

**MINUTES OF THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF
TATA ELXSI LIMITED HELD ON FRIDAY 18TH JULY, 2014 AT 12.30 PM
AT DEVRAJ URS BHAVAN (BEHIND Dr. AMBEDKAR BHAVAN) 16 D,
MILLERS TANK BED AREA, BANGALORE 560 052.**

PRESENT As per admission slips.

CHAIR Mr. S. Ramadorai occupied the Chair pursuant to the provisions of Article 88 of the Articles of Association of the Company.

QUORUM The Chairman declared that the quorum was present at the Meeting and called the Meeting to order.

NOTICE Notice dated 22nd April, 2014 convening the Twenty-fifth Annual General Meeting was taken as read with the consent of the Members present.

SUMMARY OF THE CHAIRMAN'S SPEECH The Chairman welcomed the members to the Twenty-fifth Annual General Meeting of the Company and introduced the Directors on the dais. He announced that 59 shareholders personally present & 6 proxies and the following directors were present:

1. Mr. S. Ramadorai
2. Mr. Patrick McGoldrick
3. Mr. P.G.Mankad (Chairman, Stakeholders Relationship Committee)
4. Dr. R. Natarajan (Chairman, Nomination and Remuneration Committee)
5. Mrs. S. Gopinath (Chairperson, Audit Committee)
6. Mr. Madhukar Dev, Managing Director & CEO

Mr. V. Balaji, Partner, Deloitte Haskins & Sells, Statutory Auditors was also present at the meeting.



He mentioned that as per the provisions of company law, shareholders personally present could speak at the Meeting and vote on a show of hands but proxies are not allowed to speak and vote by show of hands. He added that since Company has conducted e-voting there will not be any show of hands for approving the resolutions. He further added that in compliance with the provisions of Section 108 of the Companies Act, 2013 ("Act"), read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company had provided to the Members the facility to exercise their right to vote at the 25th Annual General Meeting by electronic means. For the benefit of Members who do not have access to e-voting facility, ballot forms were also sent along with the Notice of the Annual General Meeting, to enable them to send their assent or dissent by post.

He further added that pursuant to Section 107 of the Act, there will be no voting on the resolutions by show of hands. However, for the benefit of shareholders who are present at the meeting and who have not cast their votes through e-voting/ballot form, a poll is being conducted at the end of the meeting. In case a shareholder has already cast his/her vote through e-voting /sent his/her ballot form, then such a shareholder should not cast his/her vote on a poll since such vote will be considered as invalid. Mrs. Jayashree Parthasarathy, a Practising Company Secretary, has been appointed as Scrutinizer for scrutinizing the e-voting process and votes received through post. Mrs. Parthasarathy has also been appointed as Scrutinizer for scrutinizing the poll process in a fair/transparent manner".

Thereafter Chairman made his speech as below:-



Quote

It gives me great pleasure to welcome you all to the Twenty-fifth Annual General Meeting of the Company. During the year under review, your Company put in concerted efforts to grow revenues from the embedded and industrial design services, focused on solutions and services in the systems integration business, and containing costs of its animation and visual effects business. These efforts have resulted in a significantly improved top line and bottom line performance.

With these opening words, I would now like to present salient aspects of your Company's performance for the financial year 2013-14.

The total consolidated income during the year under review was Rs. 787.78 crores registering an increase of 26% over the previous year.

The Profit Before Tax (PBT) was Rs. 112.19 crores, as against Rs. 33.37 crores in the previous year, registering a growth of 236% over the previous year.

The Profit After Tax (PAT) was Rs. 72.26 crores, as against Rs. 21.31 crores in the previous year, an increase of 239%.

Based on Your Company's performance, the board has recommended a dividend of 90% for the year 2013-14, for your consideration at this meeting.

I would now like to share with you a brief outlook on the two business segments of your Company, namely the 'Software Development & Services' segment and the 'Systems Integration & Support' segment.

The revenue from the Software Development and Services business segment for the year 2013-14 has registered an increase of 23% to Rs. 682.70 crores in FY14. The segment's profit was Rs. 137.90 crores.

This segment comprises of three divisions, and I would like to present a brief overview.

The Embedded Product Design division, designs and develops electronic products including software, hardware and complete systems for customers in the Broadcast and Consumer Electronics; Healthcare; Telecom; and Transportation industries. This is supported by a skilled technical workforce, well-established development processes and in-depth understanding of technology.

Its revenues grew 26% over the previous year, exceeding



the industry average and NASSCOM's projections for growth of R&D services for FY14.

Your Company engages with Broadcast service providers across the world for the development of value-added applications that enhance the experience of their services and helps them reduce engineering costs associated with service deployment.

Next generation cloud computing technologies and Internet bandwidth efficiency are driving the availability and consumption of content anywhere and everywhere. The Internet of Things (or IoT as it is called) is allowing additional services on the same medium to enable services such as home automation, home surveillance and collaboration for the connected home. Your Company is targeting engagements with service providers and product manufacturers to address these emerging opportunities.

