



## 34th Annual General Meeting

Tuesday, July 04, 2023

**Management:**

- Mr. N.G. Subramaniam – Chairman
- Mrs. Shyamala Gopinath – Independent Non-Executive Director
- Mr. Sudhakar Rao – Independent Non-Executive Director
- Prof. Anurag Kumar – Independent Non-Executive Director
- Mr. Ankur Verma – Director
- Mr. Manoj Raghavan – Chief Executive Officer and Managing Director
- Ms. Cauveri Sriram – Company Secretary
- Mrs. Jayashree Parthasarathy – Secretarial Auditor, KPMG, Statutory Auditors
- Mr. Madan B – Scrutinizer

**Moderator:** Dear shareholders, good afternoon and a warm welcome to the 34th Annual General Meeting of Tata Elxsi Limited. As a reminder, for the smooth conduct of the meeting, the members will be in the mute mode and audio and video will be enabled when they are called upon to speak at the AGM as per the pre-registration. Please note that as per the requirements, the proceedings of the annual general meeting will be recorded and available on the website of the company.

I now hand over the proceedings to Ms. Cauveri Sriram, Company Secretary of Tata Elxsi Limited. Over to you ma'am.

**Cauveri Sriram:** Thanks Bevin. A very good afternoon and let me extend a warm welcome to the 34th Annual General Meeting of Tata Elxsi Limited. This meeting is being held through video conference in adherence with directives and relevant circulars issued by the MCA and SEBI. The company has taken all necessary steps to ensure that shareholders are provided with an opportunity to participate in this AGM through video conferencing. The proceedings of this meeting are being webcast live on the NSDL platform.

In accordance with the Articles of Association of the company, Mr. N.G. Subramaniam, Chairperson of the Board of Directors, will chair this meeting. The notice convening the 34th AGM along with the annual report of the company was sent to all shareholders whose email was available with the depositories, company and the registrar. As the AGM is being held through VC, the appointment of proxies has been dispensed with. In terms of the provisions of the Companies Act and SEBI LODR, the company has facilitated the option of voting to all businesses as mentioned in the notice by way of remote e-voting, which was open from 30th June until 3rd July.

The members who have not voted through remote e-voting can cast their vote during the AGM and 15 minutes thereafter by way of e-voting available on the NSDL platform. There will be no proposing or seconding of the resolutions. Please note that all the participants will be on mute mode only. Shareholders who have joined through the NSDL link can post their queries with the communicate option available on the screen and these queries shall be responded to.

Those shareholders who have pre-registered their names for the Q&A session will be called serially and their audio and video will be unmuted. The speaker shareholders are requested to wait for at least 30 seconds for their audio and video to be enabled for a seamless communication. Each speaker shareholder is requested to restrict their query to a maximum of 3 minutes. I would also like to inform that the shareholders, that the representatives of our promoters, Tata Sons Private Limited, have joined the meeting through video conferencing.

We also have representatives from KPMG, our Statutory Auditors, Mrs. Jayashree Parthasarathy, Secretarial Auditor, and Mr. Madan B, who has been appointed as a Scrutinizer for the e-voting process, who have attended this meeting through video conferencing. I would now request Mr. N.G. Subramaniam, Chairman, to conduct the proceedings of the meeting. Thank you.

**N.G. Subramaniam:** Namaskar. Good afternoon to all of you. It is my absolute pleasure and privilege as your Chairman to welcome all of you to the company's 34th Annual General Meeting. On behalf of the Board of Directors and everyone at Tata Elxsi Limited, I thank you for your continued trust, encouragement and support to the company and its management. In adherence to the government's directives, the 34th Annual General Meeting of Tata Elxsi Limited is being conducted through video conference.

I have Mr. Manoj Raghavan, MD and CEO of your company and Mrs. Cauveri Sriram, Company Secretary along with me in Bangalore where we are headquartered. The other directors of the board have joined the meeting remotely. Let me begin by introducing your board of directors. I now invite Mrs. Gopinath to introduce herself, please.

**Shyamala Gopinath:** Good afternoon to all of you. This is Shyamala Gopinath. I am joining from my daughter's residence in California. I chair the Audit Committee and the Nomination and Remuneration Committee and I am also a member of the CSR Committee. Thank you. It is a privilege to be with all of you.

**N.G. Subramaniam:** Thank you, ma'am. Mr. Sudhakar Rao.

**Sudhakar Rao:** Good afternoon everyone. I am Sudhakar Rao joining this 34th Annual General Meeting of Tata Elxsi from my residence or my place of stay in Singapore. I am a member and the chairman of the CSR committee of the board and also the stakeholders committee and I'm on the audit committee. So, welcome to you once again for this AGM. Thank you.

**N.G. Subramaniam:** Thank you Mr. Rao. Professor Anurag Kumar.

**Anurag Kumar:** Good afternoon. This is Dr. Anurag Kumar logging in from my home in Bangalore. I am an independent director of the company, Tata Elxsi and I chair the Risk Management Committee, the Ethics Committee and I am also a member of the stakeholder relationship committee and the audit committee. I am happy to be here, welcome to everyone.

**N.G. Subramaniam:** Thank you Professor Kumar. Mr. Ankur Verma.

**Ankur Verma:** Good afternoon everyone, my name is Ankur Verma, I am the director of the company and I am also the member of an audit committee. I am joining this meeting from Mumbai, my office today. Thank you and it is a privilege to be part of this committee. Thank you.

**N.G. Subramaniam:** Thank you, Ankur. Mr. Manoj Raghavan.

**Manoj Raghavan:** Good afternoon. I am Manoj Raghavan. I am the MD and CEO of Tata Elxsi and I am joining the meeting from our registered office at Bangalore. Welcome once again to all the shareholders.

**N.G. Subramaniam:** Thank you fellow directors. As the requisite quorum is present, with your permission, I now call the meeting to order. In terms of the MCA notifications, as the shareholders are allowed to join the AGM personally through video conference, the necessity of appointing proxies is dispensed with. I would like to mention that those shareholders who have pre-registered with the company

will be called upon one by one to post their questions, queries and feedback during the question and answer session.

Let me deliver my customary speech at this AGM. As your chairperson, I take great pleasure in once again welcoming you all to this 34th Annual General Meeting. On behalf of the Board of Directors and everyone at Tata Elxsi Limited, I would like to thank you for the trust and confidence that you have placed in us and I look forward to your continued support. I am pleased to chair this Annual General Meeting this afternoon.

In the financial year 2023, we witnessed another year of strong and sustained top-line growth while maintaining industry-leading margins. I would like to thank my co-directors for their able guidance, CEO and MD Manoj Raghavan, the senior leadership team, and the entire Tata Elxsi staff for an outstanding performance during the year under review. The integrated annual report for the year ended 31st March 2023, along with the director's report and audited annual accounts of the company have been shared with you. May I request that these be taken as read.

I would now share with you the key aspects of your company's financial performance for the year 2022-23. I will follow that by certain highlights on operations, human resources, our commitment to the community and environment, and a brief overview of the overall business environment and the outlook for the coming financial year. Firstly, let me reflect on the company's financial performance for the year passed by.

The total income for your company for the financial year 2022-23 increased by 28% from INR2,515.3 crores to INR3,218.5 crores. The operating revenue grew by 27.3% to INR3144.7 crores. The profit before tax increased by 25.8% from INR745.5 crores to INR937.5 crores. The profit after tax for the financial year was INR755.2 crores, growing strongly by 37.4% from INR549.7 crores.

The top line growth was the result of strong performance by the company in all the key geographies of the United States, Europe, and Asia-Pacific. The company's unique design-led engineering offerings help your company deepen its engagements with the current customers and start new client engagements. Your company's deep domain expertise in the areas of software-defined vehicles, communication technologies including 5G and digital healthcare has helped in securing business arising from impact of connectivity, software, and digital technologies in the chosen industry verticals.

I now share some of the highlights related to key segments of your company's business. In the transportation segment, your company has built strong capabilities in the domains of connected, autonomous, and electric vehicles. In the financial year, this segment witnessed a healthy growth of 32.7%. This is the strongest growth that the transportation segment of your company has witnessed in the last three years.

Your company's strong capabilities in software development services and solutions for electric vehicles, power trains, advanced driver assistance systems, autonomous vehicles, infotainment systems and related areas, coupled with long-term engagements with leading OEMs and Tier 1 suppliers, is making Tata Elxsi a leader in this particular segment. As the world is moving close

to zero emission deadlines announced by the US and various other countries in Europe, there is significant push from the automotive OEMs to bring better zero emission cars to the market.

