

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statement of Financial Position

	As at December 31, 2022	As at March 31, 2022
	(In ₹ crore)	
ASSETS		
Current assets		
Cash and cash equivalents	8,927	12,488
Bank deposits	1,133	5,507
Investments	47,097	30,262
Trade receivables		
Billed	40,936	34,074
Unbilled	8,628	7,736
Other financial assets	10,279	8,061
Income tax assets (net)	-	11
Other assets	9,332	10,171
Total current assets	126,332	108,310
Non-current assets		
Bank deposits	931	1,232
Investments	278	223
Trade receivables		
Billed	68	145
Unbilled	46	55
Other financial assets	1,120	1,332
Income tax assets (net)	2,165	1,983
Deferred tax assets (net)	3,168	3,680
Property, plant and equipment	11,771	12,080
Right-of-use assets	7,388	7,636
Goodwill	3,978	3,935
Other intangible assets	940	1,101
Other assets	2,538	1,922
Total non-current assets	34,391	35,324
TOTAL ASSETS	160,723	143,634
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Lease liabilities	1,455	1,450
Trade payables	11,068	8,045
Other financial liabilities	8,615	7,687
Unearned and deferred revenue	3,803	3,635
Other liabilities	4,955	8,392
Provisions	350	1,411
Employee benefit obligations	4,108	3,810
Income tax liabilities (net)	8,158	7,921
Total current liabilities	42,512	42,351
Non-current liabilities		
Lease liabilities	6,222	6,368
Other financial liabilities	411	572
Employee benefit obligations	575	677
Deferred tax liabilities (net)	778	590
Unearned and deferred revenue	1,231	1,110
Total non-current liabilities	9,217	9,317
TOTAL LIABILITIES	51,729	51,668
Equity		
Share capital	366	366
Retained earnings	95,730	81,049
Other equity	12,148	9,844
Equity attributable to shareholders of the Company	108,244	91,259
Non-controlling interests	750	707
TOTAL EQUITY	108,994	91,966
TOTAL LIABILITIES AND EQUITY	160,723	143,634

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

	Three month period ended December 31, 2022	Three month period ended December 31, 2021	Nine month period ended December 31, 2022	Nine month period ended December 31, 2021
(In ₹ crore, except shares and per share data)				
Revenue	58,229	48,885	166,296	141,163
Cost of revenue	34,908	29,332	100,859	84,334
Gross profit	23,321	19,553	65,437	56,829
Operating expenses				
Selling, general and administrative expenses				
Selling, general and administrative expenses	9,037	7,316	25,688	21,004
Operating profit	14,284	12,237	39,749	35,825
Other income				
Finance and other income	884	646	2,309	1,924
Finance costs	(160)	(251)	(507)	(539)
Other gains (net)	(364)	559	(35)	1,113
Other income (net)	360	954	1,767	2,498
Profit before taxes	14,644	13,191	41,516	38,323
Income tax expense	3,761	3,385	10,649	9,833
Profit for the period	10,883	9,806	30,867	28,490
Other comprehensive income (OCI)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined employee benefit plans	67	39	267	21
Items that will be reclassified subsequently to profit or loss				
Net change in fair value of investments other than equity shares carried at fair value through OCI	36	(161)	(469)	(161)
Net change in intrinsic value of derivatives designated as cash flow hedges	(190)	68	(98)	133
Net change in time value of derivatives designated as cash flow hedges	(88)	(12)	(51)	(36)
Exchange differences on translation of foreign operations	990	(184)	504	(179)
Total other comprehensive income / (losses), net of tax	815	(250)	153	(222)
Total comprehensive income for the period	11,698	9,556	31,020	28,268
Profit for the period attributable to:				
Shareholders of the Company	10,846	9,769	30,755	28,401
Non-controlling interests	37	37	112	89
	10,883	9,806	30,867	28,490
Other comprehensive income for the period attributable to:				
Shareholders of the Company	760	(236)	142	(208)
Non-controlling interests	55	(14)	11	(14)
	815	(250)	153	(222)
Total comprehensive income for the period attributable to:				
Shareholders of the Company	11,606	9,533	30,897	28,193
Non-controlling interests	92	23	123	75
	11,698	9,556	31,020	28,268
Earnings per share				
Weighted average number of equity shares	365,90,51,373	369,90,51,373	365,90,51,373	369,90,51,373
Basic and diluted earnings per share in ₹	29.64	26.41	84.05	76.77

