TATA CONSULTANCY SERVICES LIMITED
Unaudited consolidated interim statement of financial position

	Note	As at December 31, 2024	As at March 31, 2024
		(In million of USD)	
ASSETS			
Current assets			
Cash and cash equivalents	9(a)	1,159	1,081
Bank deposits		1,070	456
Investments	9(b)	4,877	3,776
Trade receivables			
Billed	9(c)	6,088	5,328
Unbilled		974	1,096
Other financial assets	9(d)	374	320
Income tax assets (net)		29	18
Other assets	11(d)	1,714	1,475
Total current assets		**16,285**	**13,550**
Non-current assets			
Bank deposits		146	270
Investments	9(b)	32	34
Trade receivables			
Billed	9(c)	11	15
Unbilled		2	2
Other financial assets	9(d)	115	123
Income tax assets (net)		243	192
Deferred tax assets (net)		389	405
Property, plant and equipment	11(a)	1,317	1,346
Right-of-use assets	10	1,087	946
Goodwill	11(b)	463	478
Other intangible assets	11(c)	135	61
Other assets	11(d)	385	394
Total non-current assets		**4,325**	**4,266**
TOTAL ASSETS		**20,610**	**17,816**
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Lease liabilities		174	180
Trade payables		1,657	1,197
Other financial liabilities	9(e)	1,017	1,003
Unearned and deferred revenue		465	437
Other liabilities	11(e)	801	782
Provisions	11(f)	18	17
Employee benefit obligations	16	564	542
Income tax liabilities (net)		1,510	1,371
Total current liabilities		**6,206**	**5,529**
Non-current liabilities			
Lease liabilities		918	781
Other financial liabilities	9(e)	85	44
Employee benefit obligations	16	95	82
Deferred tax liabilities (net)		109	117
Unearned and deferred revenue		51	58
Total non-current liabilities		**1,258**	**1,082**
TOTAL LIABILITIES		**7,464**	**6,611**
Equity			
Share capital	9(j)	68	68
Retained earnings		17,393	13,980
Other equity		(4,426)	(2,944)
Equity attributable to shareholders of the Company		**13,035**	**11,104**
Non-controlling interests		111	101
TOTAL EQUITY		**13,146**	**11,205**
TOTAL LIABILITIES AND EQUITY		**20,610**	**17,816**

See accompanying notes to unaudited consolidated interim financial statements

TATA CONSULTANCY SERVICES LIMITED

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

	Note	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
		(In million of USD, except shares and per share data)			
Revenue	12	7,539	7,281	22,714	21,717
Cost of revenue		4,613	4,311	13,868	13,001
Gross profit		**2,926**	**2,970**	**8,846**	**8,716**
Operating expenses					
Selling, general and administrative expenses					
Settlement of legal claim		-	115	-	115
Others		1,082	1,149	3,305	3,472
Total Selling, general and administrative expenses		**1,082**	**1,264**	**3,305**	**3,587**
Operating profit		**1,844**	**1,706**	**5,541**	**5,129**
Other income					
Finance and other income	14(a)	114	111	306	365
Finance costs	14(b)	(28)	(28)	(68)	(67)
Other gains (net)	14(c)	33	(7)	43	30
Other income (net)		**119**	**76**	**281**	**328**
Profit before taxes		**1,963**	**1,782**	**5,822**	**5,457**
Income tax expense	15	497	448	1,479	1,396
Profit for the period		**1,466**	**1,334**	**4,343**	**4,061**
Other comprehensive income (OCI)					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of defined employee benefit plans		3	(7)	4	(7)
Net change in fair value of investments in equity shares carried at fair value through OCI		(1)	-	(2)	-
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		(11)	5	29	6
Net change in intrinsic value of derivatives designated as cash flow hedges		3	(8)	2	(1)
Net change in time value of derivatives designated as cash flow hedges		1	-	-	-
Exchange differences on translation of foreign operations and translation to presentation currency		(365)	67	(353)	(72)
Total other comprehensive income / (losses), net of tax		**(370)**	**57**	**(320)**	**(74)**
Total comprehensive income for the period		**1,096**	**1,391**	**4,023**	**3,987**
Profit for the period attributable to:					
Shareholders of the Company		1,458	1,329	4,321	4,046
Non-controlling interests		8	5	22	15
		1,466	**1,334**	**4,343**	**4,061**
Other comprehensive income for the period attributable to:					
Shareholders of the Company		(362)	54	(316)	(70)
Non-controlling interests		(8)	3	(4)	(4)
		(370)	**57**	**(320)**	**(74)**
Total comprehensive income for the period attributable to:					
Shareholders of the Company		1,096	1,383	4,005	3,976
Non-controlling interests		-	8	18	11
		1,096	**1,391**	**4,023**	**3,987**
Earnings per share					
Weighted average number of equity shares		3,61,80,87,518	3,65,10,36,706	3,61,80,87,518	3,65,63,70,102
Basic and diluted earnings per share in USD	17	0.40	0.36	1.19	1.11

See accompanying notes to unaudited consolidated interim financial statements

TATA CONSULTANCY SERVICES LIMITED

Unaudited 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 million of USD, except share data)										
Balance as at April 1, 2024	**3,61,80,87,518**	**68**	**13,980**	**2,099**	**(5,049)**	**(9)**	**(11)**	**26**	**11,104**	**101**	**11,205**
Profit for the period	-	-	4,321	-	-	-	-	-	4,321	22	4,343
Other comprehensive income / (losses)	-	-	4	-	(349)	2	-	27	(316)	(4)	(320)
Total comprehensive income	**-**	**-**	**4,325**	**-**	**(349)**	**2**	**-**	**27**	**4,005**	**18**	**4,023**
Dividend	-	-	(2,075)	-	-	-	-	-	(2,075)	(11)	(2,086)
Transfer from Special Economic Zone re-investment reserve	-	-	1,162	(1,162)	-	-	-	-	-	-	-
Sale of shares to non-controlling interests	-	-	1	-	-	-	-	-	1	3	4
Balance as at December 31, 2024	**3,61,80,87,518**	**68**	**17,393**	**937**	**(5,398)**	**(7)**	**(11)**	**53**	**13,035**	**111**	**13,146**
Balance as at April 1, 2023	**3,65,90,51,373**	**68**	**14,536**	**1,565**	**(4,899)**	**(9)**	**(12)**	**3**	**11,252**	**97**	**11,349**
Profit for the period	-	-	4,046	-	-	-	-	-	4,046	15	4,061
Other comprehensive income / (losses)	-	-	(7)	-	(68)	(1)	-	6	(70)	(4)	(74)
Total comprehensive income	**-**	**-**	**4,039**	**-**	**(68)**	**(1)**	**-**	**6**	**3,976**	**11**	**3,987**
Dividend	-	-	(1,866)	-	-	-	-	-	(1,866)	(10)	(1,876)
Buy-back of equity shares[1]	(4,09,63,855)	-*	(2,039)	-	-	-	-	-	(2,039)	-	(2,039)
Tax on buy-back of equity shares[1]	-	-	(475)	-	-	-	-	-	(475)	-	(475)
Expenses for buy-back of equity shares[1]	-	-	(6)	-	-	-	-	-	(6)	-	(6)
Transfer to Special Economic Zone re-investment reserve	-	-	(883)	883	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	455	(455)	-	-	-	-	-	-	-
Balance as at December 31, 2023	**3,61,80,87,518**	**68**	**13,761**	**1,993**	**(4,967)**	**(10)**	**(12)**	**9**	**10,842**	**98**	**10,940**

See accompanying notes to unaudited consolidated interim financial statements

*Amount less than $0.50 million.

[1] Refer note 9 (j)

Gain of $4 million and loss of $7 million on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for nine months ended December 31, 2024 and 2023, respectively.

Retained earnings include statutory reserve of $30 million and $26 million as at December 31, 2024 and 2023, respectively.

Total equity (primarily retained earnings) includes $191 million and $201 million as at December 31, 2024 and 2023, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

TATA CONSULTANCY SERVICES LIMITED
Unaudited consolidated interim statement of cash flows

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)	
Cash flows from operating activities		
Profit for the period	4,343	4,061
Adjustments for:		
Depreciation and amortisation expense	459	452
Bad debts and advances written off, allowance for expected credit losses and doubtful advances (net)	12	9
Income tax expense	1,479	1,396
Net gain on lease modification	(2)	-
Unrealised foreign exchange (gain) / loss	1	(3)
Net gain on disposal of property, plant and equipment	(1)	(3)
Net gain on disposal / fair valuation of investments	-	(1)
Operating profit before working capital changes	**6,291**	**5,911**
Net change in		
Trade receivables		
Billed	(880)	(315)
Unbilled	117	103
Other financial assets	(92)	(93)
Other assets	(266)	(199)
Trade payables	441	(28)
Unearned and deferred revenue	22	(92)
Other financial liabilities	(19)	(129)
Other liabilities and provisions	66	178
Cash generated from operations	**5,680**	**5,336**
Taxes paid (net of refunds)	(1,380)	(1,171)
Net cash generated from operating activities	**4,300**	**4,165**

TATA CONSULTANCY SERVICES LIMITED
Unaudited consolidated interim statement of cash flows

	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)	
Cash flows from investing activities		
Bank deposits placed	(583)	(663)
Purchase of investments*	(12,175)	(13,465)
Payment for purchase of property, plant and equipment	(259)	(165)
Payment including advances for acquiring right-of-use assets	(11)	(3)
Payment for purchase of intangible assets	(19)	(45)
Proceeds from bank deposits	53	722
Proceeds from inter-corporate deposits	20	102
Proceeds from disposal / redemption of investments*	10,640	13,927
Proceeds from disposal of property, plant and equipment	1	1
Proceeds from disposal of intangible assets	-	1
Loan given	(4)	-
Net cash (used in) / generated from investing activities	**(2,337)**	**412**
Cash flows from financing activities		
Repayment of lease liabilities	(150)	(147)
Dividend paid	(2,075)	(1,866)
Dividend paid to non-controlling interests	(11)	(10)
Transfer of funds to buy-back escrow account	-	(51)
Transfer of funds from buy-back escrow account	-	51
Expenses for buy-back of equity shares (Refer note 9 (j))	-	(6)
Tax on buy-back of equity shares (Refer note 9 (j))	-	(475)
Buy-back of equity shares (Refer note 9 (j))	-	(2,039)
Sale of shares to non-controlling interests	4	-
Net cash used in financing activities	**(2,232)**	**(4,543)**
Net change in cash and cash equivalents	**(269)**	**34**
Cash and cash equivalents at the beginning of the period	1,081	866
Exchange difference on translation of foreign currency cash and cash equivalents	347	6
Cash and cash equivalents at the end of the period	**1,159**	**906**
Components of cash and cash equivalents		
Cash at banks and in hand	274	276
Bank deposits (original maturity less than three months)	885	630
	1,159	**906**
Supplementary cash flow information		
Interest paid	65	58
Interest received	246	284
Dividend received	4	2

See accompanying notes to unaudited consolidated interim financial statements

*Purchase of investments include $21 million and $35 million for nine months ended December 31, 2024 and 2023, respectively, and proceeds from disposal / redemption of investments include $20 million and $9 million for nine months ended December 31, 2024 and 2023, respectively, held by trusts and TCS Foundation held for specified purposes.