This is propelling adoption of associated e-mobility technologies along with continued adoption and evolution of features such as advanced driver assistance systems, autonomous vehicles and connected infotainment. Your company expects this trend to continue in the coming years and is committed to keep pushing the envelope of innovation in connected, autonomous and electric vehicles.

To build future ready solutions in electric mobility, your company recently signed an MOU with the Indian Institute of Technology, Guwahati, to jointly work on developing and commercializing state-of-the-art solutions for the electric mobility market. In the media, broadcast, and communication segment, your company works with leading multi-system operators, broadcasting companies and studios across the world to help them roll out multi-play services with optimized viewing experience.

Your company also supports its customers in their digital transformation journey in the areas of ad tech and workflow management and assists in their integration, process automation and network transmission efforts. In the current challenging environment for the global media and communication industry, this segment witnessed a growth of 18.2% over the previous financial year. The growth in health care segment is being driven by digitalization of health care, where devices are becoming connected and more software driven.

Digital patient engagement platforms are proliferating amongst healthcare services providers and are seeing higher adoption by patients. Your company has a strong portfolio of digital health platforms, addressing the growing opportunities in omni-channel care, digital therapeutics, and patient assistance. In the financial year, your company's health care and medical devices business grew by 37.6% year on year.

Complementing the technology and software development services, your company offers industrial design services to our customers worldwide. It's an integral part of the design digital capabilities and includes services like consumer research and strategy, product design, service design, and user experience design. This division helps in creating strong traction through design-led ideas and deals. The industrial design business grew by 24.4% year-on-year during the financial year.

Your company's system integration support services provides professional services for cloud and infrastructure management, virtual reality, and augmented reality. It uniquely blends your company's capabilities in technology, design, and content of turnkey development of virtual reality labs, world-class experience centers, and training and safety centers. During the financial year, system integration business grew by 54.9% year on year. Let me now share with you the highlights of human resources and talent in your company.

Your company considers its employees and their success as key factors of the company. Company is committed to fostering a workplace culture that values diversity, inclusivity, and collaboration. Our people-centric policies and efforts contribute to the development of our

employees and significant improvement in our operational effectiveness. Your company's newly adopted employee value proposition, '*Home to billion possibilities*' carries an idea of Tata Elxsi being a home to our people, where they are cared for, nurtured, and mentored, enabled to explore endless possibilities and pursue accelerated paths of career growth.

In line with our core thought process that success means growing together, your company has introduced the performance stock option plan, which will provide opportunity for the *Elxsians* to participate in long-term success of the organization. With access to some of the world's leading technology, management, and leadership training courses, coupled with our own digital repository and training content, our employees have the required resources for self-paced training and upskilling.

We are also committed to ensuring employee diversity and inclusivity at the workplace. 36% of our workforce are female employees, making us amongst the leaders in the technology and engineering R&D provider space. To ensure the overall well-being of our employees and their families, we are providing access to our premium healthcare platform to benefit all our employees and their family members. This is apart from the other facilities like access to a unified health care portal and one-to-one counseling services for employees who need them.

I would now share some updates on innovation initiatives of your company. For your company which operates on the forefront of digital technologies, innovation is key to its success and essential for its operations. Tata Elxsi has a dedicated patents team which actively supports innovators within your company with intellectual property rights management and various formalities related to the patent filings. Till date, your company has filed 111 patents and has been granted 36 patents.

As a testimony of your company's design-led engineering capabilities and its deep expertise in cutting-edge technologies, Tata Elxsi's futuristic Connected TV Solution won the prestigious Tata Innovista Award. Tata Elxsi also received the Innovative Company of the Year Award for the large enterprise services sector at the 9th Annual CII Industrial Innovation Awards 2022. To further the spirit of design and innovation, your company also announced a global contest for creating a sustainable design solution on the World Industrial Design Day.

The contest received over 180 design innovation submissions from across the world, including leading design schools from the United States, United Kingdom and India. Let me now address our commitment to the environment. Your company is committed to creating a sustainable future through our targeted initiatives, collaboration, renewable energy and responsible practices that benefit both the environment and the society.

The efforts under this include driving net zero, reducing waste, recharging groundwater, recycling everything and preserving nature and biodiversity. We have been replacing conventional lighting and equipment with energy efficient lighting and equipments. More than 38% of our energy electricity requirement that we currently use are coming from renewable sources. Your company recycles 100% of its wastewater that it produces. We also recycle our e-waste with the help of specialized agencies.

These initiatives are taking us closer to our aspiration to be 100% carbon neutral by 2030. In terms of contributing to our community, your company's CSR initiatives are run on three important themes that are important to all of us, education, health care and environment. Shiksha is an umbrella program under which we run several initiatives which support the underprivileged in their education and skill development. This includes scholarships for engineering diploma students, scholarships for students from underprivileged areas, skill development programs for transgenders and many more.

Under Niramai, we strive to make health care available to the needy, often at their doorsteps. The activities under Niramai include setting up network of clinics in slums and mobile clinics in tribal villages and many more initiatives which make health care accessible to the needy. Team Pariyavaran which was initiated in this financial year reinforces our commitment to the environment and brings in a more focused approach towards preservation of natural resources.

Under this team we have commenced a set of long-term programs, which includes rejuvenation and restoration of lakes in the vicinity of Tata Elxsi offices in Bangalore, creating an eco-campus in the CSIR facility in Trivandrum and planting over 2,500 trees and shrubs in the campus. And a project at Kodagu to improve the livelihood of 350 tribal farmers by enhancing their coffee yield significantly over the next three years.

Let me now discuss the overall business environment. Firstly, on technology, as digital technologies are becoming all pervasive, we are experiencing technologies like artificial intelligence, augmented reality, digital twins, and 5G take center stage and push the boundaries of experiential innovation. Talking of the automotive industry, with the advent of electric vehicles, technologies like connected cars and autonomous driving are seeing accelerated adoption.

To address these market shifts, automakers and suppliers are investing in platforms, products and technologies to address future opportunities in connected, autonomous and electric cars. Connected vehicles would also be increasingly generating immense amount of data which would open up new monetization opportunities for various players in the e-mobility ecosystem.

In the media and communication segment too, technologies like 5G, artificial intelligence-based personalized content delivery, and enhanced viewer engagement, augmented reality, virtual reality technologies, blockchain technologies for better copyright management are seeing faster adoption. They present immense opportunities for companies like Tata Elxsi. Your company with its competencies, strong talent base, and deep domain expertise is well positioned to address these opportunities.

Moving to the macroeconomic view, the global macroeconomic outlook is likely to remain volatile in the coming quarters with significant geopolitical risks and challenges around inflation and economic growth. Technology advancements and disruptions from artificial intelligence machine learning are likely to be there at an accelerated pace. Your company is investing adequately in building the required capabilities in AI ML, both predictive and generative, and be prepared to exploit such technologies in our products and services.

Your company's diversified presence in key geographies, verticals, alliances, research and innovation, and last but not the least, an agile operating model does provide the necessary mitigations. We are confident of keeping our growth momentum going by leveraging our deep domain expertise and our presence in key geographies across the world.

I would like to congratulate our CEO Mr. Manoj Raghavan, entire management team, staff and business associates for their excellent performance in the financial year 2022-23 and thank them for their commitment, passion, and contribution to Tata Elxsi. I would also like to record my appreciation for my fellow directors for their valuable guidance.

On behalf of the Board of Directors and our management and staff at Tata Elxsi Limited, I thank all of you, our valued shareholders, for your continued trust, support to the company and its management. Thank you very much.

We now move to the e-voting and question and answer sessions. I would like to now call the names of the shareholders who have pre-registered themselves with the company one by one to post their questions, queries, and feedback.

In case of any technical issues with any particular shareholder, who is the next shareholder in the queue will be called. The said shareholders can rejoin after the technical issue is restored. The moderator will unmute the audio and video once the shareholder's name is called out. They may kindly wait for 30 seconds for the video to activate. To ensure that we give opportunity to all participants, I would earnestly request each one of the shareholders to restrict your queries to maximum 3 minutes. Thank you. Dr. Arunkumar Boppana please.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute all your audio and video and you may proceed with your question.

**Arunkumar Boppana:** Good afternoon sir.

**N.G. Subramaniam:** Good afternoon Dr. Boppana.

**Arunkumar Boppana:** Thank you for your speech sir. You can smile and with a twinkle, twinkle in your eyes. Thank you for the smile. The success of Elxsi and the CS team does have many hands with one mind to lead. That is the success of Tata Elxsi sir. Thanks to Mrs. Cauveri Sriram for arranging this VC. And compliments sir, it is hard to express the sense of awe and satisfaction on the market cap after you took over as chairman. I hope it keeps rising upwards because I'm not a great share market investor, but I'm proud of Tata. Tata Elxsi is a global design and tech services company with wide range of expertise in various industries, harnessing power of AI, ML to improve the business processes.

