

The background is a top-down view of a design studio. It features a wooden table covered with various tools and materials. A large ruler is positioned diagonally across the top left. A compass is being used to draw a circle on a piece of cardboard in the center. To the left, there is a magnifying glass over a colorful patterned surface. To the right, there is a cup of coffee on a saucer. The overall atmosphere is one of creative and technical work.

# **TATA ELXSI**

## Q2 FY22 Earnings Presentation and Fact Sheet

22 Oct 2021



## Disclaimer

This release may contain certain future prospects which may be a forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.

Note: All numbers have been rounded to the nearest digit for convenience of representation.

## Management commentary



**Manoj Raghavan**  
**Managing Director and CEO**

“We are pleased to report another quarter of steady growth across industry verticals and continue to execute strongly on both top line and bottom line.

We are seeing significant growth in the automotive market, with large and strategic deals with both OEMs and suppliers in EV and autonomous technologies, underscoring our technology and engineering leadership.

The overall growth was fueled by digital and platform-led deals and underlines the differentiation and relevance of our design-led approach and technology capabilities to the product and technology transformation agendas of customers in our key verticals.

The superior top-line and bottom-line performance was supported by industry-leading operational excellence and talent retention. We also welcomed over 700 new Elxsians this quarter, representing almost 9% of our headcount from the previous quarter.

We are entering the third quarter of FY22 with a strong order book and a healthy deal pipeline across key markets and industries.”

# Performance Highlights

## Financial Highlights

- Revenues from operations at Rs. 595.3 Cr, +6.6% QoQ, +38.4% YoY
- Constant currency revenue up 7.4 % QoQ , 37.2% YOY
- EBITDA Margin at 30.8%; Net Margin at 21.0%
- Profit Before Tax (PBT) at Rs. 171.0 Cr, +55.5% YoY
- Profit After Tax (PAT) at Rs. 125.3 Cr, +58.9% YoY

## Segment Highlights

- Embedded Product Design (EPD), the company's largest division grew by 35.4% YoY
- Industrial Design & Visualization (IDV) grew by 64.5% YoY

# Performance Highlights

## Key Deal wins

- Tata Elxsi won a multi-million US\$ Electric Vehicle software development program for a new-age EV OEM in APAC
- Tata Elxsi won a strategic software platform development deal for Level 3 autonomy and beyond, for a North American system supplier
- Tata Elxsi was awarded a high-voltage EV system software development deal for a leading Japanese Tier1 supplier
- Tata Elxsi was selected as the platform provider and system integrator for a multi-region Android TV launch for a leading America based operator
- Tata Elxsi was selected to deploy iCX, its award-winning customer experience platform, for a leading global telecom operator across multiple countries
- Tata Elxsi's Design business won a complete product portfolio redesign deal for a leading Asian Appliances company

## Client Testimonials

### Tata Elxsi partners with DStv in the Digital Transformation of Ad Media Sales

Tata Elxsi delivered an end-to-end digital transformation consulting and implementation project for DStv Media Sales (DMS), part of the MultiChoice Group, the leading Pay TV, OTT and broadcast provider.

The program delivered an integrated cross-platform for linear and digital Ad sales workflow, including a custom Programmatic Trading Portal that powerfully blends design, artificial intelligence and digital technologies to make it intuitive, easy and simple for the DMS specialists, brand managers and media planners to develop and deploy omni-channel advertising campaigns. The platform also implements AI-based technologies to assist price modelling and provides insights and analytics to optimize campaign outcomes.