1) Corporate information

Tata Consultancy Services Limited ("the Company") and its subsidiaries (collectively together with employee welfare trusts referred to as "the Group") provide IT services, consulting and business solutions and have been partnering with many of the world's largest businesses in their transformation journeys. The Group offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model recognised as a benchmark of excellence in software development.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is TCS House, Raveline Street, Fort, Mumbai - 400001. As at December 31, 2024, Tata Sons Private Limited, the holding company owned 71.74% of the Company's equity share capital.

2) Statement of compliance

These unaudited consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including requirement of International Accounting Standard 34 ("IAS 34"), Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB").

3) Basis of preparation

These unaudited consolidated interim financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

The unaudited consolidated interim statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The Group classifies interest paid and interest and dividend received as cash flow from operating activities. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹). The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the dates of statement of financial position and exchange gains and losses arising on settlement and restatement are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policy information related to preparation of the unaudited consolidated interim financial statements have been discussed in the respective notes.

4) Basis of consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.
Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group companies are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the dates of statement of financial position. Statement of profit or loss and other comprehensive income of such entities has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity. When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal.

These unaudited consolidated interim financial statements are presented in US Dollars ($) to facilitate the investors' ability to evaluate the Group's performance and financial position in comparison to similar companies domiciled in different foreign jurisdictions.

5) Use of estimates and judgements

The preparation of unaudited consolidated interim financial statements in conformity with the recognition and measurement principles of International Financial Reporting Standards (IFRS) requires management of the Group to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of unaudited consolidated interim financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Group uses the following critical accounting judgements, estimates and assumptions in preparation of its unaudited consolidated interim financial statements:

(a) Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group estimates the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

The Group exercises judgement for identification of performance obligations, determination of transaction price, ascribing the transaction price to each distinct performance obligation and in determining whether the performance obligation is satisfied at a point in time or over a period of time. These judgements have been explained in detail under the revenue recognition note (Refer note 12).

(b) Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods (Refer note 11(a)).

(c) Impairment of goodwill

The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies (Refer note 11(b)).

(d) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Impairment of financial assets (other than at fair value)

Measurement of impairment of financial assets require use of estimates, which have been explained in the note on financial assets, financial liabilities and equity instruments, under impairment of financial assets (other than at fair value) (Refer note 9).

(f) Deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(g) Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the unaudited consolidated interim financial statements.

(h) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note (Refer note 16).

(i) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of IFRS 16. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

6) Nature and purpose of reserves

(a) Retained earnings

This reserve represents undistributed accumulated earnings of the Group as on the date of statement of financial position.

(b) Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961 of India. The reserve will be utilised by the Group for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961 of India.

(c) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than presentation currency is recognised in other comprehensive income, net of taxes and is presented within equity in the foreign currency translation reserve.

(d) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to profit or loss in the period in which the underlying hedged transaction occurs.

(e) Investment revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the date of statement of financial position measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and statement of profit or loss respectively, when such instruments are disposed.

7) Recent accounting standards

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates[1]
Amendments to IFRS 9 and IFRS 7[2]
IFRS 18 – Presentation and Disclosures in Financial Statements[3]
IFRS 19 – Subsidiaries without Public Accountability: Disclosures[3]

[1] Effective for annual periods beginning on or after January 1, 2025.
[2] Effective for annual periods beginning on or after January 1, 2026.
[3] Effective for annual periods beginning on or after January 1, 2027.

IAS 21 – The Effects of Changes in Foreign Exchange Rates

In August 2023, the IASB issued 'Lack of Exchangeability (Amendments to IAS 21)' to provide guidance to specify which exchange rate to use when the currency is not exchangeable. An entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. The Group does not expect this amendment to have any significant impact in its financial statements.

IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosure

In May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of IFRS 9. The amendments relate to derecognition of a financial liability settled through electronic transfer, classification of financial assets and disclosures of certain financial assets and financial liabilities. The Group will evaluate the amendments and implement them accordingly.

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued its new standard IFRS 18 **–** Presentation and Disclosures in Financial Statements that will replace IAS 1 **–** Presentation of Financial Statements. The new standard aims at improving how entities communicate in their financial statements. The Group will evaluate the standard and implement it accordingly.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued a new standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures. The standard allows a subsidiary which does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards, to elect IFRS 19. Such an entity applies the requirements in other IFRS Accounting Standards, except for the disclosure requirements, instead the entity applies the requirements in IFRS 19.

8) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, the excess is recognised in determination of profit or loss after reassessing the fair values of the net assets and contingent liabilities.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

9) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Group considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received net of direct issue cost.

Derivative accounting

- **Instruments in hedging relationship**

  The Group designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

  The Group uses hedging instruments that are governed by the financial risk management policy as approved by the Risk Management Committee. The policy provides principles on the use of such financial derivatives consistent with the risk management strategy of the company and its subsidiaries. While determining the appropriate hedge ratio, the Group takes into consideration the prevailing macro-economic conditions, the availability and liquidity of the hedging instruments, tolerance levels for hedge ineffectiveness and the costs of hedging. The hedging activities are reviewed by the Risk Management Committee every quarter and future course of action is determined.

  The hedge instruments are designated and documented as hedges at the inception of the contract. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in profit or loss.

  The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve.

  The Group separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified in profit or loss when the related hedged items affect profit or loss.

  Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised into profit or loss when the forecasted transaction ultimately affects profit or loss. Any gain or loss is recognised immediately in profit or loss when the hedge becomes ineffective.

- **Instruments not in hedging relationship**

  The Group enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in profit or loss.

Impairment of financial assets (other than at fair value)

The Group assesses at each date of statement of financial position whether a financial asset or a group of financial assets is impaired. IFRS 9 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowance for expected credit losses the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(a) Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Cash at banks and in hand	274	336
Bank deposits (original maturity less than three months)	885	745
Total	**1,159**	**1,081**
Held within India	402	307
Held outside India	757	774
Total	**1,159**	**1,081**

(b) Investments

Investments consist of the following:

Investments – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Investments carried at fair value through profit or loss		
Mutual fund units	689	283
	689	**283**
Investments carried at fair value through OCI		
Government bonds and securities	2,914	2,968
Corporate bonds	577	408
	3,491	**3,376**
Investments carried at amortised cost		
Corporate bonds	2	4
Certificate of deposits	411	-
Commercial papers	284	113
Treasury bills	-	-
	697	**117**
Total	**4,877**	**3,776**

Investments – Current includes $23 million and $24 million as at December 31, 2024 and March 31, 2024, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

Government bonds and securities includes bonds pledged with bank for credit facility amounting to $315 million and NIL as at December 31, 2024 and March 31, 2024, respectively.

Investments – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Investments designated at fair value through OCI		
Equity shares	2	4
	2	**4**
Investments carried at amortised cost		
Government bonds and securities	22	23
Corporate bonds	8	7
	30	**30**
Total	**32**	**34**

Investments – Non-current includes $30 million and $30 million as at December 31, 2024 and March 31, 2024, respectively, pertaining to trusts held for specified purposes.

The movement in fair value of investments carried / designated at fair value through OCI is as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**26**	**3**
Net loss arising on revaluation of investments in equities carried at fair value through other comprehensive income	(2)	(1)
Net gain / (loss) arising on revaluation of investments other than equities carried at fair value through other comprehensive income	37	29
Deferred tax relating to net gain / (loss) arising on revaluation of investments other than equities carried at fair value through other comprehensive income	(8)	(4)
Net cumulative gain reclassified to profit or loss on sale of investments other than equities carried at fair value through other comprehensive income	-	(1)
Balance at the end of the period	**53**	**26**

(c) Trade receivables - Billed

Trade receivables - Billed consist of the following:

Trade receivables - Billed – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Trade receivables - Billed	6,156	5,394
Less: Allowance for expected credit losses	(68)	(66)
Total	**6,088**	**5,328**

Trade receivables - Billed – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Trade receivables - Billed	93	92
Less: Allowance for expected credit losses	(82)	(77)
Total	**11**	**15**

Above balances of trade receivables - billed include balances with related parties (Refer note 21).

(d) Other financial assets

Other financial assets consist of the following:

Other financial assets – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Security deposits	40	41
Fair value of foreign exchange derivative assets	24	17
Interest receivable	129	92
Earmarked balances with banks	58	57
Loans and advances to employees	40	77
Inter-corporate deposits	-	20
Others	83	16
Total	**374**	**320**

Other financial assets – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Security deposits	81	90
Earmarked balances with banks	28	26
Interest receivable	3	7
Others	3	-
Total	**115**	**123**

Earmarked balances with banks primarily relate to margin money for purchase of investments, unclaimed dividends and liquidity backstop as a part of regulatory requirements.

Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorised to accept and use such inter-corporate deposits as per regulations applicable to them. Inter-corporate deposits include Nil and $13 million as at December 31, 2024 and March 31, 2024, respectively, pertaining TCS Foundation held for specified purposes.