And my question sir, Tata Elxsi has lots of opportunities to assist companies in digital transformation, in IOT, AI, etc. What are the opportunities and your comments on that side. Cybercrime what are the investments in cyber security to ensure our data protection for 24x7, 365 days because IT has given is mighty definitely it has given so much of tenacity and it has given so much of auto sync to the cyber criminals who are on the rampage nowadays. Emerging technologies uncharted territories are we doing enough in R&D, what is R&D budgets?



How does Tata Elxsi use a digital mission to create a seamless user experience ensuring usability and accessibility in terms of media and communication industry? The millionaires and workforce, they want to have life beyond clock and work time sir, because now they want a balanced lifestyle. What is Tata Elxsi's plans? What is Tata Elxsi's plans to match the skill mismatch currently with new age courses like coding, AI, robotics, etc.

And what is the subsequent transition to work as a springboard with healthcare and life sciences, concept ideation etc. Where do we stand? The strong presence in the automotive domain, service related connected cars and autonomous driving, what innovation did Tata Elxsi offer to Tata Motors last year? Sir, you said we are aiming for net zero emission, is it right sir? Chairman sir?

**N.G. Subramaniam:** Yes sir, yes sir.

**Arunkumar Boppana:** I want to add one thing sir, electric cars have become so silent, the buses and all, there is scope for lot of accidents, the accidents can be violent, too much silence may lead to accidents of violence so we have to take care of it. And lastly sir in conclusion, the potential is vast, we are merely scratching the surface, the future must be crafted and Tata Elxsi has a great future, I wish you all the best and thank you Chairman sir for giving me the opportunity, it is wonderful always interacting with you, thank you very much.

**N.G. Subramaniam:** Thank you Dr. Boppana. Mr. Anandaroop Sagar Datta please.

**Moderator:** We request you to kindly accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

**Anandaroop Sagar Datta:** Hello. I would like to express my thanks and gratitude to the Tata Elxsi management for giving me the opportunity to speak in this 34th AGM of Tata Elxsi, which also happens to be my very first AGM speech in my life as a common shareholder. I have been a Tata Elxsi shareholder since 2019. I would want to express my support to the Tata Elxsi management, the way they have conducted themselves so far in remaining committed towards highest pedigree of engineering design led services.

Robust design is very essential in today's world when we have the very recent Titan disaster to take cue for. The Ocean Gate Titan disaster happened in deep sea exploration due to its flawed designs. Now that Tata Elxsi has partnered with ISRO for Gagan Yaan, all the more power to the management and all the more support to them for remaining laser focused. Our world is a world of billion possibilities, I would like to offer few suggestions to the management in this regard.

Please, if possible, partner with Titan company to see if Tata Elxsi can design more innovative touchscreen smartwatches which can compete with Apple products. Please see if there is any possibility to design Oculus devices the way Meta company is designing for virtual reality headsets. Tata Elxsi is way ahead of its Indian competitors and we have the potential to become the Tesla of India in matters of driving innovation. Please see that the engineering of driverless electric cars in India is such that these cars don't catch fire easily as Tesla cars are catching fires when coming in contact with electrolytic salt floodwaters in USA.

Lastly, I have come in contact with money control reviews and comments asking for bonus or splits to Tata Elxsi management. I urge the management not to shift their focus from the amazing work that they have been doing for the past few years and keep up that same laser focus attitude. We look forward that Tata Elxsi be the brand for futuristic novel engineering designs from our country. Thank you everyone.

**N.G. Subramaniam:** Thank you Mr. Datta. Mr. Manoj Kumar Gupta please.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Manoj Kumar Gupta:** Yeah, good afternoon respected chairman, board of directors, fellow shareholders. My name is Manoj Kumar Gupta. I've joined this meeting from Calcutta. So, first of all, I thank you and your team for the excellent result of the company. And I thank MD and his team for the good achievement of the company for the year 2022-23. And I thank the company secretary and their team for their excellent support to the small investors to join this meeting through VC.

And I thank the company secretary, she is always ready to help the small investors. Whenever we call her, she always takes the call and she tries to solve the issues. And sir, we always want to see your smiling face because we as a small investor, whenever we see your face, smiling face we think that we will get good return in future also because chairman's smiling face is a good indication to the small investors that company is in a good shape and good condition.

So sir we expect that you will give a reward to the investors that's a long view to try to consider the reward to the investors and sir try to split the stock because now in 10:1 or 5:1 sir think about to the our request from last five years we are requesting you to we think about we split the shares that your market liquidity will increase market capitalization will increase and more people will get a chance to get opportunity to be a part of Tata Elxsi and thanks for your good dividend of INR60 per share and I will not say that because I know your Tata's culture they dispense the dividend soon after the AGM.

And so what's your future plan for the company for next two to three years with it? And so unclaimed dividend before send that dividend to the central government, I request you through, I request to the company secretary from this platform sending notice to the shareholders with this year dividend warrant that they can claim their dividend from the company or put their name on your website. When you will approve, they open your website. If they find their name in the unclaimed dividend portion, so they can claim their dividends from the company.

And thanks for your CSR. I will not say a single word on the CSR because it's like a showing lamp to sun, sir. We know Tata's culture about the CSR. You have done a lot of wonderful novel job in the second phase of Corona. You have saved more than 3.5 million lives to provide the oxygen to rail and transportation. So I will not say anything.

And sir, try to take action to develop the skill development system in the country, in the talent system. Because we have the talent, foreign has the money. They use our talent on their course. So think about to inspire the young talents in the country, sir. And sir, what's your view about the ISRO Gagan Yaan? I wish the company that their ambitions will success. And our beloved

Prime Minister's ambitions should succeed that Tata Elxsi will be part of ISRO this time to help ISRO to achieve Gagan Yaan.

And last but not least, I thank you and your team for the excellent result of the company and best of luck for the next year and we believe that next year our price will be in five digits and we will get a split. Thank you, sir.

**N.G. Subramaniam:** Thank you, Mr. Gupta. Mrs. Bharati Saraf, please.

**Moderator:** I request you to kindly accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Bharati Saraf:** Respected chairman, Board of Directors, management and staff and fellow shareholders present in this video conference. Myself Bharati Saraf joint holder Santosh Kumar Saraf welcomes you. Trust that all Directors of the company and all official of the company would be healthy. I would like to thank you and your management team for giving us the highest dividend of 606%. You have increased it by 30%-40% from the last year. You have increased it more than the last year. You have given a very good dividend. I thank you and your management team for this.

You have made a lot of progress in the medical sector and in my device. As you have said, I thank you for this too. Women employees are is 36%. I am thankful to all of you. I hope that in the future, it will be more. I see that Tata Elxsi is giving a lot of attention to women's empowerment. Like Modi's wish that women should be more empowered. Our chairman is giving a lot of attention. That is why 36% of our employees are women.

Sir, I would like to know that in the space industry or in the hydrogen powered (*inaudible*) or electric motor industry, which is being discussed, is the company working in this area? Is the company working on these technology areas? Please tell us about it

Last year, if you have launched any new product that is in demand in the market. Please tell us about the product that you launched according to the market, according to the situation, according to the condition, if you have launched a new product, then do tell us about it. I won't take much time, the company is performing well. And once I would like to thank you and your team, for getting very good awards and rewards, sir. This is the result of their hard work that we are getting awards and rewards today, sir. Otherwise, no one gives these without hard work. I am thankful to them and I pray to them that they continue to work in this way and our company will get both rewards and awards.

Sir I am not in favor of split bonus and split. Because MRF is of INR 1 lakh. So, anyone who is holding a share can say that he is a lakhpati. One share is of INR1 lakh. So, I would like that you should not split it, nor give a bonus. Our share should keep moving forward. Growth should continue in the future. We shareholders, even if we hold one share, can say that we are lakhpati shareholders.

Nothing much, sir. VC meeting is very good. In the future, sir, I am going to do it in the future. If you have a director from Singapore or Holland, people are attending it form all places, it is possible because of VC. If you have to do a physical meeting in the future, then keep a 15-20

minutes or half-hour session for the video conference, so that the director can also join from outside, and we can also join from outside, sir.