“DStv media sales has always been deliberate about driving change within the advertising marketplace. This latest innovation is a way to help us transform. As Africa's most loved storyteller, we are excited about the long-term prospects of the business and the opportunities advertisers can experience from our Ad media platform. Tata Elxsi been a key partner in helping us transform how we engage with advertisers and brands to maximize campaign outcomes and reach their target audiences, all through a transparent and easy digitally enabled platform and process.” said **Fahmeeda Cassim Surtee, Chief Executive Officer at DStv Media Sales, MultiChoice Group.**

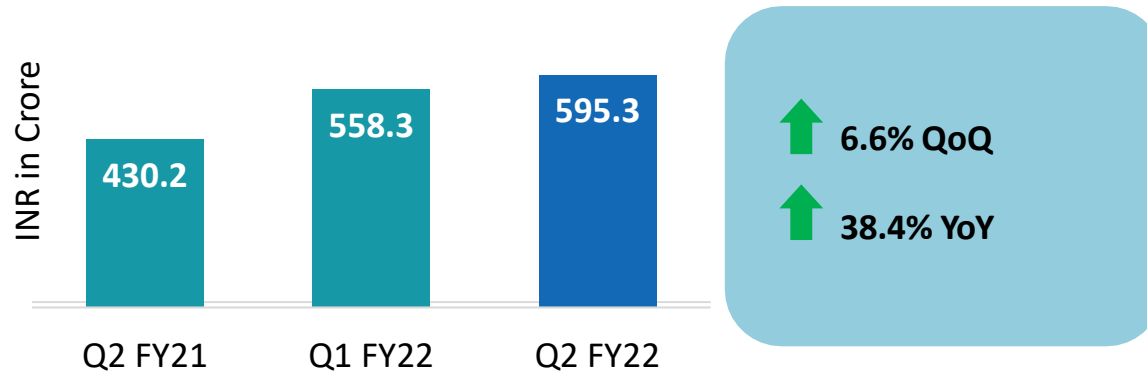
“DStv Media Sales focus has been on digitalization as the essential means to ensure our business operates efficiently, saves cost, and consistently delivers superior customer experience. As a strategic transformation and innovation partner, Tata Elxsi continues to conceptualize and implement solutions such as Shoppable TV, Advanced AI Based pricing modelling, and more, to ensure we are constantly innovating and making DStv the advertising platform of choice in the region” said **Rani Bisal, Head of Business Optimization at DStv Media Sales, MultiChoice Group.**

## Financial Summary – Q2 & H1 FY22

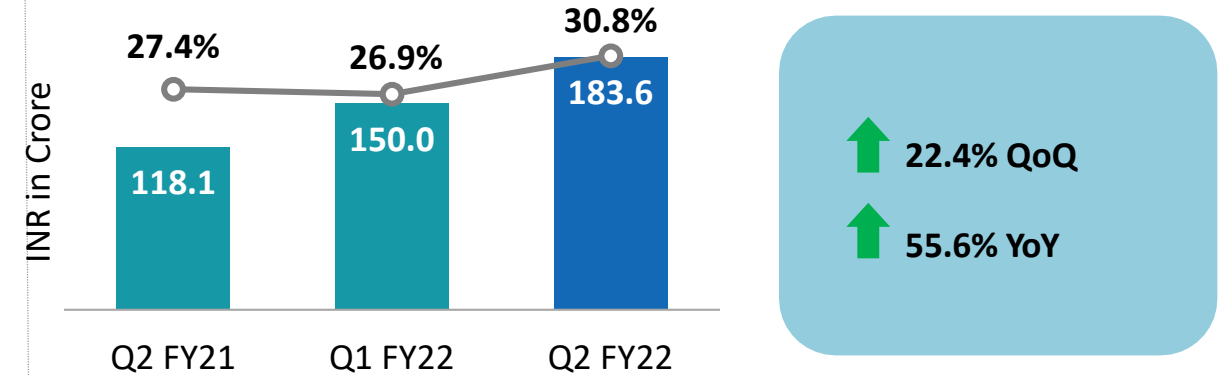
Particulars	Metrics	Q2 FY22	Q1 FY22	QoQ Growth	Q2 FY21	YoY Growth	H1 FY22	H1 FY21	YoY Growth
Revenue (INR Cr)	Total Income from operations	595.3	558.3	6.6%	430.2	38.4%	1153.6	830.7	38.9%
	Other Income	2.4	17.5		4.4		19.9	17.8	
	Total Income	597.8	575.8	3.8%	434.6	37.5%	1173.6	848.5	38.3%
Margins (INR Cr)	EBITDA	183.6	150.0	22.4%	118.1	55.6%	333.6	210.8	58.3%
	EBIT	170.1	138.1	23.2%	106.8	59.2%	308.2	188.7	63.3%
	PBT	171.0	153.9	11.1%	110.0	55.5%	324.9	203.9	59.3%
	PAT	125.3	113.4	10.5%	78.9	58.9%	238.7	147.8	61.5%
Margin (%)	EBITDA	30.8%	26.9%		27.4%		28.9%	25.4%	
	EBIT	28.6%	24.7%		24.8%		26.7%	22.7%	
	PBT	28.6%	26.7%		25.3%		27.7%	24.0%	
	PAT	21.0%	19.7%		18.2%		20.3%	17.4%	
EPS (INR)	Basic	20.1	18.2		12.7		38.3	23.7	
	Diluted	20.1	18.2		12.7		38.3	23.7	