Interest receivable includes $25 million and $13 million as at December 31, 2024 and March 31, 2024, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

(e) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Capital creditors	183	75
Fair value of foreign exchange derivative liabilities	48	14
Liabilities towards customer contracts	152	181
Accrued payroll	593	691
Unclaimed dividends	6	6
Others	35	36
Total	**1,017**	**1,003**

Other financial liabilities – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Capital creditors	9	8
Liabilities towards customer contracts	41	-
Others	35	36
Total	**85**	**44**

Others include advance taxes paid of $26 million and $27 million as at December 31, 2024 and March 31, 2024, respectively, by the seller of TCS e-Serve Limited (merged with the Company) which, on refund by tax authorities, is payable to the seller.

(f) Financial instruments by category

The carrying value of financial instruments by categories as at December 31, 2024 is as follows:

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
			(In million of USD)			
Financial assets						
Cash and cash equivalents	-	-	-	-	1,159	1,159
Bank deposits	-	-	-	-	1,216	1,216
Investments	689	3,493	-	-	727	4,909
Trade receivables						
Billed	-	-	-	-	6,099	6,099
Unbilled	-	-	-	-	976	976
Earmarked balances with banks	-	-	-	-	86	86
Other financial assets	-	-	8	16	379	403
Total	**689**	**3,493**	**8**	**16**	**10,642**	**14,848**
Financial liabilities						
Trade payables	-	-	-	-	1,657	1,657
Lease liabilities	-	-	-	-	1,092	1,092
Other financial liabilities	-	-	-	48	1,054	1,102
Total	**-**	**-**	**-**	**48**	**3,803**	**3,851**

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
			(In million of USD)			
Financial assets						
Cash and cash equivalents	-	-	-	-	1,081	1,081
Bank deposits	-	-	-	-	726	726
Investments	283	3,380	-	-	147	3,810
Trade receivables						
Billed	-	-	-	-	5,343	5,343
Unbilled	-	-	-	-	1,098	1,098
Earmarked balances with banks	-	-	-	-	83	83
Other financial assets	-	-	6	11	343	360
Total	**283**	**3,380**	**6**	**11**	**8,821**	**12,501**
Financial liabilities						
Trade payables	-	-	-	-	1,197	1,197
Lease liabilities	-	-	-	-	961	961
Other financial liabilities	-	-	-	14	1,033	1,047
Total	**-**	**-**	**-**	**14**	**3,191**	**3,205**

Other financial assets include inter-corporate deposits of $20 million, with original maturity period within 24 months.

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at December 31, 2024 and March 31, 2024, approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required. Fair value of investments carried at amortised cost is $727 million and $146 million as at December 31, 2024 and March 31, 2024, respectively.

(g) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

As at December 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
		(In million of USD)		
Financial assets				
Mutual fund units	689	-	-	689
Equity shares	-	-	2	2
Government bonds and securities	2,935	-	-	2,935
Corporate bonds	587	-	-	587
Certificate of deposits	411	-	-	411
Commercial papers	284	-	-	284
Treasury bills	-	-	-	-
Fair value of foreign exchange derivative assets	-	24	-	24
Total	**4,906**	**24**	**2**	**4,932**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	48	-	48
Other financial liabilities	-	-	-	-
Total	**-**	**48**	**-**	**48**

As at March 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
		(In million of USD)		
Financial assets				
Mutual fund units	283	-	-	283
Equity shares	-	-	4	4
Government bonds and securities	2,990	-	-	2,990
Corporate bonds	419	-	-	419
Commercial papers	113	-	-	113
Treasury bills	-	-	-	-
Fair value of foreign exchange derivative assets	-	17	-	17
Total	**3,805**	**17**	**4**	**3,826**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	14	-	14
Total	**-**	**14**	**-**	**14**

Reconciliation of Level 3 fair value measurement of financial assets is as follows:

	As at December 31, 2024	**As at March 31, 2024**
	(In million of USD)	
Balance at the beginning of the period	**4**	**5**
Impairment in value of investments	(2)	(1)
Balance at the end of the period	**2**	**4**

(h) Derivative financial instruments and hedging activity

The Group's revenue is denominated in various foreign currencies. Given the nature of the business, a large portion of the costs are denominated in Indian Rupee. This exposes the Group to currency fluctuations.

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Group which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Group uses various derivative instruments such as foreign exchange forward, currency options and futures contracts in which the counter party is generally a bank.

The following are outstanding currency options contracts, which have been designated as cash flow hedges:

	As at December 31, 2024			As at March 31, 2024		
Foreign currency	**No. of contracts**	**Notional amount of contracts (In million)**	**Fair value (In million of USD)**	**No. of contracts**	**Notional amount of contracts (In million)**	**Fair value (In million of USD)**
US Dollar	-	-	-	19	475	1
Great Britain Pound	27	245	4	29	230	3
Euro	26	240	3	28	235	2

The movement in cash flow hedging reserve for derivatives designated as cash flow hedges is as follows:

	Nine months ended December 31, 2024		Year ended March 31, 2024	
	Intrinsic value	**Time value**	**Intrinsic value**	**Time value**
		(In million of USD)		
Balance at the beginning of the year	**(9)**	**(11)**	**(9)**	**(12)**
(Gain) / loss transferred to profit or loss on occurrence of forecasted hedge transactions	(18)	20	(16)	30
Deferred tax on (gain) / loss transferred to profit or loss on occurrence of forecasted hedge transactions	5	(5)	3	(7)
Change in the fair value of effective portion of cash flow hedges	21	(20)	17	(28)
Deferred tax on change in the fair value of effective portion of cash flow hedges	(6)	5	(4)	6
Balance at the end of the year	**(7)**	**(11)**	**(9)**	**(11)**

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forward, currency options and futures contracts. As at December 31, 2024 and March 31, 2024, the notional amount of outstanding contracts aggregated to $6,787 million and $6,114 million, respectively and the respective fair value of these contracts have a net loss of $32 million and $2 million.

Exchange loss of $16 million and loss $42 million on foreign exchange forward, currency options and futures contracts that do not qualify for hedge accounting have been recognised in profit or loss for three months ended December 31, 2024 and 2023, respectively.

Exchange loss of $61 million and $27 million on foreign exchange forward, currency options and futures contracts that do not qualify for hedge accounting have been recognised in profit or loss for nine months ended December 31, 2024 and 2023, respectively.

Net foreign exchange gain / (loss) include gain of $8 million and loss $1 million transferred from cash flow hedging reserve to profit or loss on occurrence of forecasted hedge transactions for three months ended December 31, 2024 and 2023, respectively.

Net foreign exchange gain / (loss) include loss of $2 million and loss $12 million transferred from cash flow hedging reserve to profit or loss on occurrence of forecasted hedge transactions for nine months ended December 31, 2024 and 2023, respectively.

Net loss on derivative instruments of $18 million, recognised in accumulated other comprehensive income as at December 31, 2024, is expected to be transferred to profit or loss by December 31, 2025. The maximum period over which the exposure to cash flow variability has been hedged is through calendar year 2025.

Following table summarises approximate gain / (loss) on Group's other comprehensive income on account of appreciation / depreciation of the underlying foreign currencies.

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
10% Appreciation of the underlying foreign currencies	-	-
10% Depreciation of the underlying foreign currencies	62	109

(i) Financial risk management

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

  The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

  The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. Further, any movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenue in international business.

  The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

  The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currencies of Tata Consultancy Services Limited and its subsidiaries.

  The following analysis has been worked out based on the net exposures for each of the subsidiaries and Tata Consultancy Services Limited as at the date of statement of financial position which could affect the statement of profit or loss and other comprehensive income and equity. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Group as disclosed in note 9(h).

The following table sets forth information relating to unhedged foreign currency exposure as at December 31, 2024:

	USD	EUR	GBP	Others
	(In million of USD)			
Net financial assets	251	27	17	688
Net financial liabilities	(1,132)	(0)	(9)	(48)

10% appreciation / depreciation of the respective functional currency of Tata Consultancy Services Limited and its subsidiaries with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately $21 million for the period ended December 31, 2024.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2024:

	USD	EUR	GBP	Others
	(In million of USD)			
Net financial assets	330	62	19	421
Net financial liabilities	(855)	(30)	(262)	(91)

10% appreciation / depreciation of the respective functional currency of Tata Consultancy Services Limited and its subsidiaries with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately $41 million for the year ended March 31, 2024.

- **Interest rate risk**

  The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Refer note 5 for methods, assumptions and information used to measure expected credit losses.

Financial instruments that are subject to credit risk consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. Inter-corporate deposits of Nil with a financial institution having a high credit-rating assigned by credit-rating agencies. Bank deposits include an amount of $1,207 million held with three banks having high credit rating which are individually in excess of 10% or more of the Group's total bank deposits as at December 31, 2024. None of the other financial instruments of the Group result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was $15,568 million and $13,233 million as at December 31, 2024 and March 31, 2024, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments, trade receivables, contract assets and other financial assets.

  The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables and contract assets as at December 31, 2024 and March 2024.

