

TATA CONSULTANCY SERVICES LIMITED
Unaudited condensed consolidated interim statement of financial position

	As at December 31, 2023	As at March 31, 2023
	(In ₹ crore)	
ASSETS		
Current assets		
Cash and cash equivalents	7,534	7,123
Bank deposits	2,153	3,224
Investments	33,332	36,897
Trade receivables		
Billed	44,307	41,049
Unbilled	8,398	8,905
Other financial assets	2,112	3,329
Income tax assets (net)	422	8
Other assets	11,103	9,735
Total current assets	109,361	110,270
Non-current assets		
Bank deposits	2,281	1,334
Investments	287	266
Trade receivables		
Billed	126	149
Unbilled	43	199
Other financial assets	1,095	988
Income tax assets (net)	1,778	2,583
Deferred tax assets (net)	3,405	3,277
Property, plant and equipment	11,083	11,595
Right-of-use assets	7,419	7,560
Goodwill	4,035	4,006
Other intangible assets	591	867
Other assets	2,998	2,675
Total non-current assets	35,141	35,499
TOTAL ASSETS	144,502	145,769
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Lease liabilities	1,485	1,485
Trade payables	10,746	10,515
Other financial liabilities	7,925	9,068
Unearned and deferred revenue	3,617	3,843
Other liabilities	6,091	4,892
Provisions	137	345
Employee benefit obligations	4,573	4,065
Income tax liabilities (net)	10,308	9,345
Total current liabilities	44,882	43,558
Non-current liabilities		
Lease liabilities	6,063	6,203
Other financial liabilities	374	353
Employee benefit obligations	680	536
Deferred tax liabilities (net)	997	792
Unearned and deferred revenue	536	1,003
Total non-current liabilities	8,650	8,887
TOTAL LIABILITIES	53,532	52,445
Equity		
Share capital	362	366
Retained earnings	71,100	77,594
Other equity	18,710	14,582
Equity attributable to shareholders of the Company	90,172	92,542
Non-controlling interests	798	782
TOTAL EQUITY	90,970	93,324
TOTAL LIABILITIES AND EQUITY	144,502	145,769

TATA CONSULTANCY SERVICES LIMITED

Unaudited condensed consolidated interim statement of profit or loss and other comprehensive income

	Three month period ended December 31, 2023	Three month period ended December 31, 2022	Nine month period ended December 31, 2023	Nine month period ended December 31, 2022
(In ₹ crore, except shares and per share data)				
Revenue	60,583	58,229	179,656	166,296
Cost of revenue	35,871	34,908	107,549	100,859
Gross profit	24,712	23,321	72,107	65,437
Operating expenses				
Selling, general and administrative expenses				
Settlement of legal claim	958	-	958	-
Others	9,557	9,037	28,714	25,688
Total Selling, general and administrative expenses	10,515	9,037	29,672	25,688
Operating profit	14,197	14,284	42,435	39,749
Other income				
Finance and other income	923	884	3,021	2,309
Finance costs	(230)	(160)	(552)	(507)
Other gains (net)	(61)	(364)	244	(35)
Other income (net)	632	360	2,713	1,767
Profit before taxes	14,829	14,644	45,148	41,516
Income tax expense	3,732	3,761	11,551	10,649
Profit for the period	11,097	10,883	33,597	30,867
Other comprehensive income (OCI)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined employee benefit plans	(58)	67	(61)	267
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	40	36	45	(469)
Net change in intrinsic value of derivatives designated as cash flow hedges	(63)	(190)	(6)	(98)
Net change in time value of derivatives designated as cash flow hedges	-	(88)	(2)	(51)
Exchange differences on translation of foreign operations	724	990	527	504
Total other comprehensive income / (losses), net of tax	643	815	503	153
Total comprehensive income for the period	11,740	11,698	34,100	31,020
Profit for the period attributable to:				
Shareholders of the Company	11,058	10,846	33,474	30,755
Non-controlling interests	39	37	123	112
	11,097	10,883	33,597	30,867
Other comprehensive income for the period attributable to:				
Shareholders of the Company	615	760	529	142
Non-controlling interests	28	55	(26)	11
	643	815	503	153
Total comprehensive income for the period attributable to:				
Shareholders of the Company	11,673	11,606	34,003	30,897
Non-controlling interests	67	92	97	123
	11,740	11,698	34,100	31,020
Earnings per share				
Weighted average number of equity shares	365,10,36,706	365,90,51,373	365,63,70,102	365,90,51,373
Basic and diluted earnings per share in ₹	30.29	29.64	91.55	84.05

