Twitter Thread by Smart Sync Services



Smart Sync Services
@SmartSyncServ



AR20-21 Notes

Tata Elxsi

Design Digital

Helping Enterprises Re-imagine Products & Services

Simplifying Technological Complexity

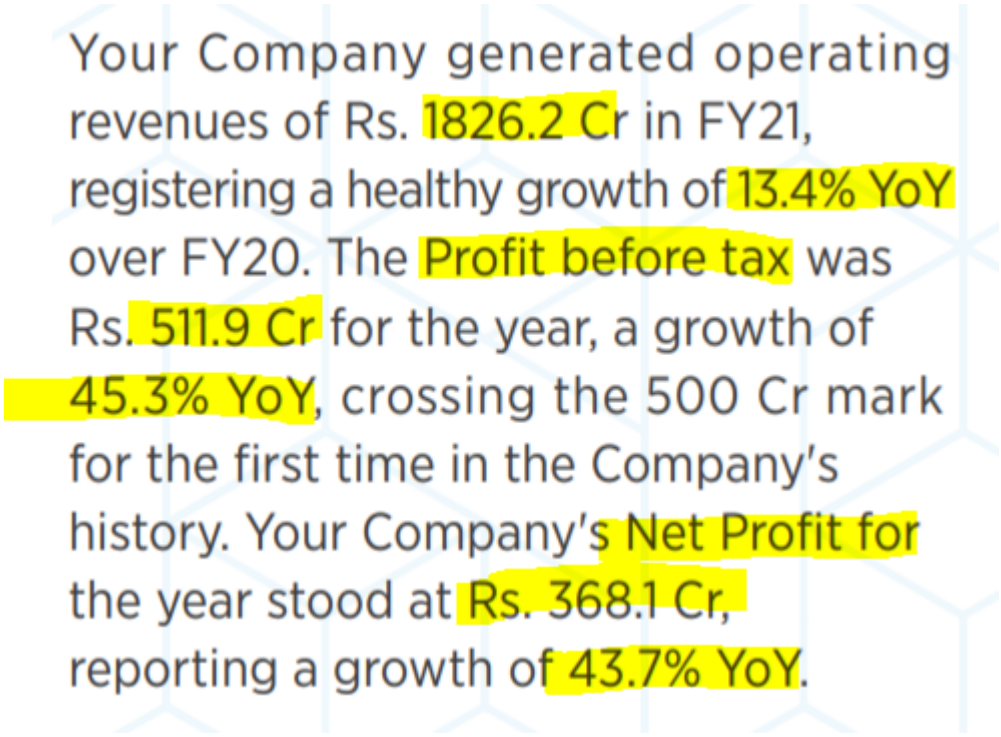
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1/

Message From the Chairman

~Strong Operating Performance
~Diversify-Geopolitical & Currency Risk mitigated
~Ranked in the leadership zone of Zinnov Zones 2020 Report



2/

DESIGN DIGITAL

~Industrial Design & Visualization
~Healthcare
~Media Broadcast & Communications
~Transportation
~System Integration



3/

Notes from MDA

~IT Sector- 8% of GDP, 52% of Services Exported
~Capex budgets diverted to IT & digitalization
~Disturbance in Automotive Industries
~Global Auto demand is going to increase but at a slow pace

The year 2020 was disrupted by pandemic-related sharp declines in growth across industries. When the global economy shrank by 3.3% YoY in 2020 (IMF), India's IT & ITeS sector shone brightly, growing by 2.3% YoY (Nasscom) thanks to faster digital technology adoption. According to Nasscom's Strategic Review 2021, India's technology sector contributed 8% of national GDP and 52% of services exports.