- **Geographic concentration of credit risk**

Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at December 31, 2024		As at March 31, 2024	
	Gross %	**Net %**	**Gross %**	**Net %**
United States of America	39.29%	39.83%	42.07	42.67
United Kingdom	12.61%	12.81%	16.56	16.86
India	23.28%	22.18%	18.68	17.44

Geographical concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

The allowance for lifetime expected credit losses on trade receivables for the period ended December 31, 2024 and March 31, 2024 was $14 million and $12 million respectively. The reconciliation of allowance for expected credit losses is as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**143**	**147**
Changes during the period	11	12
Bad debts written off	-	(14)
Translation exchange difference	(4)	(2)
Balance at the end of the period	**150**	**143**

Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

As at December 31, 2024	**Due in 1st year**	**Due in 2nd year**	**Due in 3rd to 5th year**	**Due after 5th year**	**Total**
			(In million of USD)		
Non-derivative financial liabilities					
Trade payables	1,657	-	-	-	1,657
Borrowings	-	-	-	-	-
Lease liabilities	235	229	445	533	1,442
Other financial liabilities	994	25	57	3	1,079
Derivative financial liabilities	48	-	-	-	48
Total	**2,934**	**254**	**502**	**536**	**4,226**

As at March 31, 2024	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
			(In million of USD)		
Non-derivative financial liabilities					
Trade payables	1,197	-	-	-	1,197
Lease liabilities	235	205	403	368	1,211
Other financial liabilities	990	6	9	29	1,034
	2,422	211	412	397	3,442
Derivative financial liabilities	14	-	-	-	14
Total	**2,436**	**211**	**412**	**397**	**3,456**

(j) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of the following:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Authorised		
Equity shares of ₹1 each (4,600,500,000 shares and 4,600,500,000 shares)	86	86
Preference shares of ₹1 each (1,050,250,000 shares and 1,050,250,000 shares)	20	20
	106	**106**
Issued, Subscribed and Fully paid up		
Equity shares of ₹1 each (3,618,087,518 shares and 3,618,087,518 shares)	68	68
Total	**68**	**68**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Company bought back 4,09,63,855 equity shares for an aggregate amount of ₹17,000 million (USD equivalent $2,045 million) being 1.12% of the total paid up equity share capital at ₹4,150 (USD equivalent $49.91) per equity share in the previous year. The equity shares bought back were extinguished on December 13, 2023.

10) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in profit or loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and profit or loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in profit or loss.

The Group has elected not to apply the requirements of IFRS 16 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease, the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor’s net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 - Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use assets held by the Group is as follows:

	Additions for Nine months ended December 31, 2024	Net carrying amount as at December 31, 2024
	(In million of USD)	
Leasehold land	-	109
Buildings	382	945
Leasehold improvements	5	6
Computer equipment	-	18
Furniture, fixtures, office equipment and other assets	2	5
Software licences	-	4
Total	**389**	**1,087**

	Additions for the year ended March 31, 2024	Net carrying amount as at March 31, 2024
	(In million of USD)	
Leasehold land	-	111
Buildings	268	795
Leasehold improvements	-	3
Computer equipment	15	24
Furniture, fixtures, office equipment and other assets	3	5
Software licences	-	8
Total	**286**	**946**

Depreciation on right-of-use assets is as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Leasehold land	1	-	1	1
Buildings	51	46	150	143
Leasehold improvements	1	-	1	1
Computer equipment	3	1	6	4
Furniture, fixtures, office equipment and other assets	-	1	3	2
Software licences	2	1	3	3
Total	**58**	**49**	**164**	**154**

Interest on lease liabilities is $19 million and $15 million for three months ended December 31, 2024 and 2023, respectively.

Interest on lease liabilities is $56 million and $45 million for nine months ended December 31, 2024 and 2023, respectively.

The Group incurred $19 million and $15 million for three months ended December 31 2024 and 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The Group incurred $56 million and $45 million for nine months ended December 31 2024 and 2023, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is $79 million and $76 million for three months ended December 31 2024 and 2023, respectively, including cash outflow for short term leases and leases of low-value assets.

The total cash outflow for leases is $245 million and $230 million for nine months ended December 31 2024 and 2023, respectively, including cash outflow for short term leases and leases of low-value assets.

The Group has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods is $95 million and $98 million as at December 31, 2024 and March 31, 2024, respectively.

Lease contracts entered by the Group majorly pertain for buildings taken on lease to conduct its business in the ordinary course.

The Group has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods is $110 million and $98 million as at December 31, 2024 and March 31, 2024, respectively.

The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

11) Non-financial assets and non-financial liabilities

(a) Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Buildings	20 years
Leasehold improvements	Lease term
Computer equipment	4 years
Furniture, fixtures, office equipment and other assets	2-10 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use. Capital work-in-progress includes capital advances.
Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Property, plant and equipment consist of the following:

	Freehold land	Buildings	Leasehold improve-ments	Computer equipment	Furniture, fixtures, office equipment and other assets	Total
			(In million of USD)			
Cost as at April 1, 2024	**43**	**994**	**331**	**1,701**	**990**	**4,059**
Additions	-	54	7	128	70	259
Disposals	-	-	(4)	(42)	(9)	(55)
Translation exchange difference	(1)	(27)	(13)	(57)	(30)	(128)
Cost as at December 31, 2024	**42**	**1,021**	**321**	**1,730**	**1,021**	**4,135**
Accumulated depreciation as at April 1, 2024	**-**	**(498)**	**(244)**	**(1,382)**	**(814)**	**(2,938)**
Depreciation	-	(37)	(15)	(143)	(46)	(241)
Disposals	-	-	4	42	9	55
Translation exchange difference	-	13	10	46	24	93
Accumulated depreciation as at December 31, 2024	**-**	**(522)**	**(245)**	**(1,437)**	**(827)**	**(3,031)**
Net carrying amount as at December 31, 2024	**42**	**499**	**76**	**293**	**194**	**1,104**
Capital work-in-progress						213
Total						**1,317**

	Freehold land	Buildings	Leasehold improve-ments	Computer equipment	Furniture, fixtures, office equipment and other assets	Total
			(In million of USD)			
Cost as at April 1, 2023	**44**	**981**	**324**	**1,633**	**951**	**3,933**
Additions	-	26	23	117	65	231
Disposals	-	-	(12)	(34)	(14)	(60)
Translation exchange difference	(1)	(13)	(4)	(15)	(12)	(45)
Cost as at March 31, 2024	**43**	**994**	**331**	**1,701**	**990**	**4,059**
Accumulated depreciation as at April 1, 2023	**-**	**(454)**	**(236)**	**(1,223)**	**(777)**	**(2,690)**
Depreciation	-	(50)	(22)	(203)	(62)	(337)
Disposals	-	-	12	33	14	59
Translation exchange difference	-	6	2	11	11	30
Accumulated depreciation as at March 31, 2024	**-**	**(498)**	**(244)**	**(1,382)**	**(814)**	**(2,938)**
Net carrying amount as at March 31, 2024	**43**	**496**	**87**	**319**	**176**	**1,121**
Capital work-in-progress						225
Total						**1,346**

Changes in Capital work-in-progress are as follows:

	Nine months ended December 31, 2024	Year ended March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**225**	**166**
Addition during the period	248	289
Capitalised during the period	(259)	(231)
Translation exchange difference	(1)	1
Balance at the end of the period	**213**	**225**

(b) Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill consists of the following:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**478**	**488**
Translation exchange difference	(15)	(10)
Balance at the end of the period	**463**	**478**

Goodwill of $250 million and $257 million as at December 31, 2024 and March 31, 2024, respectively, has been allocated to the TCS business in France.

In the absence of any indication of impairment, goodwill was last tested on March 31, 2024. On that date, the Group estimated the value-in-use of TCS BPS based on future cash flows of this CGU using a 5.00% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 15.00%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Goodwill of $80 million and $83 million as at December 31, 2024 and March 31, 2024, respectively, has been allocated to the TCS business in France.

In the absence of any indication of impairment, goodwill was last tested on March 31, 2024. On that date, the estimated value-in-use of this CGU was based on the future cash flows using a 1.50% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 8.67%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

The remaining amount of goodwill $133 million and $138 million as at December 31, 2024 and March 31, 2024, (relating to different CGUs individually immaterial) had been evaluated based on the cash flow forecasts of the related CGUs and the recoverable amounts of these CGUs exceeded their carrying amount.

(c) Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences and customer-related intangibles. Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years
Customer-related intangibles	3 years

Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss.

Intangible assets consist of the following:

	Rights under licensing agreement and software licences	Customer-related intangibles	Total
	(In million of USD)		
Cost as at April 1, 2024	**240**	**16**	**256**
Additions	132	-	132
Disposals / Derecognised	(15)	-	(15)
Translation exchange difference	(8)	-	(8)
Cost as at December 31, 2024	**349**	**16**	**365**
Accumulated amortisation as at April 1, 2024	**(179)**	**(16)**	**(195)**
Amortisation	(54)	-	(54)
Disposals / Derecognised	14	-	14
Accumulated amortisation as at December 31, 2024	**(214)**	**(16)**	**(230)**
Net carrying amount as at December 31, 2024	**135**	**-**	**135**

	Rights under licensing agreement and software licences	Customer-related intangibles	Total
	(In million of USD)		
Cost as at April 1, 2023	**229**	**16**	**245**
Additions	16	-	16
Disposals / Derecognised	(2)	-	(2)
Translation exchange difference	(3)	-	(3)
Cost as at March 31, 2024	**240**	**16**	**256**
Accumulated amortisation as at April 1, 2023	**(124)**	**(16)**	**(140)**
Amortisation	(58)	-	(58)
Disposals / Derecognised	1	-	1
Translation exchange difference	2	-	2
Accumulated amortisation as at March 31, 2024	**(179)**	**(16)**	**(195)**
Net carrying amount as at March 31, 2024	**61**	**-**	**61**

Function wise amortisation of intangible assets is as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
Cost of revenue	24	12	48	38
Selling, general and administrative expenses	4	4	8	7
Total	**28**	**16**	**56**	**45**

The estimated amortisation for the years subsequent to December 31, 2024 is as follows:

period ending December 31,	**Amortisation expense**
	(In million of USD)
2025	111
2026	15
2027	7
2028	2
Thereafter	-
Total	**135**

(d) Other assets

Other assets consist of the following:

Other assets – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Advances to suppliers	189	137
Contract assets	694	701
Prepaid expenses	359	246
Contract fulfillment costs	245	190
Indirect taxes recoverable	173	154
Others	54	47
Total	**1,714**	**1,475**

Other assets – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Contract assets	28	35
Prepaid expenses	305	307
Contract fulfillment costs	27	30
Others	25	22
Total	**385**	**394**

Non-current – Others includes advance of $21 million and $21 million towards acquiring right-of-use of leasehold land as at December 31, 2024 and March 31, 2024, respectively.

Contract fulfillment costs of $ 120 million and $ 101 million for the period ended December 31, 2024 and March 31, 2024, respectively, have been amortised in profit or loss. Refer note 12 for changes in contract assets.