# Financial Performance – Q2 FY22

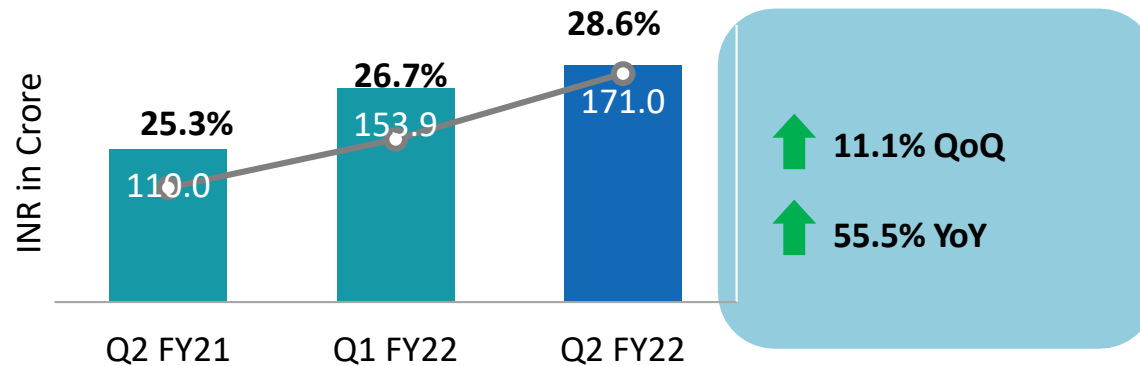
## Operating Revenue



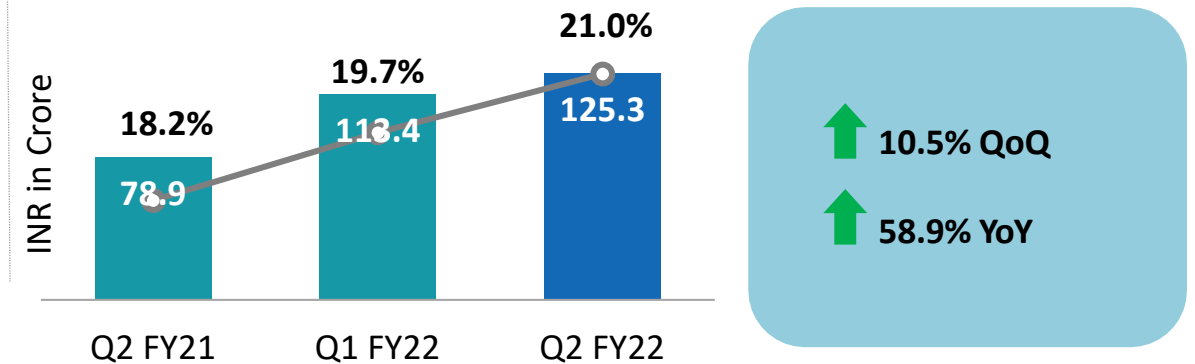
## Operating EBITDA & Margin (%)



