



Registered & Corporate Office: **Tata Elxsi Limited**, ITPB Road Whitefield, Bengaluru - 560 048, India

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CIN: L85110KA1989PLC009968

POSTAL BALLOT NOTICE

TO THE MEMBERS,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (the “Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (“the Rules”), read with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), the Resolution appended below for **Alteration of the Articles of Association of the Company** is proposed as a Special Resolution for approval of the Members of Tata Elxsi Limited (the “Company”) through Postal Ballot by remote e-voting process (“e-voting”).

In compliance with the aforesaid MCA Circulars and pursuant to other applicable laws and regulations, the Company is sending this Postal Ballot Notice in electronic form only to those Members whose e-mail addresses are registered with the Company/ Depositories, to enable them to cast their votes electronically only. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. The instructions for remote e-voting are appended to this Postal Ballot Notice.

The Board of Directors of the Company at their meeting held on October 14, 2020 have, subject to the approval of the Members of the Company by way of Special Resolution, approved the alteration to the Articles of Association of the Company.

Pursuant to Sections 102 and 110 of the Act, the Explanatory Statement pertaining to the said Resolution setting out the material facts and the reasons thereof is annexed to this Postal Ballot Notice.

The Board of Directors has appointed Mr. V Madan, Practicing Company Secretary (CP 21778) or failing him Mrs. Jayashree Parthasarathy (CP 1988) as the Scrutinizer for conducting the Postal Ballot only through the remote e-voting process in a fair and transparent manner.

In accordance with the provisions of the MCA Circulars, Members can vote only through the remote e-voting process. Accordingly, the Company is pleased to offer a remote e-voting facility to all its members to cast their votes electronically. Members are requested to read the instructions in the Notes to this Postal Ballot notice to cast their vote electronically through the e-voting process which commences from **Sunday, November 01, 2020 at 9.00 a.m. (IST)** and ends on **November 30, 2020 at 5:00 p.m. (IST)**.

After completion of scrutiny of the votes, the Scrutinizer will submit his Report to the Chairman of the Company or any person authorised by him. The results of the voting conducted through Postal Ballot (through the remote e-Voting process) along with the Scrutinizer's Report will be announced by the Chairman or such person as authorised, on or before December 02, 2020. The same will be displayed on the website of the Company: www.tataelxsi.com, the website of NSDL: www.evoting.nsdl.com and shall also be communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the Company's Equity Shares are listed and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com. The Resolution, if approved, will be taken as having been passed effectively on the last date of remote e-voting i.e. Monday, November 30, 2020.

RESOLUTION

Alteration of the Articles of Association of the Company

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and other applicable provisions if any, of the Companies Act, 2013 ("Act") (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force), and Rules made thereunder, as amended from time to time, consent of the Members of the Company be and is hereby accorded for:

(a) the insertion of New Clause as Article 137A in the Articles of Association of the Company as follows:

Article 137A - Nomination of Directors

For so long as Tata Sons Private Limited ("Tata Sons") continues to hold at least 40% (forty percent) of the equity share capital of the Company, Tata Sons shall have the right to nominate 1/3rd (one third) of the total number of Directors (including the Chairman) on the Board (rounded to the nearest whole). Tata Sons may remove or replace (with or without cause) any Director it has so nominated and had appointed, by giving notice in writing to the Company and to the Director being removed or replaced.

(b) the substitution of Article 167 of the Articles of Association of the Company with the following:

Article 167 - Chairman

The post of Chairman of the Board shall be held by any Director nominated to act as Chairman of the Board by Tata Sons, out of the directors nominated by Tata Sons pursuant to Article 137A. If, for any reason, Tata Sons does not nominate a Director to act as Chairman, then until such time Tata Sons makes such nomination, the Directors may, by simple majority vote, elect one of the Directors as the Chairman of their meetings for such period of time as they deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts, deeds and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board

