Humanizing **Technology**

Businesses of the future will be driven by customer experience across products and services.

Be it retail, healthcare, automotive or telecom, the ability to assimilate the right technology with user-centric design, will be the key to success.

Products, solutions and services that humanize the complexity of the underlying technologies, and make them intuitive and easy to use will drive customer delight, loyalty and business growth.

lata Elxsibrings together the best of technological and user-centric design expertise to help customers deliver innovative solutions and great end-user experiences.

Board Of Directors

as on 28th April,2016

Mr.N Ganapathy Subramaniam Chairman

Mr.P McGoldrick

Mrs.S Gopinath

Dr.Gopichand Katragadda

Prof.MS Ananth

Nomination & Remuneration

Committee

Chairperson

Mrs.S Gopinath

Mr.P McGoldrick

Mr. N.G. Subramaniam

Mr.Madhukar Dev Managing Director

Mr.P G Mankad

Committees

Audit Committee Stakeholders'Relationship

Mrs.S Gopinath Chairperson

Mr.P McGoldrick

Prof.M.S.Ananth

Committee

Mr.P G Mankad Chairman

Dr.Gopichand Katragadda

Company Secretary

Corporate Social Responsibility Committee

Mrs.S Gopinath Chairperson

Mr.P G Mankad

Mr.Madhukar Dev

Mr.G Vaidyanathan

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

Tata ElxsiLimited, ITPB Road, Whitefield, Bangalore- 560 048, India Email:investors@tataelxsi.com



Message from the Chairman

Dear Shareholder,

Your Company st nglhened ns positiOn during FY15-16 by providing crealllle. design led solutions to its clients and deliVEfed tangible results for their respeGive businesses. Your Company's concerted effort In growing *Its* nues from design and technology sel'Illces, and focussing on select industry segments, resulted in significantly improved business performance.

ThisIsreilectedIn the strong wellrounded performanceofyourCompany during FY15-16,Your Company reported 2796 growth in total income and 5296 growtn in profit before tax as compared to FY14-15.

Globally. we are witnessing an extraordinary convergence of Industries, technologies and markets. Each Intersection PII!Sents both challenges and opport\JnItles for companies to Innovate and deliver new and enhanced products and services.

We see an exponential in a ease in the technological complexity reQuired to develop and deliver new products and SEN!a!s.In addition advanced technologies like Anfficial Intelligence. Virtual Reality. Cloud based applications and IoT On temet of Things are being integt < Ited into consumer contexts, SEN ices and products not seen before. These and 01 her rapidly changing trends will provide new opportunities to your Company.

Customer el<perlencels going to be the keydlfferenllatorfor businesses of the filture. Iheablifty to provide users with products, solutions and services that humanize the complexity of the underlined technologies and make them Intuitive and easy to use will drive amomer delight, loyalty and business growth.

This presents us with a unique opportunity to leverage our technological capabilities, user centric design and creative experience, and possition ourselves as an integrated design and technology sel'\!!ces prOllIder.

This will necessarily call for Investments In technology, people and prOO!SSes, as we focus on developing a deeper understanding of consumer behall110 building competencie. In emerging technologies and renewing our Integrated design seNice capabilities. Thus, helping customers delf\[11!1'\] Innovative solullons and ensuring great CQn sumer experiences.

lam pleased to Inform you that our Board of Directors has recommended a final dividend of Rs. 14per share, Me highest shareholder rerum in the history of your Company.

NGSubr.lmanlam

Design and User Experience

We help customers develop endearing brands and products by using designas a strategic tool furbusiness success. Our expertise extends across consumer Insight, branding industrial design, visual design & merchandising. design engineering and manufacturing support.

An In-depth understanding of consumers and rapidly changing market dynamics, backed by a multi-disciplinary designteam, enables us to seN!cea broad spectrum of industries including automotive.communications, consumer products, hea!thcare and retail.



Principal Consultant - Passenger experience for Kochi Metro







CAD based 3D animated car in 3D environment

We bring together the best of technological and user centric design expertise to help customers deliver Innovative solutions and ensure great consumer experiences.

Wealso help customers visualize product contexts and designs and support digital marketing and promotions, through high-end visualization and digital content creation.



Styling and Design partner for Tata Braba - the 'Made in India' Robot

Technology and Product Engineering

We provide technology consulting, new product design, development, and testing seN!ces for the broadcast, consumer electronics, healthcare, telecom and transportatio! I industries.

In theautomotive industry, we engage with leading OEMs and suppliers. helping them address advanced technology development. integration and product engineering across domains, including infotainment, safety and security, advanced driver assistance, telematles, powertraln and hybrids.



Next-generation Automotive electronics and software development



Design and engineering services for Medical devices

In the media and communications industrieS, we v«Ifk with leading broadcasters and operatots, to support the development and deployment of new revenue streams and sef\llees, Including value-added services for voice, video and data. OTT {Over-The-Top} and IoT.

We help them accelerate their product development Ilfec¥1es and support the transformation of their networks with technologies such as SON {Software Defined Networks).

Further, we are working wrthcustomers to Integrate cloudbased services, mobility and artificial intelligence to drive better customer experience and lower operating expenses.



ChipdesignfotloT



Featurerid! opplia1!ioru ond Ulfor Broadcastand1V



CAD/CAM/CAE solutions for various industries

Systems Integration

We Implement and Integrate complete systems and solutions for High-Perfonnance Computing, CNJ/ CAM/ CAE/PLM, Broadcast, VIrtual Reality, Storage, and Disaster Recovery.

We also provide Professional Services for maintenance and support of rT \ddot{i} nfrastructure.



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Notice

Notice is hereby given that the TWENTY-SEVENTH ANNUAL GENERAL MEETING of TATA ELXSI LIMITED will be held on Tuesday 26th July, 2016 at 12:30 pm., at St John's Auditorium, John Nagar, Koramangala, Bengaluru - 560 034, to transact the following business:

Ordinary Business

- To consider and adopt the Audited Financial Statement of Profit and Loss for the year ended March 31, 2016 and the Audited Balance Sheet as at that date together with the Cash Flow Statement and the reports of the Directors and Auditors thereon.
- 2. To declare dividend on equity shares for the financial year 2015-16.
- 3. To appoint a Director in place of Mr. N.G. Subramaniam who retires by rotation and is eligible for re-appointment.
- 4. To ratify the re-appointment of Deloitte Haskins & Sells, Statutory Auditors, who have been appointed at the Annual General Meeting held on 18th July, 2014 for a period of three years upto the conclusion of 28th AGM to be held in the year 2017.

Special Business

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOVLED THAT Prof. M.S. Ananth (DIN No.00482391) who have been appointed as an Additional Director (Independent Director) and holds office upto the date of this Annual General Meeting of the Company, and is eligible for re-appointment and in respect of whom the company has received a notice u/s 160 of the Companies Act, 2013 ("the Act") proposing his candidature to the office of Directorship, be and is hereby appointed as a Director."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Prof. M.S. Ananth (DIN No.00482391) be and is hereby appointed as an Independent Director of the Company, to hold office upto 14th November, 2020."

6. To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the Provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198 and other applicable provisions of the Act, be and is hereby approved for payment to and distribution amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors, if any) in such amounts or proportions and in such a manner and in all respects as may be directed by the Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee (NRC) in term of the Remuneration Policy of the Company, and that such payments and distribution shall be made in respect of the profits of the Company for each year of the period of five years commencing from 1st April, 2016."

Bengaluru, 28th April, 2016

By Order of the Board

Registered Office:

ITPB Road, Whitefield, Bengaluru - 560 048. CIN: I 85110KA1989PI C009968

G. Vaidyanathan Company Secretary

NOTES:

- a) The relevant details of the persons seeking re-appointment/appointment as Director under Item Nos. 3 and 5 above, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 are annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing proxy, in order to be effective, must be deposited at the Company's Registered Office duly completed and signed not less than FORTY-EIGHT hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
- c) Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach at least 7 days before the date of the Meeting so that the required information can be made available at the Meeting.
- d) Members / Proxies attending the Meeting are requested to bring their copy of the Annual Report for reference at the Meeting as also the Attendance Slip duly filled in for attending the Meeting.
- e) Register of Members and Transfer Books of the Company will remain closed from 19th July, 2016 to 26th July, 2016 (both dates inclusive) for the purpose of determining the shareholders entitled to the payment of Dividend declared, if any, at the Annual General Meeting on 26th July, 2016 for the year ended 31st March, 2016.
 - Dividend on shares, when declared, will be paid only to those members whose names are registered as such in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company or its Registrar on or before 18th July, 2016 and to the Beneficial Holders as per the Beneficiary List as on 18th July, 2016 provided by the NSDL and CDSL.
- f) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- g) Electronic copy of the Annual Report 2015–16 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2015 16 are being sent in the permitted mode.
- h) Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report 2015-16 will also be available on the Company's website www.tataelxsi.com for their download. The physical copies of the aforesaid documents are also available in the Company's Registered Office in Bangalore for inspection during normal business hours on any working day. Members, who have registered their email IDs for receiving all communication by electronic means, are also entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's dedicated investor email-id: investors@tataelxsi.com.
- i) Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).



- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 23rd July, 2016 (9:00 am) and ends on 25th July, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/
 - (iii) Click on Shareholder Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Tata Elxsi Limited". EVEN 104068
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to telscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a Member receives physical copy of the Notice of AGM or members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
 - EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 19th July, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th July, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or csq-unit@tsrdarashaw.com.
 - However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mrs. Jayashree Parthasarathy, Practicing Company Secretary (Membership No. 4610) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company at www.tataelxsi.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE and NSE.
- j) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
- k) Members holding shares in electronic form may please note that as per the regulations of National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL), the Company is obliged to print the bank details on the dividend warrants as furnished by these Depositories to the Company and the Company cannot entertain any request for deletion / change of bank details already printed on dividend warrants as per information received from the concerned Depositories. In this regard, Members should contact their Depository Participant (DP) and furnish particulars of any changes desired by them.
- Members who have not received their dividend paid by the Company in respect of earlier years, are requested to check with the Company's Registrars & Transfer Agents i.e. M/s. TSR Darashaw Limited, 6-10 Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011. Members are requested to note that in terms of Section 125 of the Companies Act, 2013 any dividend unpaid / unclaimed for a period of 7 years from the date these first became due for payment, is to be transferred to the Central Government to the credit of the Investor Education & Protection Fund. Thereafter, no claim shall be entertained by the company in respect of the dividend transferred to the Fund.



Members who have not yet encashed their dividends for the financial year ended 31st March, 2009 onwards are being individually intimated and are requested to make their claims to the Company's Registrars & Transfer Agents accordingly, without delay. It may be noted that the unclaimed dividend for the financial year ended 31st March, 2009 and 31st March, 2010 are due for transfer to the Investor Education & Protection Fund on 13th October, 2016 and 26th July, 2017 respectively. The details of unclaimed dividend for the financial years from 2008-09 to 2014-15 are uploaded on the Company's website at http://www.tataelxsi.com/investors/unclaimed-divided-amount.

- m) Sharholder/s holding physical shares are requested to approach any of the Depository Participants for dematerialisation of their shares in the company for ease and convenience.
- n) Sole shareholders, if they so desire, can file the nomination form, given at page No. 77. The duly filled in and executed form may please be sent to the Company or its Share Registrar for further action.
- o) The route map for reaching the venue of the 27th Annual general meeting is given at page no. 80.

Bengaluru, 28th April, 2016

By Order of the Board

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

CIN: L85110KA1989PLC009968

G. Vaidyanathan Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') sets out all material facts relating to the business mentioned at Item Nos. 4,5 and 6 of the accompanying Notice:

Item No. 4 (Not Mandatory):

At the Annual General Meeting (AGM) held on 18th July, 2014, M/s. Deloitte Haskins & Sells (Firm Registration No. 008072S), Chartered Accountants, were appointed as the Statutory Auditors of the Company for a period of Three (3) years upto the conclusion of 28th AGM of the Company to be held in the year 2017.

In terms of the provisions of Section 139 (1) of the Act, the appointment of Statutory Auditors is subject to ratification by members at every AGM. M/s. Deloitte Haskins & Sells, Statutory Auditors have given the certificate indicating that they satisfy the criteria as required under section 141 of the Act.

Accordingly, ratification of the members is being sought for the business as set out at item No.4 of the Notice.

The Board proposes the Resolution at Item No.4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is concerned or interested in the proposed business at Item No.4 of the Notice.

Item No. 5:

The Board of Directors, on the recommendation of the Nomination and Remuneration committee, had appointed Prof. M.S. Ananth as an Additional Director (Independent Director) of the Company with effect from January 04, 2016 in terms of Section 161 (1) of the Companies Act, 2013 (the "Act"). Prof. M.S. Ananth holds office upto the date of this Annual General Meeting.

The Company has received a Notice in writing and the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature to the office of Directorship of the Company as an Independent Director. Pursuant to the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, Prof. M.S. Ananth has given necessary declaration to the Board that he meets the criteria for independence as provided u/s. 149(6) of the Act. In the opinion of the Board, Prof. M.S. Ananth fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. The appointment of Prof. M.S. Ananth is now being placed before the Members for their approval.

Brief profile of Prof. M.S. Ananth is given below:

Prof. M. S. Ananth, is a Ph. D in Molecular Thermodynamics from the University of Florida, USA in 1972 and joined IIT Madras as a faculty member in the same year. Prof. Ananth has been consistently rated as a good teacher during the past 45 years and has won several research awards including IIChE's Herdillia Prize for "Excellence in Basic Research" and the University of Florida's R.W. Fahien Alumni Award for "Distinguished Professional Contributions". Prof. Ananth was Director, IIT Madras for ten years (2001-2011) and during this time made several landmark contributions.

Prof. Ananth is the only Vice Chancellor from India to have been invited to participate in the World Economic Forum as a member of the Global University Leaders Forum from 2007 to 2011. He was a Member of both the Scientific Advisory Committee to Cabinet and the National Manufacturing Competitiveness Council from 2007-2011. He was a Visiting Professor in IIT Kanpur and IISc Bangalore, Princeton University and University of Colorado (USA) and RWTH, Aachen (Germany) and a Visiting Scientist in Aspen Tech and in the National Institute of Standards and Technology (USA). He is currently a Distinguished Visiting Professor in IIT Bombay. He is also on the Board of UCAL Fuel Systems Limited and UCAL Polymer Industries Limited as an Independent Director.

Your Board considers that in view of the experience and expertise possessed by Prof. M.S. Ananth, it would be in the interest of your Company to appoint Prof. M.S. Ananth as an Independent Director of your Company to hold office upto November 14, 2020. The details of his directorship in other companies are given in the Annexure to notice.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs except Prof. Ananth and his relatives is concerned or interested in the proposed business at Item No.5 of the Notice.



Item No. 6

In view of the valuable services being rendered by the Directors to the Company and the increased responsibilities they are required to shoulder, the members had at the Twenty-third Annual General Meeting held on 24th July, 2012, approved payment of commission not exceeding 1% per annum of the net profits of the Company to the Non-Executive Directors of the Company for a period of five years commencing from 1st April 2011, to be distributed amongst some or all of the Directors in accordance with the directions given by the Board.

Consequent to the expiry of the said period of five years on 31st March 2016, it is proposed to extend payment of such commission by another five years commencing from 1st April, 2016.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs except Non-Executive Directors and their relatives is concerned or interested in the proposed business at Item No.6 of the notice.

Bengaluru, 28th April, 2016

By Order of the Board

Registered Office:

ITPB Road, Whitefield, Bengaluru - 560 048.

CIN: L85110KA1989PLC009968

G. Vaidyanathan Company Secretary

ANNexure

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding appointment of a new Director/s or re-appointment of a Director/s.

Name of the Director	Prof. M. S. Ananth	Mr.N.G.Subramaniam
Date of Birth	November 15,1945	May 20, 1959
Date of appointment	January 04, 2016	November 01, 2014
Specialised Expertise	General Management	IT Industry and General Management
Qualifications	B.E., M.Tech., Ph.D. in Molecular Thermodynamics	M.Sc in Mathematics
Directorships of other companies* as at 31st March, 2016	UCAL Fuel Systems Ltd., (Independent Director) UCAL Polymer Industries Ltd., (Independent Director)	Nil
Chairmanship/Membership of other Committees** as at 31st March, 2016	Member- Audit Committee (UCAL Fuel Systems Ltd) Member- Audit Committee (UCAL Polymer Industries Ltd)	Nil
No. of shares held in the Company as on 31st March, 2016	Nil	Nil

^{*} Excludes private/foreign companies

^{**} Only Audit and Stakeholders Relationship Committees are considered

Directors' rePort to tHe MeMBerS

1. Your Directors are pleased to present the Twenty-seventh Annual Report on the business and operations of the Company along with the Audited Statements of Accounts for the financial year ended March 31, 2016.

2. Result of Operations - Extract

₹ In Crores

	2015-16	2014-15
Sales and Services	1075.21	849.40
Other income	11.86	4.14
Total Income	1087.07	853.54
Profit before financial expenses, depreciation and exceptional items	258.95	180.71
Less: Financial expenses	-	-
Depreciation	22.61	24.73
Profit for the year	236.34	155.98
Less: Provision for Income tax	81.53	53.08
Profit after tax	154.81	102.90
Add: Profit brought forward	184.86	146.34
Balance available for appropriation which has been appropriated as under:	339.67	249.24
Depreciation on transition to Schedule-II of the Companies Act, 2013 on	-	13.30
tangible fixed assets with Nil remaining useful life		
Proposed dividend	43.59	34.25
Dividend tax thereon net of reversal thereof	8.87	6.83
Transfer to General Reserve	10.00	10.00
Balance of profit carried to Balance Sheet	277.21	184.86
Total appropriations	339.67	249.24

3. Dividend

Your Directors recommend for your approval, a dividend of 140 % (₹ 14 /- per share) for the year ended 31st March, 2016, compared to 110% (₹11 per share) in the previous year.