Because it is not possible to come to Bangalore and meet in the university. I would like to thank your secretary and her team, sir. I have seen that you are good, you have got a good secretary, sir. This lady is such a good secretary, sir. I have seen secretaries in many companies, I would not say anything negative about them, but this is really a great example.

(42:50)I thank them and Manoj ji, who has recently taken over. I thank him for his hard work. I am very happy that I can join this. In the end, to all the directors, all the officers, and all the shareholders that are present in the video conference today, I wish them and their family good wishes for 2023-24 and I pray to God that the financial year of 2023-24 be a healthy, wealthy, prosperous and safe for them. Jai Hind, Jai Bharat. Namaskar, Sir. I hope to see you again in the next VC meeting. Namaskar.

**N.G. Subramaniam:** Thank you Mr. Saraf. Ms. Lekha Satish Shah please.

**Moderator:** Ma'am, we request you to kindly accept the prompt on your screen, unmute your audio and video, and you may proceed with your question.

**Lekha Satish Shah:** Respected Chairman sir, Board of Directors, and my fellow members, good afternoon to all of you. Myself, Lekha Shah from Mumbai. First of all, I'm very much thankful to our company secretary Cauveri ma'am for sending me the AGM notice well in time which is full of knowledge, facts and figures in place and also our company secretary Cauveri ma'am always answered all my calls and have happily cleared all my doubts.

Once again, thank you so much, Cauveri Ma'am. Thank you, Chairman Sir, for explaining us well about the company. Congratulations for excellent work, Sir. Sir, I pray to God that He always shower his blessings upon you. Thanks for the wonderful dividend sir. I am proud to be a shareholder of this company. At the outset, I congratulate our management and his team for receiving the 9th annual CII Award Initiative Company of the Year.

And also, I am happy the company is doing very well in the field of CSR activities. Our company had postal ballot dated 25 January for implementation of Tata Elxsi Performance Stock Option Plan 2023. How many employees have been benefited and PSOP granted to employees? How many R&D centers in India and in the global markets? Chairman Sir, I hope the company will continue video conference meeting in future.

So, I strongly support all the resolutions for today's meeting and my best wishes, always our company and its prosperity. Thank you, sir.

**N.G. Subramaniam:** Thank you, ma'am. Mr. Sailesh Mahadevia, please.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Sailesh Mahadevia:** Respected Chairman, distinguished directors, members of the management team and all the members present for this meeting. Sir, firstly, let me congratulate you for achieving excellent results during the year under consideration. It is not only excellent, it is exceptional. And the way in which you have projected, it appears that this trend will continue for quite some time to come.

Sir, our working has been well presented in our integrated report, which is full of knowledge and information. Sir, before I proceed further, I would also like to appreciate the cooperation and services of Miss Cauveri and her team which has enabled me to join this meeting with ease and sir let me make a request one more please continue to do VC meetings only so that a person like me at the age of 84 plus can participate in such meetings.

Well, anyway sir, I would now like to put some questions. This is a view to increase my understanding and appreciation of the working of the company and the work done by directors. Sir, my first question is regarding the patents. The question is that what is the validity of these patents, whether it will be from the filing date or it will be from the day on which it is granted.

Sir, number two related to the same thing what is the filing of and granting period because there is a long pending we have registered so many patents they have been granted a very small number so can you sir tell us from which day we can start getting benefit of patents? Whether it will be from the date of registration or from the date on which it is granted?

Sir, my next question is that we are now only not national but international operations and you have very well projected our expansion program particularly in Germany and in many other parts of India also. Sir, therefore, what I would like to know is that who are our competitors nationally and internationally and what is our market share?

Sir, my third question is regarding the CSR work which is being done by the company and we have spent about INR10 crores of rupees. Sir here I find that our main expenses are in the field of education and health care. Sir, my extreme suggestion is that these institutions through which we are giving this service to the society, they should give emphasis to millets which are which is this is the year of millets and the education as well as health care including millets will have four advantages, it will give food security, it will protect environment, it will give employment and it will also improve the health from wherever they may be.

Sir, my next question is regarding the economic value added of our company. Sir, we are doing such a wonderful job. A mere addition of one figure can give us an idea what is the addition in the wealth of the company during the year and you may also give the rate of interest at which EVA has been calculated.

Sir, TCS had INR34,000 crores of EVA calculated taking into account 12% rate of interest. Sir, my next question is regarding the acquisition of Tata Sons, also the promoters of our company, of Tejas. Sir, may I know that this investment of INR15,000, the company on which you are a chairman, how Tata Elxsi and Tejas will have interaction with each other?

Sir, may I also request you to send me a copy of Tejas as I have not received it so far because I came to know about it only on the day of the AGM. Sir, that is my request. Sir, my further

question, the last one is regarding the world GDP, which is likely to remain under 3% in the next year also. The Western world is suffering considerably.

Sir, what I would like to know, of course we have enough orders, we have enough business, we have expanded in all the three verticals in which we are working. But, sir, is it likely that this may slow down or we are not getting the orders at a speed at which we would have got if the international situation would have been better?

And sir, well sir, I think it includes all my questions for you and I will be very happy if you send give reply to this in the question-and-answer sessions.

**N.G. Subramaniam:** I will do sir. Thank you so much.

**Sailesh Mahadevia:** With this, with this pranams, I wish you all the best.

**N.G. Subramaniam:** Thank you sir. Mr. Vasudev Ramasamy.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Vasudev Ramasamy:** Great. Good to see you again sir. Mr. Manoj Raghavan, good afternoon. The board of directors and the management team. See, I congratulate the Elxsians led by Mr. Manoj Raghavan on the INR30 billion revenue set. It was achieved in a very increased pace, I should tell. In all the Elxsians deserves a kudos for community engagement and continuing to the common good and create positive changes. Congratulations to the secretary team and the design team for the nicely prepared integrated annual report. It contains lot of good contents.

Sir, I have got a couple of questions to you sir. See what is our share in the increased AI market? See, I was going through an article by Mr. Aswath Damodaran which was centered around that Nvidia valuation. It was talking about, that AI chip market will increase exponentially in the days to come. Though Nvidia will lose only 10% of their market share, which itself grants into many billions.

We at Tata Elxsi are one of the very few companies having a very rich intellectual capital in design embedded software capabilities. With the likely explosion in the AI embedded chip industry, embedded software skills with a rich set of patents is going to be much in demand. In this background, sir, as to how we are planning to harness this heightened opportunity surrounding this game changing generative AI space and encash the same in our chosen verticals?

Sir, do we have plans to go in for any inorganic action in the space so that it cater to our needs? I think my next question is about the re-investment opportunities. Sir, we are generating good amount of operating cash flows during the period under review and in the past several years as well. We have given good dividends also, thanks to the management for this, sir.

Our cash reserves have increased very substantially. Kindly share your views on us to what are the re-investment opportunities we are looking to maintain the accelerated growth path so that

we achieve the dollar one billion company in the targeted times. That's all from my side, sir. Thanks for the opportunity and I wish you all the best to do sir. Thank you very much.

**N.G. Subramaniam:** Thank you. Mr. Naveen Bothra, please.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Naveen Bothra:** Yeah, Naveen Bothra, pleasure attending the 34th AGM from Delhi. Coincidentally, this is my ninth continuous Tata Elxsi AGM since 2015 and it's ninth for you as well sharing with Tata Elxsi. So it's a double pleasure attending the 34th AGM and again connecting with you and the management team.

Good afternoon, respected Chairman NGS sir, our MD and CEO Manoj Raghavan, the other distinguished board members, the management team, from the management team, Mr. Nitin Pai, Mr. Gaurav, and our Secretary, Company Secretary, Cauveri. Congratulations to the team under your able guidance as Chairman and the leadership of Mr. Manoj Raghavan for crossing the revenue milestone of INR30 billion during this year and once again achieving highest ever industry leading operating growth matrix.

Sir, we took well over 27 years to achieve our first INR10 billion revenues in the year 2016 and the second one, second INR10 billion took 6 years and from there on it took just little bit more than one year to achieve the third INR10 billion revenues. It's quite remarkable, sir. This heart requests more!

Our company has won the prestigious award. During the last financial year, we have won many prestigious awards, including Tata InnoVista, CII Innovative Company of the Year Award, and Golden Peacock Award. Big round of applause for all the Elxians. Congratulations to all.

The integrated annual report of the company details the seven capitals of the company and the information provided in a very precise manner. The hard work of finance and secretarial team as well as the design team in preparing this annual report is highly commendable. It's very informative and I can say that one of the best annual reports in our company's annual reports presentation.