## PBT & Margin (%)



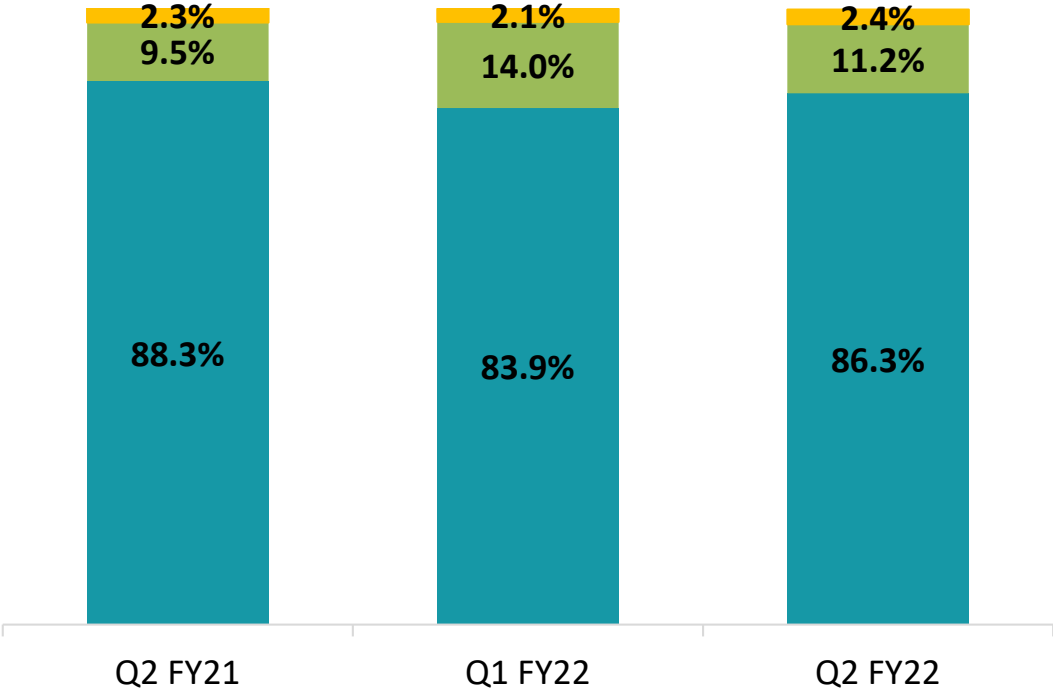
## PAT & Margin (%)





# Operational Performance – Q2 FY22

Revenue By Segment

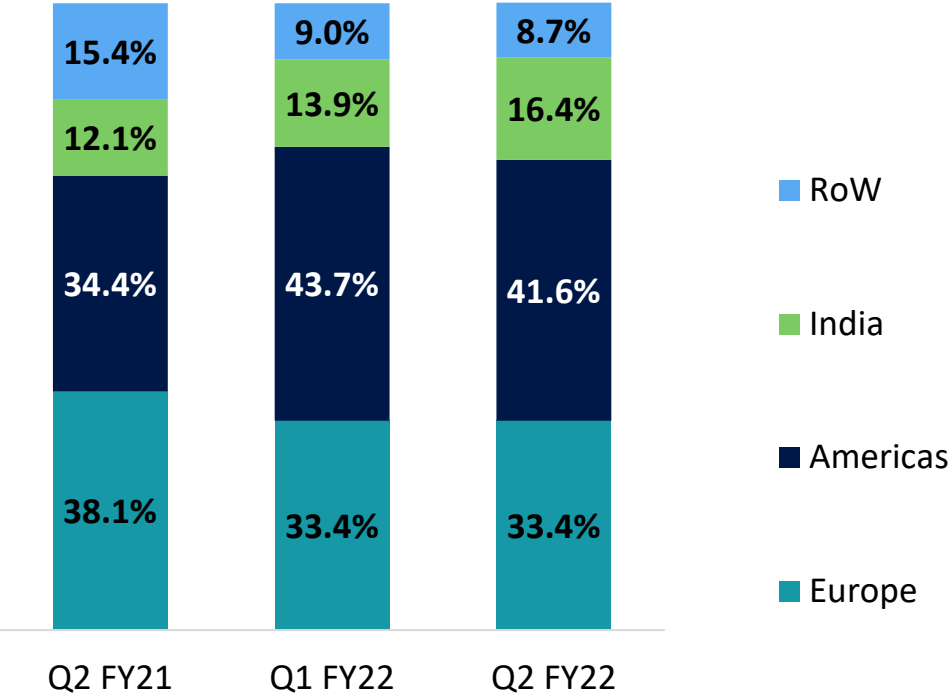


- System Integration & Support (SIS)
- Industrial Design & Visualization (IDV)
- Embedded Product Design (EPD)