This will involve an outgo of ₹ 52.46 crores compared to ₹41.08 crores in the previous year, including dividend distribution tax.

4. Reserves

Your Directors have approved a transfer of ₹10 crores to the General Reserve for the year ended 31st March, 2016, as against an amount of ₹10 crores in the previous year.

5. Review of Operations

The total income during the year under review increased by 27 % from ₹ 853.54 crores in the previous year to ₹1087.07 crores.

The Profit Before Tax (PBT) increased by 52 % from ₹ 155.98 crores in the previous year to ₹236.34 crores. The Profit After Tax (PAT) increased by 50 % from ₹102.90 crores in the previous year to ₹ 154.81 crores.

During the year under review, your Company for the first time crossed the 1000 crore mark in turnover in rupee terms. This was possible due to the concerted effort in scaling up the embedded product design and industrial design services business coupled with better ultilisation of available resources.



6. MANAGEMENT DISCUSSION AND ANALYSIS

Industry Outlook

As per NASSCOM, Indian IT services have grown by 12%, with IT services and software products maintaining a double digit growth due to higher adoption of SMAC (Social, Mobile, Analytics, and Cloud Services) and IoT (Internet of Things).

Also, the presence of a single government has boosted the confidence of the industry in 'Digital India' and 'Make in India' with the domestic market accounting to two-thirds of the revenue addition in FY 16.

The fusion of humans and machines is the next big thing for the information and communications technology industries, which will impact almost all industry verticals.

Business Analysis

Our operations are classified into two business segments, i.e. Software Development & Services and Systems Integration & Support.

Software Development and Services

This business segment grew by 29% from ₹781.85 crores in the previous year to ₹ 1008.17 crores in FY16. The segment profit increased by 47% from ₹ 176.33 crores in the previous year to ₹259.66 crores during FY16.

As per NASSCOM, Indian IT exports are expected to grow by 10-12% and Engineering R&D and product development to grow at 12.6% in FY 17.

As technologies, industries and markets converge, each intersection presents both challenges and opportunities for companies to innovate and deliver new and enhanced products and services. New services are also emerging from the increasing connectedness of people and devices.

This presents us with an unique opportunity to leverage our technology capabilities, user centric design and creative experience, and position ourselves as a complete solutions and service provider.

The software development and services segment consists of three distinct business divisions:

Embedded Product Design

The Embedded Product Design (EPD) division provides technology consulting, new product design, development, and testing services for the broadcast, consumer electronics, healthcare, telecom and transportation industries.

Transportation

We offer electronics, software development and system design services for the automotive and aerospace industry. Software content in cars is increasing, especially in areas such as in-vehicle infotainment, active safety systems, telematics, electric and hybrid powertrains.

We are leveraging our cross-technology expertise in multimedia, imaging, connectivity technologies, and well-established processes for automotive software development, to support both car manufacturers and system suppliers in product development and engineering. We are also working with some leading aerospace OEMs and suppliers for avionics and electronics design.

We are also working on emerging requirements for mass transportation and urban mobility solutions for smart cities of the future.

Apart from active participation in leading consortiums and technology standards bodies related to the automotive industry, we participated in leading trade shows and events such as the VDI-ELIV Congress in Baden Baden – Germany, showcasing our automotive technology development capabilities and solutions for safety, comfort and infotainment.

Broadcast and Communications

We address the complete product development lifecycle from R&D, new product development and testing to maintenance engineering for Broadcast, Consumer Electronics and Communications.

We engage with leading Broadcast and Communications service providers across the world for the development of value-added applications, and help them reduce engineering costs associated with development and deployment through cost-effective offshore services. Increasingly, major operators are bundling voice, video and data services and providing consumers with a converged triple play service, thereby blurring the lines between a conventional telecom operator and a Pay TV service provider. Emerging technologies such as IoT (Internet of Things) and Analytics are creating new opportunities to drive operational efficiency, reduce costs, deliver new services to consumers and enable new streams of revenues for operators and product manufacturers.

We are investing in developing capability to support customers in these new technologies and help them in their digital transformation journey.

We continue to participate in leading international industry events and standards bodies, to strengthen our leadership position and keep abreast of technology trends in concerned industry sectors. Tata Elxsi was featured with a keynote session titled 'New Disruptors - the Internet of Things revolution' at the International Broadcasting Convention (IBC), the leading event for the broadcasting and communications industry, in Amsterdam in September 2015.

Industrial Design (ID)

The Industrial Design division helps customers develop endearing brands and products by using design and technology as a strategic tool for business success.

This division services a broad spectrum of industries including automotive, consumer electronics, retail & consumer goods and healthcare.

We have worked for leading Metro projects in India, including the Chennai & Kochi Metro to enhance the passenger experience in the use of the metro services, right from design of signage systems to branding, coach interiors and station aesthetics.

Products designed by us have been awarded the I Mark, which signify good design not only in terms of form and aesthetic appeal, but also in terms of product quality, functionality, safety, sustainability, usability and social responsibility.

We participated in the 'Make in India Week', which aimed to showcase the potential of design, innovation and sustainability across India's manufacturing sectors in the coming decade. This event also showcased products with the I Mark to the international community.

We conducted an annual design event 'Connect D' in order to promote design thinking amongst the next generation of designers and help them create new connected experiences. The event is intended to engage with students and help them to think critically about the latest technology and its implications for the present and future. The 4th edition of the contest received an overwhelming response from design students from across the country, which concluded in June 2015.

Visual Computing Labs (VCL)

VCL provides high-end content and 3D Animation services, addressing content development for feature films, television, advertising commercials and custom corporate content.

VCL has been awarded with FICCI BAF 2016 for the 'Best VFX in a Commercial' in the Afterlife Series. Our work for feature films, including 'Neerja' which was released in February 2016, has won much appreciation and critical acclaim.

Systems Integration and Support

During the year under review, our Systems Integration & Support segment reported a turnover of ₹67.03 crores and profit of ₹6.72 crores.

We implement and integrate complete systems and solutions for High-Performance Computing, CAD/CAM/CAE/PLM, Broadcast, Virtual Reality, Storage, and Disaster Recovery. We also provide Professional Services for maintenance and support of IT infrastructure in India and overseas.

We continue to focus on increasing the share of software sales and support services in this segment, for improved margins.

Threats, concerns and risks

According to NASSCOM, despite the political uncertainty across major economies of the world, currency fluctuations and changing nature of the business, the industry has still sustained a double digit growth and may continue to do so with the emergence of new technologies such as internet of things, analytics, and social media.

Our revenues are well distributed amongst various currencies and geographies, thereby reducing the impact from any single geography or currency to some extent.

Protectionist government policies in key markets such as the US and Europe may create barriers in on-site deployment of India-based talent. Economic uncertainty aggravated by plunging oil prices, plummeting Chinese markets hurt the Indian IT sector.

We are focusing on maximizing offshore execution of projects and having a presence in multiple industries to mitigate the impact of such policies and risks caused by the cyclical nature of any one industry segment.



Internal Control Systems and their adequacy

We believe that internal control and risk management are necessary prerequisites of the principle of governance. Our Management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides assurance on the efficiency of operations and security of assets. We have an effective internal control system, which is assessed and strengthened with new/revised standard operating procedures and which ensures that all our assets are safeguarded and protected against any losses.

We have co-sourced the internal audit function. We have entrusted quarterly internal audits to a reputed Audit firm – Ernst & Young. In addition, the in-house internal audit team also regularly carries out audits of specific processes. Their annual audit plans are approved by the Audit Committee of the Board. Based on the internal audit reports, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Internal Audit Reports along with corrective actions are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of our internal controls.

Financial Analysis

	2015-16	2014-15	Change over	Percentage	of income
			previous year	2015-16	2014-15
	₹ crores	₹ crores	%	%	%
Sales and services	1075.21	849.40	26.58	98.91	99.51
Other income	11.86	4.14	186.47	1.09	0.49
Total Revenues	1087.07	853.54	27.36	100.00	100.00
Cost of sales	69.98	75.21	-6.95	6.44	8.81
Personnel expenses	576.49	460.61	25.16	53.03	53.96
Financial expenses	-	-	-	-	-
Depreciation/Amortization	22.61	24.73	-8.57	2.08	2.90
Other expenses	181.65	137.01	32.58	16.71	16.05
Total Expenditure	850.73	697.56	21.96	78.26	81.73
Profit before tax and exceptional items	236.34	155.98	51.52	21.74	18.27
Tax	81.53	53.08	53.60	7.50	6.22
Profit after tax for the year	154.81	102.90	50.45	14.24	12.06

Analysis of Overheads

	2015-16	2014-15	Variance
Items	₹ crores	₹ crores	%
Operating lease rent	15.73	14.01	12.28
Communication expenses	9.70	9.07	6.95
Inland travel and conveyance	8.03	6.53	22.98
Overseas travel	50.23	41.29	21.65
Consultant fees for software development	45.12	25.53	76.73
Provision for doubtful debts/ advances	0.82	0.49	67.35

Significant Ratio Analysis

SI. No.	Particulars	Unit	31.03.16	31.03.15
1	Earnings before interest, depreciation and tax/Sales	%	24.08	21.27
2	Profit before taxes/Sales	%	21.98	18.36
3	Profit after taxes/Sales	%	14.39	12.11
4	Current Ratio	No. of times	2.32	1.92
5	Debt Equity Ratio	Ratio	-	-
6	Earnings per share	₹	49.72	33.05

Human Resources

As a technology-led design company we continue to attract and retain top talent. Leadership training, Performance management, Talent development, Employee engagement and Succession planning form the bedrock of our strategy. Benchmarking, Recognizing contributions, Improving Customer experience, and Keeping pace with changes are the pillars of our value system and help create an atmosphere of oneness and collaboration. Our employees are highly motivated and we develop the necessary capabilities and behaviours so that employees can deliver greater value to our customers and become trusted advisors. Our recent initiates of pre-connecting with colleges before we hire freshers' are helping us to attract the best minds across campuses.

Our total headcount including consultants was 4452 as of March 31, 2016.

Quality initiatives

We have instituted very strong quality processes in the execution of our software development projects, and implemented robust information security management processes to assure our global customer base of the required level of confidentiality and protection of data and information. We have also been assessed and certified organization wide for industry-specific standards such as ISO 9001:2008 and ISO 27001:2013. Additionally, for Medical Engineering BU we have ISO 13485:2012 certification and for Transportation BU we have Automotive SPICE OML5 certification.

7. Directors and Key Managerial Personnel

In terms of Section 152 of the Companies Act, 2013 Mr. N.G. Subramaniam retires by rotation and being eligible offers himself for re-appointment.

Dr. R. Natarajan, Independent Director, retired from the Board with effect from January 10, 2016 in terms of his appointment. The Board placed on record their appreciation for the valuable contributions and guidance rendered by Dr. Natarajan during his tenure on the Board and the Committees in which he was a member.

The Board, on the recommendation of the Nomination and Remuneration Committee, had at its meeting held on January 04, 2016 appointed Prof. M.S. Ananth as an Additional Director (Independent Director) of the Company with effect from January 04, 2016. In terms of Section 161(1) Prof. Ananth holds office upto the date of the ensuing Annual General meeting and being eligible offers himself for re-appointment. Notice has been received from a member u/s 160 of the Companies Act, 2013, proposing Prof. Ananth to the office of the Directorship of the Company. The Board recommends the appointment of Prof. Ananth as an Independent Director to hold office upto November 14, 2020.

During the year under review, Six (6) Board meetings were held and have been well attended by the Directors. The calendar of meetings for the year 2016-17 has been circulated to all the directors detailing the schedule of Board and Committee meetings during 2016-17.

The Independent Directors have submitted their declaration that they fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013. Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013 the Independent Directors had separate meetings on 28th April, 2015 and 15th May, 2015 during 2015-16.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel (KMP) of the Company are - Mr. Madhukar Dev, MD & CEO. Mr. K Ramaseshan, CFO and Mr. G. Vaidyanathan, Company Secretary. There is no change in the KMP during the year.

8. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanations relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of our state of affairs at the end of the financial year and of our profit and loss for that period;
- (c) the Directors had taken proper and sufficient care, for the maintenance of adequate accounting records, in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis:
- (e) the directors had laid down internal financial controls to be followed by the Company, and that such internal Controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.



9. Particulars on Remuneration

The information required under Section 197(12) of the Companies Act 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors' Report and have not been attached. However, in terms of first proviso to Section 136 the particulars as referred above are available for inspection at our Registered office during business hours on working days, up to the date of the ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure-A.

Our Board has adopted a Remuneration Policy as also the Charter for the Nomination & Remuneration Committee (NRC). The Policy covers the Policy on remuneration to our Managing Director, Key Managerial Personnel and other officers. The Charter lays down the Rights, Roles and Responsibilities of the NRC. A Policy on Board diversity has also been adopted by the Board. A comprehensive Governance Guidelines for Board effectiveness has also been adopted by the Board on the recommendation of NRC. The Guidelines lay down the following:

- Composition and Role of the Board (Role of the Chairman, Directors, size of the Board, Managing Director, Executive Director, Non-Executive Directors, Independent Directors, their term, tenure and Directorship).
- zz Board appointment, Industrial Development.
- zz Directors remuneration (Guided by Remuneration policy).
- zz Subsidiary oversight.
- zz Code of Conduct (Managing Director, Executive Director, Non-Executive Directors).
- zz Board effectiveness review.
- zz Mandate of the Board Committee.

The Remuneration Policy and the Charter for NRC are available at: http://www.tataelxsi.com/company/board-of-directors/Related links/Policies.

10. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars pursuant to section 134 (m) of the Companies Act, 2013 is attached with this report as Annexure-B.

11. Risk Management Policy

We have adopted a Risk Management Policy to identify and categorize various risks, implement measures to minimize impact of these risks where it is deemed necessary and possible, and a process to monitor them on a regular basis. More details are given under Section-6 of Corporate Governance Report (page - 37).

12. Corporate Social Responsibility

We have constituted a CSR committee for the purposes of recomending and monitoring the CSR initiatives of the Company.

The Board on the recommendation of CSR Committee adopted a CSR Policy. The same is available on Company's website at (http://www.tataelxsi.com/company/corporate-sustainability). The CSR objectives are designed to serve societal, local and national goals in the locations that we operate in, create a significant and sustained impact on local communities and provide opportunities for our employees to contribute to these efforts through volunteering.

The Annual Report on the CSR initiatives undertaken by the Company as per the Companies (Corporate Social Responsibilities Policy) Rules, 2014 is annexed as Annexure-C. The details of the CSR Committee and its composition is given in section-7 of the Corporate Governance Report (page - 38).

13. Closure of wholly owned Subsidiary Company

During the year under review the formalities for closure of company's wholly owned subsidiary, Tata Elxsi (Singapore) Pte. Ltd. has been completed. Presently the Company do not have any subsidiary Company.

14. Corporate Governance

In terms of Regulation 34(3) and 53(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Corporate Governance Report, the Management Discussion & Analysis Statement, and the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are part of this Annual Report.

15. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Jayashree Parthasarthy, a Company Secretary-in-Practice, was appointed to undertake the Secretarial Audit. The Report of the Secretarial Audit for the year ended 31st March, 2016 is attached to the Directors' Report at page No. 30.

16. Prevention of Sexual Harassment

We have zero tolerance for sexual harassment at workplace and have adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and Redressal of complaints of sexual harassment at workplace.

No concerns have been raised under POSH during the year 2015-16.

17. Vigil Mechanism

Our company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviour, suspected fraud or violation of the Company's 'Code of Conduct'.

To this effect the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy provides safeguards against victimization of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review.

The said policy has been posted on our intranet where all the employees have access. Our Company conducts 'Policies Awarness Campaign' regularly for its employees at its various centres, and the WBP also features in the campaign amongst others.

18. Others

There are no loans, guarantees and investments made by us u/s 186 of the Companies Act, 2013 during the year under review.

The extract of Annual Return in MGT-9 is attached and forms part of the Directors'report. We have neither accepted nor renewed any deposit during the year under review.

The Unclaimed Dividend in respect to the financial year 2008-09 is due for remittance to Investors' Education & Protection Fund (IEPF) on October 13, 2016 in terms of Section 125 of the Companies Act, 2013.

There are no material changes and commitments affecting the Company's financial position between the end of the financial year to which this financial statement relate and the date of this report.

19. Auditors

Delloitte Haskins & Sells (DHS), Chartered Accountants, the Statutory Auditors, who have been appointed for a period of 3 years and whose re-appointment is to be ratified at the ensuing Annual General Meeting, have confirmed vide their letter dated April 22, 2016 that they are eligible for re-appointment.

20. Acknowledgements

Your Directors wish to thank employees, customers, partners, suppliers, and above all, our shareholders and investors for their continued support and co-operation.

On behalf of the Board of Directors

N.G. Subramaniam Chairman

Bengaluru, 28th April, 2016



ANNEXURE "A" TO DIRECTORS' REPORT

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and the Rules made thereunder:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Non-Executive Directors	Ratio to median remuneration
Mr. N. G. Subramaniam	6.71
Mr. Patrick McGoldrick	4.71
Mr. Piyush Mankad	3.71
Mrs. S. Gopinath	7.14
Dr. G. Katragadda	2.43
Prof. M.S. Ananth*	-
Dr. R. Natarajan*	-
Executive Director	
Mr. Madhukar Dev, MD & CEO	60.31

^{*}since the information is part of the year, the same is not comparable

(For Non-Executive Directors (NEDs) only commission is considered).

