

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

	As at December 31, 2021	As at March 31, 2021		
	(In ₹ crore)			
ASSETS				
Current assets				
Cash and cash equivalents	5,992	6,858		
Bank deposits	6,977	2,262		
Investments	45,425	29,160		
Trade receivables				
Billed	34,103	30,079		
Unbilled	6,547	6,583		
Other financial assets	9,274	13,075		
Income tax assets (net)	5	19		
Other assets	9,574	11,244		
Total current assets	1,17,897	99,280		
Non-current assets				
Bank deposits	645	719		
Investments	237	213		
Trade receivables				
Billed	66	55		
Unbilled	95	273		
Other financial assets	1,735	883		
Income tax assets (net)	2,118	1,845		
Deferred tax assets (net)	2,887	3,903		
Property, plant and equipment	11,965	12,135		
Right-of-use assets	7,837	7,633		
Goodwill	3,892	3,948		
Other intangible assets	1,160	480		
Other assets	1,799	1,514		
Total non-current assets	34,436	33,601		
TOTAL ASSETS	1,52,333	1,32,881		
LIABILITIES AND EQUITY				
Liabilities				
Current liabilities				
Trade payables	7,311	7,860		
Lease liabilities	1,425	1,292		
Other financial liabilities	6,926	6,150		
Unearned and deferred revenue	3,627	3,650		
Employee benefit obligations	3,921	3,498		
Provisions	1,383	1,394		
Income tax liabilities (net)	7,196	6,243		
Other liabilities	3,982	4,068		
Total current liabilities	35,771	34,155		
Non-current liabilities				
Lease liabilities	6,561	6,503		
Other financial liabilities	568	280		
Unearned and deferred revenue	1,218	1,197		
Employee benefit obligations	748	749		
Deferred tax liabilities (net)	754	767		
Total non-current liabilities	9,849	9,496		
TOTAL LIABILITIES	45,620	43,651		
Equity				
Share capital	370	370		
Retained earnings	97,077	82,745		
Other equity	8,574	5,440		
Equity attributable to shareholders of the Company	1,06,021	88,555		
Non-controlling interests	692	675		
TOTAL EQUITY	1,06,713	89,230		
TOTAL LIABILITIES AND EQUITY	1,52,333	1,32,881		

TATA CONSULTANCY SERVICES LIMITED

Unaudited Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

	Three month period ended December 31, 2021	Three month period ended December 31, 2020	Nine month period ended December 31, 2021	Nine month period ended December 31, 2020
	(In ₹ crore, except shares and per share data)			
Revenue	48,885	42,015	1,41,163	1,20,472
Cost of revenue	29,332	24,527	84,334	71,456
Gross profit	19,553	17,488	56,829	49,016
Operating expenses				
Selling, general and administrative expenses				
Provision towards legal claim	-	-	-	1,218
Others	7,316	6,304	21,004	18,269
Total selling, general and administrative expenses	7,316	6,304	21,004	19,487
Operating profit	12,237	11,184	35,825	29,529
Other income				
Finance and other income	646	628	1,924	1,911
Finance costs	(251)	(183)	(539)	(499)
Other gains (net)	559	63	1,113	292
Other income (net)	954	508	2,498	1,704
Profit before taxes	13,191	11,692	38,323	31,233
Income tax expense	3,385	2,965	9,833	7,953
Profit for the period	9,806	8,727	28,490	23,280
Other comprehensive income (OCI)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined employee benefit plans	39	(145)	21	(100)
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	(161)	212	(161)	451
Net change in intrinsic value of derivatives designated as cash flow hedges	68	(80)	133	(33)
Net change in time value of derivatives designated as cash flow hedges	(12)	(78)	(36)	(34)
Exchange differences on translation of foreign operations	(184)	510	(179)	796
Total other comprehensive income / (losses), net of tax	(250)	419	(222)	1,080
Total comprehensive income for the period	9,556	9,146	28,268	24,360
Profit for the period attributable to:				
Shareholders of the Company	9,769	8,701	28,401	23,184
Non-controlling interests	37	26	89	96
	9,806	8,727	28,490	23,280
Other comprehensive income for the period attributable to:				
Shareholders of the Company	(236)	412	(208)	1,071
Non-controlling interests	(14)	7	(14)	9
	(250)	419	(222)	1,080
Total comprehensive income for the period attributable to:				
Shareholders of the Company	9,533	9,113	28,193	24,255
Non-controlling interests	23	33	75	105
	9,556	9,146	28,268	24,360
Earnings per share				
Weighted average number of equity shares	369,90,51,373	375,23,84,706	369,90,51,373	375,23,84,706
Basic and diluted earnings per share in ₹	26.41	23.19	76.77	61.79