(e) Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Advances received from customers	218	221
Indirect taxes payable and other statutory liabilities	525	519
Tax liability on buy-back of equity shares	-	-
Others	58	42
Total	**801**	**782**

(f) Provisions

Provisions consist of the following:

Provisions – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Provision for foreseeable loss	13	12
Other provisions	5	5
Total	**18**	**17**

12) Revenue recognition

The Group earns revenue primarily from providing IT services, consulting and business solutions. The Group offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with IAS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

	Three months ended December 31, 2024	**Three months ended December 31, 2023**	**Nine months ended December 31, 2024**	**Nine months ended December 31, 2023**
		(In million of USD)		
Consultancy services	7,433	7,169	22,445	21,477
Sale of equipment and software licences	106	112	269	240
Total	**7,539**	**7,281**	**22,714**	**21,717**

Revenue disaggregation by industry vertical and geography has been included in segment information (Refer note 18).

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in IFRS 15. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is $20,023 million out of which 47.01% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**736**	**709**
Invoices raised that were included in the contract assets balance at the beginning of the period	(516)	(475)
Increase due to revenue recognised during the period, excluding amounts billed during the period	510	505
Translation exchange difference	(8)	(3)
Balance at the end of the period	**722**	**736**

Changes in unearned and deferred revenue are as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Balance at the beginning of the period	**495**	**589**
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the period	- 433	- 504
Increase due to invoicing during the period, excluding amounts recognised as revenue during the period	470	419
Translation exchange difference	- 16	- 9
Balance at the end of the period	**516**	**495**

13) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary functions in the following categories:

Cost of revenue

These costs primarily include employee compensation of personnel engaged in providing services, travel expenses, fees to external consultants, cost of equipment and software licences, depreciation and amortisation of production related equipment and software, facility expenses, communication expenses and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel expenses, advertising, business promotion expenses, bad debts and advances written off, allowance for expected credit losses and doubtful advances (net), facility expenses for sales and marketing offices and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortisation expenses of non-production equipment and software, facility expenses for administrative offices, communication expenses, fees to external consultants and other general expenses.

Expenses by nature

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Employee cost	4,237	4,173	12,977	12,693
Fees to external consultants	350	477	1,026	1,553
Facility expenses	103	95	305	280
Depreciation and amortisation expense	162	148	459	452
Cost of equipment and software licences	415	141	1,059	259
Travel expenses	86	82	284	261
Communication expenses	70	68	208	204
Bad debts and advances written off, allowance for expected credit losses and doubtful advances (net)	5	3	12	9
Settlement of legal claim	-	115	-	115
Other expenses	267	273	843	762
Total	**5,695**	**5,575**	**17,173**	**16,588**

Refer note 16 for function wise bifurcation of employee cost.

The Company made a contribution to an electoral trust of $26 million and NIL for nine months ended December 31, 2024 and 2023, respectively, which is included in other expenses.

14) Other income

(a) Finance and other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Dividend received	2	1	4	3
Interest on bank balances and bank deposits	34	26	82	72
Interest on financial assets carried at fair value through	64	66	189	201
Interest on financial assets carried at amortised cost	10	16	22	43
Others	4	2	9	46
Total	**114**	**111**	**306**	**365**

(b) Finance costs

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
		(In million of USD)		
Interest on lease liabilities	19	15	55	45
Interest on tax matters	-	-	-	2
Other interest costs	9	13	13	20
Total	**28**	**28**	**68**	**67**

(c) Other gains (net)

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
		(In million of USD)		
Net gain on disposal of property, plant and equipment	1	-	1	-
Net gain on lease modification	-	-	2	-
Net loss on sub-lease	-	-	-	-
Net gain on disposal / fair valuation of investments carried at fair value through profit or loss	9	12	23	28
Net gain on disposal of financial assets other than equity shares carried at fair value through OCI	-	1	-	2
Net gain / (loss) on disposal of investments carried at amortised cost	-	-	-	-
Net foreign exchange gain / (loss)	22	(21)	12	(4)
Others	1	1	5	4
Total	**33**	**(7)**	**43**	**30**

15) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas.

The Company has recognised income tax expenses applying the provisions under section 115BAA of the Income-tax Act, 1961.

Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The Group is within the scope of the OECD Pillar Two model rules and has evaluated the potential exposure to global minimum tax. The Group does not expect any material financial impact for the current period. The evaluation of the potential exposure is based on the most recent country-by-country reporting, and financial statements for the constituent entities in the Group.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

The income tax expense consists of the following:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
		(In million of USD)		
Current tax expense				
Current tax expense for current period	547	457	1,614	1,430
Current tax benefit pertaining to prior period	(50)	(21)	(116)	(46)
	497	**436**	**1,498**	**1,384**
Deferred tax benefit				
Deferred tax benefit for current period	-	12	(18)	7
Deferred tax expense / (benefit) pertaining to prior period	-	-	(1)	5
	-	**12**	**(19)**	**12**
	497	**448**	**1,479**	**1,396**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statements of profit or loss is as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
		(In million of USD)		
Profit before taxes	1,963	1 782	5,822	5,457
Indian statutory income tax rate	25.17%	34.94%	25.17%	34.94%
Expected income tax expense	495	622	1,466	1,907
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense				
Tax holidays	-	(184)	-	(551)
Income exempt from tax	(15)	(15)	(50)	(50)
Undistributed earnings in branches and subsidiaries	17	4	32	9
Tax on income at different rates	24	22	91	61
Tax pertaining to prior years	(49)	(21)	(115)	(46)
Others (net)	25	20	55	66
Total income tax expense	**497**	**448**	**1,479**	**1,396**

Significant components of net deferred tax assets and liabilities for the period ended December 31, 2024 are as follows:

	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Adjustments / utilisation	Acquisitions / disposals	Exchange difference	Closing balance
			(In million of USD)				
Deferred tax assets / (liabilities) in relation to							
Property, plant and equipment and intangible assets	87	14	-	-	-	(4)	97
Provision for employee benefits	138	4	(2)	-	-	(3)	137
Cash flow hedges	(1)	-	(1)	-	-	-	(2)
Receivables, financial assets at amortised cost	50	1	-	-	-	(1)	50
Branch profit tax	(12)	(10)	-	-	-	-	(22)
Undistributed earnings of subsidiaries	(81)	20	-	-	-	2	(59)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(14)	-	(8)	-	-	1	(21)
Lease liabilities and right-of-use assets	32	(3)	-	-	-	(1)	28
Others	89	(8)	-	-	-	(9)	72
Total deferred tax assets / (liabilities)	**288**	**18**	**(11)**	**-**	**-**	**(15)**	**280**

Gross deferred tax assets and liabilities are as follows:

As at December 31, 2024	**Assets**	**Liabilities**	**Net**
		(In million of USD)	
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	111	14	97
Provision for employee benefits	142	5	137
Cash flow hedges	-	2	(2)
Receivables, financial assets at amortised cost	50	-	50
Branch profit tax	-	22	(22)
Undistributed earnings of subsidiaries	-	59	(59)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(21)	-	(21)
Lease liabilities	173	-	173
Righ-of-use assets	(145)	-	(145)
Others	79	7	72
Total deferred tax assets / (liabilities)	**389**	**109**	**280**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

	Opening balance	Recognised in profit or loss	Recognised in / reclassified from other comprehensive income	Adjustments / utilisation	Acquisitions / disposals	Exchange difference	Closing balance
			(In million of USD)				
Deferred tax assets / (liabilities) in relation to							
Property, plant and equipment and intangible assets	82	6	-	-	-	(1)	87
Provision for employee benefits	132	10	(2)	-	-	(2)	138
Cash flow hedges	1	-	(2)	-	-	-	(1)
Receivables, financial assets at amortised cost	53	(2)	-	-	-	(1)	50
Branch profit tax	(16)	4	-	-	-	-	(12)
Undistributed earnings of subsidiaries	(64)	(18)	-	-	-	1	(81)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(10)	-	(4)	-	-	-	(14)
Lease liabilities and right-of-use assets	30	2	-	-	-	-	32
Others	95	(6)	-	-	-	-	89
Total deferred tax assets / (liabilities)	**303**	**(4)**	**(8)**	**-**	**-**	**(3)**	**288**

Gross deferred tax assets and liabilities are as follows:

As at March 31, 2024	**Assets**	**Liabilities**	**Net**
	(In million of USD)		
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	100	13	87
Provision for employee benefits	141	3	138
Cash flow hedges	(1)	-	(1)
Receivables, financial assets at amortised cost	50	-	50
Branch profit tax	-	12	(12)
Undistributed earnings of subsidiaries	-	81	(81)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(14)	-	(14)
Lease liabilities	157	-	157
Right of use assets	(125)	-	(125)
Others	97	8	89
Total deferred tax assets / (liabilities)	**405**	**117**	**288**

Under the Income-tax Act, 1961 of India, unabsorbed business losses expire 8 years after the year in which they originate. In respect of certain foreign subsidiaries, business losses can be carried forward indefinitely unless there is a substantial change in the ownership.

Unrecognised deferred tax assets relate primarily to business losses and tax credit entitlements which do not qualify for recognition as per the applicable accounting standards. These unabsorbed business losses will expire based on the year of origination as follows:

December 31,	**Unabsorbed business losses**
	(In million of USD)
2025	-
Thereafter	-
Total	**-**

Direct tax contingencies

The Company and its subsidiaries have ongoing disputes with income tax authorities in India and in some of the other jurisdictions where they operate. The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of fees for services received. Contingent liability in respect of tax demands received from direct tax authorities in India and other jurisdictions is $216 million and $224 million as at December 31, 2024 and March 31, 2024, respectively. These demand orders are being contested by the Company and its subsidiaries based on the management evaluation and advise of tax consultants. In respect of tax contingencies of $136 million and $38 million as at December 31, 2024 and March 31, 2024, respectively, not included above, the Company is entitled to an indemnification from the seller of TCS e-Serve Limited.