(ii) Percentage increase in the remuneration of the Directors and KMP and Comparison of remuneration against the performance of the Company for the financial year:

Directors, Managing Director & CEO, Chief Financial Officer and Company Secretary	% increase in the remuneration in the Financial year
Mr. N. G. Subramaniam*	-
Mr. Patrick McGoldrick	106
Mr. Piyush Mankad	4
Mrs. S. Gopinath	38
Dr. G. Katragadda*	-
Prof. M.S. Ananth*	-
Dr. R. Natarajan*	-
Mr. Madhukar Dev, MD & CEO	39
Mr. K. Ramaseshan, CFO*	-
Mr. G. Vaidyanathan, Company Secretary	52

^{*}since the information is part of the year either current or past, the same is not comparable

- (iii) the percentage increase in the median remuneration of employees in the financial year: 16.66%
- (iv) the number of permanent employees on the rolls of company: 4452
- (v) the explanation on the relationship between average increase in remuneration and company performance: The Company's PAT increased from ₹103 Cr to ₹155 Cr, an increase of 50% against which the average increase in remuneration is 12%; and this increase is aligned with the Company's Remuneration Policy.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The aggregate remuneration to KMP is ₹5.61 crs. which is 0.52% of the Company's income from operations of ₹1075.21 crs. and 3.62% of PAT of ₹154.81 crs. As per the Company's Remuneration Policy, the compensation of the key managerial personnel is based on performance, industry and working of the company and its goal.

(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

As on	Issued Capital (Shares)	Market Price in ₹	EPS in ₹	P/E ratio	Market Capitalisation (₹ in crores)
31.3.2015	31,138,220	1,158.15	33.05	35.04	3,606
31.3.2016	31,138,220	1,880.55	49.72	37.12	5,856
Increase/(Decrease)	Nil	722.40			2,250
Issue Price at the last public offer		10.00			
Increase in market price as on 31.03.2016 as compared to the issue price		1,870.55			
% increase		187.05			

(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2015-16 was 12%. Percentage increase in the managerial remuneration for the year was 39%.

(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	CTC (₹) lakhs	PAT ₹ In lakhs	Remuneration as % of PAT
Madhukar Dev	Managing Director	422.19		2.73
K. Ramaseshan	CFO	98.26	15,481	0.63
G. Vaidyanathan	Company Secretary	40.87		0.26

(x) the key parameters for any variable component of remuneration availed by the directors:

Except for the Managing Director & CEO, Mr. Madhukar Dev, no directors have been paid any variable remuneration. The MD & CEO is paid variable component by way of commission, as per the Remuneration Policy of the Company and as approved by the members of the Company and within the permissible limit as prescribed in the Companies Act, 2013.

- (xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NiL
- (xii) The Company hereby affirm that the remuneration is as per the remuneration policy of the company.

Affirmation regarding Compliance with the Code of Conduct

The Company has adopted a Code of Conduct for all its employees, including the Managing Director. In addition, the company has adopted a Code of Conduct for its Non-Executive Directors. Both these Codes are available on the Company's website (www.tataelxsi.com).

I hereby confirm that all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2016.

Madhukar Dev Managing Director



ANNexure "B" to Directors' rePort

Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

1. Conservation of Energy

We are in a knowledge intensive industry, and do not operate industrial machinery, production facilities, or other such energy intensive operations. However, as a responsible corporate citizen, we continue to pursue and adopt appropriate energy conservation measures.

Active measures taken by us towards energy conservation and carbon footprint reduction include using technology to monitor and control power consumption of air conditioning and other related equipment, use of energy efficient light bulbs, using technology for switching off computer monitors, motion sensors for lighting controls, etc.

We undertake regular reviews of energy requirements and consumption patterns, with action plans for effective utilization of power, during peak and non-peak seasons.

We also undertake continuous education and awareness programs among all employees on energy conservation measures that can be adopted at individual levels, to help conserve power and energy.

2. Technology absorption, adaption and innovation

Our key services include software and electronic system development for industries such as automotive, broadcast and communications. Certain portion of our talent base is dedicated to developing expertise in emerging technologies and standards.

This is achieved through training and in-house R&D projects, and supported by technology partnerships, subscriptions and active participation in standards and technology forums, trade shows. These help in enabling new technology familiarity for the engineering teams, as part of the continuous training and human resource development.

Internal Intellectual Property (IP) programs facilitate us in training and preparing its design and engineering teams for upcoming projects in terms of delivery capability and capacity. The outcomes of these programs also help showcase technology and development capability to potential customers without violating confidentiality of work being executed for existing customers in the same area.

Further, certain programs are focused on creating reusable software components and frameworks which have the potential to generate future revenue streams through commercialization and licensing.

R&D Activities and Expenditure

During the year, we invested 2% of revenue towards in-house R&D projects. We intend to continue investing in technology IP development, especially those related to automotive, broadcast and communications.

Expenditure incurred in the R&D centers and innovation centers during the financial year 2015-16 are given below:

i. Capital : ₹ 6.16 crores
 ii. Recurring : ₹ 15.56 crores
 iii. Total : ₹ 21.72 crores

iv. Total R & D expenditure as a percentage total turnover: 2%.

3. Foreign Exchange earnings and outgo

Export revenue constituted 85% of the total revenue in financial year 2015-16

(₹ Crores)

	<u> </u>
Foreign exchange earnings	912.07
CIF Value of imports	24.96
Expenditure in foreign currency	313.49

ANNexure "c" to Directors' rePort

Annual Report on Corporate Social Responsibility

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

 A brief outline of the Company's CSR Policy, including overview of the projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Our CSR activities are designed to:

- zz Serve societal, local and national goals in all the locations where we operate.
- zz Create a significant and sustained impact on communities affected by our businesses.
- zz Provide opportunities for Tata employees to contribute to these efforts through volunteering.

CSR Policy has been adopted and the same is available on the Company's Website at the following link: http://www.tataelxsi.com/company/corporate-sustainability/CSRpolicy.

- 2. The Composition of the CSR Committee:
 - Mrs. S. Gopinath, Chairperson (Independent Director)
 - Mr. P.G. Mankad, Member (Independent Director)
 - Mr. Madhukar Dev, Member (CEO & MD)
- 3. Average net profit of the Company for last three financial years: ₹8321.22 lakhs
- 4. Prescribed CSR Expenditure (two percent of the amount as in Item No. 3 above): ₹ 166.42 lakhs
- 5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year: ₹ 166.42 lakhs
 - (b) Amount unspent, if any: Nil
 - (c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	CSR Project or Activity identified	the project is covered	1) Local area or other 2) Specify the state and districts where projects or programs was/were	Amount outlay (budget) project or program wise		expenditure up to the reporting	Amount spent Direct or through implementing agency
1.	Disaster relief	Socio-economic development and Relief	National PM Relief Fund		Direct – ₹ 122.16 lakhs	₹ 122.16 lakhs	Direct
2.	Disaster relief	Promoting education and livelihood programs for the differently abled	Chennai (Tamil Nadu)	₹ 16.00 lakhs	Direct – ₹ 15.04 lakhs		Direct- Towards repair of a vocational training centre of Vidyasagar (formerly Spastic Society of Tamil Nadu) affected by recent flood in Chennai.
3.	Education	Employment- enhancing vocational skills		₹ 15.00 lakhs	Direct- ₹ 18.00 lakhs		Direct – Tata Community Initiative Trust- Strive, A Skill Development Initiative- Pan India



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4.	Promotion for road Safety	Development and Relief	Bengaluru (Karnataka)		Direct – ₹ 1.82 lakhs		Direct — The Company assisted the Traffic Police by reimbursing the salary of Traffic Assistants deployed in different road crossings for control of vehicular traffic.
5.	Employment- related vocational skills		India		Direct- ₹ 1.40 lakhs		FAEA (Implementing Agency)*-contributed to support 2 Students for higher education.
	TOTAL					₹ 158.42 lakhs	
	Allowable expenditure (overheads) towards personnel & administration expenses for CSR team			₹8.32 lakhs	Overheads-₹ 8.00 lakhs		Apportioned compensation for CSR staff, travel expenses for CSR activities and the working hours utilized by TE personnel for supervision of the disaster relief project in Chennai.
	Total CSR budget and spent for FY 2015-16					₹166.42 lakhs	

^{*} Foundation for Academic Excellence and Access (FAEA) – Assistance for higher education for needy students from disadvantaged communities.

Responsibility statement: The CSR Committee hereby confirms that the implementation and monitoring of the Company CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Madhukar Dev Managing Director Shyamala Gopinath Chairperson, CSR Committee

Bengaluru, 28th April, 2016

Form No. MGT -9 EXTRACT OF ANNUAL RETURN as on the financial year ended 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN : L85110KA1989PLC009968

ii) Registration Date : 30.3.1989

iii) Name of the company : Tata Elxsi Limited

iv) Category/ Sub-Category of the Company : Public Company Limited by Shares

v) Address of the Registered office and Contact Details : ITPB Road , Whitefield, Bangalore - 560048

Tel: 080 2297 9123

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

vi) Whether listed or unlisted Company : Listed

vii) Name, Address and Contact details of Registrar and: TSR DARASHAW LIMITED

Share transfer Agents : 6-10, Haji Moosa Patrawala Industrial Estate,

#20 Dr. É. Moses Road, Mahalaxmi,

Mumbai - 400 011 Tel: 022 6656 8484

email: csg-unit@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

S N	· ·	NIC Code of the Product / Sevice	% to total turnover of the Company
'	Design and Development of Computer Hardware and Software	NA	93.77

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	TATA SONS LIMITED BOMBAY HOUSE, 24, HOMI MODY STREET, MUMBAI - 400001	U999999MH1917PLC000478	Associate	42.22	2(6)



IV SHAREHOLDING PATTERN (Equity share capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholers	No. of Sha			ning of the	No. of Sha		at the end o	of the year	%
				1.04.2015				3.2016	a	Change
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
A.	Promoters									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
	Central Government / State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corporate	13997288	0	13997288	44.95	13947632	0	13947632	44.79	-0.16
	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A) (1)	13997288	0	13997288	44.95	13947632	0	13947632	44.79	-0.16
	Foreign									0.00
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total	Shareholding of Promoter and Promoter Group (A)	13997288	0	13997288	44.95	13947632	0	13947632	44.79	-0.16
	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds / UTI	214828	200	215028	0.69	457169	200	457369	1.47	0.78
(b)	Financial Institutions / Banks	21454	200	21654	0.07	32471	200	32671	0.10	0.04
(c)	Cental Government / State Governments(s)	200	0	200	0.00	0	0	0	0.00	-0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	796339	0	796339	2.56	432998	0	432998	1.39	-1.17
(f)	Foreign Institutional Investors	2508876	0	2508876	8.06	1563473	0	1563473	5.02	-3.04
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Foreign Financial Institutions	0	2300	2300	0.01	0	2300	2300	0.01	0.00
(j)	Foreign Portfolio Investors (Corporate)	27827	0	27827	0.09	2618274	0	2618274	8.41	8.32
(k)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (B) (1)	3569524	2700	3572224	11.47	5104385	2700	5107085	16.40	4.93
(2)	Non-Institutions									
(a)	Bodies Corporate	2117809	3901	2121710	6.81	1317098	3701	1320799	4.24	-2.57
(b)	Individuals -									
i	Individual shareholders holding nominal share capital upto ₹ 1 lakh	7718292	1551851	9270143	29.77	7651207	1438876	9090083	29.19	-0.58
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2166645	0	2166645	6.96	1656910	0	1656910	5.32	-1.64
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
i	Trusts	9110	0	9110	0.03	14611	0	14611	0.05	0.02
ii	Directors & Relatives	1100	0	1100	0.00	1100	0	1100	0.00	0.00
	otal (B) (2)	12012956	1555752	13568708	43.58	10640926	1442577	12083503	38.81	-4.77
Total	Public Shareholding (B) = (B)(1)+(B)(2)	15582480			55.05	15745311	1445277	17190588	55.21	0.16
	AL (A)+(B)	29579768	1558452	31138220	100.00	29692943	1445277	31138220	100.00	
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
GRAI	ND TOTAL (A)+(B)+(C)	29579768	1558452	31138220	100.00	29692943	1445277	31138220	100.00	

ii) Shareholding of Promoters (Including promoter group)

SI. No.	Shareholder's Name		ling at the lear of year 01.04	beginning of 1.2015	Shareholdi	% change in shareholding		
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	during the year
1	Tata Sons Limited	13147632	42.22	0	13147632	42.22	0	0.00
2	Tata Investment Corporation Limited	849656	2.73	0	800000	2.57	0	-0.16
		13997288	44.95	0	13947632	44.79	0	-0.16

iii) Change in Promoter's Shareholding (please specify,if there is no change)

SI. No	Name of the Shareholder		Reason	beginnin	Shareholding at the beginning of the year 01.04.2015		Cumulative Shareholding during the year		
				No. of	% of total	No. of	% of total		
				Shares	Shares of the	Shares	Shares of the		
					company		company		
1	Tata	01-Apr-2015	At the beginning of the year	849656	2.73	849656	2.73		
	Investment	06-Nov-2015	Decrease	-19656	-0.06	830000	2.67		
		13-Nov-2015	Decrease	-30000	-0.10	800000			
	Limited		At the end of the year	0	0.00	800000	2.57		
2	Tata Sons	01-Apr-2015	At the beginning of the year	13147632	42.22				
	Limited	31-Mar-2016	At the end of the year			13147632	42.22		

iv) Shareholding pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SI.	Name of the	Date	Reason	(+/-) in Shareholding	Shareho	lding at the	Cumulativ	e Shareholding
No.	Shareholder			_	beginnin	g of the year	durin	g the year
					No. of	% of total	No. of	% of total
					Shares	Shares of the	Shares	Shares of the
						company		company
	Life Insurance	1-Apr-2015		At the beginning of the year	784198	2.52	784198	2.52
	Corporation Of India			Decrease	-7696	-0.02	776502	2.49
		31-Jul-2015		Decrease	-175185	-0.56		1.93
		7-Aug-2015		Decrease	-24815	-0.08		1.85
		11-Mar-2016		Decrease	-10700	-0.03		1.82
			Transfer	Decrease	-50780	-0.16		1.65
		25-Mar-2016		Decrease	-55057	-0.18		1.48
		31-Mar-2016	Transfer		-29533	-0.09		1.38
		31-Mar-2016		At the end of the year	0	0	430432	1.38
	Wasatch Emerging	1-Apr-2015		At the beginning of the year	0	0.00		0.00
	Markets Small Cap	21-Aug-2015		Increase	98707	0.32		0.32
	Fund	28-Aug-2015		Increase	2438		101145	0.32
		11-Sep-2015		Increase	77856	0.25		0.57
		30-Sep-2015		Decrease	-5835	-0.02		0.56
		4-Dec-2015		Increase	64098	0.21	237264	
		15-Jan-2016		Decrease	-5300	-0.02		
		5-Feb-2016	Transfer	Increase	146316	0.47	378280	1.21
			Transfer	Increase	48410	0.16		1.37
			Transfer	Decrease	-10850	-0.03		
		31-Mar-2016		At the end of the year	0	0.00	415840	1.34



	Name of the	Date	Reason	(+/-) in Shareholding		olding at the		e Shareholding
No.	Shareholder					g of the year		g the year
					No. of	% of total	No. of	% of total
					Shares	Shares of the	Shares	Shares of the
						company		company
	California Public	1-Apr-2015		At the beginning of the year	0			0.00
	Employees'	21-Aug-2015		Increase	64382	0.21		0.2
	Retirement System,	11-Sep-2015	Transfer	Increase	53096	0.17		0.38
	Managed By Wasatch	4-Dec-2015	Transfer	Increase	47099	0.15		0.53
	Advisors, Inc.	18-Dec-2015		Increase	75483	0.24		0.77
			Transfer	Increase	81975	0.26		1.03
_		31-Mar-2016		At the end of the year	0			1.03
		1-Apr-2015	- 	At the beginning of the year	162330	0.52		0.52
	•	24-Apr-2015		Increase	2000			0.53
	Fund	1-May-2015		Increase	1357	0.00		0.53
		8-May-2015		Increase	9000			0.56
		15-May-2015		Increase	17000	0.05		0.62
		29-May-2015 5-Jun-2015		Increase	17500 2200	0.06 0.01		0.68
		12-Jun-2015		Increase	12500	0.01		0.72
		26-Jun-2015		Increase Increase	20000	0.04		0.78
			Transfer	Increase	2741	0.00		0.79
		24-Jul-2015		Decrease	-25000	-0.08		0.7
		31-Jul-2015		Decrease	-23411	-0.08		0.64
		7-Aug-2015		Decrease	-25000	-0.08		0.56
		14-Aug-2015		Increase	1498			0.56
		21-Aug-2015		Increase	15000	0.05		0.6
		28-Aug-2015		Increase	2800			0.62
		18-Sep-2015		Increase	9500			0.65
		25-Sep-2015		Increase	8000	0.03		0.67
		30-Sep-2015		Increase	7500	0.02		0.70
		9-Oct-2015	Transfer	Increase	22647	0.07	240162	0.77
		30-Oct-2015	Transfer	Increase	10000	0.03		0.80
		6-Nov-2015		Increase	10000	0.03		0.84
		27-Nov-2015		Increase	3942	0.01		0.85
		4-Dec-2015		Increase	7500	0.02		0.87
		11-Dec-2015		Increase	5400	0.02		0.89
		18-Dec-2015		Decrease	-42000	-0.13		0.75
		25-Dec-2015		Increase	3425	0.01		0.77
			<u>Transfer</u>	Increase	2437	0.01		0.77
		15-Jan-2016		Increase	9200	0.03		0.80
		22-Jan-2016		Increase	4864	0.02		0.82
		29-Jan-2016		Decrease	-5500			0.80
		5-Feb-2016		Decrease	-9000	-0.03		0.77
		19-Feb-2016		Increase	735	0.00		0.77
		26-Feb-2016 4-Mar-2016		Increase	12404 6349	0.04 0.02		0.8° 0.83
				Increase Increase	4388	0.02		0.85
		18-Mar-2016 31-Mar-2016		Increase	1201	0.01		0.85
		31-Mar-2016	nansiel	At the end of the year	1201			0.85
5	The Emerging	1-Apr-2015		At the beginning of the year	183341	0.59		0.59
	Markets Small Cap	10-Apr-2015	Transfer	Increase	11524	0.04		0.63
		24-Apr-2015		Increase	20640	0.04		0.69
	Investment Trust	1-May-2015		Increase	1658	0.01		0.70
		8-May-2015		Increase	13961	0.04		0.74
	Company	15-May-2015	Transfer	Increase	24869	0.08		0.82
		31-Mar-2016		At the end of the year	24003			0.82