As regards, accolade for wealth creation a long way to go. The growth journey of our company after your assuming the chairmanship nine years ago has been tremendous. Credit also goes to the foundations led by management team. Further, the revenues of our company on TTM basis in the last 3.5 years has doubled to more than INR3200 crores from INR1600 crores and PAT has accelerated even more than triple from INR236 crores to INR755 crores this year.

And this has eventually resulted in huge wealth creation for all the shareholders. And as a result, our market cap in the last three and a half years has gone up by 11 times from INR4,000 crores to INR46,000 crores, INR47,000 crores as of now. Kudos to the proud Elxians led by Mr. Manoj Raghavan.

Sir I have some points for your learned view. Number one is design digital innovating for the future. Our theme of this year's integrated annual report is design digital innovating for the future. The front-page depiction of a play button on the chip which is also appearing in this background in the front of this AGM also. The depiction of play button on the chip raises my curiosity.

So, this does this indicate that we are planning for something bigger in semiconductor space chip designing. To better understand about our strategy on this space, your views will be helpful, Chairman Sir. Number two is \$1 billion and way forward in this coming decade. As mentioned earlier, we took just one year, more than, little bit more than one year to achieve the third INR10 billion turnover.

We are confident that this accelerated growth journey as you have already talked about in your chairman's speech and the investments we are making to maintain the momentum of this growth and write our future growth journey. So we will be most likely achieving our \$1 billion revenue company by 2026, '27 in the spirit of home for billion possibilities.

In our shareholders letter, you have also alluded about bringing design digital with innovation to the forefront to write our future growth journey. Sir, in view of the humongous opportunities presented by the digital revolution, we seek your wisdom on our journey beyond \$1 billion revenue and the way ahead in the coming decades.

Number three, sir, share based incentives. Sir, I highly appreciate and thanks to the board for considering my suggestion in the earlier interactions and granting share-based incentives to Elxsians. Congratulations to all Tata Elxsians.

To conclude, a small suggestion from my side, the scale and speed of change in technology these days has increased manifold. Though R&D expenses in absolute terms has increased from INR39 crores to INR53 crores in the last two years, but as a percentage of revenue, it has decreased from 2.2% to 1.7%. Sir I would suggest to suitably further increase the R&D innovation budget as a percentage of revenue in the coming two to three years, so that we remain ahead of the curve in this hugely disruptive and technologically advanced man's time and invest in the future technologies like generative AI, metaverse and quantum computing etcetera.

My readings and talks with various people suggest that, to gain geopolitical advantage, geopolitical advantage after generative AI, the quantum computing may, the quantum computing all the developments will fasten further, so it will help us the R&D expenses in future opportunities also. So all the very best to Elxsians in times ahead, I already voted in favor of all the resolutions. I propose a vote of thanks to the Board and a special thanks to our company secretary, Cauveri ji and his secretarial team and the event team, AGM, Veza who are handling quite coordinating for a smooth onboarding in this AGM. Thank you very much sir. Thank you.

**N.G. Subramaniam:**

Thank you Mr. Bothra. Mr. Ravi Kumar Naredi.

**Moderator:**

Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and you may proceed with your question.



**Ravi Kumar Naredi:** Hello. Respected Chairman, Mr. N.G. Subramaniam ji, MD Mr. Manohar Raghavan and honorable Board of Directors and fellow shareholders. Sir, I am luckily shareholder of Tata Elxsi since 11 years and I made a very good wealth in the company. Thank you very much for your support and everything. Sir, we are having INR1,200 crores cash available with us and INR200 crores every year, we are generating. So what is the plan to deploy this fund for better utilization and better return to shareholder and the better return of ROC?

Secondly, as we cross three months of current year, what mind you make up for growth, new hiring in current year and financial year '25? These are my only two questions and thank you very much for all, you are doing.

**N.G. Subramaniam:** Thank you Mr. Naredi. Mr. Aspi Bhesania.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Aspi Bhesania:** Sir, I am Aspi from Bombay. Sir, thank you for giving me an opportunity to talk and I hope next year also, when the physical meeting start, you continue with the hybrid meetings. Sir, at the outset, I congratulate the management on excellent results. Sir, we have crossed INR3,000 crores revenue during the current year. When do you expect to cross INR5,000 crores? I hope in the year ending March '25, we should be able to cross INR5,000 crores.

Sir, but our trade receivables have increased from INR553 crores to INR856 crores. Is it that, companies are not paying us on time? Sir, around 1/3 of our income comes from auto, media broadcasts and communication and healthcare. Sir, how do you see this ratio going forward, say after two years- three year? Sir, why dividend of 606%? Why not 600%? Sir, how much percentage of our income comes from Tata Motors and its subsidiaries, like JLR. Sir, if say Toyota or Suzuki wants some job to be done, will our company bid, TCS will bid or Tata Technology will bid and will you be submitting competitive or complementary bids?

Sir, Resolution 4 for related party transactions with JLR for INR600 crores. Why JLR comes to us? Is Tata technology not capable of doing the job? The promoter holding is only 43.92%. Why so low? Sir, in spite of such a low holding, Tata investment has sold 1 lakh shares. Had I known about this, I would have told them in the AGM of Tata investment. Sir, we have so much cash on the balance sheet. Many other shareholders have also said that. What are our plans for using the same? I would recommend that like Colgate, you pay off INR9 per share as capital reduction and make the share capital 10% of existing capital.

Thereafter, you can give one for one bonus. Our share price is undervalued. So I hope you follow Colgate. So make our Tata Elxsi site more user friendly. I tried to check, if any unclaimed dividend is there of mine. And when I put my client ID, the remark came please enter valid client ID. So, please make it more user-friendly. Thank you very much and all the best for the future.

**N.G. Subramaniam:** Thank you Mr. Aspi Bhesania. Now we move on to Mrs. Prakashini Shenoy, please. Mrs. Shenoy.

**Moderator:** Ma'am, we request you to kindly accept the prompt on your screen. Unmute your audio and may proceed with your question.

**Prakashini Shenoy:** Yes, I'm Prakashini Ganesha Shenoy from Bombay. Respected Honorable Chairman, Sri Subramaniam ji, other dignitaries on the Board, and my fellow shareholders, good afternoon to all of you. I'm first of all, thankful to Cauveri for a wonderful Tata Elxsi report, which has been brought up in this year. I received the annual report well in time, which is transparent, informative, knowledgeable, and contains all the information, as per the corporate governance.

I thank the company secretary once again, Ms. Cauveri, for her work and for the same. The chairman has given a beautiful picture, regarding the company in all parameters. Thank you, Chairman, sir. I'm glad that the company is doing robust performance during the year in all parameters, when compared to the last year. Once again, congratulations, Chairman, sir.

I am thankful to the Board for recommending dividends for the financial year '22- '23. At the outset, I congratulate one and all staff, for getting various awards during the year. This shows the sincerity and hard work of one and all. I congratulate the management for doing outstanding work in the field of CSR activities. Sir, I have a few questions.

My question number one. Question number one, on the sustainability front, how does the company plan to invest? Question number two, how do we...

**Moderator:** Ma'am, we are not able to hear you. While we check our connection, Chairman sir, we request you to move to the next speaker shareholder.

**N.G. Subramaniam:** Okay. Mrs. Celestine Mascarenhas, please.

**Moderator:** Ma'am, we request you to kindly accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Celestine Mascarenhas:** Yes, I feel so delighted to see you and even your brother, Chandrasekhar, doing so well for our company. Anyway, I go to the formal part. Respected Chairman, Mr. N. Ganapathy Subramaniam, members of the Board, my fellow shareholders attending this e-meeting and I am Mrs. C. E. Mascarenhas. I am speaking from Mumbai. First of all, I thank the company secretary, Madam Cauveri Sriram and her team, who sent me an e-annual report and also registered me as a speaker, at my request and also saw that, I'm comfortable with my device and with this platform. Thank you so much, madam. And any query also, I ask her, she attends all these years.

Then I go to the annual report, very good, self-explanatory, adhering to all the norms of corporate governance. Good working, dividend of INR60.60 per share is very good in spite of difficult days, but I hope, we can get that much next year. We don't know, we may perform still better than only leave it to God but I would definitely say, I would like to have a split of these shares like the other Tata group because all our INR10 came to INR1 and it becomes like a nice mini bonus to us and also those who want to small people like just started working, they can afford they can afford like now INR7,800 and all, it is not that easy you know. So, it will be affordable instead of you give once like Colgate, they gave INR9 out and then it remained and there is no

any arrear, my share lot will become more. I mean, that is leaving, I leave it to the Board to decide.

