

BUSINESS RESPONSIBILITY REPORT

Regulations 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company: L85110KA1989PLCO09968
- Name of the Company: Tata Elxsi Limited
- Registered address: ITPB Road, Whitefield, Bengaluru 560048, India
- Website: www.tataelxsi.com
- E-mail Id: investors@tataelxsi.com
- Financial Year reported: April 1, 2020 to March 31, 2021
- Sector(s) that the Company is engaged in (industrial activity code-wise): 620
- List three key products/services that the Company manufactures/provides (as in balance sheet):
 - ♦ SOFTWARE DEVELOPMENT & SERVICES
 - o Technology consulting, new product design, development, and testing services
 - o Consumer Insights & Strategy, Visual Design & Branding, Product & Packaging design, User Experience design, Service Experience design & Transportation design
 - o High-end content and 3D Animation services
 - ♦ SYSTEMS INTEGRATION & SUPPORT
 - o Implement and integrate complete systems and solutions for High-Performance Computing, CAD/CAM/ CAE/PLM, Broadcast, Virtual Reality, Storage, and Disaster Recovery
 - o Professional Services for maintenance and support of IT infrastructure in India and overseas
- Total number of locations where business activity is undertaken by the Company
 - Number of International Locations (Provide details of major 5): Sales operations are in fourteen international locations including France, Germany, Japan, UAE, UK, and USA.
 - Number of National Locations: The Company is headquartered in Bengaluru, and operates through twelve design and development centers and six sales offices.
- Markets served by the Company – The Company delivers design and engineering services, catering to both national and international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital (INR): 6,227.64 Lakhs
- Total Turnover (INR): 1,86,592.49 Lakhs
- Total profit after taxes (INR): 36,812.19 Lakhs
- Total Spending on Corporate Social Responsibility(CSR) as percentage of profit after tax (%): Two (2)
- List of activities in which expenditure in 4 above has been incurred:

Description	Project Outlay (in ₹)
Shiksha, Niramay and Disaster Relief*	610.55 Lakhs

*Please refer to the CSR Report included as Annexure "B" to the Directors' Report of this Annual Report

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? No.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): Not Applicable.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: No.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

- Details of the Director/Director responsible for implementation of the BR policy/ policies
 - DIN Number: 08458315
 - Name: Mr. Manoj Raghavan
 - Designation: Managing Director & Chief Executive Officer
- Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	-
2	Name	Dr. Sajiv Madhavan
3	Designation	Joint General Manager
4	Telephone number	+91 80 2297 9302
5	E-mail Id	sajiv@tataelxsi.co.in



2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/ policies for...?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?#	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online? (http://www.tataelxsi.com/attachment/TATA-ELXSI-code-of-conduct.pdf)	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?§	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*Our BRR is formulated based on NVG guidelines on Social, Environmental and Economic Responsibilities of Business.

#Tata Code of Conduct (TCoC) and CSR policy is approved by the Board of Directors and is monitored by the Managing Director.

§The policies are accessible to the employees always and are available on the intranet. The policies that are relevant to other stakeholders are communicated to them, time-to-time.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company's Business Responsibility Report is a part of the Annual Report. It is also hosted on the company's website – www.tataelxsi.com/Business-Responsibility-Report

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?

The Tata Code of Conduct that the Company has adopted is applicable to its employees, business partners and suppliers.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

No concerns/complaints were received relating to ethics, bribery and corruption from any of our stakeholders during 2020-21.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a) Product Design: We won this year's iF Design Award, a world-renowned award for design excellence. Tata Elxsi won this award for its innovative and exceptional design concept for Mixed Reality (MR) Based Smart Assistive Wearable Devices. These devices have been designed by the company to help people with special needs such as Autism or Alzheimer's to deal with social situations, which they might otherwise find difficult. The system is deliberately discreet and the clever use of audio ensures others in the environment are less aware of the support being provided. For example, the device may help people recognise a person whose name they may have forgotten, or support the individual in stressful situations by playing music or pre-recorded calming phrases. The devices employ Mixed Reality by taking information from input devices like discrete wearable cameras driving facial and environment recognition and microphones then feeding back to the user using earphones / ear buds and sound collars. These devices in turn help users to participate in social interactions by giving them subtle guides in the form of audio cues.

b) Social Concerns: We provide integrated design and engineering, digital and connected health, regulatory compliance for our customers. We have helped develop an integrated point-of-care diagnostic device for Malaria and Sickle cell detection. This Lab-in-a-Box diagnostic device can diagnose malaria

and sickle cell disease in just minutes, more quickly and affordably as compared to other point-of-care diagnostic on the market today. This is a multi-disease diagnostic platform, and is being developed for thalassemia and Covid-19 too in addition to sickle cell disease and malaria.

c) Sustainable Transport: We work with our customers to realize their vision of future mobility by providing engineering services for connected, autonomous and electric vehicles of the future. This is done by means of our product and design engineering, test and validation and vehicle program management.