	Name of the	Date	Reason	(+/-) in Shareholding		lding at the		e Shareholding
No.	Shareholder				beginnin	g of the year	durin	g the year
					No. of	% of total	No. of	% of total
					Shares	Shares of the	Shares	Shares of the
						company		company
6	Acadian Emerging	1-Apr-2015		At the beginning of the year	224356	0.72	224356	0.72
	Markets Equity II	18-Sep-2015	Transfer	Increase	26385	0.08	250741	0.81
	Fund LLC	31-Mar-2016		At the end of the year	0	0.00	250741	0.81
7	Swiss Finance	1-Apr-2015		At the beginning of the year	231011	0.74	231011	0.74
[Corporation	10-Apr-2015		Decrease		-0.14		0.60
	(Mauritius) Limited	17-Apr-2015		Decrease		-0.03		0.57
	(Maaricias) Emirica	24-Apr-2015		Decrease		-0.06		
		1-May-2015		Decrease	-80000	-0.26		
		22-May-2015		Increase		0.05		0.29
		12-Jun-2015		Increase		0.01	94024	
		19-Jun-2015		Increase		0.00	95278	
			Transfer	Increase		0.02	101797	0.33
		10-Jul-2015		Increase	1477	0.00		0.33
		16-Jul-2015		Increase		0.04		
		24-Jul-2015		Increase	1414	0.00	118623	0.38
		31-Jul-2015		Decrease	-10000	-0.03	108623	0.35
		7-Aug-2015	Transfer	Increase	50210	0.16		0.51
		14-Aug-2015		Decrease	-43114	-0.14		
		21-Aug-2015	Transfer	Increase	7603	0.02	123322	0.40
		28-Aug-2015		Increase	3443	0.01	126765	0.41
		4-Sep-2015		Decrease	-11588	-0.04	115177	0.37
		11-Sep-2015	Transfer	Decrease	-21858	-0.07	93319	0.30
		18-Sep-2015	Transfer	Decrease		-0.02	86663	0.28
		25-Sep-2015		Decrease	-2761	-0.01	83902	0.27
		2-Oct-2015	Transfer	Decrease	-2291	-0.01	81611	0.26
		9-Oct-2015	Transfer	Decrease	-33713	-0.11	47898	
		16-Oct-2015	Transfer	Decrease		-0.07	26508	0.09
		23-Oct-2015	Transfer	Decrease		-0.02	20838	
		30-Oct-2015	Transfer	Decrease		-0.01	16252	0.05
		20-Nov-2015	Transfer	Increase		0.02	21167	0.07
		27-Nov-2015	Transfer	Increase		0.04		
		4-Dec-2015		Increase	31788	0.10		
		11-Dec-2015		Decrease	-19934	-0.06	45080	
		18-Dec-2015	Transfer	Increase	6860	0.02	51940	0.17
		31-Dec-2015	Transfer	Decrease	-3609	-0.01	48331	0.16
		8-Jan-2016	Transfer	Increase		0.05	63048	0.20
		15-Jan-2016		Increase	6499	0.02	69547	0.22
		29-Jan-2016		Increase		0.00		0.22
		5-Feb-2016		Decrease		-0.02		
		12-Feb-2016		Increase	5959	0.02	69516	0.22
		26-Feb-2016		Increase	23096	0.07	92612	0.30
		4-Mar-2016		Increase	23188	0.07	115800	0.37
		11-Mar-2016		Increase	23716	0.08		0.45
		18-Mar-2016		Increase	35241	0.11	174757	0.56
		25-Mar-2016		Increase	45300	0.15		0.71
		31-Mar-2016		Increase	16308	0.05	236365	0.76
		31-Mar-2016		At the end of the year	0	0	0	C
8	Vanaja Sundar Iyer	1-Apr-2015		At the beginning of the year	170000	0.55		0.55
		15-Jan-2016		Increase	25000	0.08	195000	0.63
		29-Jan-2016		Increase	10000	0.03	205000	0.66
		4-Mar-2016		Decrease	-5000	-0.02	200000	
		31-Mar-2016		At the end of the year	0	0.00	200000	0.64



SI.	Name of the	Date	Reason	(+/-) in Shareholding	Shareholding at the		Cumulativ	e Shareholding
No.	Shareholder			_	beginnin	g of the year	durin	g the year
					No. of	% of total	No. of	% of total
					Shares	Shares of the	Shares	Shares of the
						company		company
9	Credit Suisse	1-Apr-2015		At the beginning of the year	200	0.00		0.00
	(Singapore) Limited			Increase	1453	0.00		0.01
		15-May-2015		Increase	6219	0.02	7872	0.03
		19-Jun-2015		Increase	18123	0.06		0.08
		26-Jun-2015		Decrease	-1453	-0.00		0.08
		10-Jul-2015		Increase	105	0.00		0.08
		24-Jul-2015		Decrease	-105	-0.00		0.08
		7-Aug-2015		Increase	93387	0.30		0.38
		14-Aug-2015		Increase	7351	0.02	125280	0.40
		21-Aug-2015		Increase	8046	0.03	133326	0.43
		11-Sep-2015	Transfer	Decrease	-2063	-0.01	131263	0.42
		18-Sep-2015	Transfer	Decrease	-92170	-0.30	39093	0.13
		25-Sep-2015	Transfer	Decrease	-9594	-0.03	29499	0.09
		30-Sep-2015	Transfer	Decrease	-5543	-0.02	23956	0.08
		2-Oct-2015	Transfer	Decrease	-2566	-0.01	21390	0.07
		9-Oct-2015	Transfer	Decrease	-21190	-0.07	200	0.00
		30-Oct-2015	Transfer	Increase	134	0.00	334	0.00
		6-Nov-2015	Transfer	Increase	107	0.00		0.00
		27-Nov-2015	Transfer	Increase	2697	0.01	3138	0.01
		4-Dec-2015	Transfer	Increase	1250	0.00	4388	0.01
		11-Dec-2015	Transfer	Increase	7218	0.02	11606	0.04
		18-Dec-2015	Transfer	Increase	10492	0.03	22098	0.07
		25-Dec-2015	Transfer	Increase	6282	0.02	28380	0.09
		31-Dec-2015	Transfer	Increase	6961	0.02	35341	0.11
		8-Jan-2016	Transfer	Increase	2000	0.01	37341	0.12
		15-Jan-2016	Transfer	Decrease	-14206	-0.05	23135	0.07
		5-Feb-2016	Transfer	Decrease	-4207	-0.01	18928	0.06
		26-Feb-2016	Transfer	Increase	25864	0.08	44792	0.14
		4-Mar-2016	Transfer	Increase	23955	0.08	68747	0.22
		11-Mar-2016		Increase	74194	0.24		0.46
		18-Mar-2016		Increase	48469	0.16		0.61
		18-Mar-2016	Transfer	Decrease	-4453	-0.01	186957	0.60
		31-Mar-2016		At the end of the year	0	0	186957	0.60
10	Chetan Jayantilal	1-Apr-2015		At the beginning of the year	175000	0.56	175000	0.56
	Shah	31-Mar-2016		At the end of the year	0	0.00	175000	0.56

v) Shareholding of Directors and Key Managerial Personnel:

Shareholding at the	beginning of the year	Shareholding at the end of the year				
No. of the Shares	% of total Shares of the	No. of the Shares % of total Shares of				
	company		company			
1100	0	1100	0			

Note: None of the Directors and KMPs other than the Managing Director hold any shares in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured Loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
	Secured loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANEGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and / or Manager:

SI.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount	
No.		Mr. Madhukar Dev (MD & CEO)		
		Amount (₹ in Lakhs)	Amount (₹ in Lakhs)	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	176.27	176.27	
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	
	c) Profits in Lieu of Salary u/s 17(3) of the Income tax Act, 1961	-	-	
2	Stock Option	-	1	
3	Sweat Equity	-	1	
4	Commission			
	as % of profit	225.00	225.00	
	others, specify			
5	Others, specify	20.92	20.92	
	Total (A)		422.19	
	Ceiling as per the Act (5% of the profit calculated u/s 198 of the Companies Act, 2013)		1214.63	



B. Remuneration to other Directors:

₹ In Lakhs

SI.	Particulars of			Na	ame of the	Directors			Total
No.		Mr. P.G. Mankad	Mr. P. McGoldrick	Mrs. Shyamala Gopinath	Prof. M.S. Ananth	Dr. R. Natarajan	Mr. N.G. Subramaniam	Dr. G. Katragadda	Amount
1	Independent Directors								
	Fee for attending Board / Committee Meetings	1.65	1.95	2.40	0.45	1.80	NA	NA	8.25
	Commission	26.00	33.00	50.00	8.00	42.00			159.00
	Others, Please Specify								
	Sub Total (1)								167.25
2	Other Non - Executive Directors								
	Fee for attending Board / Committee Meetings	NA	NA	NA	NA	NA	1.20	1.05	2.25
	Commission						47.00	17.00	64.00
	Others, Please Specify								
	Sub Total (2)								66.25
	Total (1) + (2)								233.50
	Total Managerial Remuneration								223.00
	Ceiling as per the Act (1% of the profit calculated u/s 198 of the Companies Act, 2013)								242.93

C. Remuneration to KMPs other than MD / Manager / WTD

SL. No.	Particulars of Remuneration	Mr. G. Vaidyanathan (Company Secretary)	Mr. K. Ramaseshan (CFO)	Total
110.		Amount (₹ In Lakhs)	Amount (₹ In Lakhs)	Amount (₹ In Lakhs)
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		90.56	123.40
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.23	0.05	0.28
	c) Profits in Lieu of Salary u/s 17(3) of the Income tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	as % of profit			
	others, specify			
5	Others, specify	7.80	7.65	15.45
Tota	<u></u>	40.87	98.26	139.13

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no Penalties, Punishment or Compounding of Offences during the year ended March 31, 2016.

SecretAriAL AuDit rePort

For the financial year ended 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

TO THE MEMBERS OF TATA ELXSI LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Elxsi Limited, (Hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes' books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on 31st March, 2016 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insiders Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Prohibition of Insiders Trading) Regulations, 2015
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments made from time to time;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (vi) Other Laws as informed and certified by the management of the company which are specifically applicable to the company based on their sector/industry are:
 - (a) The Information Technology Act, 2000 and the rules made thereunder
 - (b) The Software Technology Park of India rules and regulations
 - (c) The Indian Copyright Act, 1957
 - (d) The Patents Act, 1970
 - (e) The Trade Marks Act, 1999
 - (f) The Special Economic Zones Act, 2005 and rules made thereunder.
- (vii) Other Laws:
 - (a) The Shops and Establishment Act 1953
 - (b) The Water (Prevention and Control of Pollution) Act, 1974 & Rules there under
 - (c) The Sexual harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013
 - (d) The Payment of Bonus Act 1965
 - (e) The Payment of Gratuity Act 1972
 - (f) The Employees Provident Funds and Miscellaneous Provisions Act 1952
 - (g) The Contract Labour (Regulations & Abolition) Act 1970



I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards of The Institute of Company Secretaries of India with respect to Board and General meetings. ii.

The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review and as per the explanation and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meeting and committee meeting are carried out unanimously.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Jayashree Parthasarathy
Practicing Company Secretary
FCS No 4610; CP NO. 1988

Place: Bengaluru Date: 28th April, 2016

Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of

this report.

ANNEXURE: A

TO THE MEMBERS OF TATA ELXSI LIMITED

My report on even date is to be read along with this letter.

- 1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on their secretarial records based on my Audit.
- 2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The Verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
- 3. The correctness and appropriateness of the financial records and Books of accounts of the company have not been verified.
- 4. Wherever required, I have obtained the Management representation about the compliances of laws, Rules, Regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination is limited to verification of procedure on random test basis.
- 6. The Secretarial Audit is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Jayashree Parthasarathy Practicing Company Secretary FCS No 4610; CP NO. 1988

Place: Bengaluru Date: 28th April, 2016

Mandatory Requirements:

1. A brief statement on the Company's philosophy on code of governance.

Your Company believes in conducting its affairs with the highest levels of integrity, with proper authorisations, accountability and transparency. The business operations of your Company are conducted not to benefit any particular interest group but for the benefit of all stakeholders.

2. Board of Directors

The Board comprises members having varied skills, experience and knowledge. The Board has a mix of both Independent and Non-independent directors where Independent directors constitute more than half the strength of the Board, which is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) 2015, read with Section 149 of the Companies Act, 2013. The Chairman of the Company is Non-Executive, Non-Independent. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees as specified under Regulation 26 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors.

<u>Performance evaluation of Board and Directors:</u> The Company has laid down a process for evaluation of the Board and Committee of Board as also evaluation of the performance of each of the directors. The evaluation is conducted and monitored by the Chairman, Nomination & Remuneration Committee (NRC) in consultation with the members of the committee. Each of the Directors are given a self-assessment Questionnaire, covering Degree of Fulfillment of their responsibilities, Board structure and Composition, responsibilities of Committee, effectiveness of Board process, information and functioning, Board culture and Dynamics, quality of relationship between the Board and Management etc. The Chairman, NRC on the basis of the Feedback received from each of the Directors has one to one meeting with them. At the end, He/She briefs the Chairman of the Board on the outcome, which was in turn discussed in the Board meeting. The performance of the Independent Directors was also reviewed at the Board meeting.

Meeting of Independent Directors: Separate meetings of Independent Directors for the Financial Year 2015-16 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 were held on 28th April, 2015 and 15th May, 2015 wherein the Independent Directors reviewed the performance of the Managing Director, Non-Independent directors and discussed other matters. The Independent Directors have confirmed that they satisfy the criteria of Independence as stipulated under Section 149 (6) of the Companies Act, 2013.

<u>Familiarisation:</u> The Independent Directors immediately on appointment are issued a formal letter of Appointment covering their Rights, Roles, Committee Positions etc. The Independent Director/s on appointment are also provided with a folder containing the detailed Business overview of the company, all relevant policies, past year Annual reports and the financial results, the rights and duties of the Independent Directors amongst others. The directors before their appointment are also briefed about the Company by the Chairman and the Managing Director individually. At each of the Business plan meeting, normally held in the month of March every year, the Directors are briefed about the different business units of the company, the industry as a whole and other details like customers, market etc. During the year the Annual Business Plan meeting was held on 30th March, 2016. The Board has adopted a Governance guideline, enumerating the rights and roles of the Directors. A copy of the same has been circulated to all the directors. The in-house magazine of the Company is also sent to the Directors periodically keeping them abreast with the recent happenings and developments. The familiarization program for the Independent Directors is available at: http://www.tataelxsi.com/company/board-of-directors.html

Six Board Meetings were held during the year 2015-16 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings held were 28th April, 2015; 24th July, 2015; 28th October, 2015; 4th January, 2016; 20th January, 2016 and 30th March, 2016.



The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships held by them in other companies are given below:

Name	Category	No. of Board	Whether attended	No. of Chairmanships/Directorships in other Boards/Committees* of Companies**			
		Meetings attended during 2015-16	AGM held on 24th July, 2015	Chairman/	Chairman/ Chairperson	Member	Member of the Committee
Mr. N.G. Subramaniam [DIN 07006215]	Not Independent/ Non-executive	6	Yes	-	-	-	-
Mr.Madhukar Dev [DIN 00082103]	Not Independent/ Managing Director	6	Yes	-	-	-	-
Mr. P. G. Mankad [DIN 00005001]	Independent / Non-executive	5	No	-	1	7	6
Mr. P. McGoldrick [DIN 00407203]	Independent / Non-executive	6	Yes	-	-	-	-
Mrs. Shyamala Gopinath [DIN 02362921]	Independent / Non-executive	6	Yes	1	2	2	1
Dr. Gopichand Katragadda [DIN 02475721]	Non Independent/ Non-executive	6	Yes	-	-	3	1
Prof. M.S. Ananth [DIN 00482391]	Independent / Non-executive	2^	NA	-	-	2	2
Dr. R. Natarajan [DIN 00001638]	Independent/ Non-executive	4^^	Yes	-	-	1	1

- * Only Audit and Stakeholders' Relationship Committees are considered.
- * Excludes private/foreign/non-profit and companies with charitable objects.
- ^ Prof. M.S. Ananth was appointed as an Additional Director (Independent Director) on the Board of the Company w.e.f. 04.01.2016.
- ^^ Dr. R. Natarajan relinquished from the office of Directorship of the Company w.e.f. 10.1.2016 in terms of his appointment. The Committee positions and directorship of Dr. R. Natarajan has been ascertained as per the records available with the Company as on date of his relinquishment.

Dr. R. Natarajan, member of Stakeholders' Relationship Committee (SRC), was duly authorised by the Chairman, SRC to represent him at the 26th Annual General Meeting.

