40,963.38
(b) System integration & support services	(60.98)	123.77	19.12	592.82
Total	10,042.70	12,085.86	7,856.06	41,556.20
Less: Finance costs	138.58	144.28	132.11	556.26
Less: Unallocable expenditure (net of unallocable income)	509.20	965.61	705.04	5,755.90
Profit before tax	9,394.92	10,975.97	7,018.91	35,244.04
3 i) Segment assets				
(a) Software development & services	62,868.38	69,035.66	51,034.77	69,035.66
(b) System integration & support services	1,909.56	1,371.74	1,665.79	1,371.74
(c) Unallocable assets	82,688.41	68,490.74	68,355.39	68,490.74
Total	1,47,466.35	1,38,898.14	1,21,055.95	1,38,898.14
ii) Segment liabilities				
(a) Software development & services	21,068.26	22,168.44	16,399.02	22,168.44
(b) System integration & support services	753.43	747.63	1,072.54	747.63
(c) Unallocable liabilities	9,887.16	6,978.54	4,834.90	6,978.54
Total	31,708.85	29,894.61	22,306.46	29,894.61

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.



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STATEMENT OF AUDITED INTERIM FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 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 July 21, 2020. The statutory auditors have expressed an unmodified audit opinion on these results.

2 The earnings per share (basic and diluted) for the interim periods have not been annualized

3 **Impact of COVID-19**

The Company has considered the probable effects of COVID-19 in preparation of the interim financial results/financial statements, on matters like assessment of liquidity, going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues etc. The Company has relied on internal and certain external sources of information like credit reports, economic forecasts and industry reports and expects to recover the carrying amount of its assets. The impact of COVID-19 on the condensed interim financial results may differ from that estimated as at the date of approval of condensed interim financial results/ financial statements

4 Other income includes:

	Quarter ended			Year ended
	Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Mar 31, 2020
Exchange gain / (loss)	455.10	276.47	(111.46)	1,290.11

5 The results of the Company for the quarter ended June 30, 2020 are available on the Company's website - www.tataelxsi.com

By Order of the Board
for TATA ELXSI LIMITED



Manoj Raghavan
Managing Director
DIN: 0008458315

Bengaluru, July 21, 2020



B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
Off Intermediate Ring Road
Bengaluru 560 071 India

Telephone +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 Interim Financial Results

Opinion

We have audited the accompanying interim quarterly financial results of Tata Elxsi Limited ("the company") for the quarter ended June 30, 2020 (interim financial results), 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 interim quarterly 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 June 30, 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 Interim Quarterly 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 interim quarterly 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 on the interim quarterly financial results.

B S R & Co. LLP

INDEPENDENT AUDITOR'S REPORT *(continued)*

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

These interim quarterly financial results have been prepared on the basis of the condensed interim Ind AS financial statements.

The Company's Management and Board of Directors are responsible for the preparation of these interim quarterly 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 interim quarterly financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the interim quarterly 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 Interim Quarterly Financial Results

Our objectives are to obtain reasonable assurance about whether the interim quarterly 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 interim quarterly 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 interim quarterly 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.

B S R & Co. LLP

INDEPENDENT AUDITOR'S REPORT *(continued)*

Auditor's Responsibilities for the Audit of the Interim Quarterly Financial Results *(continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 interim quarterly 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 interim quarterly financial results, including the disclosures, and whether the interim quarterly 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.

Other Matters

The interim financial results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full previous financial year and the published audited year to date figures up to the third quarter of the previous financial year.

for **B S R & Co LLP**

Chartered Accountants

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

SANJAY Digitally signed by
SANJAY SHARMA

SHARMA Date: 2020.07.21
11:51:12 +05'30'

Sanjay Sharma

Partner

Membership Number: 063980

UDIN: 20063980AAAADS6210

Place: Bengaluru

Date: July 21, 2020