The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in the jurisdictions it operates in. The Group has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

The number of years that are subject to tax assessments varies depending on tax jurisdiction. The major tax jurisdictions of Tata Consultancy Services Limited include India, United States of America and United Kingdom. In India, tax filings from fiscal 2022 are generally subject to examination by the tax authorities. In United States of America, the federal statute of limitation applies to fiscals 2020 and earlier and applicable state statutes of limitation vary by state. In United Kingdom, the statute of limitation generally applies to fiscal 2019 and earlier.

16) Employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Group provides benefits such as gratuity, pension and provident fund (Company managed fund) to its employees which are treated as defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Group provides benefits such as superannuation, provident fund (other than Company managed fund) and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the date of statement of financial position. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the date of statement of financial position using the Projected Unit Credit Method.

Function wise employee cost consists of the following:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Cost of revenue	3,345	3,239	10,289	9,867
Selling, general and administrative expenses	892	934	2,688	2,826
Total	**4,237**	**4,173**	**12,977**	**12,693**

Employee cost consist of the following:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Salaries, incentives and allowances	3,793	3,744	11,587	11,370
Contributions to provident and other funds	338	320	1,042	977
Staff welfare expenses	106	109	348	346
Total	**4,237**	**4,173**	**12,977**	**12,693**

Employee benefit obligations consist of the following:

Employee benefit obligations – Current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Compensated absences	559	537
Other employee benefit obligations	5	5
Total	**564**	**542**

Employee benefit obligations – Non-current

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Gratuity liability	2	1
Foreign defined benefit plans	62	60
Other employee benefit obligations	31	21
Total	**95**	**82**

Gratuity and pension

In accordance with Indian law, Tata Consultancy Services Limited and its subsidiaries in India operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. Trustees administer contributions made to the trust. Certain overseas subsidiaries and branches of the Company also provide for retirement benefit pension plans in accordance with the local laws.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

	As at December 31, 2024					As at March 31, 2024				
	Domestic plans Funded	**Domestic plans Unfunded**	**Foreign plans Funded**	**Foreign plans Unfunded**	**Total**	**Domestic plans Funded**	**Domestic plans Unfunded**	**Foreign plans Funded**	**Foreign plans Unfunded**	**Total**
					(In million of USD)					
Change in benefit obligations										
Benefit obligations, beginning of the period	**637**	**-**	**229**	**45**	**911**	**568**	**-**	**223**	**35**	**826**
Translation exchange difference	(20)	-	(5)	(4)	(29)	(8)	-	-	1	(7)
Plan assumed on insourcing of employees	-	-	-	-	-	-	-	-	-	-
Transfer out of employees	-	-	-	-		-	-	-	-	
Plan participants' contribution	-	-	1	-	1	-	-	2	-	2
Service cost	47	-	3	7	57	59	-	4	10	73
Interest cost	35	-	6	2	43	44	-	7	2	53
	14	-	8	1	23	20	-	(1)	1	20
Remeasurement of the net defined benefit liability										
Past service cost / (credit)	-	-	-	-	-	-	-	1	1	2
Benefits paid	(32)	-	(8)	(3)	(43)	(46)	-	(7)	(5)	(58)
Shift of plan from unfunded to funded position	-	-	-	-	-	-	-	-	-	-
(Gain) / loss on settlement	-	-	-	-	-	-	-	-	-	-
Benefit obligations, end of the period	**681**	**-**	**234**	**48**	**963**	**637**	**-**	**229**	**45**	**911**

	As at December 31, 2024					As at March 31, 2024				
	Domestic plans Funded	**Domestic plans Unfunded**	**Foreign plans Funded**	**Foreign plans Unfunded**	**Total**	**Domestic plans Funded**	**Domestic plans Unfunded**	**Foreign plans Funded**	**Foreign plans Unfunded**	**Total**
					(In million of USD)					
Change in plan assets										
Fair value of plan assets, beginning of the period	**867**	**-**	**247**	**-**	**1,114**	**778**	**-**	**234**	**-**	**1,012**
Translation exchange difference	(24)	-	(7)	-	(31)	(11)	-	(1)	-	(12)
Plan assumed on insourcing of employees	-	-	-	-	-	-	-	-	-	-
Transfer out of employees	-	-	-	-	-	-	-	-	-	
Interest income	47	-	6	-	53	60	-	7	-	67
Employers' contributions	32	-	7	-	39	73	-	6	-	79
Plan participants' contribution	-	-	1	-	1	-	-	2	-	2
Benefits paid	(32)	-	(8)	-	(40)	(46)	-	(7)	-	(53)
Remeasurement - return on plan assets excluding amount included in interest income	10	-	19	-	29	13	-	6	-	19
Shift of plan from unfunded to funded position	-	-	-	-	-	-	-	-	-	-
Fair value of plan assets, end of the period	**900**	**-**	**265**	**-**	**1,165**	**867**	**-**	**247**	**-**	**1,114**

	As at December 31, 2024					As at March 31, 2024				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
	(In million of USD)									
Funded status										
Deficit of plan assets over obligations	(2)	-	(15)	(48)	(65)	(1)	-	(15)	(45)	(61)
Surplus of plan assets over obligations	221	-	46	-	267	231	-	33	-	264
	219	**-**	**31**	**(48)**	**202**	**230**	**-**	**18**	**(45)**	**203**

	As at December 31, 2024					As at March 31, 2024				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
	(In million of USD)									
Category of assets										
Corporate bonds	234	-	10	-	244	235	-	44	-	279
Equity instruments	31	-	-	-	31	24	-	45	-	69
Government bonds and securities	400	-	-	-	400	380	-	-	-	380
Insurer managed funds	216	-	237	-	453	208	-	73	-	281
Bank balances	3	-	-	-	3	3	-	9	-	12
Others	16	-	18	-	34	17	-	76	-	93
Total	**900**	**-**	**265**	**-**	**1,165**	**867**	**-**	**247**	**-**	**1,114**

Net periodic gratuity / pension cost, included in employee cost consists of the following components:

	As at December 31, 2024					As at March 31, 2024				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
	(In million of USD)									
Service cost	47	-	3	7	57	59	-	4	10	73
Net interest on net defined benefit (asset) / liability	(12)	-	-	2	(10)	(16)	-	-	2	(14)
Past service cost / (credit)	-	-	-	-	-	-	-	1	1	2
Net periodic gratuity / pension cost	**35**	**-**	**3**	**9**	**47**	**43**	**-**	**5**	**13**	**61**
Actual return on plan assets	**57**	**-**	**25**	**-**	**82**	**73**	**-**	**13**	**-**	**86**

Remeasurement of the net defined benefit (asset) / liability:

	As at December 31, 2024				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
	(In million of USD)				
Actuarial (gains) and losses arising from changes in financial assumptions	8	-	7	-	15
Actuarial losses arising from changes in experience adjustments	6	-	1	1	8
Remeasurement of the net defined benefit liability	14	-	8	1	23
Remeasurement - return on plan assets excluding amount included in interest income	(10)	-	(19)	-	(29)
Total	**4**	**-**	**(11)**	**1**	**(6)**

	As at March 31, 2024				
	Domestic plans Funded	**Domestic plans Unfunded**	**Foreign plans Funded**	**Foreign plans Unfunded**	**Total**
	(In million of USD)				
Actuarial losses arising from changes in demographic assumptions	-	-	-	-	-
Actuarial gains arising from changes in financial assumptions	8	-	(5)	1	4
Actuarial gains arising from changes in experience adjustments	12	-	4	-	16
Remeasurement of the net defined benefit liability	20	-	(1)	1	20
Remeasurement - return on plan assets excluding amount included in interest income	(13)	-	(6)	-	(19)
Total	**7**	**-**	**(7)**	**1**	**1**

The assumptions used in accounting for the defined benefit plan are set out below:

	As at December 31, 2024		As at March 31, 2024	
	Domestic plans	**Foreign plans**	**Domestic plans**	**Foreign plans**
Discount rate	7.00% - 7.25%	1.18% - 9.40%	7.00% - 7.25%	1.57% - 9.40%
Rate of increase in compensation levels of covered employees	5.00% - 10.00%	1.75% - 7.00%	5.00% - 10.00%	1.75% - 7.00%
Rate of return on plan assets	7.00% - 7.25%	1.18% - 9.40%	7.00% - 7.25%	1.57% - 9.40%
Weighted average duration of defined benefit obligations	2-11 Years	3-27 Years	2-11 Years	3-27 Years

Future mortality assumptions are taken based on the published statistics by the Insurance Regulatory and Development Authority of India.

The expected benefits are based on the same assumptions as are used to measure the Group's defined benefit plan obligations as at December 31, 2024.The Group is expected to contribute $5 million to defined benefit plan obligations funds for the year ending December 31, 2024 comprising domestic component of $1 million and foreign component of $4 million.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

	As at December 31, 2024	**As at March 31, 2024**
	(In million of USD)	
Increase of 0.50%	(34)	(33)
Decrease of 0.50%	37	36

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Increase of 0.50%	20	20
Decrease of 0.50%	(20)	(19)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The defined benefit obligations shall mature after the year ended December 31, 2024 as follows:

Year ending December 31,	Defined benefit obligations
	(In million of USD)
2025	117
2026	98
2027	101
2028	96
2029	91
2030-2034	371

Provident fund

In accordance with Indian law, all eligible employees of Tata Consultancy Services Limited in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognized as an expense in profit and loss under employee benefit expenses. As per the latest actuarial valuation report of provident fund liabilities on the basis of guidance issued by Actuarial Society of India under the deterministic approach, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund. The principal assumptions used in the latest valuation report for determining the present value obligations of interest guarantee are discount rate: 7.25%, average remaining tenure of investment portfolio: 6 years and guaranteed rate of return are: 8.25% based on the latest valuation report.

All eligible employees of Indian subsidiaries of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to the Government administered provident fund plan. A part of the Company's contribution is transferred to Government administered pension fund. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

The Group expensed $53 million and $51 million for the three months period ended December 31, 2024 and 2023, respectively towards provident fund.

The Group expensed $159 million and $154 million for the nine months period ended December 31, 2024 and 2023, respectively towards provident fund.