As operators compete to provide triple play services of voice, video and data to the same subscriber base, the industry will undergo consolidation especially in mature markets and differentiation will be driven through value-added services and user experience. This is expected to create software development and testing opportunities for Your Company and others in this space.

Your Company is developing licensable solutions and frameworks that can help customers improve time-to-market and improve the quality of their service and products. It has recently won some orders for licensing and customization of these solutions. This is a significant step in establishing credibility and customer references for future business. It also successfully licensed its in-house developed Ultra High Definition (UHD) video decoder software to a US based company, which will enable very high-quality video on embedded devices.

Your company works with networking & wireless communications product companies for product development, testing and maintenance.

Both the enterprise and service provider markets are experiencing increased adoption of Internet Protocol based voice and video communications, and cloud-based applications that can be enabled on any connected device. Your Company is working with leading product companies to build next generation voice and video



solutions, based on the latest cloud technology.

Your Company offers electronics, software development and system design services for the automotive and aerospace industry.

Due to the regulatory pressure for stringent emission and safer transport from various governments across the world, the demand for intelligent electronics is expected to increase substantially.

Automotive manufacturers are investing significantly in technologies and R&D for hybrid vehicles. Your Company is engaging with leading manufacturers and systems suppliers for the development of next-generation hybrid vehicles.

Automotive manufacturers are also investing in advanced driver assistance systems using sensors and cameras to make driving safer and less tiring. Your company is supporting the development of such systems for leading customers.

In-Vehicle Infotainment is another growing segment within Automotive Electronics, as cars get connected and support applications such as navigation, location based services, hands-free telephony and voice based interaction. This requires experience with integration of multiple technologies, along with enhanced user interfaces to allow drivers to use these features easily and without distraction.

Your Company is uniquely poised to exploit this unfolding market, and is also working with some leading aerospace OEMs and suppliers for avionics and electronics design.

Among the many projects executed for customers in the transportation industry, it designed a complete Electronic Control Unit for a hybrid electric vehicle, including software and hardware, for a leading Japanese automotive manufacturer. The hybrid vehicle was successfully released in the market in June 2013.

It also supported India's Mars Orbiter mission – Mangalyaan by designing the Data Control Hardware that was installed in the Mars Orbiter and launched into space on November 5th, 2013.

The Industrial Design Division helps customers develop successful brands and products by using design as a



strategic tool for business success. This team delivers innovation and design services for the Automotive, Communications, Consumer products, Healthcare and Retail markets.

This division has supported the launch of over a hundred brands and products across the world, and won several international awards and patents for design and innovation.

This division reported growth in FY14 that exceeded CII's projections for the Indian design industry.

It was declared the winner of the first Automotive Grade Linux (AGL) User Experience Contest in the "Best User Experience" category for its concept of a next-generation user interface for cars.

With increasing competition in the services sector, companies may need to redesign their service workflow and customer touch points to create a better customer or end-user experience.

Service design is an emerging opportunity for the Industrial Design division across multiple segments such as Retail, Travel, Hospitality, and Banking.

As an example, the Industrial Design team worked with GVK to create an enhanced traveler experience at Mumbai International Airport's new integrated Terminal 2, while increasing efficiency and productivity for the airport staff. As part of this project, the team designed entertainment zones, customer service zones, general and lifestyle seating areas in the main terminal area.

It also worked with St. James' Court, a Taj group hotel in central London, to redefine the visual identity of the hotel by executing over one hundred design interventions that encompassed amenities, service, communication and promotional collateral and stationery, as a part of this project.

Visual Computing Labs or VCL as it is called provides high-end Animation and Visual Effects (VFX) services. It caters to the entertainment industry by providing these services for feature films, episodic television serials and high-end gaming. It also caters to the marketing and advertising industry by providing these services for TV ad commercials and corporate videos for visualization and new product launches.



VCL won the Best Visual Effects award for “Dhoom 3”, at both the 59th Filmfare Awards and the Star Guild Awards 2014, thereby strengthening its position as the leading creative services company in India. It was also recognized for its stellar work in delivering visual effects for “Bhaag Milkha Bhaag”.

The Systems Integration and Support business segment reported revenues of Rs. 92.1 crores in FY14, registering an increase of 34%. The profits of this segment were Rs 8.4 crores during FY14, as against Rs. 1.7 crores in FY13.

It implements and integrates complete systems and solutions for High-Performance Computing, Computer Aided Design and Manufacturing, Virtual Reality, Storage and Disaster Recovery.

It also provides Professional Services for maintenance and support of IT infrastructure in India and overseas.

This segment continues to focus on increasing the share of software sales and support services to improve margins.

Your company looks forward to continued growth, leveraging its focus on select industry segments, key customers and geographies.

During the year, your Company has invested in increasing its sales presence in key geographies and expanding its market reach to new markets.

It is also continuing to invest in enhancing its talent base through training, skill development to better address emerging technologies and requirements in its target market verticals.