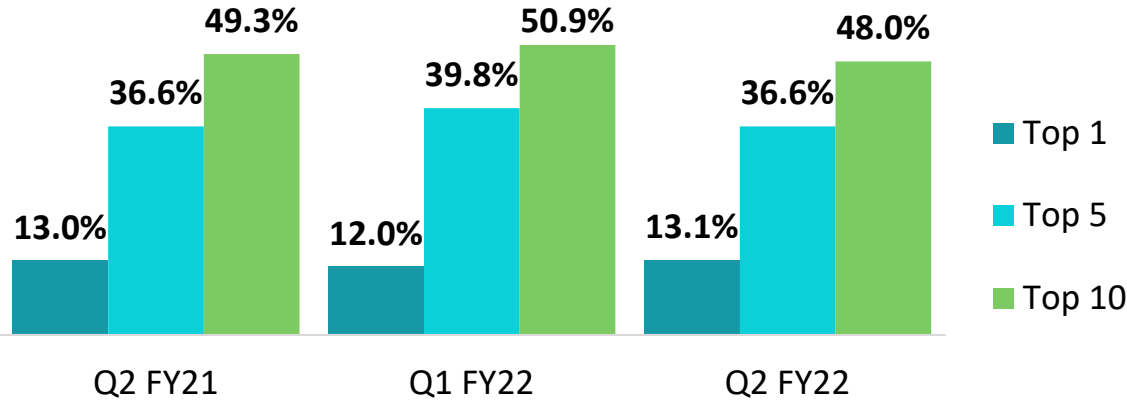
Segment	Constant Currency Growth	
	Q-o-Q	Y-o-Y
Embedded Product Design (EPD)	10.6%	34.4%
Industrial Design & Visualization (IDV)	-13.9%	61.8%
System Integration & Support (SIS)	23.1%	46.1%
Total (Tata Elxsi)	7.4%	37.2%