The rate of digital technology adoption has increased across industries, resulting in rapid revenue growth for technology service providers. Enterprises are diverting their CAPEX budgets to technology and prioritizing digitization in the face of a pandemic. According to Nasscom's CEO survey, 70% of businesses expect increased investment in global technology in 2021. With

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Notes from MDA

~Media & Communication -1 of the few sectors that did well in pandemic
~5G adoption faster due to pandemic
~Inflection point for digital transformation in healthcare

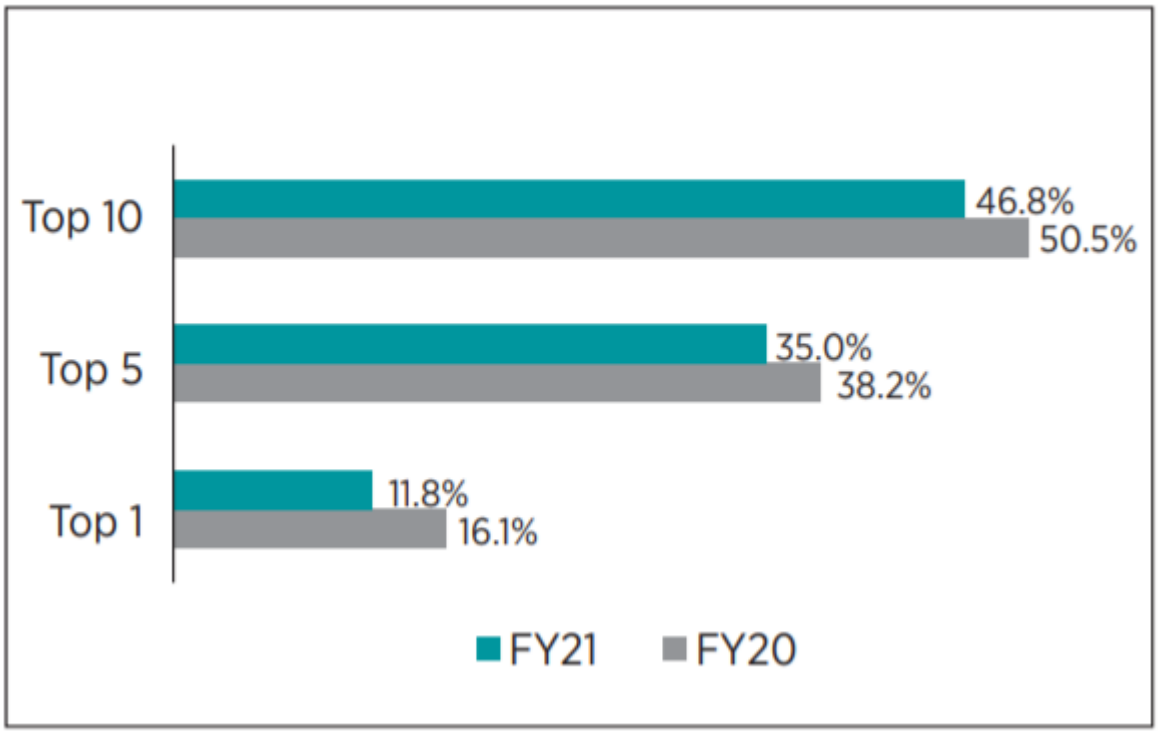
One of the few sectors that was positively affected by the pandemic was the **Media and Communications** sector. With a surge in data & telecom services due to global lockdowns, the Media & Communications sector is expected to grow by a CAGR of 4% between 2020-2023. Furthermore, investments are expected to increase in OTT, 5G, SDN/NFV and AI. The pandemic acted as a trigger, accelerating several developments that were already in motion. With movie theatres closing, OTT (direct-to-consumer through streaming platforms) saw a healthy increase in streaming content consumption, subscription services, and ad-supported models. With the increased adoption of remote working teams and the availability of successful digital collaborative tools, demand for services such as in-home access, home broadband, and over-the-top (OTT) services is increasing. Consumer and enterprise adoption of innovative wireless technology like 5G has increased due to the COVID-19 pandemic, as has customers' desire to try new content options.

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Notes from MDA

~Client Diversification
~Geographical Diversification
~Global Automotive ER&D to rebound
~Global Hi-Tech led ER&D to grow further

Client diversification- Revenue Contribution in FY21



6/

Notes from MDA

~ Industrial Design & Visualization

~System Integration & Support

Industrial Design and Visualization

Tata Elxsi works with customers to develop innovative products, services, and experiences that help them establish brands and grow their businesses. We assist clients worldwide in bringing new concepts and goods to market by combining design and technology.