Now I would this, congrats for all the awards and applause, which are there. I do not want to elaborate it. Also, CSR work is very good, Tata's after all. Now I come to the ESG, my question. Have you applied for the rating of the ESG? If it is so, who is the rating agency and what is the ratings for any plan to list on some ESG platform?

My second question is, we are in three verticals, automotive, media, broadcast, communications and healthcare. I would like to know, which is our strong vertical, which gives us good revenue and which will be the future and can I just understand now Tejas network, is it like helping us in our vertical of communication, broadcast and all? So could you just throw some light?

And third is, we have filed 111 patents, our Mahadevia also touched this point. And 36 only were granted. I would like to know, what is the position now, my question is, and how many we have got and how many further, we have applied? Next question is, workforce is 11,000 and out of that 4,000 is women. That's a great plus point, I find. But I would like to know, whether all are working from home or two days, three days in the office. What is the attrition level? If how, how do we try to retain especially talented designing, innovation or AI staff? How do we retain such staff, because they are highly innovative.

Then next is, we have a new office in Frankfurt, collaborated closely with the OEMs Tier 1 suppliers. How much we are enjoying as margin there or is it profitable or still we have teething problems? Sir, last but not the least, future roadmap for the next five years, capex for the next five years, especially for AI or machine learning or any acquisition by inorganic growth, especially from the front of AI, blockchains and other ultra-modern, what is happening, which we find it quite difficult to understand also. So with this, I support all the resolutions, I wish my company all the best and thank you once again for giving me this opportunity to speak. See you and till the next AGM. Thank you very much.

**N.G. Subramaniam:** Thank you ma'am.

**Celestine Mascarenhas:** Yes, now Mr. Mascarenhas will speak. He's registered.

**N.G. Subramaniam:** Yes. Mr. Mascarenhas, please go ahead.

**Aloysius Mascarenhas:** Yes. Respected Chairman, Sir, very distinguished members of the Board and my fellow shareholders. Good evening to you all. My name is Aloysius Mascarenhas. At the outset, I thank the management, company secretary and his team, for sending me the balance sheet, which I received on time. It is voluminous, informative, transparent, and adhering to all the parameters required for a good corporate governance.

Our results is excellent as shown in facts and figures. The PBT and PAT has gone up and so also our dividend from 425% to present 606%. Very good sir, keep it up. We expect such bonuses year after year. Very good CSR initiative by the company. Now my questions are as follows. First and foremost, who are our peers and competitors? And what is our market share, both in the domestic market and international. If I believe strongly that, we are an export-oriented

company, why I am asking this question is, with the rising dollar and the falling rupee, how much revenue are we generating? And if so, please let us know, which countries do we have maximum export.

Then, are we giving our know-how to any of the defense companies? If so, let us know. I join hands with my predecessor shareholder, especially my wife. I am over 30 years in this company and our shares have gone up phenomenally. So a split is a very good instead of bonus. We don't ask bonus. This itself, will be a mini bonus. So with this, sir, I thank you for giving me a patient hearing. I thank you personally, all the Board members and more importantly, all the employees, all the very best in the days and years to come. With this sir, thank you very much once again. Thank you. God bless you and our company. Thanks.

**N.G. Subramaniam:** Thank you, sir. Thank you for joining, both of you. Mr. Om Prakash Kejriwal.

**Moderator:** Sir, we request you to kindly accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

**Om Prakash Kejriwal:** Thank you. Good afternoon, sir ji and good afternoon everybody attending this agency. Myself Om Prakash Kejriwal, your equity shareholder from Kolkata. Thank you, sir ji, for providing me the platform to speak something before you. Thanks to our secretarial department for helping me, in registration as a speaker shareholder, especially thanks to our head, Cauveri madam, for calling me and taking my know-how.

Sir ji, this is my second AGM, only due to virtual. Though I am your very old shareholder, it is just an opportunity for me to join this virtual AGM sitting in Kolkata. We are here from California and abroad directors are joining due to virtual AGM. So if possible, please follow this virtual AGM in next year also. Sir ji, wow, what a result sir-ji, mind blowing performance. Congratulations to you, to all directors and to all employees for giving such a good result.

On equity of INR62 crores, our total income is INR3,218 crores and our net profit is INR755 crores, it means our EPS is INR121 on face value of INR10 and dividend is INR60.60, means 50% distribution of net profit, good distribution. But sir ji, this heart is asking for more because your sister company TCS, in which you are also a Director, has distributed almost 100% of net profit. Sir ji, our company was founded in 1989 and our company issued bonus share only once in whole journey of 34 years. So please consider to issue bonus share.

Our book value also support the same. Split of shares. Many of our shareholders also requested every company in Tata group is of face value of INR1 except, Tata Elxsi. So please split our shares in 10:1 ratio. Our sister company TCS, is also of a face value of INR1. So, please consider a split of shares. Sir ji, you hired a record number of employees as you said in your message. What is this number?

And what is this number in India and abroad and what is our attrition rate, employee attrition rate, at current times and how many new clients, we added in current year. From special business item number 4, page number 58, it seems that, JLR is our one of the biggest client, which is expected to give revenue of INR600 in current year. Sir ji, how many more clients we have of such volume and what will be our total revenue expected in current year?

Sir ji, we -- from page 10, we are using design thinking and digital technology such as IoT, cloud mobility, virtual reality and artificial intelligence, AI. How much revenue will be generated by using AI in current year? How much this AI will affect in employee employment generations. Sir ji, is it dangerous for human beings as well as nature? Because sometimes back, I was reading a news article in which, the inventor of this AI was regretting for his invention and later on, he left his job. Every invention should be used for betterment of human beings. As I think, please share your views? At last sir ji, please maintain your smile and be cheerful. We are always with you as a long-time investor. Thank you. Thank you, sir ji.

**N.G. Subramaniam:** Thank you, sir. Mr. Yusuf Rangwala.

**Moderator:** Sir, we request you to kindly unmute your audio and...

**Yusuf Rangwala:** Yes, good afternoon, respected Chairman. I will first say, vanakkam, sir. You from south, I am also from south, sir. Sir, that is why, I will say vanakkam Sir. Sir, now I will start my speech. Sir you have given the INR60.60 dividend. That is very fantastic. That is very good, sir. On the INR10 share, on the market rate, around INR7,500. As you mentioned, we are having 11,000 employees. As you mentioned in the annual report. Out of that, there are 4,000 ladies staff.

So, this was how our company started in 1989 and now it is 2023. This means, this year 34 years old company, sir. I am joining all the previous period. Never in lifetime, issued a one-time bonus, sir. So, I humbly request for the bonus issue, sir. And also split the stock. And I'm so thankful to our Cauveri madam and his team. And also remembering, when it's joining was done. So this shows, how our company is growing. And also, TCS, also Tata Elxsi, that testing of my link sir. This shows, how the campaign for the shareholders, sir. We are very lucky...

**Moderator:** Sir, you are gone on mute sir, we can't hear you. Sir, you can proceed.

**Yusuf Rangwala:** I wish you a very happy Diwali. Happy (*inaudible*) your brother Chandrasekhar, sir. I have met you too. I am very happy to know this. I want to present a shayari for you. May the flowers be fragrant always. Wishing you for all the coming festivals. I bow and requesting to you. Jai Hind, sir.

**N.G. Subramaniam:** Vanakkam sir. Thank you. Jai Hind. Mr. Gaurav Liladhar Rozatkar.

**Moderator:** Sir, we request you to kindly unmute your audio and video. And you may proceed with your question.

**N.G. Subramaniam:** Mr. Gaurav.

**Gaurav Liladhar Rozatkar:** Namaskar to one and all present here. I am joining this Annual General Meet today from Berlin, Germany. I wish Chairman, MD and CEO and Board members, all my fellow shareholders good health. So coming to my questions, my question for today's annual general meet are that, what is the company's strategy for growth and expansion for upcoming years. Second will be that, the company's sustainability initiative towards the environmental and social responsibility shall not be tossed with the respect of the safety?

As per my point of view, research and development shall be given the topmost priority and can company share any thoughts about the same for future. And last but not least, even if the annual general meet starts getting physically in future, I request to keep it hybrid so that people from all around the world can join from the comfort zone as well. And lastly, I wish all the very best to company and all the board members, all the people. Thank you so much.

**N.G. Subramaniam:** Thank you Mr. Gaurav.

**Moderator:** We now have speaker number 11, Mrs. Prakashini G. Shenoy. Chairman, sir, with your permission, can we allow them to ask their question?

