

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF TATA ELXSI LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **TATA ELXSI LIMITED** ("the Company") and its subsidiary (the Company and its subsidiary constitute "the Group") for the year ended March 31, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement has been prepared on the basis of the related annual financial statements, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related annual consolidated financial statements, which have been prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 under the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) includes the results of TATA Elxsi (Singapore) Pte limited;
 - (ii) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and
 - (iii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Group for the year ended March 31, 2014.

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4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding, in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to the investor complaints disclosed in Part II - Select Information for the year ended March 31, 2014 of the Statement, from the details furnished by the Registrars.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 008072S)



V. Balaji
Partner

(Membership No. 203685)

MUMBAI, April 22, 2014
VB/VMS/2014

TATA ELXSI LIMITED

CIN: L85110KA1989PLC009968

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

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2014

PART I

(Rs. in lakhs)

Particulars	01 Jan 2014 to 31 Mar 2014	01 Oct 2013 to 31 Dec 2013	01 Jan 2013 to 31 Mar 2013	01 Apr 2013 to 31 Mar 2014	01 Apr 2012 to 31 Mar 2013
1 Income from operations					
(a) Net sales/income from operations	21,151.92	20,012.32	16,343.17	77,478.57	62,167.12
(b) Other operating income	-	-	-	-	-
Total income from operations (net)	21,151.92	20,012.32	16,343.17	77,478.57	62,167.12
2 Expenses					
(a) Purchases	2,363.96	1,334.09	1,405.90	7,493.71	5,974.45
(b) Changes in inventories of stock-in-trade	23.31	8.02	33.50	31.22	(29.09)
(c) Employee benefits expense	10,508.66	10,435.61	9,023.25	40,295.96	35,149.27
(d) Depreciation and amortisation expense	1,167.81	926.49	588.21	3,498.66	2,372.53
(e) Other expenses	3,559.29	3,879.06	3,665.45	16,012.07	13,866.81
Total expenses	17,623.03	16,583.27	14,716.31	67,331.62	57,333.97
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	3,528.89	3,429.05	1,626.86	10,146.95	4,833.15
4 Other Income (Refer Note No.2)	24.61	(115.10)	(260.66)	1,254.33	483.96
5 Profit / (Loss) from ordinary activities before finance costs & exceptional items (3 + 4)	3,553.50	3,313.95	1,366.20	11,401.28	5,317.11
6 Finance costs	3.94	40.41	97.08	182.68	390.76
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	3,549.56	3,273.54	1,269.12	11,218.60	4,926.35
8 Exceptional items (Refer Note No.3)	-	-	-	-	(1,589.57)
9 Profit / (Loss) from Ordinary Activities before tax (7 + 8)	3,549.56	3,273.54	1,269.12	11,218.60	3,336.78
10 Tax expense	1,364.63	1,117.86	455.59	3,992.41	1,099.41
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	2,184.93	2,155.68	813.53	7,226.19	2,237.37
12 Share of loss from associate Company (Refer Note No.4)	-	-	-	-	106.55
13 Net Profit / (Loss) for the period / year (11 - 12)	2,184.93	2,155.68	813.53	7,226.19	2,130.82
14 Paid-up equity share capital (equity shares of Rs.10/- each)	3,113.82	3,113.82	3,113.82	3,113.82	3,113.82
15 Reserves excluding Revaluation Reserves as per balance sheet				20,327.68	16,403.50
16 Earnings per share (not annualised)					
- Basic / diluted EPS before extraordinary items	7.02	6.92	2.61	23.21	6.84
- Basic / diluted EPS after extraordinary items	7.02	6.92	2.61	23.21	6.84

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2014

PART II

Particulars	01 Jan 2014 to 31 Mar 2014	01 Oct 2013 to 31 Dec 2013	01 Jan 2013 to 31 Mar 2013	01 Apr 2013 to 31 Mar 2014	01 Apr 2012 to 31 Mar 2013
A PARTICULARS OF SHAREHOLDING					
1 Public shareholding					
- Number of Shares	1,70,90,588	1,70,90,588	1,70,90,588	1,70,90,588	1,70,90,588
- Percentage of shareholding	55%	55%	55%	55%	55%
2 Promoters and Promoter Group shareholding					
a. Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b. Non - encumbered					
- Number of Shares	1,40,47,632	1,40,47,632	1,40,47,632	1,40,47,632	1,40,47,632
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100	100	100	100	100
- Percentage of shares (as a % of the total share capital of the Company)	45%	45%	45%	45%	45%

Particulars	3 months ended 31 March 2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	1
Received during the quarter	4
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	3



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STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2014