Superannuation

All eligible employees on Indian payroll are entitled to benefits under Superannuation, a defined contribution plan. The Group makes monthly contributions until retirement or resignation of the employee. The Group recognises such contributions as an expense when incurred. The Group has no further obligation beyond its monthly contribution.

The Group expensed $15 million and $14 million for three months ended December 31, 2024 and 2023, respectively, towards Employees' Superannuation Fund.

The Group expensed $44 million and $41 million for three months ended December 31, 2024 and 2023, respectively, towards Employees' Superannuation Fund.

Foreign defined contribution plans

The Group expensed $79 million and $76 million for three months ended December 31, 2024 and 2023, respectively, respectively, towards foreign defined contribution plans.

The Group expensed $248 million and $228 million for nine months ended December 31, 2024 and 2023, respectively, respectively, towards foreign defined contribution plans.

17) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

	Three months ended December 31, 2024	**Three months ended December 31, 2023**	**Nine months ended December 31, 2024**	**Nine months ended December 31, 2023**
Profit for the period attributable to Shareholders of the Company (In million of USD)	1,458	1,329	4,321	4,046
Weighted average number of equity shares	3,61,80,87,518	3,65,10,36,706	3,61,80,87,518	3,65,63,70,102
Basic and diluted earnings per share in USD	0.40	0.36	1.19	1.11
Face value per equity share in ₹	1	1	1	1

18) Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chief Executive Officer and Managing Director.

The Group has identified business segments ('industry vertical') as reportable segments. The business segments comprise: 1) Banking, Financial Services and Insurance, 2) Manufacturing, 3) Consumer Business, 4) Communication, Media and

Technology, 5) Life Sciences and Healthcare and 6) Others such as Energy, Resources and Utilities, s-Governance and Products.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

The assets and liabilities of the Group are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence assets and liabilities have not been identified to any of the reportable segments.

Summarised segment information for three and nine months ended December 31, 2024 and 2023 is as follows:

	Three months ended December 31, 2024						
	Banking, Financial Services and Insurance	**Manufacturing**	**Consumer Business**	**Communication, Media and Technology**	**Life Sciences and Healthcare**	**Others**	**Total**
	(In million of USD)						
Revenue	**2,767**	**730**	**1,183**	**1,413**	**757**	**689**	**7,539**
Segment result	**755**	**240**	**351**	**282**	**214**	**165**	**2,006**
Depreciation and amortisation expense							162
Total unallocable expenses							**162**
Operating profit							**1,844**
Other income (net)							119
Profit before taxes							**1,963**
Income tax expense							497
Profit for the period							**1,466**
Significant non-cash items (allocable)	(1)	(0)	0	2	(1)	5	5
Significant non-cash items (unallocable)	-	-	-	-	-	-	-

	Nine months ended December 31, 2024						
	Banking, Financial Services and Insurance	**Manufacturing**	**Consumer Business**	**Communication, Media and Technology**	**Life Sciences and Healthcare**	**Others**	**Total**
	(In million of USD)						
Revenue	**8,372**	**2,235**	**3,577**	**4,150**	**2,376**	**2,004**	**22,714**
Segment result	**2,233**	**738**	**987**	**857**	**685**	**500**	**6,000**
Depreciation and amortisation expense							459
Total unallocable expenses							**459**
Operating profit							**5,541**
Other income (net)							281
Profit before taxes							**5,822**
Income tax expense							1,479
Profit for the period							**4,343**
Significant non-cash items (allocable)	(1)	-	1	4	(1)	11	12
Significant non-cash items (unallocable)	-	-	-	-	-	-	-

	Three months ended December 31, 2023						
	Banking, Financial Services and Insurance	Manufacturing	Consumer Business	Communication, Media and Technology	Life Sciences and Healthcare	Others	Total
	(In million of USD)						
Revenue	**2,724**	**713**	**1,180**	**1,194**	**808**	**662**	**7,281**
Segment result	**715**	**225**	**311**	**341**	**231**	**146**	**1,969**
Depreciation and amortisation expense							148
Settlement of legal claim (Refer note 19)							115
Total unallocable expenses							**263**
Operating profit							**1,706**
Other income (net)							76
Profit before taxes							**1,782**
Income tax expense							448
Profit for the period							**1,334**
Significant non-cash items (allocable)	(1)	0	1	(1)	0	3	**3**
Significant non-cash items (unallocable)	-	-	-	-	-	-	-

	Nine months ended December 31, 2023						
	Banking, Financial Services and Insurance	Manufacturing	Consumer Business	Communication, Media and Technology	Life Sciences and Healthcare	Others	Total
	(In million of USD)						
Revenue	**8,241**	**2,098**	**3,562**	**3,518**	**2,416**	**1,882**	**21,717**
Segment result	**2,088**	**625**	**912**	**998**	**670**	**403**	**5,696**
Depreciation and amortisation expense							452
Settlement of legal claim (Refer note 19)							115
Total unallocable expenses							**567**
Operating profit							**5,129**
Other income (net)							328
Profit before taxes							**5,457**
Income tax expense							1,396
Profit for the period							**4,061**
Significant non-cash items (allocable)	(2)	3	0	(0)	1	11	14
Significant non-cash items (unallocable)	-	-	-	-	-	-	-

Information regarding geographical revenue is as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Americas (1)	3,734	3,836	11,380	11,614
Europe (2)	2,305	2,282	7,070	6,818
India	737	442	1,977	1,146
Other	763	721	2,287	2,139
Total	**7,539**	**7,281**	**22,714**	**21,717**

Geographical revenue is allocated based on the location of the customers.

Geographical non-current assets (property, plant and equipment, right-of-use assets, goodwill, other intangible assets, income tax assets and other non-current assets) are allocated based on the location of assets.

Information regarding geographical non-current assets is as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Americas (3)	406	517
Europe (4)	531	457
India	2,463	2,259
Other	230	184
Total	**3,630**	**3,417**

(1) includes revenue in the United States of America of $3,315 million and $3,416 million for three months ended December 31, 2024 and 2023, respectively.
(1) includes revenue in the United States of America of $10,111 million and $10,351 million for nine months ended December 31, 2024 and 2023, respectively.
(2) includes revenue in the United Kingdom of $1,254 million and $1,193 million for three months ended December 31, 2024 and 2023, respectively.
(2) includes revenue in the United Kingdom of $3,822 million and $3,573 million for nine months ended December 31, 2024 and 2023, respectively.
(3) is substantially related to operations in the United States of America.
(4) includes non-current assets in the United Kingdom of $274 million and $218 million as at December 31, 2024 and March 2024, respectively.

Information about major customers

No single customer represents 10% or more of the Group's total revenue for the period ended December 31, 2024 and year ended March 31, 2024 respectively.

19) Commitments and contingencies

Capital commitments

The Group has contractually committed (net of advances) $236 million and $244 million as at December 31, 2024 and March 31, 2024, respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer note 15.

- **Indirect tax matters**

  The Company and its subsidiaries have ongoing disputes with tax authorities mainly relating to treatment of characterisation and classification of certain items. The Company and its subsidiaries have demands amounting to $136 million and $139 million as at December 31, 2024 and March 31, 2024, respectively, from various indirect tax authorities which are being contested by the Company and its subsidiaries based on the management evaluation and advice of tax consultants.

- **Other claims**

  - Claims aggregating $28 million and $27 million as at December 31, 2024 and March 31, 2024, respectively, against the Group have not been acknowledged as debts.

  - In April 2019, Computer Sciences Corporation (referred to as CSC) filed a legal claim against the Company in the Court of Northern District of Texas and Dallas Division (trial court) alleging misappropriation of trade secrets and other CSC's confidential information and sought preliminary and permanent injunctive relief, and unspecified monetary damages and disgorgement of profits.

    A trial before an advisory jury was held and on November 17, 2023, the jury returned an advisory verdict in favour of CSC, finding that the Company misappropriated CSC's trade secrets and recommended compensation of $70 million and a further punitive damage of $140 million to be paid by the Company to CSC. Subsequently, the parties filed their respective written submissions in the matter. On June 13, 2024, the trial court passed a judgement as follows:

    1. The Court ordered that the Company is liable to CSC for $56 million in compensatory damages and $112 million in exemplary damages.
    2. The Court also assessed that the Company is liable for $25 million in prejudgment interest through June 13, 2024.
    3. The Court also passed certain injunction and other reliefs against the Company.

    The Company, based on external opinion and legal assessment, believes that it has a strong case and would defend its position vigorously and pursue legal remedies to overturn the adverse judgement of the trial court.

  - In October 2014, Epic Systems Corporation (referred to as Epic) filed a legal claim against the Company in the Court of Western District Madison, Wisconsin alleging unauthorised access to and download of their confidential information and use thereof in the development of the Company's product MedMantra. Pursuant to unfavourable judgment from the District Court and Appeals Court which awarded $140 million as compensatory damages and $140 million as punitive damages, Epic invoked payment of $140 million out of $440 million Letter of Credit provided as security, towards compensatory damages in April 2022. The Company's petition to the Supreme Court to review the entire judgement including both the compensatory and punitive damages re-affirmed by the Appeals Court was rejected by the Supreme Court on November 20, 2023, pursuant to which, punitive damages of $140 million was paid on December 1, 2023. The Company provided the balance punitive damages amount of $115 million in its financial statements for the year ended March 31, 2024 and disclosed the same in the consolidated statement of profit or loss.

- **Letter of comfort**

  The Company has given letter of comfort to banks for credit facilities availed by its subsidiaries. As per the terms of letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The amounts assessed as contingent liability do not include interest that could be claimed by counter parties.