The information as required under Schedule II of Part A to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is being made available to the Board.

None of the Non-Executive Directors hold any shares and/or convertible instruments in the company as at March 31, 2016.

3. Audit Committee

The Audit Committee of the company constituted, is in line with the provisions of Regulation 18 of SEBI (Listing Regulations) 2015, read with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are broadly as under:

- 1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report, if any.
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8. Approval or any subsequent modification of transactions of the company with related parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the company, wherever it is necessary;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discussion with internal auditors of any significant findings and follow up there on;
- 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. To review the functioning of the Whistle Blower mechanism;
- 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



Review of information by Audit Committee

The Audit Committee reviews the following information:

- 1. Management discussion and analysis of financial condition and results of operations;
- 2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
- 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4. Internal audit reports relating to internal control weaknesses;
- 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- 6. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Regulations), 2015.
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Regulations), 2015.

The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

Six Audit Committee Meetings were held during the year 2015-16. The dates on which the Audit Committee Meetings held were 28th April, 2015; 23rd July, 2015; 24th July, 2015; 28th October, 2015; 20th January, 2016 and 30th March, 2016.

The composition, names of the members, chairperson, and attendance of the members during the year are as follows:

SI. No.	Names of Members	Category	No. of Meetings attended during the year 2015-16
1	Mrs. Shyamala Gopinath, Chairperson	Independent / Non-executive	6
2	Mr. Patrick McGoldrick	Independent / Non-executive	6
3	Prof. M.S. Ananth^	Independent / Non-executive	1
4	Dr. R. Natarajan^^	Independent / Non-executive	4

[^] Prof. M.S. Ananth was appointed as the Member of Audit Committee w.e.f 04.01.2016.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee constituted is in line with the provisions of Regulation 19 of SEBI (Listing Regulations) 2015, read with Section 178 of the Company's Act, 2013. The terms of reference of the Committee are as under:

- 1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2. Formulation of criteria for evaluation of Independent Directors and the Board;
- 3. Devising a policy on Board diversity;
- 4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 5. The Nomination and Remuneration Committee is responsible for Board composition, succession related and Evaluation of every Director.
- 6. To oversee familiarization programme for Directors, Review of HR strategy, Philosophy and Practices and any other activities related to change as requested by the Board from time to time.

^{^^} During the year under review due to retirement of Dr. R. Natarajan from the Board, Dr. Natarajan ceased to be the member of the Audit Committee w.e.f. 10.1.2016.

The Board has also adopted a charter for the Nomination and Remuneration Committee covering its rights, roles and responsibilities.

All Non-Executive Directors of your Company receive sitting fees for each meeting of the Board or Committee thereof attended by them. The net profits of the Company, not exceeding 1%, are distributable, as commission, amongst the Non-Executive Directors considering the special services and efforts rendered.

Other than sitting fees and commission on the net profits of the Company, no other remuneration is payable to the Non-Executive Directors for 2015-16.

Two Nomination and Remuneration Committee Meetings were held during the year 2015-16. The dates on which the Nomination and Remuneration Committee Meetings held were 28th April, 2015 and 4th January, 2016.

The composition, names of the members, chairperson, and attendance of the members during the year are as follows:

Sl. No	Names of Members	Category	No. of Meetings attended during the year 2015-16
1	Mrs. Shyamala Gopinath, Chairperson@	Independent / Non-executive	2
2	Mr. N.G. Subramaniam	Not Independent / Non-executive	2
3	Mr. Patrick McGoldrick @@	Independent / Non-executive	-
4	Dr. R. Natarajan@@@	Independent / Non-executive	2

[@] Mrs. Shyamala Gopinath was designated as Chairperson of the Committee w.e.f 10.1.2016.

@@@ Dr. R. Natarajan, ceased to be the Chairman of the Committee w.e.f. 10.01.2016 due to his retirement from the Board.

Details of remuneration for the year ended March 31, 2016.

Non-executive Directors (NEDs):

SI. No.	Name of the Non-executive Director	Sitting Fees	Commission*
		₹	₹
1	Mr. N.G. Subramaniam	1,20,000	47,00,000
2	Mr. P. G. Mankad	1,65,000	26,00,000
3	Mr. P. McGoldrick	1,95,000	33,00,000
4	Mrs. Shyamala Gopinath	2,40,000	50,00,000
5	Dr. Gopichand Katragadda	1,05,000	17,00,000
6	Prof. M.S. Ananth	45,000	8,00,000
7	Dr. R. Natarajan	1,80,000	42,00,000

Managing Director:

Name	Salary (₹)	Commission*	Contribution to	Other Allowances	Total ₹
	₹	₹	Provident & other Funds (₹)	& Perquisites (₹)	
Mr.Madhukar Dev*	70,89,840	2,25,00,000	20,91,503	1,05,37,486	4,22,18,829

^{*} Subject to the approval of the annual accounts at the forthcoming Annual General Meeting.

The service of Managing Director may be terminated by either party giving other party six months' notice or the Company paying six months' salary in lieu thereof.

The Board on the recommendation of the Nomination & Remuneration Committee adopted the Remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees of the company. The Board has also adopted a policy on Board diversity. The said Policies are available at http://www.tataelxsi.com/company/board-of-directors.html.

^{@@} Mr. Patrick McGoldrick was appointed as a member of the Committee w.e.f. 04.01.2016.



5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee constituted is in line with the provisions of Regulation 20 of SEBI (Listing Regulation) 2015, read with Section 178 of the Company's Act, 2013. The terms of reference of the Stakeholders' Relationship Committee are as under:

- zz To look into the Redressal of grievances of shareholders, debenture holders and other security holders;
- zz To expedite the process of share transfers;
- zz To look into the complaints related to transfer of shares, non receipt of balance sheet, non receipt of declared dividends.

Three Stakeholders' Relationship Committee Meetings were held during the year 2015-16. The dates on which the Stakeholders' Relationship Committee Meetings held were 28th April, 2015; 28th October, 2015 and 20th January, 2016.

The composition, names of the members, chairperson, and attendance of the members during the year are as follows:

SI. No.	Names of Members	Category	No. of Meetings attended during the year 2015-16
1	Mr. P. G. Mankad, Chairman	Independent / Non-executive	3
2	Dr. R. Natarajan@	Independent / Non-executive	2
3	Dr. Gopichand Katragadda@@	Non Independent/Non-executive	1

- @ Dr. R. Natarajan, ceased to be the member of the Committee w.e.f. 10.01.2016 due to his retirement from the Board.
- @@ Dr. Gopichand Katragadda was appointed as a member of the Committee w.e.f 04.01.2016.

Name, designation & address of the Compliance Officer:

Mr. G. Vaidyanathan Company Secretary Tata Elxsi Ltd., ITPB Road, Whitefield Bangalore – 560 048.

Phone : +91-80-22979316 Fax : +91-80-28411474

E-mail : gvnathan@tataelxsi.co.in

Details of complaints received and redressed during 2015-16:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	49	48	1

Complaints/correspondences are usually dealt with within 15 days of receipt and are completely resolved, except in cases where litigation is involved.

Share transfer lodgements are processed within 15 days and returned, except in cases where litigations are involved. The following persons can also be contacted in case of investor grievances:

- a. Mr. Imran (e-mail: investors@tataelxsi.com); Phone: +91-080-2297-9166; Fax: +91-080-28411474.
- TSR Darashaw Ltd. (e-mail: csg-unit@tsrdarashaw.com); Phone: +91-022-66568484; Fax: +91-022-66568494

6. Risk Management Committee

The Board has constituted a Risk Management Committee (RMC) in line with the Provisions of Regulation 21 of SEBI (Listing Obligations) 2015, which is responsible to provide oversight in achieving the Company's Enterprise Risk Management (ERM) objectives. The ERM helps these objectives by creating a comprehensive approach to anticipate, identify, prioritize and manage material risks attached to the Company's operations.

The primary responsibility of the Committee is to ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to the Company's Audit Committee. The terms of reference of the Committee are as under:

- 1. Provide ongoing guidance and support for the refinement of the overall risk management
- 2. Ensure that management understands and accepts its responsibility for identifying, assessing and managing risk.
- 3. Determine which enterprise risks are most significant.
- 4. Assign risk owners and approve action plans.
- 5. Approve company-wide Risk Assessment & Risk Profile.
- 6. Update the leadership team from time to time on the on-going ERM progress/changes.
- 7. Review & report to the Company's Audit Committee/Board

One Risk Management Committee (RMC) meeting was held during the year 2015-16 on 20th January, 2016.

The composition, name of the members, chairperson, and attendance of the members during the year are as follows:

SI. No.	Names of Members	Category	No. of Meeting attended during the year 2015-16
1	Mr. P. G. Mankad, Chairman	Independent / Non-executive	1
2	Mr. Patrick McGoldrick	Independent / Non-executive	1
3	Mr. K. Ramaseshan	Company Executive (CFO)	1

The company has set up an internal compliance management tool to periodically review compliance requirements under different statutes as applicable to the company.

7. Corporate Social Responsibility (CSR) Committee

The Board has constituted Corporate Social Responsibility (CSR) Committee in line with the Provisions of Section 135 of Company's Act, 2013 with maximum members being Independent Directors, to recommend to the Board the CSR initiatives of the Company and also to monitor the implementation of the CSR initiatives.

Two Corporate Social Responsibility (CSR) Committee Meetings were held during the year 2015-16. The dates on which the Corporate Social Responsibility (CSR) Meetings held were 28th April, 2015 and 9th November, 2015.

The composition, names of the members, chairperson, and attendance of the members during the year are as follows:

Sl. No.	Names of Members	Category	No. of Meetings attended during the year 2015-16
1	Mrs. Shyamala Gopinath, Chairperson	Independent / Non-executive	2
2	Mr. P. G. Mankad	Independent / Non-executive	2
3	Mr. Madhukar Dev	Managing Director	2

The Board has also constituted an Executive Committee. The terms of reference of Executive committee are to review the capital expenditure, Long term strategy, long term financial projections and cash flow.

8. General Body Meetings

Particulars about the last three Annual General Meetings (AGM's) of the Company are:

Sl. No.	AGM Particulars	Date	Venue	Time
1	26th AGM in respect of the year 2014-15	24th July, 2015	Devraj Urs Bhavan, (behind Dr. Ambedakar Bhavan), 16D, Millers Tank Bed Area, Vasanthnagar, Bangalore-560052	12.30 p.m.
2	25th AGM in respect of the year 2013-14	18th July, 2014	Devraj Urs Bhavan, (behind Dr. Ambedakar Bhavan), 16D, Millers Tank Bed Area, Vasanthnagar, Bangalore-560052	12.30 p.m.
3	24th AGM in respect of the year 2012-13	23rd July, 2013	Devraj Urs Bhavan, (behind Dr. Ambedakar Bhavan), 16D, Millers Tank Bed Area, Vasanthnagar, Bangalore-560052	12.30 p.m.

No Special resolutions have been passed in the last three Annual General Meetings.



9. Disclosures

- There are no materially significant related party transactions during the year that have potential conflict with the interests of the Company at large;
- The Company has formulated a policy on Related Party Transactions and the same is available on company's website www.tataelxsi.com/investors/corporate governance/policies.
- The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company.
- There has been no non-compliance or penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years;
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - a) For employees to report concerns about unethical behavior;
 - b) To establish a mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the integrity policy;
 - c) To ensure that adequate safeguards shall be provided to the whistle blowers against any victimization or vindictive practices like retaliation, threat or any adverse (direct or indirect) action on their employment. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.
 - No personnel/person has been denied access to the Audit Committee.
- Your Company has comprehensive guidelines on prohibiting Insider trading and the Company has adopted the code of internal procedures and conduct for listed Companies notified by SEBI.
- The Company has formulated a policy on determination of materiality of event/information as required under Regulation 30 (1) of Listing Regulations, 2015. The same is available on company's website at: http://www.tataelxsi.com/investors/investor-relations.html
- The Company has complied with all the mandatory requirements and most of the non-mandatory requirements specified in Part E of Schedule II under Regulation 27 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Means of Communication

- Your Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its Website (www.tataelxsi.com), intimation to the Stock Exchanges, responding to analyst's queries etc.
- Your Company's quarterly results are disseminated through all the modes mentioned above. Financial Express (English daily) and Sanjevani (vernacular daily) are usually the papers in which the quarterly results are published.
- Your Company's Management Discussion & Analysis of the Business for the year ended 31st March, 2016 forms part of the Directors' Report and is given under the Section so captioned.
- zz The transcripts and audio of the Company's investors/analysts concalls are available at: http://www.tataelxsi.com/ investors/investor-relations.html

11. General Shareholders Information

SI. No.	Salient Items of Interest	Particulars		
i.	AGM Date, Time, and Venue	Tuesday, 26th July, 2016 at 12:30 pm at St. John's Auditorium, John Nagar,		
		Koramangala, Bangalore - 560 034, Karnataka.		
ii.	Financial Year	28th April, 2016 – Q4 & FY15 Results		
		26th July, 2016– Q1 Results & AGM		
		26th October, 2016 – Q2 Results		
		25th January, 2017 – Q3 Results		
iii.	Date of Book Closure	19th July to 26th July, 2016 (both days inclusive)		

SI. No.	Salient Items of Interest	Particulars
iv.	Dividend Payment Date	On and after 26th July, 2016
V.	Listing on Stock	Bombay Stock Exchange Limited
	Exchanges	Phiroze Jeejeebhoy Towers, Dalal Street,
		Mumbai – 400 001, India
		Tel.: +91-22-22721234
		Fax: +91-22-22722041
		The National Stock Exchange of India Limited
		Exchange Plaza Plot No.C/1,
		G Block Bandra-Kurla Complex Bandra (East)
		Mumbai – 400 051, India
		Tel.: +91-22-26598100
		Fax: +91-22-26598237
vi.	Listing Fees	The listing fee has been paid to BSE & NSE for the FY 2015-16.
vii.	Stock Code	Bombay Stock Exchange Ltd.: 500408
		National Stock Exchange Ltd.: TATAELXSI
viii.	Registrar & Share transfer Agent	TSR Darashaw Limited,
		6-10, Haji Moosa Patrawala Ind. Estate, 20,
		Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011
ix.	Share Transfer System	Shares lodged in physical form with the Company/its Registrars & Share
		Transfer Agents are processed and returned within 15 days normally, except in
		cases where litigation is involved.
		In respect of shares held in dematerialised mode, the transfer takes place
		instantaneously between the transferor, transferee, and the Depository
		Participant through electronic debit/credit of the accounts involved.
х.	Dematerialisation of shares and	2,96,92,943 shares were held in dematerialised mode, as at 31st March, 2016.
	liquidity	The Company's equity shares are actively traded on BSE and NSE.
xi.		There are no outstanding instruments and hence there will be no dilution of
	or any convertible instruments	
	conversion date and likely impact or	
	equity	
xii.	Development Centre Locations	Your Company's software development centers are located at the following
		addresses:
		a. ITPB Road, Whitefield, Bangalore – 560 048;
		b. Crescent-4, 9th Floor, Prestige Shantiniketan, Whitefield road, Bangalore - 5600 48
		c. IITM Research Park, 4th Floor, Kanagam Road, Taramani, Chennai – 600 113;
		 d. Giga Space IT Park, No. 201, 2nd Floor, Alpha – 1 Building, Viman Nagar, Pune – 411 014;
		•
		e. Giga Space IT Park, No. 201, 3rd Floor, Alpha – 2 Building, Viman Nagar,
		Pune – 411 014; f. SEZ Tower IX, A Wing, Level – 2, Magarpatta City, Hadapsar, Pune – 411 013;
		f. SEZ Tower IX, A Wing, Level – 2, Magarpatta City, Hadapsar, Pune – 411 013; g. Gayathri, 1st Floor, Technopark Campus, Kariyavattom,
		g. Gayatini, 1st Floor, Technopark Campus, Kanyavattoni, Thiruvananthapuram– 695 581;
		h. Neyyar, Technopark Campus, Kariyavattom, Thiruvananthapuram– 695 581;
		i. LeelaInfopark, 5th Floor, Plot No. 2, Technopark Campus,
		Thiruvananthapuram – 695 581;
		j. Boston House, 2nd Floor, No. 201, Suren Road, Gondivali, Village,
		Off Andheri- Kurla Road, Andheri East,
		Mumbai – 400 093
	Address for a superior of the con-	
xiii.	Address for correspondence	ITPB Road, Whitefield, Bangalore – 560 048
xiv.	CIN	L85110KAI989PLC009968



Market Price Data: High/Low during each month of 2015-16 on the following exchanges:

		BSE			NSE	
Month	High	Low	Vol (No. of shares)	High	Low	Vol (No. of shares)
April 2015	1405.90	978.00	4297199	1405.00	975.00	14759273
May 2015	1296.00	1011.00	2398795	1296.00	1063.10	9507528
June 2015	1293.00	1047.75	2355596	1292.00	1045.15	8922328
July 2015	1758.40	1185.00	4897663	1759.50	1184.00	21839669
August 2015	2317.00	1560.50	6137390	2317.40	1555.00	26348179
September 2015	2024.20	1715.10	4240304	2024.00	1713.00	17620703
October 2015	1988.75	1752.60	3285389	1988.85	1752.00	12517756
November 2015	2058.00	1689.15	2657144	2058.05	1678.80	9385354
December 2015	2330.00	1825.00	3974927	2329.90	1822.65	17385246
January 2016	2281.00	1638.30	2799872	2281.20	1636.65	11588478
February 2016	2396.00	1597.05	4318173	2403.00	1595.00	18453410
March 2016	2012.05	1701.00	2380648	2012.00	1700.00	11662424

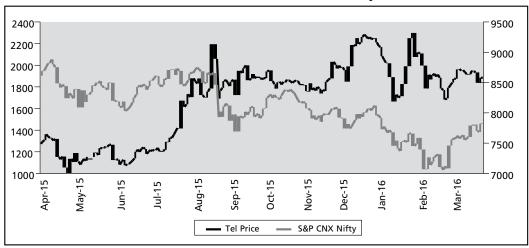
Distribution of Shareholding as on 31st March, 2016

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	65,866	96.22	61,05,135	19.60
501 – 1000	1,382	2.02	10,90,999	3.50
1001 – 2000	592	0.86	8,88,564	2.85
2001 – 3000	189	0.28	4,78,807	1.54
3001 – 4000	81	0.12	2,97,599	0.96
4001 – 5000	72	0.11	3,38,264	1.09
5001 – 10000	125	0.18	8,83,955	2.84
Over 10000	143	0.21	2,10,54,897	67.62
Total	68,450	100.00	3,11,38,220	100.00

Categories of Shareholding as on 31st March, 2016

Category	No. of Shareholders	No. of Shares held	% of Shareholding
Individuals	66990	10,746,993	34.51
Trusts	6	14,611	0.05
Companies	1338	17,86,468	5.74
Tata Group	2	13,947,632	44.79
Mutual Funds, FI's, FII's	113	46,41,416	14.91
Directors & Relatives	1	1,100	0.00
Total	68450	31,138,220	100.00

Tata Elxsi Share Price Vs. S&P CNX Nifty Index



iNDePeNDeNt AuDitorS' coMPLiANce certificAte

To the Members of Tata Elxsi Limited

- We have examined the compliance of conditions of Corporate Governance by TATA ELXSI LIMITED ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
- 2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
- 4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
- 5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deloitte Haskins & Sells Chartered Accountants Firm's Registration No. 008072S

> S. Ganesh Partner Membership No. 204108

Place: Bengaluru Date: April 28, 2016



Independent Auditors' Report

TO THE MEMBERS OF TATA ELXSI LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of TATA ELXSI LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements:
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells** Chartered Accountants Firm's Registration No. 008072S

S. Ganesh Partner Membership No. 204108

Place: Bengaluru Date: April 28, 2016

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of TATA ELXSI LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company as of and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.



Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells** Chartered Accountants Firm's Registration No. 008072S

S. Ganesh Partner Membership No. 204108

Place: Bengaluru Date: April 28, 2016

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed/ approved building plan provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold as at the balance sheet date, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the Order with regard to cost records is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Incometax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount Involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)
Income Tax Act	Wealth Tax	Commissioner of Wealth Tax, Appeals	Financial Years 1993-94 to 1998-99	25.89	25.89
Finance Act	Service Tax	Customs Excise Service Tax Appeallate Tribunal	Financial years 2006-07, 2007-08 and 2008-09	842.26	782.26

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.



- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells** Chartered Accountants Firm's Registration No. 008072S

S. Ganesh Partner Membership No. 204108

Place: Bengaluru Date: April 28, 2016

Balance Sheet as at 31 March, 2016

			₹ lakhs
	Note	As at	As at
		31 March, 2016	31 March, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	3,113.82	3,113.82
Reserves and surplus	4	35,455.48	25,221.28
		38,569.30	28,335.10
Non-current liabilities			
Long-term provisions	5	1,824.31	1,076.48
		1,824.31	1,076.48
Current liabilities			
Trade payables			
-Total Outstanding dues of micro enterprises and small enterprises	23.2		<u>-</u>
-Total Outstanding dues of creditors other than micro enterprises	6	7,652.92	6,610.72
and small enterprises	_		
Other current liabilities	7	4,851.84	4,778.49
Short-term provisions	8	7,066.72	5,735.10
		19,571.48	17,124.31
Total		59,965.09	46,535.89
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	8,768.51	7,551.29
Intangible assets	9	1,928.02	2,297.50
Capital work-in progress	-	187.83	258.63
F 2		10,884.36	10,107.42
Non-current Investments	10	-	28.67
Deferred tax assets (net)	24.8	126.64	43.64
Long-term loans and advances	11	3,578.11	3,575.99
		14,589.11	13,755.72
Current assets		•	.,
Inventories	12	-	28.90
Trade receivables	13	21,521.09	15,408.17
Cash and cash equivalents	14	18,245.45	13,279.52
Short-term loans and advances	15	2,276.65	1,468.66
Other current assets	16	3,332.79	2,594.92
		45,375.98	32,780.17
Total		59,965.09	46,535.89
See the accompanying notes forming part of the financial statements	51-73		

In terms of our report attached

For Deloitte Haskins & Sells

For and on behalf of the Board of Directors

Chartered Accountants

N G Subramaniam Shyamala Gopinath Madhukar Dev Ramaseshan K G.Vaidyanathan Chairman Director Managing Director Chief Financial Officer Company Secretary

Bengaluru, April 28, 2016

Bengaluru, April 28, 2016

S. Ganesh

Partner



Statement of Profit and Loss for the year ended 31 March, 2016

			₹ lakhs
	Note	Year ended	Year ended
DEVENUE		31 March, 2016	31 March, 2015
REVENUE			
Revenue from operations	17	107,520.61	84,940.11
Other income	18	1,185.91	414.03
Total Revenue		108,706.52	85,354.14
EXPENSES			
Purchases	19	6,968.97	7,549.62
Changes in inventories - (Increase) / Decrease	20	28.90	(28.90)
Employee benefits expense	21	57,648.74	46,061.12
Finance costs		-	0.25
Depreciation/ amortisation expense	9	2,260.42	2,472.81
Other expenses	22	18,165.18	13,701.53
Total Expenses		85,072.21	69,756.43
Profit before tax		23,634.31	15,597.71
Tax expense			
i) Current Tax		8,236.30	5,350.72
ii) Deferred tax		(83.00)	(43.00)
Total		8,153.30	5,307.72
Net Profit for the year		15,481.01	10,289.99
Earnings per equity share of ₹10/- each (Refer Note 24.7)			
Basic and Diluted		49.72	33.05

See the accompanying notes forming part of the financial statements	51-73	

In terms of our report attached

For **Deloitte Haskins & Sells** For and on behalf of the Board of Directors

Chartered Accountants

S. Ganesh

Partner

N G Subramaniam Shyamala Gopinath Madhukar Dev Ramaseshan K G.Vaidyanathan Bengaluru, April 28, 2016 Chairman Director Managing Director Chief Financial Officer Company Secretary

Bengaluru, April 28, 2016

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Cash Flow Statement for the year ended 31 March, 2016

			₹lakhs
		Year ended 31 March, 2016	Year ended 31 March, 2015
A.	Cash flows from operating activities	·	•
	Net Profit before tax Adjustment for:	23,634.31	15,597.71
	Depreciation and amortisation	2,260,42	2.472.81
	Intangibles written off	373.30	80.96
	Interest income	(848.44)	(627.12)
	Dividend received from subsidiary		(76.77)
	Net (gain) / loss on closure of investments in subsidiary Finance costs	(10.54)	0.25
	Liabilities / Provision no longer required, written back	(118.39)	(206.17)
	Provision for doubtful debts/advances	81.85	49.07
	Loss/(Profit) on sale of assets	(62.68)	2.76
	Unrealised exchange loss/(gains)	68.98	109.39
	Operating profit before working capital changes Changes in working capital:	25,378.81	17,402.89
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	28.90	(28.90)
	Trade receivables	(6,145.66)	155.08
	Short-term loans and advances	(750.39)	(316.84)
	Long-term loans and advances Other current assets	79.69 (706.42)	(36.59) (588.51)
	Adjustments for increase / (decrease) in operating liabilities:	(700.42)	(300.31)
	Trade payables	1,159.50	503.41
	Other current liabilities	359.33	922.75
	Short-term provisions	119.44	109.50
	Long-term provisions	<u>138.29</u> 19.661.49	130.90
	Cash generated from operations Net Income tax paid	(7,555.23)	18,253.69 (3,914.97)
	Net cash flow from / (used in) operating activities	12,106.26	14,338.72
В.	Cash flows from investing activities		
	Capital Expenditure on of fixed assets/ capital advances	(3,817.99)	(3,307.17)
	Proceeds from sale of fixed assets	71.21	18.48
	Dividend received from subsidiary Proceeds from closure of investments in subsidiary	39.21	76.77
	Interest received	816.99	540.68
	Net cash flow from / (used in) investing activities	(2,890.58)	(2,671.24)
C.	Cash flows from financing activities		/\
	Interest paid	- (2.425.20)	(0.25)
	Dividend paid Tax on dividend paid	(3,425.20) (681.66)	(2,802.44) (411.48)
	Net cash flow from / (used in) financing activities	(4,106.86)	(3,214.17)
	Net increase/(decrease) in cash and cash equivalents	5,108.82	8,453.31
	Cash and cash equivalents as at beginning of the year	12,999.76	4,728.50
	Exchange gain/(loss) on restatement of foreign currency cash and cash equivalents	(174.60)	(182.05)
	Cash and cash equivalents as at end of the year Reconciliation of cash and cash equivalents with the Balance Sheet:	<u>17,933.98</u>	12,999.76
	Cash and bank balances as per Balance Sheet (Refer Note 14)	18,245.45	13,279.52
	Less: Bank balances not considered as Cash and cash equivalents	•	•
	as defined in AS 3 Cash Flow Statements:		
	(i) In earmarked accounts (Refer Note (i) below)	(244.47)	(270.76)
	-Unpaid dividends accounts Cash and cash equivalents at the end of the year *	<u>(311.47)</u> 17,933.98	<u>(279.76)</u> <u>12,999.76</u>
	*comprises:	17,933.98	12,999.70
	(a) Cash on hand	0.65	1.38
	(b) Cheques on hand	7.94	16.98
	(c) Balances with banks		
	i) in current accounts ii) in EEFC accounts	2,268.70 1,356.69	1,956.10 925.30
	iii) in deposit accounts	14,300.00	10,100.00
	, sepone seconic	17,933.98	12,999.76
(i)	These earmarked account balances with banks can be utilised only for the specific identified purposes.		
	See the accompanying notes forming part of the financial statements 51-73		

In terms of our report attached For **Deloitte Haskins & Sells** *Chartered Accountants*

For and on behalf of the Board of Directors

N G Subramaniam Shyamala Gopinath Madhukar Dev Ramaseshan K G.Vaidyanathan Bengaluru, April 28, 2016 Chairman Director Managing Director Chief Financial Officer Company Secretary

Bengaluru, April 28, 2016



1. Corporate information

Tata Elxsi Limited was incorporated in 1989. The Company provides product design and engineering services to the consumer electronics, communications & transportation industries and systems integration and support services for enterprise customers. It also provides digital content creation for media and entertainment industry.

The company is headquartered in Bengaluru, and operates through delivery centers in Bengaluru, Chennai, Pune, Mumbai and Tiruvananthapuram.

Its sales operations are located in multiple cities in India, and in multiple international locations including Dubai, France, Germany, Japan, UK, Ireland and USA.

2. Significant Accounting Policies

2.1. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3. Inventories

Components and spares are valued at lower of cost and net realizable value. Cost is determined on the basis of specific identification method.

Computer systems and software, components and spares intended for customer support are written off over the effective life of the systems maintained, as estimated by the management.

2.4. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Asset Class	Useful life in years
Air Conditioners	6
Plant and Machinery	6

Furniture and Fixtures 6
Electrical Equipments 6

Leasehold land is amortised over the duration of the lease

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalization.

Acquired and internally generated Intangible assets are amortised over their estimated useful life as follows:

In-house Technical Know-How – 3 years.

Acquired Intangible assets (Computer Software) – 6 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

2.7. Revenue recognition

Sale of goods

Income from sale of goods is recognised upon transfer of risks and rewards of ownership to the goods, which generally coincide with the dispatch. Sales exclude taxes and levies

Income from services

- Income from services is recognized upon rendering of the services. Income from maintenance contracts relating to the year is recognized when the contracts are entered into on a time proportionate basis. The income excludes taxes and levies.
- b) Revenue from software development on fixed price, fixed time frame contracts is recognised as per the proportionate completion method. On time and materials contracts, revenue is recognised as the related services are rendered.
- c) In respect of orders procured, for which sales are effected directly to the customers by the vendors, the Company accounts only for the commission, installation and other charges to which it is entitled.

2.8. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

2.9. Fixed Assets (Tangible / Intangible)

Fixed assets, are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work- in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

<u>Intangible assets under development:</u>

Expenditure on Research and development (Refer Note 2.17) eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

2.10. Foreign currency transactions and translations

Initial recognition

- a) Company: Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- b) Integral foreign operations: Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- c) Non-integral foreign operations: Transactions of non-integral foreign operations are translated at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction

Measurement of foreign currency monetary items at the Balance Sheet date

- a) Company: Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.
- b) Integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's



integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

c) Non-integral foreign operations: All assets and liabilities of non-integral foreign operations are translated at the year-end rates

Treatment of exchange differences.

- a) Company: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
- b) Integral foreign operations: Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company's integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.
- c) Non-integral foreign operations: The exchange differences on translation of balances relating to non-integral foreign operations are accumulated in a "Foreign currency translation reserve" until disposal of the operation, in which case the accumulated balance in "Foreign currency translation reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

Refer Note 2.21 for accounting for forward exchange contracts relating to firm commitments and highly probable forecast transactions.

2.11. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.12. Employee benefits

Employee benefits include contribution to provident fund, superannuation fund, gratuity fund, compensated absences and employee state insurance scheme.

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.13. Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.14. Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.15. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available



to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

2.17. Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.18. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.19. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.20. Provision for warranty

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

2.21. Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency options, forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

2.22. Insurance claims / Claims with ECGC.

Insurance claims and claims with ECGC are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.23. Service tax input credit

Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

				As	₹ lakhs at As at
				31 March, 201	16 31 March, 2015
3	SHARE CAPITAL				
	Authorised :				
	35,000,000 equity shares of ₹ 10/- each w Issued:	ith voting rights	;	3,500.0	3,500.00
	31,165,620 equity shares of ₹ 10/- each w Subscribed and fully paid up:	ith voting rights	;	3,116.5	3,116.56
	31,138,220 equity shares of ₹ 10/-each, w	ith voting rights	;	3,113.8	3, 113.82
	Total	3 3		3,113.8	3,113.82
Reco	nciliation of the number of shares and ar	mount outstandi	ng at the beginning a	nd at the end of	the reporting year:
	Equity shares with voting rights			Opening Balan	
	Year ended 31 March, 2016				
	- Number of shares			31,138,2	•
	- Amount in ₹ lakhs			3,113.	82 3,113.82
	Year ended 31 March, 2015				
	- Number of shares			31,138,2	
	- Amount in ₹ lakhs			3,113.	82 3,113.82
Deta	ils of shares held by each shareholder ho				
		As at 31	March, 2016		March, 2015
Clas	s of shares / Name of share holder	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
Equi	ty shares with voting rights				
Tata	Sons Limited	13,147,632	42.22%	13,147,632	42.22%
T I 4			. (340/ 5)		

The Company has only one class of Equity Share, having a par value of ₹10/-. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. However, as on date no such preferential amounts exist. The distribution will be in proportion to number of equity shares held by the shareholders.