Your Company's services span across consumer research and strategy, branding and graphics, product design, service design, user experience design, transportation design, 3D-prototyping, visualization, and manufacturing support.

Together with our clients, we simplify and enhance service value by analyzing problems, identifying opportunities, improving processes, and creating unified solutions, meaningful interactions, spaces, and products.

This business continues to deliver integrated services for customers in Transportation, Media & Communication & Healthcare sectors, enabling differentiation and added value, even as it addresses independent design projects in other sectors such as FMCG and consumer appliances.

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Financial Analysis

~Other expenses decreased
~Overhead expenses came down drastically
~Travel Exp gone down 60-70%.
~A&P and Communication Exp fell 20%
~Leading to higher-margin & PAT

Financial Analysis

Particulars	₹ in Crores		Change over previous year%	Percentage of Income	
	2020-21	2019-20		2020-21	2019-20
Sales and services	1826	1610	13	98	97
Other income	40	58	-31	2	3
Total Revenues	1866	1668	12	100	100
Cost of sales	87	81	7	5	5
Personnel expenses	1025	951	8	55	57
Financial expenses	6	6	-	-	-
Depreciation/ Amortization	44	43	2	2	3
Other expenses	192	235	-18	10	14
Total Expenditure	1354	1316	3	73	79
Profit before tax and exceptional items	512	352	45	27	21
Tax expenses	144	96	50	8	6
Profit after tax for the year	368	256	44	20	15

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~Balance Sheet
~Profit & Loss
~Cash Flow Statement

	Note	As at March 31, 2021	As at March 31, 2020
			₹ lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3 (i)	8,600.59	8,229.25
(b) Capital work-in-progress	3 (ia)	726.73	91.31
(c) Right of use assets	32 (b)	6,509.42	5,183.27
(d) Intangible assets	3 (ii)	1,855.22	1,293.49
(e) Financial assets			
(i) Investments*	4	-	-
(ii) Loans receivable	6 (ia)	2,039.96	1,682.70
(iii) Other financial assets	6 (ib)	10,200.00	-
(f) Deferred tax assets (net)	7	995.83	876.83
(g) Other non-current assets	8 (i)	209.39	341.20
(h) Tax assets (net)	9 (i)	1,395.19	1,079.83
Total non-current assets		**32,532.33**	18,777.88
Current assets			
(a) Inventories	10	6.29	171.20
(b) Financial assets			
(i) Trade receivables	11	40,225.83	39,238.07
(ii) Cash and cash equivalents	12	10,041.73	22,842.45
(iii) Other bank balances	13	75,920.25	43,580.02
(iv) Loans receivable	5	90.51	89.37
(v) Other financial assets	6 (ii)	7,366.55	8,440.70
(c) Other current assets	8 (iii)	5,485.77	5,758.45
Total current assets		**139,136.93**	120,120.26
TOTAL ASSETS		**171,669.26**	138,898.14
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	6,227.64	6,227.64
(b) Other equity	15	128,989.51	102,775.89
Total equity		**135,217.15**	109,003.53
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		6,045.69	4,501.39
(b) Provisions	16 (i)	3,960.00	3,655.98
Total non-current liabilities		**10,005.69**	8,157.37
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		1,275.30	1,325.66
(ii) Trade payables	17		
a) Dues of micro, small and medium enterprises		-	-
b) Dues of creditors other than micro, small and medium enterprises		5,613.07	4,713.20
(iii) Other financial liabilities	18	5,359.80	4,669.41
(b) Other current liabilities	20	8,305.35	7,649.87
(c) Provisions	16 (ii)	1,258.69	1,006.42
(d) Current tax liabilities (net)	19 (i)	4,634.21	2,372.68
Total current liabilities		**26,446.42**	21,737.24
TOTAL EQUITY AND LIABILITIES		**171,669.26**	138,898.14

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More Resources to learn:

~10 concall Notes: https://t.co/9NzvH2rTkz
~5 Min Stock Idea(July-2020) https://t.co/FP5EWu6vMV
~Infographic: https://t.co/0V8KpHkWck
~FY20 AR Notes https://t.co/rApz6XYfHw
~@soicfinance video: https://t.co/SuuwDaTS7h

End