# Operational Performance – Q2 FY22

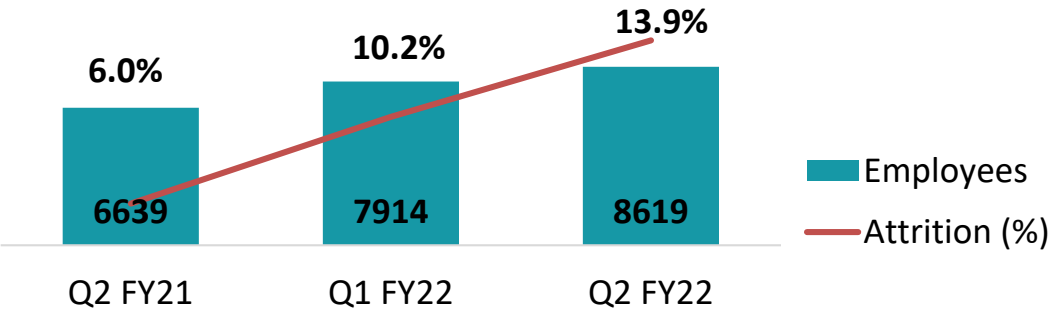
Revenue By Geography



Client Concentration

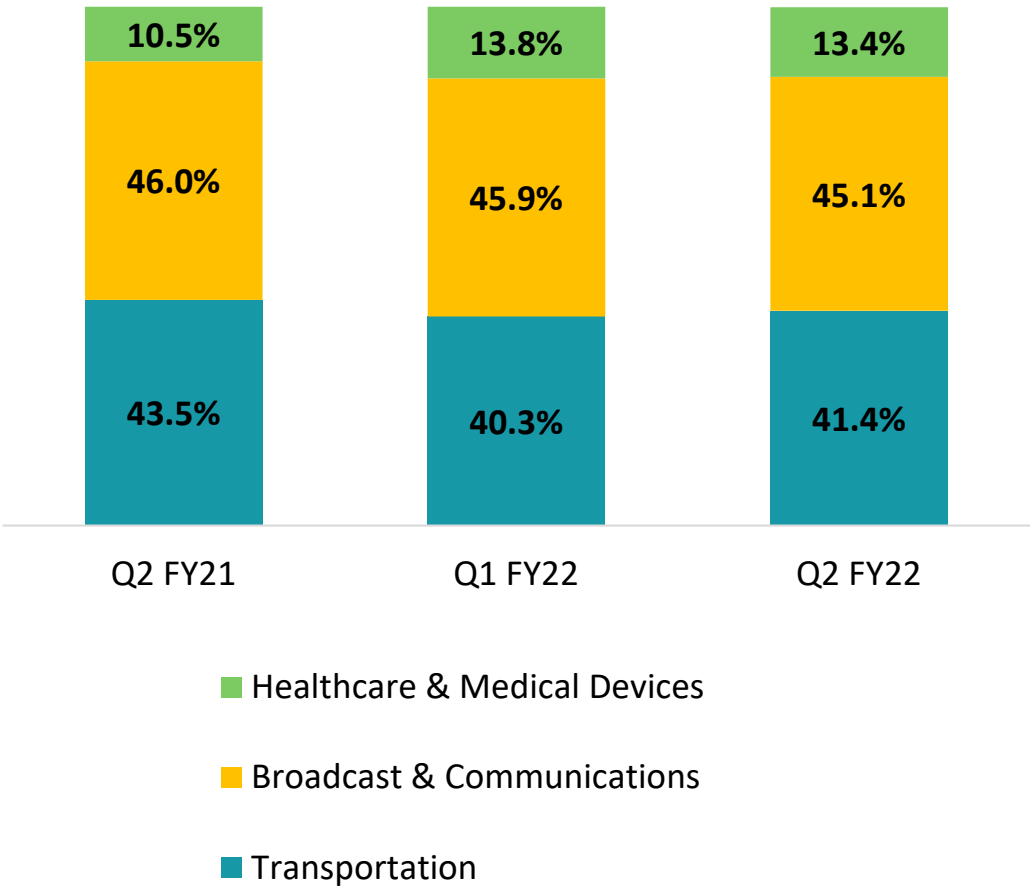


Employee Metrics



# EPD Operational Performance – Q2 FY22

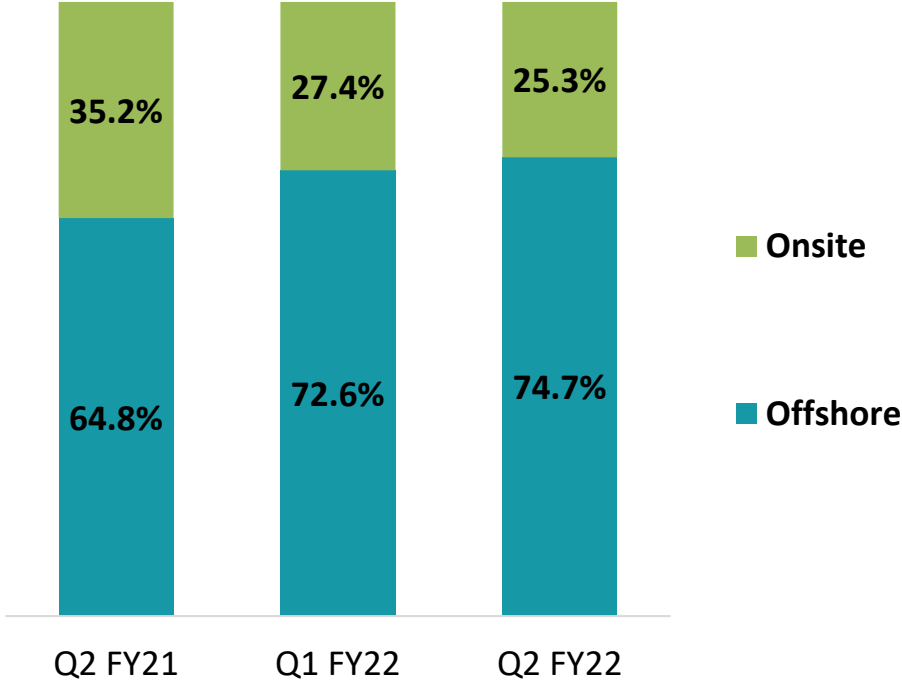
Revenue By Industry



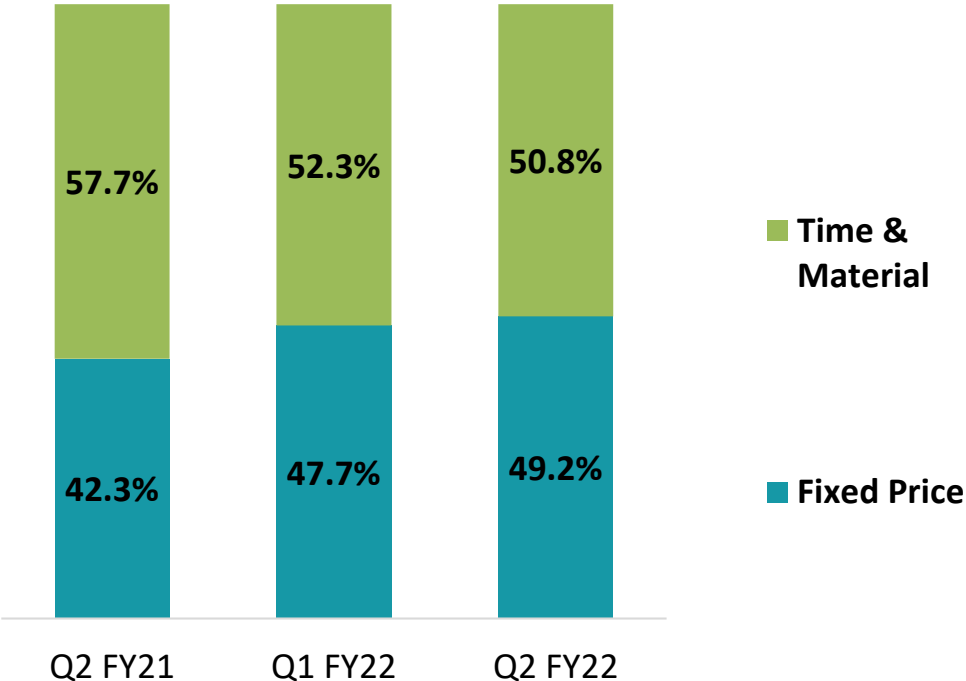
Industry	Constant Currency Growth	
	Q-o-Q	Y-o-Y
Transportation	14.1%	28.4%
Media & Communications	8.6%	31.2%
Healthcare & Medical Devices	6.9%	72.7%
Total (EPD)	10.6%	34.4%

# EPD Operational Performance – Q2 FY22

Revenue By Onsite / Offshore Mix



Revenue By Contract Type Mix





## About us

Incorporated in 1989, Tata Elxsi is amongst the world's leading providers of design and technology services across industries including Automotive, Media, Communications and Healthcare.

Tata Elxsi provides integrated services – from research and strategy, to electronics and mechanical design, software development, validation and deployment, and is supported by a network of design studios, global development centers and offices worldwide. We combine deep domain expertise with over 30 years of technology and product development experience, that enable brands to differentiate and win.

Tata Elxsi is helping customers reimagine their products and services through design thinking and application of digital technologies such as IoT (Internet of Things), Cloud, Mobility, Virtual Reality and Artificial Intelligence.

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