d) Reduction of Carbon Emission: We carry out research based on technology and trends on behalf of the customers that help in finding solutions for reduced carbon emission. One of our invention for which patent application has been filed is on thermal management systems that proposes a simple, light-weight and cost-effective cooling mechanism employing a telescopic duct for precise and localized control of battery operation parameters for individual battery cells and can be use in hybrid vehicles. Another patent application that has been filed is for a battery management system (BMS) that involves a customized switching circuitry, intelligently operated using a charging command system to ensure that the batteries always operate within their desired upper and lower state-of-charge (SOC) limits for optimal battery health, and at the same time, ensuring seamless connectivity with a USB host thereby ensuring that the tests can go on uninterrupted. The charging command system operates in a feedback loop, collecting the present state-of-charge from the mobile devices, and by moderating the charging current to cause a slow discharging or a slow charging of the batteries as needed. This feature prolongs life of batteries, and can be deployed in medical and IoT devices.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

We work with our customers in developing these products and we function as an enabler for designing products that fulfill social or environmental concerns. Hence, we are not able to directly measure the resource use.



3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The company emphasizes on sustainable procurement practices as much as possible. Suppliers are selected based on Tata Code of Conduct and are constantly evaluated against the same. All our suppliers conform to our norms on Code of Conduct, safety, ethics and other good practices.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company engages with multiple suppliers, local and international. Preference is always given to local suppliers. Proximity to the Company's location is one significant consideration for selection of suppliers. We also consolidate our imports from various ports to optimize on transport. Preference is given to MSME vendors. The Company also employs local service providers for housekeeping, security, gardening, maintenance and transport.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	The company does not employ child labour. There were no complaints relating to child labor, forced labor and involuntary labor	
2	Sexual harassment	02	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your undermentioned employees were given safety & skill up- gradation training in the last year?

(a) Permanent Employees - 73%

(b) Permanent Women Employees – 80%

(c) Casual/Temporary/Contractual Employees – 20%

(d) Employees with Disabilities – Safety and skill upgradation training is an ongoing process in the company. This data is not separately maintained.

The Company has in place policies and guidelines to set a direction that addresses environmental protection. The company has systems and processes that take measures in upkeeping the environment and our specific actions include recharging ground water using rainwater, and effluent treatment and re-use of treated water for gardening. Our e-waste recycling process takes care of computers, monitors, computer accessories and other electronic office equipments and specialized agencies are hired to carry out the e-waste disposal. We encourage reduced use of printing papers and thus reduce the use of paper, wherever feasible. Our resource usage and processes enable optimal use of equipments and sharing or transferring of equipments based on their needs and utility.

Principle 3

1. Please indicate the Total number of employees: 7362
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 367 consultants
3. Please indicate the Number of permanent women employees: 2382
4. Please indicate the Number of permanent employees with disabilities: 8
5. Do you have an employee association that is recognized by management? No
6. What percentage of your permanent employees is members of this recognized employee association? Not applicable



Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes. The Company has mapped its stakeholders and they include, but are not limited to, shareholders, employees, customers, business partners, suppliers, and the wider communities that we serve.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The Company is an equal opportunity employer. It has policies instituted to prevent sexual harassment, aid safety of employees, mandate travel guidelines for women employees, obtain the voice of employees' opinions and grievances through employee touch base, periodic employee satisfaction surveys and code of conduct.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company engages with each of its stakeholders through multiple channels and includes engagement initiatives, feedback process, Code of Conduct briefings and investor meetings. Our CSR initiatives engage the disadvantaged, vulnerable and marginalized by promoting healthcare, socio-economic development and education.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company's TCoC covers its employees, contractors and extends to its suppliers.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Our processes enable our stakeholders to voice their grievances and complaints. Dedicated emails are instituted and communicated to each of our stakeholders. Helpdesks are made available to our employees and SLAs put in place for timely closure. During this period, we have received 11 complaints from our investors and 8 complaints stand resolved as on March 31, 2021. There were no other complaints from any other stakeholders.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?

The Company's Code of Conduct applies to its business partners, contractors and suppliers.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

The Company strives for environmental sustainability and complies with all applicable laws and regulations, in all its services. It also seeks to prevent the wasteful use of natural resources and is committed to improving the environment, particularly about the emission of greenhouse gases, consumption of water and energy, and the management of waste and hazardous materials.

The company's Occupational Health and Safety Management System complies with the requirements of ISO 45001:2018. Towards this, effective from November 20, 2019, our facility in Trivandrum Development Center is certified. All procurement of materials that are hazardous to human or environment (E.g. Fuel, Batteries) are tagged suitably, and are handled with due safety precautions, from receiving until the end of their life cycle.

A few examples of our other initiatives on deployment of mass transport for our employees by getting into an arrangement with Bengaluru Metropolitan Transport Corporation for buses, procurement of star rated electric and electronic equipments and tree plantations inside and outside our premises. In our development process, our initiatives include adopting India Mark Design, mechanical and electronic design of electric/ hybrid vehicle and building RoHS compliance.