TATA CONSULTANCY SERVICES LIMITED

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, 2023	365,90,51,373	366	77,594	11,809	2,752	8	(28)	41	92,542	782	93,324
Profit for the period	-	-	33,474	-	-	-	-	-	33,474	123	33,597
Other comprehensive income / (losses)	-	-	(61)	-	553	(6)	(2)	45	529	(26)	503
Total comprehensive income	-	-	33,413	-	553	(6)	(2)	45	34,003	97	34,100
Dividend	-	-	(15,368)	-	-	-	-	-	(15,368)	(81)	(15,449)
Buy-back of equity shares	(409,63,855)	(4)	(16,996)	-	-	-	-	-	(17,000)	-	(17,000)
Tax on buy-back of equity shares	-	-	(3,959)	-	-	-	-	-	(3,959)	-	(3,959)
Expenses for buy-back of equity shares	-	-	(46)	-	-	-	-	-	(46)	-	(46)
Transfer to Special Economic Zone re-investment reserve	-	-	(7,300)	7,300	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	3,762	(3,762)	-	-	-	-	-	-	-
Balance as at December 31, 2023	361,80,87,518	362	71,100	15,347	3,305	2	(30)	86	90,172	798	90,970
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	-	-	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

Loss of ₹61 crore and gain of ₹267 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, 2023 and 2022, respectively.

Retained earnings include statutory reserve of ₹143 crore and ₹165 crore as at December 31, 2023 and 2022, respectively.

Total equity (primarily retained earnings) includes ₹1,669 crore and ₹1,645 crore as at December 31, 2023 and 2022, 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, 2023	Nine month period ended December 31, 2022
	(In ₹ crore)	
Cash flows from operating activities		
Profit for the period	33,597	30,867
Adjustments for:		
Depreciation and amortisation expense	3,739	3,736
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	72	98
Income tax expense	11,551	10,649
Net gain on lease modification	(1)	(1)
Unrealised foreign exchange gain	(26)	(148)
Net gain on disposal of property, plant and equipment	(6)	(20)
Net gain on disposal / fair valuation of investments	(28)	(7)
Dividend reinvested	(11)	(1)
Operating profit before working capital changes	48,887	45,173
Net change in		
Trade receivables		
Billed	(2,605)	(6,560)
Unbilled	855	(823)
Other financial assets	(768)	89
Other assets	(1,632)	317
Trade payables	(234)	2,788
Unearned and deferred revenue	(763)	262
Other financial liabilities	(1,068)	929
Other liabilities and provisions	1,470	116
Cash generated from operations	44,142	42,291
Taxes paid (net of refunds)	(9,690)	(9,652)
Net cash generated from operating activities	34,452	32,639

TATA CONSULTANCY SERVICES LIMITED
Unaudited condensed consolidated interim statement of cash flows

	Nine month period ended December 31, 2023	Nine month period ended December 31, 2022
	(In ₹ crore)	
Cash flows from investing activities		
Bank deposits placed	(5,465)	(911)
Inter-corporate deposits placed	-	(8,293)
Purchase of investments*	(111,507)	(89,099)
Payment for purchase of property, plant and equipment	(1,371)	(2,016)
Payment including advances for acquiring right-of-use assets	(27)	(12)
Payment for purchase of intangible assets	(373)	(296)
Proceeds from bank deposits	5,997	5,574
Proceeds from inter-corporate deposits	836	6,074
Proceeds from disposal / redemption of investments*	115,359	71,552
Proceeds from sub-lease receivable	3	2
Proceeds from disposal of property, plant and equipment	13	30
Proceeds from disposal of intangible assets	7	-
Net cash generated from / (used in) investing activities	3,472	(17,395)
Cash flows from financing activities		
Repayment of lease liabilities	(1,219)	(1,149)
Dividend paid	(15,368)	(13,904)
Dividend paid to non-controlling interests	(81)	(63)
Transfer of funds to buy-back escrow account	(425)	-
Transfer of funds from buy-back escrow account	425	18
Expenses for buy-back of equity shares	(46)	-
Tax on buy-back of equity shares	(3,959)	(4,192)
Buy-back of equity shares	(17,000)	-
Net cash used in financing activities	(37,673)	(19,290)
Net change in cash and cash equivalents	251	(4,046)
Cash and cash equivalents at the beginning of the period	7,123	12,488
Exchange difference on translation of foreign currency cash and cash equivalents	160	485
Cash and cash equivalents at the end of the period	7,534	8,927
<u>Components of cash and cash equivalents</u>		
Cash at banks and in hand	2,291	2,978
Bank deposits (original maturity less than three months)	5,243	5,949
	7,534	8,927
Supplementary cash flow information		
Interest paid	477	506
Interest received	2,350	2,083
Dividend received	16	7

*Purchase of investments include ₹286 crore and ₹150 crore for nine month periods ended December 31, 2023 and 2022, respectively, and proceeds from disposal / redemption of investments include ₹77 crore and ₹87 crore for nine month periods ended December 31, 2023 and 2022, respectively, held by trusts and TCS Foundation held for specified purposes.