**N.G. Subramaniam:** Yes, please.

**Moderator:** Yes, ma'am, you may unmute your audio and proceed with your question.

**Prakashini Shenoy:** Thank you. Shall I continue or shall I start from the beginning, sir?

**N.G. Subramaniam:** No, please continue. I think, you asked the first question on sustainability and how are we investing. Then you can ask your second question.

**Prakashini Shenoy:** Yes, sir. My second question is, first of all, I want to thank the Chairman, for giving me the second chance for speaking. Thank you, Chairman, sir, once again. My second question is, how do we adopt digital technologies to increase productivity? My third question is, how are we planning to increase the revenue in future? My fourth question is, what percentage of total strength is women's workforce and how does the company invest in learning and development?

My last question is, when was the last bonus paid? Last but not the least, as my many earlier predecessors have requested for VC, I once again request the chairman, please continue with VC meeting in future, so that the people all around shall get an opportunity to give their views and thoughts. I wish the company good luck for a bright future and pray God that, the profit of the company shall reach the peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Thank you, Chairman, sir.

**N.G. Subramaniam:** Thank you, ma'am.

**Moderator:** This is the last question. I now hand over the meeting to Chairman, sir, to address the shareholders queries. Over to you sir.

**N.G. Subramaniam:** Thank you. My dear shareholders, thank you for attending today's AGM and providing your queries and feedback. Let me try and answer all the questions as much as possible. In case, if I am not able to answer some of this, if you need more information, please feel free to send an email or contact our company and we will be really pleased to give more recent responses. Dr. Boppana, I think you have asked a lot of questions. I think, what opportunities that Tata Elxsi have, in the future, specifically as we embrace digital technologies more on IoT, AI and so on.

We work with companies and really, in these three important segments that we have, we work with some of the world-class corporations and they actually adopt many of these technologies already and we have built tremendous capabilities, in each one of these areas, whether it is IoT

or computing on the edge, AI, machine learning and so on. So, these are changing by the week, if I can say that way, there are newer methods of working are emerging, newer tools are coming in.

So the company continuously looks at all these opportunities and then stay relevant to our customers and at the same time, encouraging our employees to up-skill themselves in these critical technologies for the future. And I do believe that, in each one of the segments that we operate, whether it is automotive, media, broadcasting, or healthcare, including system integration businesses, IoT, blockchain, 5G, these are technologies that will come in so handy and we are quite equipped to harness these opportunities.

The investments that we are doing to protect ourselves and in the cyber area, there are, we are, one is that you know, we are adequately protecting ourselves by having a very good cyber-security initiative within the company to protect our own networks, our customers' networks by embracing a number of tools, that are there in the market. And we also constantly look at making sure that, whatever we develop for our customers, whether it is software or products in the area of embedded development and as we expose many of the microservices or APIs, make sure that the code that we develop are free from vulnerabilities.

And there is clearly, you know, the focus is on securing ourselves, securing our customers, the products that we develop, and ensure that it complies with the many laws of the land, including the data protection laws and privacy laws that we have.

There are many people who asked about questions on -- about our R&D and investments that we are making in R&D. And some pointed out that on percentage terms that actually it has come down from 2.2% to 1.7% while it has increased to INR53 crores in the last financial year. I think, the company employs a certain amount of frugal engineering methods to ensure that whatever investment that we make in R&D is very agile and continue to keep the focus on outcome of the R&D and how R&D is aligned to our customer needs and the industry needs that we are working on.

Point is taken, I think, you know, there are many such areas in which we are investing. And as someone, one of the shareholders pointed out that the importance of investing in AI ML is clearly not to be undermined. And we will ensure that we make the adequate investments in R&D and I want to assure all of you that we are not compromising on R&D and our future by no means in under investing in it.

How does Tata Elxsi use digital mission is the other question from Dr. Boppana. I think, you know, we are working on supporting the intent of various aspects of this digital mission in various industries as it is applicable. There are the aspects which are clearly mentioned on national urban digital mission, inclusivity, and then the unified digital interface platforms. Many of these developments something that we are tracking, we are aligned to deliver whatever solutions that products and services that we are delivering is clearly meeting some of those expectations of as I mentioned, ease of use as well as secured aspects of it.

Social media, cell phones, and plans to skill match with new age courses like coding, AI, robotics, etcetera. As I said, we have one of the finest digital platforms. The resources that are available for our people to get trained and continuously upskill themselves is world-class and second to none. And we continue to invest and collaborate with leading academic institutions in piloting and jointly co-creating next generation technologies as we apply some of these newer ones into relevant fields like digital healthcare.

Automotive vertical, what innovations we offer to TML, Tata Motors and Jaguar Land Rover last year. In both the companies, I think we are working on some of their future areas including electric autonomous connected and infotainment areas. And we have licensed some of our products like, Tether or connected vehicle platform is something that we have licensed to them and we also won some of the recognitions and awards for -- from Tata Motors for the design of HMI and UX specifically on the Nexon platform that they have.

And there are more things that you know, if you are interested then I think the company can provide more information in terms of what exactly we are doing for them. I think, I have answered many questions. I think you are also talking about too much silence in electric vehicles that could be a cause for accidents. But then along with the electric vehicles the autonomous or automation that comes in will also sense such dangers and then alert the driver as well as sometimes automatic intervention on the vehicles itself to stop the car rather than going ahead with the accident. I mean, some of those advancements is there. So I think, responsibly we should use those technologies to ensure that it is meaningful and providing the necessary safety features.

I think the second shareholder, Anandrup Dutta, first AGM so I wish you many more AGMs sir, and you are most welcome to participate in it in whatever form that we organize the next AGMs. And thank you for your kind inputs. I think robust design and the engineering certainty that you articulated in the products that we are doing and suggestions related to partnering with Titan and other oculus devices, virtual reality headsets, all that is taken and we will surely consider it and I am requesting the management team to take some of these inputs into their next strategic planning sessions.

Then many people asked about bonus, split and I think, we will take those inputs, we will place it in front of the Board of Directors and we will take appropriate decisions taking into account the company's strategic plans for the future.

Mr. Manoj Kumar Gupta, I think, again, you asked about rewards split. I think, we have answered that question already. Future plans wise, I think lot of people are asking this, but I think, the company has a very clear rolling three-year strategic plan and every year they come up with a three-year rolling plan outlining the investments that are needed, emerging technologies in which they should participate in it, what are the three verticals that we have right now and how do we penetrate those services, the services and products in those three verticals. Any new geographies that we need to highlight, we need to enter or newer verticals that we need to enter, any alliance partnerships that could be of helpful.

There are a variety of topics that people consider, deliberate as a management team and then they come up with the really very focused plan for -- a plan of action for the current year and



then a rolling plan for the next three years. So, that is something that people continue to do that also addresses capex investments, that also addresses hiring plans, retention plans and all of that. So we have a very comprehensive process of strategic plan that really puts the company in a growth path and I think they are yielding good results. And I would encourage the management team to continue that journey for the future. Your suggestions on website and ease of it as well as putting information related to unclaimed dividend etcetera, we will certainly consider then we put this across.

Mr. Bharati Saraf, you asked about our role in are we working in hydrogen etcetera, this is an area of focus for us and I think our customers are also looking at hydrogen technologies. So, we are doing certain amount of research and collaborating with some of the institutions towards its applicability and so on so on.

And Mrs. Lekha Shah, thank you for your blessings ma'am. And I think, the number of employees who are benefited by the ESOP plan is about 2,424 employees. And the second thing is how many R&D centers we have? We have six cities in India, in which we have R&D centers. In overseas, we have about four centers. But then, you know, they are all complementing with each other and then collaborating with each other to deliver the right value proposition to a customer's problem all the time, right.

And Mr. Sailesh Mahadevia, I think thank you so much sir for your presence and for your suggestions. Patents, I think what is the validity of the patents, you talked about filing date and then when it is granted and so on so on. I think, you know, filing itself gives certain protection for us, but of course, it needs to be granted for it to be really secured. From the -- we leverage the patents right from the time of filing.

The minute we see that look, that is original thinking or an innovation or conceptually it is differentiated, then we do go ahead and file the patent. And then, use those patent to build our products or solutions and services. And we do not have to wait for the things to be granted to be effective but generally, if it is granted, it has a much more potential to of implementing it and then or unlocking the potential of that patent fully, when it is granted, it has much more value.

Then, international operations, and then you also talked about who are our competitors? I think, many of the Indian, India-based software companies who are having an engineering services as one of the domains, it is certainly, we compete with them in this particular domain. But then Tata Elxsi is very much differentiated by the fact that it is not just an embedded software development but it is led by design and embracing a number of digital technologies into this.