3. Does the company identify and assess potential environmental risks?

Yes, Tata Elxsi Occupational Health and Safety Management System (in line with Clause 6.1.2 of ISO 45001:2018, Hazard Identification and Assessment of Risks) identifies potential risks (including environmental risk) and manages the same. The risks and their management is detailed in the Risk Register. Having said that, the nature of our business does not entail assets and/ or processes with significant environmental footprints.

Our other ongoing initiatives on energy, emissions and waste are outlined in question 5 below. Our nature of work requires us to operate in workstations and hence office environment and safety is paramount to us. We have instituted safety policy and procedures to govern the same. We regularly train employees and monitor these to overcome hazards and threats. We take the help of external agencies to provide us with guidance for the upkeep of our process to industry standards.



4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

This is not applicable.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

We are in a knowledge intensive industry, and do not operate industrial machinery, production facilities, or other such energy intensive operations. However, as a responsible corporate citizen, we continue to pursue and adopt appropriate energy conservation measures.

Active measures taken by us towards energy conservation and carbon footprint reduction include using technology to monitor and control the power consumption of air conditioning and other related equipment, use of energy efficient light bulbs, using technology for switching off computer monitors, motion sensors for lighting controls, etc.

We undertake regular reviews of energy requirements and consumption patterns, with action plans for effective utilization of power, during peak and non-peak seasons.

We also undertake continuing education and awareness programmes among all employees on energy conservation measures that can be adopted at individual levels, to help conserve power and energy.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?**

Yes, the emissions and waste generated by the Company are within the limits prescribed by Pollution Control Board.

7. **Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is not a member of any trade and chamber or association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic**

Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No

Principle 8

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

We have constituted a CSR committee for the purposes of recommending and monitoring the CSR initiatives of the Company. The Board on the recommendation of CSR Committee adopted a CSR Policy. The CSR objectives are designed to serve societal, local and national goals in the locations that we operate in, create a significant and sustained impact on local communities and provide opportunities for our employees to contribute to these efforts through volunteering.

Since the last five years, our flagship programmes have been Shiksha and Niramay. Tata Elxsi thrives on cutting edge technology. Therefore, the natural urge to empower young minds in our communities with knowledge, to prepare them for a bright future, by creating the necessary facilities. One significant part of our business is associated with the field of Healthcare and patients. Niramay came out of the necessity of making critical healthcare available to the needy. Our Shiksha program today benefits 145 students in various stages of education (Primary school to PhD programs) including 30 girl students from backward communities, 10 orphans and 60 spastics students. Our Niramay program helps the needy by providing financial support for life-saving treatments, extending quality medical care in slums and palliative care for the terminally ill. We have touched the lives of 9,000+ patients across the country through Niramay.

CMC Vellore approached us for a one-time grant to help them set up the new Advanced Trauma Care Centre. We sponsored 60 patient beds and one ventilator for the facility.

As a responsible corporate citizen, we joined the nationwide drive to fight COVID 19 pandemic. We provided large consignments of PPE kits, masks and other urgently needed items for the medical professionals at Sassoon Hospital Pune, Bangalore Baptist Hospital, Government College Trivandrum, Trivandrum General Hospital and Adyar Cancer Hospital Chennai. Through Taj Hotels, we provided food for one month for all doctors and support staff at Victoria Hospital, Bangalore and migrant workers in Mumbai. We provided ration to 1000 needy students for a month.



2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures /any other organization?

The programmes / projects chosen are a mix of in-house, external and group level initiatives.

3. Have you done any impact assessment of your initiative?

Assessments are carried out as a part of the planning and review process. Programs have been chosen carefully to impact end beneficiaries directly. Procedure of reporting has been laid down very clearly.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has spent an amount of ₹ 610.55 lakhs (Out of this ₹ 208.10 lakhs have been set aside for commitments made for education and research projects. The project timelines got extended due to the pandemic) during this financial year. The programmes have been mainly directed towards education & research / skill development, healthcare and for fighting the COVID 19 pandemic.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

We work closely with professional institutions with proven track record to ensure that the benefits are passed on to the target community. Examples of such institutions are Kidwai Memorial Institute of Oncology, Sri Jayadeva Hospital, Baptist Hospital, RASA (Ramana Sunritya Aalaya), Indian Institute of Science, Vishranthi Trust, Samarthanam Trust and Karunashraya in Bangalore, Sri Chitra Tirunal Hospital in Trivandrum, Adyar Cancer Hospital and IIT in Chennai, CMC in Vellore and Sassoon Hospital in Pune. Our association with FAEA (Foundation for Academic Excellence and Access) is for

a national education mission for girl students from SC/ST communities.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

The Company has a process of obtaining customer queries, complaints and satisfaction by means of periodic interactions, emails, dedicated relationship managers, established SLAs and escalation mechanisms. These processes help the Company to resolve any dissonance with our customers in a timely manner.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising, and/or anti-competitive behavior during the last five years.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

The Company carries our periodic customer satisfaction surveys from a delivery perspective as well as from an engagement perspective. They provide us an index of our customers' satisfaction levels along with qualitative feedback on our services.