	As at		
	31 March, 2016	31 March, 2015	
RESERVES AND SURPLUS			
Capital reserve:			
Subsidy received from Kerala State Government	25.00	25.00	
General reserve:			
Opening balance 6,709.82	2	5,709.82	
Add: Transferred from surplus in Statement of Profit and Loss 1,000.00)	1,000.00	
•	7,709.82	6,709.82	
Surplus in Statement of Profit and Loss			
Opening balance	18,486.46	14,632.91	
Less: Depreciation on transition to Schedule II of the Companies	-	1,329.58	
Act, 2013 on tangible fixed assets with nil remaining useful life			
(Net of deferred tax CY - ₹ Nil, PY - ₹ 684.63)			
Add: Net Profit for the year	15,481.01	10,289.99	
Balance available for appropriation	33,967.47	23,593.32	
Less:			
- Dividend Proposed to be distributed to Equity Shareholders	4,359.35	3,425.20	
at ₹14/- per share (previous year ₹11/- per share)			
- Dividend tax:	887.46	681.66	
- Transfer to general reserve	1,000.00	1,000.00	
Closing balance	27,720.66	18,486.46	
Total	35,455.48	25,221.28	

4



						₹ lakhs
				As at		As at
			31	March, 2016	31	March, 2015
5		IG-TERM PROVISIONS				
	a)	Provision for employee benefits				
		Provision for compensated absences		697.83		559.54
	b)	Provision others				
		Provision for taxation	6,856.04		1,664.66	
		Advance tax	(5,729.56)		(1,147.72)	
				1,126.48		516.94
	Tota	al		1,824.31		1,076.48
6	TRA	DE PAYABLES				
	Trac	de payables				
	- Ac	ceptances		171.57		22.62
	- Ot	her than acceptances		7,481.35		6,588.10
	Tota	al		7,652.92		6,610.72
7	OTH	IER CURRENT LIABILITIES				
		rance from customers		1,148.88		1,620.46
		paid dividend [Will be transferred to Investor Education		311.47		279.76
	•	Protection Fund when due]				
	Une	earned revenue		820.32		804.78
	Oth	er Payables		34.77		30.11
		tutory Remittances (Contributions to PF and ESIC, hholding Taxes, VAT, Service Tax, etc.)		1,814.55		1,179.74
	Pay	ables on purchase of fixed assets		288.53		606.22
	Gra	tuity [Refer Note 24.1b]		433.32		257.42
	Tota	al		4,851.84		4,778.49
8	SHC	ORT-TERM PROVISIONS				
	a)	Provision for employee benefits				
		Provision for compensated absences		526.83		417.44
	b)	Provision others;				
		Provision for warranty [Refer Note 24.10]		41.09		31.04
		Provision for taxation	8,236.30		5,180.97	
		Less: Advance tax	(6,984.31)		(4,001.21)	
				1,251.99		1,179.76
		Provision for proposed equity dividend		4,359.35		3,425.20
		Provision for tax on proposed equity dividend - Net of tax paid on dividend received from subsidiary		887.46		681.66
	Tota	·		7,066.72		5,735.10

9 - FIXED ASSETS												₹Lakhs
DESCRIPTION		GROSS	BLOCK			ACCUN	IULATED [DEPRECIATIO	ON		NET BLOCK	
a. Tangible fixed Assets	As at 1 April, 2015	Additions	Disposals / Adjustment/ : Retirals	As at 31 March, 2016		Depreciation Ir / Amortisation expense for the year	ntangibles written off		adjustment recorded against Surplus	As at 31 March, 2016	As at 31 March, 2016	As at 11 March, 2015
Land - Freehold	49.06	875.83	-	924.89	-	-	-	-	-	-	924.89	49.06
Land - Leasehold	85.01	-	-	85.01	31.64	3.40	-	-	-	35.04	49.97	53.37
Buildings	4,346.72	190.53	-	4,537.25	662.96	148.41	-	-	-	811.37	3,725.88	3,683.76
Improvements to leasehold premises	337.26	242.93	-	580.19	178.75	39.95	-	-	-	218.70	361.49	158.51
Plant and machinery	61.39	-	-	61.39	13.14	8.08	-	-	-	21.22	40.17	48.25
Computer equipment	5,676.79	1,119.05	0.93	6,794.91	I 3,510.04	1,038.20	-	0.34	-	4,547.90	2,247.01	2,166.75
Furniture and fixtures	1,473.54	99.66	141.89	1,431.31	1,218.17	70.43	-	141.89	-	1,146.71	284.60	255.37
Office equipment	1,236.32	184.99	30.54	1,390.77	746.60	153.75	-	30.54	-	869.81	520.96	489.72
Electrical installations	1,675.20	36.27	82.11	1,629.36	1,382.87	60.08	-	82.11	-	1,360.84	268.52	292.33
Air Conditioners	1,076.94	50.29	109.90	1,017.33	791.11	58.02	-	109.90	-	739.23	278.10	285.83
Vehicles	82.14	9.04	8.36	82.82	13.80	10.46	-	8.36	-	15.90	66.92	68.34
TOTAL	16,100.37	2,808.59	373.73	18,535.23	8,549.08	1,590.78	-	373.14	-	9,766.72	8,768.51	7,551.29
Previous year	(12,151.61)	(3,987.07)) (38.31)	(16,100.37)	(5,144.72)) (1,407.22)	(-)	(17.07)	(2,014.21)) (8,549.08)	(7,551.29)	(7,006.89
b. Intangible Assets												
i) Internally generated:												
Technical Know-how	2,263.21	-	-	2,263.21	1,889.91	-	373.30) -	-	2,263.21	-	373.30
ii) Acquired Intangibles:												
Computer Software	4,563.10	681.40	8.41	5,236.09	2,638.90	669.64	-	0.47	-	3,308.07	1,928.02	1,924.20
TOTAL	6,826.31	681.40	8.41	7,499.30	4,528.81	669.64	373.30	0.47	-	5,571.28	1,928.02	2,297.50
Previous year	(6,058.46)	(767.85)	(-)	(6,826.31)	(3,382.26) (1,065.59)	(80.96)) (-)	(-)	(4,528.81)) (2,297.50)	(2,676.20)
GRAND TOTAL	22,926.68	3,489.99	382.14	26,034.53	13,077.89	2,260.42	373.30	373.61	-	15,338.00	10,696.53	9,848.79
Previous Year	(18,210.07)	(4,754.92)	(38.31)	(22,926.68)	(8,526.98)	(2,472.81)	(80.96)	(17.07)	(2,014.21)) (13,077.89)) (9,848.79)	(9,683.09



					₹ lakhs
			As at		As at
		31	March, 2016	31	March, 2015
10	NON-CURRENT INVESTMENTS				
	A. Trade Investments:				
	Investment in Fully paid equity shares (Unquoted) of Tata				
	Elxsi (Singapore) Pte Ltd - a wholly owned subsidiary (Refer				
	Note 26)		-		28.67
	B. Other Non-Current Investments:				
	Investments in companies		-		-
	(Refer Note 25)				
	Total				28.67
11	LONG-TERM LOANS AND ADVANCES				
	(Unsecured, considered good unless otherwise stated)				
	Capital Advances		144.82		63.71
	Deposits				
	Considered good		1,100.35		1,206.69
	Considered doubtful		36.65		-
			1,137.00		1,206.69
	Less: Provision for doubtful deposits		36.65		
			1,100.35		1,206.69
	Tax deducted at source/Advance tax paid	9,526.93		9,599.49	
	Provision for taxation	(7,252.58)		(7,325.84)	
			2,274.35		2,273.65
	Prepaid expenses		58.59		31.94
	MAT credit entitlement				
	Opening balance	-	-	169.75	
	Availed / (Utilized) during the year	-	-	(169.75)	-
	Total		3,578.11		3,575.99
12	INVENTORIES				
_	(At lower of cost or net realisable value)				
	Components and spares - for trading		-		28.90
	Total				28.90

	As at 31 March, 2016	₹ lakhs As at 31 March, 2015
13 TRADE RECEIVABLES (UNSECURED)		
a) Trade receivables outstanding for a period exceeding		
six months from the date they were due for payment	440.24	47.10
Considered good	110.24	47.10
Considered doubtful	146.34	101.13
Lasar Durantaian fan dan hafi d tuada na ainak las	256.58	148.23
Less: Provision for doubtful trade receivables	146.34	101.13
b) Other Trade Receivables	110.24	47.10
.,	21 410 95	15 261 07
Considered good Total	21,410.85 21,521.09	15,361.07 15,408.17
lotai	21,521.09	15,406.17
14 CASH AND CASH EQUIVALENTS		
A. Cash and Cash Equivalents (as per AS 3 Cash Flow Statements)		
Cash on hand	0.65	1.38
Cheques on hand	7.94	16.98
Balances with banks		
i) in current accounts	2,268.70	1,956.10
ii) in EEFC accounts	1,356.69	925.30
iii) in deposit accounts	14,300.00	10,100.00
Total Cash and Cash Equivalents (as per AS 3 Cash Flow Statements) (A)	17,933.98	12,999.76
B. Other bank balances		
i) in earmarked accounts		
- Unpaid Dividends Account	311.47	279.76
Total - Other bank balances (B)	311.47	279.76
Total Cash and Cash Equivalents (A + B)	18,245.45	<u>13,279.52</u>
15 SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
a) Loans and advances to employees	376.36	256.09
b) Prepaid Expenses	898.78	772.51
c) Balances with Govt Authorities:	030.70	,,2.31
i) VAT credit receivable	24.18	19.20
ii) Service tax credit receivable	69.80	111.86
d) Advance to suppliers / vendors	902.22	289.61
e) Deposits	5.31	19.39
Total	2,276.65	1,468.66
	•	<u></u>
16 OTHER CURRENT ASSETS		
Unbilled revenue	3,214.12	2,498.20
Claims Receivable	-	9.50
Interest accrued but not due	118.67	87.22
Total	3,332.79	2,594.92



		Year ended	₹ lakhs Year ended
4-	DEVENUE FROM OPERATIONS	31 March, 2016	31 March, 2015
17	REVENUE FROM OPERATIONS Sale of traded goods Rendering of services Total	3,374.33 104,146.28 107,520.61	3,233.69 81,706.42 84,940.11
	 (i) Sale of traded goods include sales of computers, networking and storage systems. (ii) Rendering of services comprises: (a) Product Design (b) Graphics Animation and Gaming (c) System Integration and Support 	99,734.06 1,083.02 3,329.20 104,146.28	76,509.58 1,675.50 3,521.34 81,706.42
18	OTHER INCOME Interest from banks on deposits Interest - Others Dividend income from long-term investment - Subsidiary Net gain on closure of investments in subsidiary (Refer Note 26)	848.44 - - 10.54	455.68 171.44 76.77
	Net gain or (loss) on foreign currency transactions and translation Profit on sale of asset Other non-operating income:	49.55 62.68	(633.41) -
	a) Hire charges	5.19	4.81
	b) Liabilities/provision no longer required written back	118.39	206.17
	c) Miscellaneous Income	91.12	132.57
	Total	1,185.91	414.03
19	PURCHASES		
13	Purchase of traded goods - computers, networking and storage systems and components and parts	2,564.59	2,463.70
	Spares, consumables and others	4,404.38	5,085.92
	Total	6,968.97	7,549.62
20	CHANGES IN INVENTORIES Inventories at the end of the year:		
	Stock-in-trade - Components and spares	-	28.90
	Inventories at the beginning of the year:		
	Stock-in-trade - Components and spares	28.90	(20.00)
	Net (increase) / decrease	28.90	(28.90)
21	EMPLOYEE BENEFITS EXPENSES		45 555 55
	Salaries & wages	53,265.98	42,397.55
	Contribution to provident and other funds [Refer Note 24.1b]	1,797.95	1,437.50
	Staff welfare expenses Total	2,584.81 57,648.74	2,226.07
	iotai	37,040.74	46,061.12

			₹ lakhs
		Year ended	Year ended
		31 March, 2016	31 March, 2015
22	OTHER EXPENSES		
	Operating lease rentals [Refer Note 24.6]	1,573.43	1,401.46
	Rates and taxes	90.11	63.97
	Power and fuel	885.64	820.21
	Repairs and maintenance : Building	306.17	207.05
	: Plant and machinery	434.40	315.38
	: Others	424.52	318.53
	Communication expenses	969.61	907.04
	Inland travel and conveyance	803.35	653.36
	Overseas travel	5,023.32	4,129.01
	Advertisement and sales promotion expenses	653.75	463.97
	Commission on sales	145.14	146.43
	Hire charges	7.84	22.13
	Printing and stationery	65.38	60.93
	Motor vehicle expenses	417.67	329.99
	Recruitment	181.99	169.06
	Training	71.06	68.15
	Consultant fees for software development	4,512.79	2,553.12
	Expenditure on Corporate Social Responsibility	158.35	105.23
	Legal and professional charges	481.57	381.14
	Secretarial charges	14.70	12.30
	Intangibles written off	373.30	80.96
	Insurance	107.00	91.34
	Loss on sale of assets (net)	-	2.76
	Bank and other charges	63.27	66.04
	Commission to non-executive directors	223.00	153.00
	Auditors' remuneration [Refer note (i) below]	45.00	42.30
	Provision for doubtful debts/ advances	81.85	49.07
	Provision for warranty (net) [Refer Note 24.10]	10.05	1.56
	General expenses	40.92	86.04
	Total	18,165.18	13,701.53
	Note (i): Payments to the auditors excluding service tax, comprises:		
	As auditors - statutory audit	39.00	34.00
	Company law matters	1.00	1.00
	Other Services	0.50	3.30
	Reimbursement of expenses	4.50	4.00
	Total	45.00	42.30



			As at 31	₹ lakhs As at 31
	_		March, 2016	March, 2015
23.1		tingent liabilities and commitments (to the extent not provided for)		
	(i)	Contingent liabilities		
		(a) Claims against the Company not acknowledged as debt		
		 Disputed demands for Income Tax aggregates . 	1556.19	580.83
		Disputed demands for Wealth Tax aggregates.	25.89	25.89
		3. Service tax matters	842.26	842.26
		(b) Guarantees- Guarantees given to a Housing Finance Company for housing loans availed by employees during their employment with the company	29.91	37.06
	(ii)	Capital Commitments:		
		Estimated amount of contracts remaining to be executed on capital accounts and not provided for		
		Tangible Fixed Assets	457.49	184.73
		Intangible assets	25.05	61.94
23.2	Disc	osures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
	(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	158.47	25.08
	(iv)	The amount of interest due and payable for the year	1.36	0.10
	(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	_			

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

23.3 Details on derivatives instruments and unhedged foreign currency exposures

- I. The following derivative positions are open as at 31 March, 2016. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in Notes 2.10 and 2.21
- II. Forward exchange contracts and options [being derivative instruments], which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.
 - (i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2016-Nil (Previous year (Nil))

(ii) Outstanding option contracts entered into by the Company as on 31 March, 2016

Currency	Amount	Buy / Sell	Amount
USD	20.00 lakhs		₹ 1330.80 lakhs
	(20.00 lakhs)	Sell	(₹ 1235.90 lakhs)
EUR	5.00 lakhs		₹ 361.20 lakhs
	(5.00 lakhs)	Sell	(₹ 386.50 lakhs)
GBP	22.50 lakhs		₹ 2155.50 lakhs
	(15.00 lakhs)	Sell	(₹ 1451.25 lakhs)

Note: Figures in brackets relate to the previous year

III. (a) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31 March, 2016			As at 31 March, 2015			
Rec	eivable	Receivable	R	eceivable	Receivable		
in Foreign currency			in For	eign currency			
	lakhs	₹ lakhs		lakhs	₹lakhs		
EUR	28.86	2,171.49	EUR	19.32	1,298.00		
GBP	87.09	8,311.16	GBP	61.99	5,731.98		
USD	92.41	6,122.23	USD	51.28	3,205.24		
JPY	2052.34	1,211.49	JPY	1183.88	617.10		
ZAR	130.26	578.26	ZAR	94.67	484.45		
KRW	20.54	1.19	KRW	20.52	1.16		
CAD	1.48	75.71	CAD	Nil	Nil		
AED	3.45	62.41	AED	Nil	Nil		

(b) Amount payable in foreign currency on account of purchase of goods, services and borrowings

As at 31 March, 2016			As at 31 March, 2015			
Payable			Payable			
in Foreign currency		Payable	in Foreig	n currency	Payable	
	lakhs	₹ lakhs		lakhs	₹ lakhs	
EUR	3.53	265.23	EUR	0.69	46.20	
GBP	1.95	186.26	GBP	9.07	838.97	
USD	18.61	1232.80	USD	7.03	439.51	
JPY	37.12	21.91	JPY	1.29	0.67	
ZAR	0.28	1.24	ZAR	0.03	0.15	
CAD	0.02	1.01	CAD	0.05	2.49	
MYR	0.20	3.38	MYR	Nil	Nil	

23.4 Value of imports calculated on CIF basis:

		₹ lakhs
	For the year ended	For the year ended
	31 March, 2016	31 March, 2015
Computer systems, peripherals, software etc,.	1,473.77	2,096.13
Capital goods	1,022.29	619.53
	2,496.06	2,715.66



22 E. Evnanditura in faraign gurrangu	For the year ended 31 March, 2016	₹ lakhs For the year ended 31 March, 2015
23.5 Expenditure in foreign currency:	25 252 52	40 502 27
Overseas Office expenses	26,262.62	19,582.37
Foreign Travel	2,944.93	1,893.70
Other expenditure	2,141.38	2,159.73
	31,348.93	23,635.80
23.6 Earnings in foreign currency :		
Service Income	90,739.65	69,981.21
Sales and Support	467.53	100.96
Dividend	-	76.77
	91,207.18	70,158.94

23.7 During the Previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 (the "Act") with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align with the Schedule II of the Act. The details of previously applied rates/useful life are as follows:

Asset	Previous depreciation rate / useful life	Revised useful life based on SLM
Buildings	3.34%/ ~30 years	30 years
Computers and Data Processing Equipment	16.21% / ~6 years	3 and 6 years
Plant and Machinery	5.38% / ~19years	6 years
Furniture and Fixtures	6.33% / ~15 years	6 years
Air Conditioners	4.76% / ~21 years	6 years
Electrical Equipments	4.76% / ~21 years	6 years
Vehicles	9.50% / ~10 years	8 years

In accordance with the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 1,329.58 lakhs (net of deferred tax of ₹ 684.63 lakhs) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

In the previous year, the depreciation expense in the Statement of Profit and Loss is higher by ₹ 311.72 lakhs consequent to the change in the useful life of the assets.