So, design digital is a very unique comprehensive bundled set of products and services which differentiates the company and then in the three segments that we are operating namely the automotive segment, the media broadcast segment as well as the healthcare segment. I think, in our design-led engineering services are quite unique and differentiating and our customers really like, our offering and then continue to do more with us.

And in terms of our market share, it's very difficult to quantify, but then, at this point in time, there is enough headroom for us to grow. So, we're really not looking at market share, but

continue to grow our company's revenue because our market share is one thing, but then as long as there is so much headroom to grow, we make the right investments, right innovations, and work with our customers to harness all the opportunities that they are able to offer, I think, we are in the right track.

Then your suggestion on spreading the Millets theme is taken and we will see how we can embed the theme of Millets in our CSR initiatives. Economic value-add, we do not really, systematically do the EVA, but then, our Chief Financial Officer tells me that it is about INR485 crores is the EVA at 12% WAC, right, is the -- as you asked for it.

And then Tejas, I think, it's a company belonging to the Tata Group and then the company, between Tata Elxsi and Tejas, there is no direct relationship or direct correlation. However, as Tejas designs new radios the opportunity is there for Tata Elxsi to go and pitch in their design services into Tejas that is for both the companies to discuss and then see if it makes sense for them to work with each other.

And then you wanted a copy of the Tejas annual report to be sent to you Mr. Mahadevia. I will request the Tejas secretarial team to do this. And then I think you rightfully mentioned about the GDP rate and business slowdown, etcetera. It is true and there are many corporations are taking a view of conserving cash in the short term, but at the same time they also recognize the fact that look there are certain technologies in which work has to start and they are investing in it as well. Their budgets itself have not come down, while they are conserving it at this point in time. I think, we have to wait and see the next one or two quarters before we can take a call on where the market is going to go.

Mr. Ramasamy, I think you called out many things, I think, I have answered most of it except that whether we are looking for inorganic growth, inorganic opportunities and what are the reinvestment opportunities that we are thinking given the cash positions that we have? I think someone else also asked that question.

And there are -- the company is looking and exploring some of these options, but then, there is enough opportunity for organic growth and the company is really focused on organic growth. In the area of edge computing, in the area of semiconductors, is there an opportunity is something that we are exploring. Primarily providing design capabilities to other let us say semiconductor players rather than we ourselves doing many of this stuff. But then, though, they are all very much work in progress and then probably you will hear from the company as they announce the next quarterly results or the next AGM as well right.

Then we have Mr. Naveen Bothra ji, I think rightfully, reminded that it is my ninth year as well. Thank you, sir. And thank you for your patronage and support. And whenever you are in Bangalore, you try to reach the company, reach to reach me. Certainly a source of inspiration and motivation for all of us. And then I think, the accelerated growth journey momentum that you asked whether we will continue, what are our plans, etcetera.

As I mentioned, the company is having those three-year plans, very focused on these three verticals, very niche company providing certain very unique services and products in those three

segments. Naturally, the opportunity is there to get into adjacent micro segments, adjacent verticals, which the company will continue to do this. You talked about when will we reach, and as you know that we don't give any forward-looking statements or guidance, but you talked about 2026 and '27, may that become true sir. Thank you very much. And I think, we will continue to work on this other areas like quantum computing, metaverse, 5G and all that all they are all relevant areas and I think, we will certainly need to prepare ourselves to do some of these things.

Mr. Ravi Kumar Naredi, I think, I also talked about it, I think you rightfully raised certain queries on INR1,200 crores of cash that we have, then we are able to generate about INR200 crores cash per year and what are our plans etcetera. I think, I answered it and then we will consider your suggestions as well.

Mr. Aspi Bhesania, I think thank you for joining the meeting and for your comments. I think, I have answered most of your questions. On the receivables, we used to be -- it has gone up slightly from I think, 65 days to 85 days. Primarily because we shifted to a new enterprise system in the last quarter, which has led to us, validating everything correctly and once more and then took some time to generate the invoices and now that's fully under control. So you'll see that receivables will come back to where we want it to be in the quarters ahead. Roughly, transportation, media and broadcasting as well as healthcare, if you really look at it, healthcare is a new segment that we have got into.

I think, transportation is our main segment and probably, media and entertainment is coming second. Between these two I think, we are about 80%-85% of our revenue distribution. The other healthcare is nicely growing. And I think, the company publishes during the quarterly results that share of top customer review revenue, top 5 customers revenue etcetera. I think, we will continue to do so.

And why JLR come to us and why not with other, their own Tata technologies etcetera. I think, they work with many companies and we have enough work to do and at the same time, Tata Elxsi is something that, as I said, the differentiated services that we have, some of the products that we have like, Tether and others are extremely meaningful and the company has built a very strong value proposition and skill sets, specifically in the electric vehicles area, which I think augurs well for our own future growth and that's one of the reasons why not only JLR but other OEMs and other Tier 1 players come and talk to us.

Then Mr. Kejriwal, I think, you also talked about bonus split etcetera, which I have answered. Attrition I think, we are at thirty...five... women employees is at 36%. As far as attrition is concerned, it is about 17%, 17.5% in the current year, 17%. Women employees attrition is 17.1% and men employees at 17.5%. Both have come down significantly from FY '22 numbers.

How much of revenue with we will make in AI ML? It is very, we are not tracking it to the extent that we should probably track, but then in every one of these services that we do, a part of AI ML is there, so it is very difficult to split that moving forward. Maybe I think, we will take this question as an input to us and then see whether we want to distinctly track the revenues only on AI ML moving forward, right, that we will do.

Mr. Yusuf Rangwala, thank you for your suggestion on bonus split and others. And I think, I have answered your question. Mrs. and Mr. Mascarenhas I think, both of you, thank you for your time. Your ESG ratings is we have gone with a company called EcoVadis and they have given a silver rating this year, last year they rated us as a bronze and we have no plans to list this thing per se, but I think, we need to advance our sustainability journey as we move to the next two years, three years and really, achieve our own goal of not just a carbon neutral, but net zero in the soonest possible time frame.

An initial focus is really to, I think as I mentioned in my opening speech, renewable energy usage and then as well as our own optimizing our own electricity usage, water conservation, lake rejuvenation and many of these things that we are doing are all linked to the sustainability initiatives.

Auto is our strongest vertical, very closely followed by media, broadcast and communications. I answered the question on Tejas already. The correct level of patents is what we have already stated as of 31st of March and in the coming quarter results we will publish the actual position as of that quarter, end of that quarter. Attrition levels and retention, I think, we are taking many steps including all employee engagement. I think, the ESOP scheme that we have put in together will also further help.

New office in Frankfurt, I think you rightfully observed. Then future roadmap, I think I talked about it, the three-year plan. Then defense companies we do not directly -- we do not work too much at this point in time. For the -- we have done some work in the past for some of the defense departments in India, but that is something that we will have to see how it evolves and as we move forward. But clearly, we are working with some of the cutting-edge things like, our association with ISRO is very good. And we are also talking to on opportunities with DRDO and so on so on right.

Mrs. Prakashini Shenoy, I think, I have answered most of your questions on sustainability and increase in revenue in the future, percentage of women workforce I think 36%, R&D investment I already commented on and last bonus was issued by the company in the year 2017, right.

Then Mr. Gaurav Liladhar, thank you for joining us from Berlin. I think, your R&D, your comments on sustainability in R&D is well taken and we will take those things into consideration as we define our future plans, okay.

So, I think with that I have answered all the questions. And as I mentioned if anything on which any of the shareholders want more information, please do write to us, it will be a pleasure to respond to you this way, okay.

So I think, with that I think, I would like to move on to my closing remarks. In case there are, as I said, in case there are any more queries, please do write to us. And may I also request all shareholders who have not exercised the remote voting to cast their voting through e-voting. I hereby authorize the company secretary to carry out the voting process. Please note that the e-voting will be kept open for another 15 minutes.

The Scrutinizer shall count the number of votes for and against the resolutions after downloading the same from the e-voting system of NSDL. The Scrutinizer will then submit his report to the Chairman, which will be put up on the website of the company and filed with the stock exchanges within 48 hours of the conclusion of the AGM.

So, with that, I once again want to thank all of you for joining this AGM. And also, thank all my fellow Directors for being there today. With this, I would like to conclude the proceedings of this AGM and wish you all well and very healthy year ahead. Thank you so much.

**Moderator:**

Dear members, as instructed by the Scrutinizers, request all the members participating in the AGM and who have not casted their vote yet, to cast their vote in the remaining period of 15 minutes. Thank you.

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**Note:** This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.