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 Intrinsic value	Time value	Investment revaluation reserve	Equity attributable to shareholders of the Company	Non- controlling interests	Total equity
(In ₹ crore, except share data)											
Balance as at April 1, 2020	375,23,84,706	375	81,932	1,594	1,566	45	(68)	796	86,240	623	86,863
Profit for the period			23,184	-	-	-	-	-	23,184	96	23,280
Other comprehensive income / (losses)			(100)	-	787	(33)	(34)	451	1,071	9	1,080
Total comprehensive income / (losses)	-	-	23,084	-	787	(33)	(34)	451	24,255	105	24,360
Dividend			- (8,630)	-	-	-	-	-	(8,630)	(57)	(8,687)
Tax on liability towards buy-back of equity shares			- (3,726)	-	-	-	-	-	(3,726)	-	(3,726)
Liability towards buy-back of equity shares			- (16,000)	-	-	-	-	-	(16,000)	-	(16,000)
Transfer to Special Economic Zone re-investment reserve			- (3,810)	3,810	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve			-	3,042	(3,042)	-	-	-	-	-	-
Balance as at December 31, 2020	375,23,84,706	375	75,892	2,362	2,353	12	(102)	1,247	82,139	671	82,810
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	1,06,021	692	1,06,713

Gain of ₹21 crore and loss of ₹100 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, 2021 and 2020, respectively.

Retained earnings include statutory reserve of ₹306 crore and ₹386 crore as at December 31, 2021 and 2020, respectively.

Total equity (primarily retained earnings) includes ₹1,358 crore and ₹1,287 crore as at December 31, 2021 and 2020, 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 <u>December 31, 2021</u>	Nine month period ended <u>December 31, 2020</u>
	(In ₹ crore)	
Cash flows from operating activities		
Profit for the period	28,490	23,280
Adjustments to reconcile profit or loss to net cash provided by operating activities		
Depreciation and amortisation expense	3,387	2,998
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	118	158
Provision towards legal claim	-	1,218
Income tax expense	9,833	7,953
Net gain on lease modification	(6)	(63)
Net loss on sub-lease	9	-
Unrealised foreign exchange (gain) / loss	35	(54)
Net gain on disposal of property, plant and equipment	(12)	(3)
Net gain on disposal / fair valuation of investments	(46)	(106)
Operating profit before working capital changes	41,808	35,381
Net change in		
Trade receivables		
Billed	(4,330)	2,213
Unbilled	167	980
Other financial assets	(219)	204
Other assets	1,297	(1,018)
Trade payables	(427)	(1,998)
Unearned and deferred revenue	27	296
Other financial liabilities	543	(193)
Other liabilities and provisions	378	2,354
Cash generated from operations	39,244	38,219
Taxes paid (net of refunds)	(8,150)	(6,359)
Net cash generated from operating activities	31,094	31,860

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

	Nine month period ended <u>December 31, 2021</u>	Nine month period ended <u>December 31, 2020</u>
	(In ₹ crore)	
Cash flows from investing activities		
Bank deposits placed	(10,905)	(4,397)
Inter-corporate deposits placed	(10,831)	(11,006)
Purchase of investments*	(48,712)	(45,960)
Payment for purchase of property, plant and equipment	(1,738)	(1,780)
Payment including advances for acquiring right-of-use assets	(13)	(4)
Payment for purchase of intangible assets	(437)	(219)
Proceeds from bank deposits	6,052	1,662
Proceeds from inter-corporate deposits	14,339	15,242
Proceeds from disposal / redemption of investments*	32,162	22,722
Proceeds from sub-lease receivable	2	-
Proceeds from disposal of property, plant and equipment	16	26
Net cash used in investing activities	(20,065)	(23,714)
Cash flows from financing activities		
Repayment of lease liabilities	(1,049)	(1,002)
Dividend paid	(10,727)	(8,630)
Dividend paid to non-controlling interests	(58)	(57)
Transfer of funds to buy-back escrow account	-	(160)
Net cash used in financing activities	(11,834)	(9,849)
Net change in cash and cash equivalents	(805)	(1,703)
Cash and cash equivalents at the beginning of the period	6,858	8,646
Exchange difference on translation of foreign currency cash and cash equivalents	(61)	273
Cash and cash equivalents at the end of the period	5,992	7,216
Components of cash and cash equivalents		
Cash at banks and in hand	2,264	5,276
Bank deposits (original maturity less than three months)	3,728	1,940
	5,992	7,216
Supplementary cash flow information		
Interest paid	462	495
Interest received	1,976	2,163
Dividend received	-	4

*Purchase of investments include ₹17 crore and ₹74 crore for nine month periods ended December 31, 2021 and 2020, respectively, and proceeds from disposal / redemption of investments include ₹57 crore and ₹66 crore for nine month periods ended December 31, 2021 and 2020, respectively, held by trusts and TCS Foundation held for specified purposes.