	Unaudited condensed consolidated interim statement of changes in equity										
	Number of shares	Share capital	Retained earnings	Special Economic Zone re-investment reserve	Foreign currency translation reserve	Cash flow hedging reserve		Investment revaluation reserve	Equity attributable to shareholders of the Company	Non- controlling interests	Total equity
						Intrinsic value	Time value				
	(In ₹ crore, except share data)										
Balance as at April 1, 2022	365,90,51,373	366	81,049	7,287	2,095	27	(53)	488	91,259	707	91,966
Profit for the period			30,755	-	-	-	-	-	30,755	112	30,867
Other comprehensive income / (losses)			267	-	493	(98)	(51)	(469)	142	11	153
Total comprehensive income / (losses)	-	-	31,022	-	493	(98)	(51)	(469)	30,897	123	31,020
Dividend		-	(13,904)	-	-	-	-	-	(13,904)	(63)	(13,967)
Purchase of non-controlling interests		-	(8)	-	-	-	-	-	(8)	(17)	(25)
Transfer to Special Economic Zone re-investment reserve		-	(6,216)	6,216	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve		-	3,787	(3,787)	-	-	-	-	-	-	-
Balance as at December 31, 2022	365,90,51,373	366	95,730	9,716	2,588	(71)	(104)	19	108,244	750	108,994
Balance as at April 1, 2021	369,90,51,373	370	82,745	2,538	2,045	56	(27)	828	88,555	675	89,230
Profit for the period			28,401	-	-	-	-	-	28,401	89	28,490
Other comprehensive income / (losses)			21	-	(165)	133	(36)	(161)	(208)	(14)	(222)
Total comprehensive income / (losses)	-	-	28,422	-	(165)	133	(36)	(161)	28,193	75	28,268
Dividend		-	(10,727)	-	-	-	-	-	(10,727)	(58)	(10,785)
Transfer to Special Economic Zone re-investment reserve	-	-	(7,086)	7,086	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	3,723	(3,723)	-	-	-	-	-	-	-
Balance as at December 31, 2021	369,90,51,373	370	97,077	5,901	1,880	189	(63)	667	106,021	692	106,713

Gain of ₹267 crore and ₹21 crore on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for nine month periods ended December 31, 2022 and 2021, respectively.

Retained earnings include statutory reserve of ₹165 crore and ₹306 crore as at December 31, 2022 and 2021, respectively.

Total equity (primarily retained earnings) includes ₹1,645 crore and ₹1,358 crore as at December 31, 2022 and 2021, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statement of Cash Flows

	Nine month period ended December 31, 2022	Nine month period ended December 31, 2021
	(In ₹ crore)	
Cash flows from operating activities		
Profit for the period	30,867	28,490
Adjustments for:		
Depreciation and amortisation expense	3,736	3,387
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	98	118
Income tax expense	10,649	9,833
Net gain on lease modification	(1)	(6)
Net loss on sub-lease	-	9
Unrealised foreign exchange (gain) / loss	(148)	35
Net gain on disposal of property, plant and equipment	(20)	(12)
Net gain on disposal / fair valuation of investments	(7)	(46)
Dividend reinvested	(1)	-
Operating profit before working capital changes	45,173	41,808
Net change in		
Trade receivables		
Billed	(6,560)	(4,330)
Unbilled	(823)	167
Other financial assets	89	(219)
Other assets	317	1,297
Trade payables	2,788	(427)
Unearned and deferred revenue	262	27
Other financial liabilities	929	543
Other liabilities and provisions	116	378
Cash generated from operations	42,291	39,244
Taxes paid (net of refunds)	(9,652)	(8,150)
Net cash generated from operating activities	32,639	31,094

TATA CONSULTANCY SERVICES LIMITED
Unaudited Condensed Consolidated Interim Statement of Cash Flows

	Nine month period ended December 31, 2022	Nine month period ended December 31, 2021
	(In ₹ crore)	
Cash flows from investing activities		
Bank deposits placed	(911)	(10,905)
Inter-corporate deposits placed	(8,293)	(10,831)
Purchase of investments*	(89,099)	(48,712)
Payment for purchase of property, plant and equipment	(2,016)	(1,738)
Payment including advances for acquiring right-of-use assets	(12)	(13)
Payment for purchase of intangible assets	(296)	(437)
Proceeds from bank deposits	5,574	6,052
Proceeds from inter-corporate deposits	6,074	14,339
Proceeds from disposal / redemption of investments*	71,552	32,162
Proceeds from sub-lease receivable	2	2
Proceeds from disposal of property, plant and equipment	30	16
Net cash used in investing activities	(17,395)	(20,065)
Cash flows from financing activities		
Repayment of lease liabilities	(1,149)	(1,049)
Dividend paid	(13,904)	(10,727)
Dividend paid to non-controlling interests	(63)	(58)
Transfer of funds from buy-back escrow account	18	-
Tax on buy-back of equity shares	(4,192)	-
Net cash used in financing activities	(19,290)	(11,834)
Net change in cash and cash equivalents	(4,046)	(805)
Cash and cash equivalents at the beginning of the period	12,488	6,858
Exchange difference on translation of foreign currency cash and cash equivalents	485	(61)
Cash and cash equivalents at the end of the period	8,927	5,992
<u>Components of cash and cash equivalents</u>		
Cash at banks and in hand	2,978	2,264
Bank deposits (original maturity less than three months)	5,949	3,728
	8,927	5,992
Supplementary cash flow information		
Interest paid	506	462
Interest received	2,083	1,976
Dividend received	7	-

*Purchase of investments include ₹150 crore and ₹17 crore for nine month periods ended December 31, 2022 and 2021, respectively, and proceeds from disposal / redemption of investments include ₹87 crore and ₹57 crore for nine month periods ended December 31, 2022 and 2021, respectively, held by trusts and TCS Foundation held for specified purposes.