Place: Bengaluru
Date: October 14, 2020

Tata Elxsi Limited
G Vaidyanathan
General Counsel & Company Secretary
ACS 7368

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (“Act”) and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) setting out the material facts and reasons for the proposed Resolution above, is appended herein below for your consideration.
2. In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), the Postal Ballot Notice is being sent via email only to the Members whose names appear in the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and whose e-mail addresses are available with Tata Elxsi Limited (“the Company”) and Depositories as on **October 23, 2020 (“cut-off date”)**. The voting rights shall also be reckoned on the paid-up value of shares registered in the name(s) of the Member(s) as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Postal Ballot Notice for information purposes only.
3. A copy of this Postal Ballot Notice is also available on the website of the Company www.tataelxsi.com the relevant section of the website of BSE: www.bseindia.com and NSE: www.nseindia.com on which the Equity Shares of the Company are listed and on the website of NSDL: www.evoting.nsdl.com
4. A copy of the proposed Articles of Association of the Company would be available for inspection for the Members by writing to the Company Secretary at investors@tataelxsi.co.in
5. This Postal Ballot Notice is being sent by email only to those eligible Members who have already registered their e-mail addresses with the Depositories/ the depository participants/ the Company’s Registrar and Share Transfer Agents TSR Darashaw Consultants Private Limited (“TSR”) (formerly known as M/s TSR Darashaw Limited)/ the Company, as at 5:00 p.m. (IST) **on October 23, 2020.**
6. For members who hold shares in physical form and are desirous of updating their e-mail addresses are requested to send their request to TSR at csg-unit@tsrdarashaw.com mentioning the Folio Number, Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).

For shares held in demat form - Please contact your Depository Participant (DP) and register your email address, as per the process advised by your DP.
7. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their Depository Participants/ TSR to enable servicing of notices / documents / Annual Reports and other communications electronically to their email address in future.
8. In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act, read with (i) Rule 20 and Rule 22 of the Rules; (ii) Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and (iii) MCA Circulars, the Company is offering only remote e-Voting facility to all the Members of the Company and the business will be transacted only through the remote e-Voting system. The Company has engaged the services of NSDL for facilitating remote e-Voting to enable the Members to cast their votes electronically. A Member shall only avail this facility as per the instructions provided herein.
9. The remote e-Voting period shall commence on Sunday, **November 01, 2020 at 9.00 a.m. (IST)** and end on Monday, **November 30, 2020 at 5:00 p.m. (IST)**. The remote e-Voting module shall be disabled by

NSDL thereafter. During this period, Members of the Company holding shares either in physical or electronic form, as on the cut-off date, i.e. **October 23, 2020**, shall cast their vote electronically.

10. Once the vote on the Resolution is cast by the Members, the Members shall not be allowed to change it subsequently.
11. The procedure to login to e-Voting website consists of two steps as detailed hereunder.

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/ Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company which is 114773.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer.tel@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in / saritam@nsdl.co.in

EXPLANATORY STATEMENT

(Pursuant to the provisions of section 102 of the Companies Act, 2013)

Tata Sons Private Limited (“Tata Sons”) is the promoter of Tata Elxsi Limited (“the Company”) and holds 2,62,95,264 equity shares aggregating to 42.22% of the equity share capital of the Company and Tata Investment Corporation Limited, a subsidiary of Tata Sons, holds 14,35,000 equity shares aggregating to 2.3% of the equity share capital of the Company.

The proposed amendment legislates the right to Tata Sons to nominate directors and Chairperson of the Board of the Company. It incentivise Tata Sons to continue to hold its substantial shareholding in the Company, which will provide stability to the Company’s other shareholders and is in the long-term interest of the Company. Tata Sons will have the aforesaid rights only if it holds at least 40% of the paid-up equity share capital of the Company.

The proposed amendment to the Articles of Association of the Company will result in the Company being considered as a “subsidiary” of Tata Sons under the Indian Accounting Standards.

The Board of Directors of the Company at their meeting held on October 14, 2020 have, subject to the approval of the Members of the Company by way of Special Resolution, approved the alteration to the Articles of Association of the Company.

The Board is of the opinion that the Resolution stated in the accompanying Notice is in the best interest of the Company and its Members and, hence, recommends the Resolution for approval by the Members of the Company.

The proposed new draft Articles of Association is being uploaded on the Company’s website for perusal by the Members. Further, a copy of the proposed Articles of Association of the Company would be available for inspection for the Members by writing to the Company Secretary at investors@tataelxsi.co.in

None of the Directors, Key Managerial Personnel (KMP) or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution. Further, Mr. N. Ganapathy Subramaniam and Mr. Ankur Verma, directors on the Board of the Company, though not interested in accordance with the Act, may be deemed to be interested as a good governance practice.

By order of the Board

Tata Elxsi Limited

G Vaidyanathan

General Counsel & Company Secretary

ACS 7368

Place: Bengaluru

Date: October 14, 2020