SEGMENT RESULTS

Particulars	(Rs. in lakhs)				
	01 Jan 2014 to 31 Mar 2014	01 Oct 2013 to 31 Dec 2013	01 Jan 2013 to 31 Mar 2013	01 Apr 2013 to 31 Mar 2014	01 Apr 2012 to 31 Mar 2013
1 Segment Revenue					
a System Integration & Support Services	2,657.79	1,713.89	1,817.49	9,208.35	6,872.10
b Software Development & Services	18,494.13	18,298.43	14,525.68	68,270.22	55,295.02
Net income from Sales/Services	21,151.92	20,012.32	16,343.17	77,478.57	62,167.12
2 Segment Results					
a System Integration & Support Services	251.75	172.78	158.76	842.56	169.77
b Software Development & Services	4,276.95	4,078.71	1,837.94	13,790.44	6,238.99
Total	4,528.70	4,251.49	1,996.70	14,633.00	6,408.76
Less: Interest & Finance Charges	3.94	40.41	97.08	182.68	390.76
Unallocable Expenditure (net of unallocable income)	975.20	937.54	630.50	3,231.72	2,681.22
Profit before Tax	3,549.56	3,273.54	1,269.12	11,218.60	3,336.78
3 Capital Employed.					
a System Integration & Support Services	809.01	1,057.09	576.38	809.01	576.38
b Software Development & Services	15,750.94	12,804.18	12,705.86	15,750.94	12,705.86
	16,559.95	13,861.27	13,282.24	16,559.95	13,282.24
Add: Unallocable Capital Employed	5,561.68	8,464.16	8,511.29	5,561.68	8,511.29
Total	22,121.63	22,325.43	21,793.53	22,121.63	21,793.53

STATEMENT OF ASSETS AND LIABILITIES

Particulars	(Rs. in lakhs)	
	As at Mar 31, 2014	As at Mar 31, 2013
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	3,113.82	3,113.82
(b) Reserves and surplus	20,327.68	16,403.50
Sub-total	23,441.50	19,517.32
2 Non-current liabilities		
(a) Long-term provisions	511.29	505.77
(b) Deferred tax liabilities (Net)	684.00	447.00
Sub-total	1,195.29	952.77
3 Current liabilities		
(a) Short-term borrowings	-	5,850.65
(b) Trade payables	6,578.91	5,318.87
(c) Other current liabilities	3,364.29	2,984.56
(d) Short-term provisions	4,252.98	1,901.29
Sub-total	14,196.18	16,055.37
TOTAL - EQUITY AND LIABILITIES	38,832.97	36,525.46
B ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	7,006.89	7,249.21
(ii) Intangible assets	2,676.20	2,664.79
(iii) Capital work-in-progress	959.75	447.07
(iv) Intangible assets under development	302.41	1,679.25
Sub-total	10,945.25	12,040.32
(a) Non-current Investments	-	-
(b) Long-term loans and advances	4,058.76	5,443.96
Sub-total	15,004.01	17,484.28
2 Current assets		
(a) Inventories	-	31.22
(b) Trade receivables	15,561.11	14,097.51
(c) Cash and cash equivalents	5,146.73	2,329.93
(d) Short-term loans and advances	1,201.93	1,008.42
(e) Other current assets	1,919.19	1,574.10
TOTAL ASSETS	38,832.97	36,525.46



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STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2014

Notes:

1 The above figures have been reviewed by the Audit Committee and approved by the Board of Directors on 22 April, 2014.

2	Other income includes: Exchange gain / (loss)	Quarter ended 31 Mar 2014	Quarter ended 31 Dec 2013	Quarter ended 31 Mar 2013	Year ended 31 Mar 2014	Year ended 31 Mar 2013
		(112.66)	(121.35)	(338.60)	978.95	120.67

3 Exceptional item in the previous year relates to the settlement of the demand received from the Banker to whom the Company had given a financial guarantee on behalf of A Squared Elxsi Entertainment LLC, USA ("A2E2"), an entity that was proposed to be a joint venture company of the Company.

4 Share of loss in associates in the previous year relates to share of loss in A2E2, restricted to the aggregate of share capital / share application money

5 Dividend at Rs.9/- per share for 2013-14 has been recommended by the Board of Directors.

6 The following are the particulars of the Company on a stand-alone basis

	Quarter ended 31 Mar 2014	Quarter ended 31 Dec 2013	Quarter ended 31 Mar 2013	Year ended 31 Mar 2014	Year ended 31 Mar 2013
	21,151.19	19,859.83	15,763.15	77,209.76	60,468.64
Turnover	3,729.94	3,264.27	1,223.67	11,498.54	3,176.19
Profit before tax	2,367.19	2,147.57	771.27	7,510.74	2,098.94
Profit after tax					

7 The detailed standalone results of the Company are available on the Company's website - www.tataelxsi.com

8 Previous period's / year's figures have been regrouped wherever necessary.

By Order of the Board
for TATA ELXSI LIMITEDMadhukar Desai
Managing Director

Mumbai, 22 April, 2014