24.1 Employee benefit plans

24.1a Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance contributions as defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 902.21 lakhs (Year ended 31 March, 2015 ₹ 697.13 lakhs) for Provident Fund contributions and ₹ 434.13 lakhs (Year ended 31 March, 2015 ₹ 360.38 lakhs) for Superannuation Fund contributions, Employee state Insurance Scheme ₹3.62 lakhs (Year ended 31 March, 2015 ₹ 3.86 lakhs) in the Statement of Profit and Loss. Company also had contributed towards Employee Insurance Schemes Outside India amounting to ₹ 87.56 lakhs (Year ended 31st March. 2015 ₹ 92.33 lakhs) The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

24.1b Defined benefit plans

The Company offers gratuity (included as part of Contribution to Provident and other funds in Note 21 Employee benefits expense) to its employees under defined benefit plans

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

		₹ lakhs
Particulars	Year ended	Year ended
	31 March, 2016	31 March, 2015
Components of employer expense		
Current service cost	178.86	136.86
Interest cost	20.47	86.13
Expected return on plan assets	-	(68.29)
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Actuarial losses/(gains)	262.28	225.29
Total expense recognised in the Statement of Profit and Loss	461.61	379.99
Actual contribution and benefit payments for year		
Actual benefit payments	148.49	76.56
Actual contributions	285.70	291.50
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	1,765.27	(1,310.17)
Fair value of plan assets	1,331.95	1,052.75
Funded status [Surplus / (Deficit)]	(433.32)	(257.42)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	(433.32)	(257.42)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	1,310.17	953.90
Current service cost	178.86	136.86
Interest cost	104.16	86.13
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains) / losses financial assumptions	26.67	86.61
Actuarial (gains) / losses Experience	293.90	123.22
Past service cost	-	-
Benefits paid	(148.49)	(76.55)
Present value of DBO at the end of the year	1,765.27	1,310.17
Change in fair value of assets during the year		
Plan assets at beginning of the year	1,052.75	784.97
Acquisition adjustment	-	-
Expected return on plan assets	83.69	68.29
Actual company contributions	285.71	291.50
Actuarial gain / (loss)	58.29	(15.46)
Benefits paid	(148.49)	(76.55)
Plan assets at the end of the year	1,331.95 ´	1,052.75
Actual return on plan assets	141.98	52.83



Particulars	Year ended 31 March, 2016	Year ended 31 March, 2015	
	₹ lakhs	₹ lakhs	
Composition of the plan assets is as follows:			LIC- Mortality (1994-96)Table
Government bonds	42.31%	42.31%	21-30 years 10%
Debentures and Bonds	37.50%	37.50%	31-40 years 5%
Equity	4.69%	4.69%	41-50 years 3%
Others	15.50%	15.50%	51 & above 2%
Actuarial assumptions			
Discount rate	7.72%	7.95%	
Expected return on plan assets	7.72%	7.95%	
Salary escalation	5.00%	5.00%	
Attrition : If past service <5 years	10.00%	10.00%	
: If past service >5 years	8.00%	8.00%	
Estimates of amount of contribution in the immediate next year	657.06	436.28	

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

24.2 Experience adjustments

					₹ lakhs
	2015-16	2014-15	2013-14	2012-13	2011- 12
Gratuity					
Present value of DBO	(1765.27)	(1310.17)	(953.90)	(827.18)	(664.89)
Fair value of plan assets	1331.95	1052.75	784.97	584.05	445.49
Funded status [Surplus / (Deficit)]	(433.32)	(257.42)	(168.93)	(243.13)	(219.40)
Experience (gain) / loss adjustments on plan liabilities	293.90	123.22	(32.24)	59.76	42.82
Experience gain / (loss) adjustments on plan assets	(58.28)	(15.46)	(32.13)	3.57	32.54

	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Actuarial assumptions for long-term compensated absences		
Discount rate	7.72%	7.95%
Expected return on plan assets	7.72%	7.95%
Salary escalation	5.00%	5.00%
Attrition : If past service <5 years	10.00%	10.00%
: If past service >5 years	8.00%	8.00%

24.3 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily System integration & support and Software Development & Services. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographical revenues are allocated based on the location of the customer. Geographic segments of the Company are India, Europe, US and Others

₹ lakhs

Particulars	For the y	ear ended 31 March, 2016	
	Business		
	System Integration & Support	Software Development & Services	Total
Revenue	6,703.53	100,817.08	107,520.61
	(6,755.03)	(78, 185.08)	(84,940.11)
Segment result	672.41	25,965.63	26,638.04
	(593.86)	(17,633.19)	(18,227.05)
Unallocable expenses (net)			3,003.73
			(2,629.09)
Operating income			23,634.31
			(15,597.96)
Interest			-
			(0.25)
Profit before taxes			23,634.31
			(15,597.71)
Tax expense			8,153.30
			(5,307.72)
Net profit for the year			15,481.01
			(10,289.99)

Segment assets include all assets relating to the segment and consist principally of Fixed assets, Receivables, Other current assets and non-current assets.



Segment liabilities include all liabilities relating to the segment and consist principally of Trade payables and other operating liabilities

₹ lakhs

Particulars	For the y			
	Business	Business segments		
	System Integration & Support	Software Development & Services		
Segment assets	2,462.17	28,073.48	30,535.65	
	(1,803.22)	(20,685.09)	(22,488.31)	
Unallocable assets			27,028.45	
			(21,701.62)	
Total assets			57,564.10	
			(44,189.93)	
Segment liabilities	1,583.81	7,779.04	9,362.85	
	(1,588.73)	(3,838.18)	(5,426.91)	
Unallocable liabilities			9,654.47	
			(11,077.18)	
Total liabilities			19,017.32	
			(16,504.09)	
Other information		_		
Capital expenditure (unallocable)			3,489.99	
			(4,754.92)	
Depreciation and amortisation	36.36	2,224.06	2,260.42	
	(66.81)	(2,486.96)	(2,553.77)	
Provision for doubtful debts	17.41	64.44	81.85	
	(4.05)	(45.02)	(49.07)	

The geographic segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately:

₹ lakhs

Geographic Segment	Revenues for the year ended 31 March, 2016	Segment assets as at 31 March, 2016	Capital expenditure incurred during the year ended 31 March, 2016
India	16,853.46	29,301.89	3,466.66
	(16,685.78)	(30,583.18)	(4,726.99)
US	34,064.77	6,943.34	6.86
	(24,024.30)	(3,644.26)	(6.40)
Europe	49,042.75	11,682.60	9.09
	(41,557.72)	(8,595.49)	(17.82)
Others	7,559.63	9,636.27	7.38
	(2,672.31)	(1,367.00)	(3.71)
Total	107,520.61	57,564.10	3,489.99
	(84,940.11)	(44,189.93)	(4,754.92)

Note: Figures in bracket with respect to Statement of Profit and loss items pertain to year ended 31st Mar 2015

Segment revenue in India comprises revenue from System Integration and software development and services. Segment revenue outside India predominantly comprises revenue from software development and services. Segment assets include all assets relating to the segment and consist principally of Fixed assets, Receivables, Inventory, Other Current and Non-Current Assets. Assets located outside India primarily relate to Trade Receivables.

24.4 Related party transactions

Description of relationship	Names of related parties
Company with Significant Influence	Tata Sons Ltd.
Subsidiary	Tata Elxsi (Singapore) Pte Ltd. (till 31st March 2015)
Key Management Personnel (KMP)	Mr. Madhukar Dev- Managing Director

24.5. Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:

₹ lakhs

Particulars	Company with Significant Influence	Subsidiary	KMP	Total
Rendering of services	18.63			18.63
	(18.02)			(18.02)
Dividend paid	1,446.24			1,446.24
	(1,183.29)			(1,183.29)
Dividend received		-		-
		(76.77)		(76.77)
Receiving of services- Brand fee and other Services	317.18			317.18
	(231.63)			(231.63)
Remuneration and commission			422.19	422.19
			(302.87)	(302.87)
Balances outstanding at the end of the year				
Trade payable	249.50		225.00	474.50
	(213.60)		(150.00)	(363.60)

Note: Figures in bracket relates to the previous year.



₹ lakhs

	Particu	ulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
24.6	Details	of leasing arrangements		· · · · · · · · · · · · · · · · · · ·
	facilitie and are mutual	mpany has entered into operating lease arrangements for certain is and office premises. Some of these leases are non-cancellable of for a period of one to three years and may be renewed based on agreement of the parties. These lease agreements provide for an e in the lease payments upto 15 % as per lease agreements.		
		minimum lease payments		
	n	ot later than one year	761.15	244.24
		ater than one year and not later than five years	751.57	148.98
	Lease p	payments recognised in the Statement of Profit and Loss	1,573.43	1,401.46
				₹ lakh:
	Particu	ulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
24.7	Earning	gs per share		
	Basic			
	Net pro	ofit/(loss) for the year attributable to the equity shareholders (₹ lakhs)	15,481.01	10,289.99
	Weigh	ted average number of equity shares	31,138,220	31,138,220
	Par val	ue per share (₹)	10	10
	Earning	gs per share - Basic and diluted (₹)	49.72	33.05
				₹ lakh:
		Particulars	As at 31 March, 2016	As at 31 March, 2015
24.8	Taxes			
	a)	Current tax is determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Provision for tax includes ₹680.06 lakhs (31 March, 2015: ₹ 540.80 lakhs) in respect of overseas operations.		
	b)	Deferred tax (liability) / asset		
		Tax effect of items constituting deferred tax liability		
		On difference between book balance and tax balance of fixed assets	570.80	495.75
		Tax effect of items constituting deferred tax liability	570.80	495.75
		Tax effect of items constituting deferred tax assets		
		Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961, etc.		
			697.44	539.39
		Tax effect of items constituting deferred tax assets	697.44	539.39

24.9 Details of expenditure recognised as employee benefit expenses and other expenses in note 21 and 22 respectively are net of the following expenses that have been capitalised as part of intangible assets / intangible assets under development.

₹ lakhs

Pai	ticulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
a)	Employee benefits expense	-	17.40
b)	Other expenses	-	5.80
		-	23.20

24.10 Details of provisions

The Company has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ lakhs

Particulars	As at 31 March, 2015	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at 31 March, 2016
Provision for warranty	31.04	153.65	-	143.60	41.09
	(29.48)	(110.42)	(-)	(108.46)	(31.04)

Note: - Figures in brackets relate to the previous year.

Of the above, the following amounts are expected to be incurred within a year:

₹ lakhs

Particulars	As at 31 March, 2016	As at 31 March, 2015
Provision for warranty	41.09	31.04

25. The Company has entered into incubation agreement for providing services pertaining to promotion of business of the entrepreneurs and also providing infrastructure facilities and resources. In consideration for the services rendered shares has been allocated /transferred as under.

Name of the Company	No Shares allotted/ Transferred	Face Value of shares (₹)
Big V Telecom Pvt. Ltd	22250	10
Sismatik Solutions Private Limited	1000	10
Street Smart Mobile Technologies Private Limited	2000	10

Considering probability of successful outcome of such development and the ability of these entities to commercialise the product being developed, as a matter of prudence the company has recorded these investments at Re.1/-. Any gain on such investment will be recognized on its disposal.



- 26. The Company's wholly owned subsidiary Tata Elxsi (Singapore) Pte Limited ("TE Singapore") had applied to the Accounting and Corporate Regulatory Authority, Singapore ("ACRA") for striking of its name, since it had ceased its operations and ACRA has struck off the name of TE Singapore from the register. Accordingly TE Singapore is not considered as a subsidiary of the Company. The Company has recognized a gain of ₹ 10.54 lakhs arising out of closure of its subsidiary (Refer Note 18).
- 27. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

N G Subramaniam Shyamala Gopinath Madhukar Dev Ramaseshan K G Vaidyanathan Bengaluru, April 28, 2016 Chairman Director Managing Director Chief Financial Officer Company Secretary

Significant Three years Highlights

	31.03.2016	31.03.2015	31.03.2014
Income			
Sales and services	107520.61	84940.11	77209.76
Other income	1185.91	414.03	1568.44
Total	108706.52	85354.14	78778.20
Expenditure			
Cost of sales	6997.87	7520.72	7305.39
Personnel expenses	57648.74	46061.12	40295.96
Finance costs	0.00	0.25	182.68
Depreciation/ amortisation expense	2260.42	2472.81	3498.66
Other expenses	18165.18	13701.53	15996.97
Total	85072.21	69756.43	67279.66
Profit before tax	23634.31	15597.71	11498.54
Provision for tax	8153.30	5307.72	3987.80
Profit for the year	15481.01	10289.99	7510.74

Significant Ratio Analysis

S. No.	Particulars	Unit	31.03.2016	31.03.2015	31.03.2014
1	Earning before interest, depreciation and tax/Sales	%	24.08	21.27	19.66
2	Profit before taxes/Sales	%	21.98	18.36	14.89
3	Profit after taxes/Sales	%	14.40	12.11	9.73
4	Current Ratio		2.32	1.91	1.69
5	Debt Equity Ratio	%	_		-
6	Earning per share	₹	49.72	33.05	24.12
7	Dividend per share	₹	14.00	11.00	9.00
8	Book Value share	₹	123.86	91.00	75.41
9	Return on Net Worth	%	40.14	36.32	31.99
10	Return on Capital Employed	%	40.14	36.35	32.02



To, TSR Darashaw Limited **Unit: Tata Elxsi Limited** 6-10 Haji Moosa Patrawala Industrial Estate, 20 Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: *	
(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	
*Self attested copy of the document	(s) enclosed
Bank Details:	
IFSC:	
(11 digit)	
MICR:	
(9 digit)	
Bank A/c Type:	Savings/ Current/ Other
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	
* A blank cancelled cheque is enclos	ed to enable verification of bank details
incomplete or incorrect information subsequent changes in the above pa	iculars given above are correct and complete. If the transaction is delayed because, I / we would not hold the Company/ RTA responsible. I / We undertake to inform a irticulars as and when the changes take place. I / We understand that the above details securities under the above mentioned Folio No./ beneficiary account.
Place: Date:	Signature of Sole / First hold

Form No. SH-13

Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

То						
Tata	Elxsi	Limited				
ITPB	Road	d, Whitefield, Benga	aluru - 560 048			
	e no	mination and do h in the event of my/	ereby nominate the fo our death.	· · · · · · · · · · · · · · · · · · ·	om shall vest, all the ri	iven hereunder, wish to ights in respect of such
	Na	ature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.
(2)	PAR	TICULARS OF NOMI	NEE/S –			
	(a)	Name :				
	(b)	Date of Birth:				
	(c)	Father's/Mother's/	Spouse's name: (d) Occu	pation:		
	(e)	Nationality:				
	(f)	Address:				
	(g)	E-mail Id:				
	(h)	Relationship with	the security holder:			
(3)	IN C	ASE NOMINEE IS A	MINOR –			
	(a)	Date of birth:				
	(b)	Date of attaining	majority			
	(c)	Name of guardian	:			
	(d)	Address of guardia	an			
	Nan	ne:				
	Add	ress:				



Corporate Identification No. L85110KA1989PLC009968
Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048.
Ph. No. 080 22979123 Fax No. 080 28411474
Email id: investors@tataelxsi.com Website: www.tataelxsi.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

	the member(s): E-mail ld:		
Registere	d address: Folio No./Client Id*:		
	DP Id*:		
*Applicabl	le to shareholders holding shares in electronic form		
I/We	of	being	a Member(s)
Tata Elxsi l	Limited, hereby appoint:		
1)	of having e-mail i.d or failing him		
2)	of having e-mail i.d or failing him		
poll) for m	having e-mail i.d	r proxy to a nangala, Ber	ttend and vote (o galuru - 560 034,
Resolutio	on No. Resolution	FOR	AGAiNsT
1.	Adoption of financial statements for the year ended 31st March, 2016 together with Directors' Report and Auditors' Report.		
2.	Declaration of dividend for the financial year 2015-16.		
3.	Re-appointment of Mr. N.G. Subramaniam as a Director of the Company, liable to retire by rotation.		
4.	Ratification of the Re-appointment of Statutory Auditors.		
5.	Appointment of Prof. M. S. Ananth as a Director of the Company.		
6.	To approve payment of commission to Directors (other than the MD and Whole-Time Director) not exceeding 1% per annum of profits for a period of 5 years commencing from 1st April, 2016 pursuant to the provision of Section 197 of the Companies Act, 2013.		
	ioi a period of 3 years commencing from 13t April, 2010 parsuant to the provision of section 137 of the companies (4, 2013.		
Signed thi	s day of 2016.		
Signature	of Shareholder:		Please affix Revenue Stamp
Signature Signature Notes: 1. This for not le	, and the second	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This for not le	of Shareholder: of Proxy holder form of Proxy , in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, Ness than Forty-Eight (48) hours before the commencement of the meeting.	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This for not le	of Shareholder: of Proxy holder form of Proxy , in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, Vess than Forty-Eight (48) hours before the commencement of the meeting. ne Resolutions, Explanatory Statement and Notes, please refer to the Notice of Twenty-Seventh Annual General Meeting.	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This for not le	of Shareholder: of Proxy holder form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, Ness than Forty-Eight (48) hours before the commencement of the meeting. TATA ELXSI LIMITED Corporate Identification No. L85110KA1989PLC009968 Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048. Ph. No. 080 22979123 Fax No. 080 28411474	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This for not le	of Proxy holder form of Proxy , in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, west than Forty-Eight (48) hours before the commencement of the meeting. TATA ELXSI LIMITED Corporate Identification No. L85110KA1989PLC009968 Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048. Ph. No. 080 22979123 Fax No. 080 28411474 Email id: investors@tataelxsi.com Website: www.tataelxsi.com	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This finot le 2. For th	of Proxy holder form of Proxy , in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, Ness than Forty-Eight (48) hours before the commencement of the meeting. TATA ELxsi LiMiTED Corporate Identification No. L85110KA1989PLC009968 Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048. Ph. No. 080 22979123 Fax No. 080 28411474 Email id: investors@tataelxsi.com Website: www.tataelxsi.com ATTENDANCE SLIP	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This finot le 2. For th	of Proxy holder form of Proxy , in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, Ness than Forty-Eight (48) hours before the commencement of the meeting. TATA ELxsi LiMiTED Corporate Identification No. L85110KA1989PLC009968 Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048. Ph. No. 080 22979123 Fax No. 080 28411474 Email id: investors@tataelxsi.com Website: www.tataelxsi.com ATTENDANCE SLIP	Whitefield, B	Revenue Stamp
Signature Signature Notes: 1. This finot le 2. For th	of Proxy holder orm of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at ITPB Road, vess than Forty-Eight (48) hours before the commencement of the meeting. TATA ELxsi LiMiTED Corporate Identification No. L85110KA1989PLC009968 Registered Office: ITPB Road, Whitefield, Bengaluru - 560 048. Ph. No. 080 22979123 Fax No. 080 28411474 Email id: investors@tataelxsi.com Website: www.tataelxsi.com ATTENDANCE SLiP J*: le to shareholders holding shares in electronic form	Whitefield, B	Revenue Stamp

I hereby record my presence at the **27th Annual General Meeting** of the Company held at St John's Auditorium, John Nagar, Koramangala, Bengaluru - 560 034, on the Tuesday 26th July, 2016 at 12:30 pm.