In closing, on behalf of the Board, I would like to thank you - our esteemed shareholders, valued customers, business partners and all employees of Tata Elxsi for your continued confidence and support.

Unquote

AUDITORS' REPORT At the request of the Chairman, Mr. G. Vaidyanathan, Company Secretary, read the Auditors' Report to the members on the Accounts for the year ended March 31, 2014.



RESOLUTION NO.1 The Chairman then proposed the first Resolution, dealing with approval of the Accounts and Directors Report and related documents forming part thereto for the year ended 31st March, 2014 duly seconded by Mr. Pandu Rao, and requested members to raise their observations on the Accounts and the Company's performance, before putting the resolution to vote:

“RESOLVED that the Statement of Profit & Loss of the Company for the year ended 31st March, 2014 Balance Sheet of the Company as at 31st March, 2014, the Cash Flow Statement for the year ended 31st March, 2014 the Auditors' Report thereon and the Report of the Board of Directors of the Company for the said year be and are hereby approved”.

Members then mentioned their observations/queries covering the Capitalisation of Reserves, Growth Strategy, other accounts related matters and non-receipt of Annual Accounts which was replied by the Chairman accordingly.

RESOLUTION NO.2 Proposed as an Ordinary Resolution by Mr. R.Honavar and seconded by Mr. Pandu Rao.

“RESOLVED that in respect of the financial year ended 31st March, 2014 the Final Dividend of Rs. 9.00 per share (90%) recommended by the Board of Directors at their Meeting on 22nd April, 2014 be and is hereby declared and approved”.

RESOLUTION NO.3 Proposed as an Ordinary Resolution by Mr. R. Honavar and seconded by Mr. Pandu Rao.



“RESOLVED that M/s Deloitte Haskins and Sells, Chartered Accountants (Registration No.008072), be and are hereby reappointed as Statutory Auditors of the Company to hold office for a period of three years (3 years) from the conclusion of this Annual General Meeting up to the conclusion of the 28th Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) and to examine and audit the accounts of the Company for 3 (Three) Financial Year commencing 2014-15 at a remuneration to be decided by the Board of Directors and reasonable out of pocket expenses incurred by them in connection with the audit, on the recommendation of the Audit Committee”.

RESOLUTION NO.4 Proposed as an Ordinary Resolution by Mr. Pandu Rao and seconded by Mr. N. Chandrashekhar

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mrs. Shyamala Gopinath, holding DIN 02362921, a non-executive director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from 18th July, 2014 up to 17th July, 2019.”

RESOLUTION NO.5 Proposed as an Ordinary Resolution by Mr. Pandu Rao and seconded by Mr. N. Chandrashekhar

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any,



of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Dr. R. Natarajan, holding DIN 00001638, a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from 18th July, 2014 up to 9th January, 2016”.

RESOLUTION NO.6 Proposed as an Ordinary Resolution by Mr. Pandu Rao and seconded by Mr. N. Chandrashekhar

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Piyush G Mankad, holding DIN 00005001, a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from 18th July, 2014 up to 18th November, 2016”.

RESOLUTION NO.7 Proposed as an Ordinary Resolution by Mr. Pandu Rao and seconded by Mr. N. Chandrashekhar

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Patrick McGoldrick,



holding DIN 00407203, a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from 18th July, 2014 up to 17th July, 2019.'

RESOLUTION NO.8

Proposed as an Ordinary Resolution by Mr. Pandu Rao and seconded by Mr. N. Chandrashekhar

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 [corresponding Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act 1956 read with Schedule XIII of the Companies Act, 1956], the Company hereby approves the re-appointment of Mr. Madhukar Dev (DIN:00082103) as Managing Director & CEO of the Company for a period of three (3) years commencing from January 16, 2014 up to January 15, 2017 on the terms and conditions, as contained in the draft agreement to be executed between the Company and Mr. Madhukar Dev, set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of Mr. Madhukar Dev the Company has no profits or its profits are inadequate, the Company will, subject to the approval of the Central Government, if any, continue to pay remuneration by way of salary, incentive remuneration and perquisites & allowances as set in the Explanatory Statement.



RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof, be and is hereby authorized to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed and to do all such acts, deeds, matters and things as may be necessary, proper and expedient to give effect to this resolution.'

The Chairman declared the Meeting as closed. He stated that the combined results of the votes cast through e-voting, ballot and poll taken at the meeting, on all resolutions, once finalized would be uploaded on the Company's website and intimated to the stock exchanges by the Company Secretary.

The meeting concluded with a vote of thanks to the Chair.

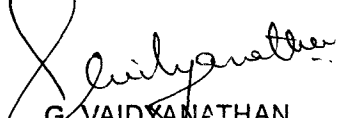
Dated:13th August, 2014

s/d

S. Ramadorai
CHAIRMAN

CERTIFIED TRUE COPY

for TATA ELXSI LIMITED


G. VAIDYANATHAN
COMPANY SECRETARY