20) List of direct and indirect subsidiaries, country of incorporation and percentage of voting power

Name of the Company	**Country of incorporation**	**% of voting power as at December 31, 2024**	**% of voting power as at March 31, 2024**
As at December 31, 2024			
Tata America International Corporation	USA	100.00	100.00
Tata Consultancy Services Canada Inc.	Canada	100.00	100.00
TCS Iberoamerica S.A.	Uruguay	100.00	100.00
Tata Consultancy Services Belgium	Belgium	100.00	100.00
Tata Consultancy Services Deutschland GmbH	Germany	100.00	100.00
Tata Consultancy Services Netherlands B.V.	Netherlands	100.00	100.00
Tata Consultancy Services Sverige Aktiebolag	Sweden	100.00	100.00
Diligenta Limited	UK	100.00	100.00
Tata Consultancy Services UK Limited	UK	100.00	100.00
Tata Consultancy Services Ireland Limited	Ireland	100.00	100.00
Tata Consultancy Services Asia Pacific Pte. Ltd.	Singapore	100.00	100.00
TCS FNS Pty Limited	Australia	100.00	100.00
APTOnline Limited	India	89.00	89.00
C-Edge Technologies Limited	India	51.00	51.00
MP Online Limited	India	89.00	89.00
TCS e-Serve International Limited	India	100.00	100.00
MahaOnline Limited	India	74.00	74.00
Tata Consultancy Services (Africa) (Proprietary) Limited	South Africa	100.00	100.00
Tata Consultancy Services Qatar	Qatar	100.00	100.00
TCS Foundation	India	100.00	100.00
Subsidiaries (held indirectly)			
Tata Consultancy Services Argentina S.A.	Argentina	100.00	100.00
Tata Consultancy Services Chile S.A.	Chile	100.00	100.00
Tata Consultancy Services De Mexico, S.A. De C.V.	Mexico	100.00	100.00
Tata Consultancy Services Do Brasil Ltda.	Brazil	100.00	100.00
TCS Inversiones Chile Limitada	Chile	100.00	100.00
TCS Solution Center S.A.	Uruguay	100.00	100.00
Tatasolution Center S.A.	Ecuador	100.00	100.00
MGDC S.C.	Mexico	100.00	100.00
TCS Uruguay S.A.	Uruguay	100.00	100.00
Tata Consultancy Services Guatemala, S.A.	Gautemala	100.00	100.00

Name of the Company	Country of incorporation	% of voting power as at December 31, 2024	% of voting power as at March 31, 2024
Tata Consultancy Services De Espana S.A.	Spain	100.00	100.00
Tata Consultancy Services Italia S.R.L.	Italy	100.00	100.00
Tata Consultancy Services (Portugal), Unipessoal Lda	Portugal	100.00	100.00
Tata Consultancy Services Luxembourg S.A.	Capellen (G.D. de Luxembourg)	100.00	100.00
Tata Consultancy Services Switzerland Ltd	Switzerland	100.00	100.00
Tata Consultancy Services France	France	100.00	100.00
Tata Consultancy Services Saudi Arabia	Saudi Arabia	100.00	100.00
TCS Business Services GmbH	Germany	100.00	100.00
Tata Consultancy Services Bulgaria EOOD	Bulgaria	100.00	100.00
TCS Technology Solutions GmbH	Germany	100.00	100.00
Tata Consultancy Services Osterreich GmbH	Austria	100.00	100.00
Diligenta (Europe) B.V.	Netherlands	100.00	100.00
Tata Consultancy Services Malaysia Sdn. Bhd.	Malaysia	100.00	100.00
TCS Financial Solutions Australia Pty Ltd	Australia	100.00	100.00
Tata Consultancy Services Indonesia, PT	Indonesia	100.00	100.00
Tata Consultancy Services (China) Co., Ltd.	China	100.00	100.00
TCS Financial Solutions (Beijing) Co., Ltd.	China	100.00	100.00
Tata Consultancy Services (Thailand) Limited	Thailand	100.00	100.00
Tata Consultancy Services (Philippines) Inc.	Philippines	100.00	100.00
Tata Consultancy Services Japan, Ltd.	Japan	66.00	66.00
Tata Consultancy Services (South Africa) (Proprietary) Limited	South Africa	70.00	100.00

Notess:

1. TCS Financial Solutions (Beijing) Co., Ltd. merged with Tata Consultancy Services (China) Co. Ltd. w.e.f. July 1, 2024.

2. On December 20, 2024, Tata Consultancy Services (Africa) (Proprietary) Limited (TCS Africa), a wholly owned subsidiary of the Company, and Tata Consultancy Services (South Africa) (Proprietary) Limited (TCS SA), a step down wholly owned subsidiary of the Company, had entered into an agreement with Isisekelo Sethu Trust (Trust) to sell and dispose off 30% of shares held by TCS Africa in TCS SA to comply with the Broad-Based Black Economic Empowerment (B-BBEE) guidelines in South Africa. Accordingly, 30% of shares held by TCS Africa in TCS SA were sold to the Trust for a consideration of ZAR 61 million (USD equivalent $4 million) on December 20, 2024. Consequent to the above transaction, TCS SA ceased to be a wholly owned step-down subsidiary of TCS. The Trust is a registered trust in South Africa which is formed for the purpose of, inter alia, facilitating the empowerment and development of previously disadvantaged and economically marginalized people in accordance with Broad Based Black Economic Empowerment Act (B-BBEE Act). It is an independent entity and the Group neither controls nor exercises significant influence over the Trust.

21) Related party transactions

The Company’s principal related parties consist of its holding company Tata Sons Private Limited and its subsidiaries, its own subsidiaries, affiliates and key managerial personnel. The Group’s material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business.

Refer note 20 for list of subsidiaries of the Company.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

	Three months ended December 31, 2024				
	Tata Sons Limited	Subsidiaries of Tata Sons Limited	Associates / joint ventures of Tata Sons Limited and their subsidiaries	Other related parties	Total
			(In million of USD)		
Revenue from operations	2	28	157	-	187
Dividend income	-	-	-	-	-
Rent income	-	-	-	-	-
Interest income	-	1	-	-	1
Purchases of goods and services (including reimbursements)	1	291	5	-	297
Brand equity contribution	8	-	-	-	8
Facility expenses	-	-	2	-	2
Lease rental	-	1	2	-	3
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)					-
Contribution and advance to post employment benefit plans	-	-	-	192	192
Purchase of property, plant and equipment	-	12	(1)	-	11
Sale of property, plant and equipment	-	-	-	-	-
Loans and advances given	-	3	-	-	3
Loans and advances recovered	-	1	-	-	1
Loans and advances taken	-	-	-	-	-
Advances repaid	-	-	-	-	-
Dividend paid	306	-	-	-	306

	Nine months ended December 31, 2024				
	Tata Sons Limited	Subsidiaries of Tata Sons Limited	Associates / joint ventures of Tata Sons Limited and their subsidiaries	Other related parties	Total
			(In million of USD)		
Revenue from operations	6	122	511	-	639
Purchases of goods and services (including reimbursements)	1	759	18	-	778
Brand equity contribution	28	-	-	-	28
Facility expenses	-	1	7	-	8
Lease rental	-	4	5	-	9
Contribution and advance to post employment benefit plans	-	-	-	450	450
Purchase of property, plant and equipment	-	43	2	-	45
Loans and advances given	-	68	4	-	72
Loans and advances recovered	-	3	1	-	4
Interest income	-	1	-	-	1
Dividend paid	1,468	1	-	-	1,469

	Three months ended December 31, 2023				
	Tata Sons	Subsidiaries of	Associates / joint	Other	Total
	(In million of USD)				
Revenue from operations	1	28	140	-	169
Purchases of goods and services (including reimbursements)	-	37	7	-	44
Brand equity contribution	10	-	-	-	10
Facility expenses	0	0	2	0	2
Lease rental	0	1	1	0	2
Bad debts and advances written off, allowance for doubtful trade receivables	0	1	0	0	1
Contribution and advance to post employment benefit plans	0	0	0	112	112
Purchase of property, plant and equipment	0	1	3	0	4
Loans and advances given	-	1	6	-	7
Loans and advances recovered	-	2	-	-	2
Advances repaid	-	2	-	-	2
Dividend paid	286	-	-	-	286
Buy-back of shares	1,268	-	-	-	1,268

	Nine months ended December 31, 2023				
	Tata Sons	Subsidiaries of	Associates / joint	Other	Total
	(In million of USD)				
Revenue from operations	4	93	387	-	484
Purchases of goods and services (including reimbursements)	-	77	23	-	100
Brand equity contribution	31	-	-	-	31
Facility expenses	-	1	7	-	8
Lease rental	-	4	4	-	8
Bad debts and advances written off, allowance for doubtful trade receivables	-	1	-	-	1
Contribution and advance to post employment benefit plans	-	-	-	339	339
Purchase of property, plant and equipment	0	1	10	0	11
Loans and advances given	-	91	12	-	103
Loans and advances recovered	-	2	-	-	2
Loans and advances taken	-	3	-	-	3
Dividend paid	1,335	1	-	-	1,336
Buy-back of shares	1 268	0	0	0	1,268

Balances receivable from related parties are as follows:

	As at December 31, 2024				
	Tata Sons	Subsidiaries of	Associates / joint	Other	Total
	(In million of USD)				
Trade receivables and contract assets	2	37	167	-	206
Other financial assets and other assets	-	223	4	204	431
Total	**2**	**260**	**171**	**204**	**637**

	As at March 31, 2024				
	Tata Sons Limited	Subsidiaries of Tata Sons Limited	Associates / joint ventures of Tata Sons Limited and their subsidiaries	Other related parties	Total
	(In million of USD)				
Trade receivables and contract assets	1	49	181	-	231
Other financial assets and other assets	-	148	1	-	149
Total	**1**	**197**	**182**	**-**	**380**

Balances payable to related parties are as follows:

	As at December 31, 2024				
	Tata Sons Limited	Subsidiaries of Tata Sons Limited	Associates / joint ventures of Tata Sons Limited and their subsidiaries	Other related parties	Total
	(In million of USD)				
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	31	528	39	-	598
Commitments	-	134	4	-	138

	As at March 31, 2024				
	Tata Sons Limited	Subsidiaries of Tata Sons Limited	Associates / joint ventures of Tata Sons Limited and their subsidiaries	Other related parties	Total
	(In million of USD)				
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	43	120	52	-	215
Commitments	-	169	2	-	171

Material related party transactions are as follows:

	Nine months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Revenue from operations				
Jaguar Land Rover Limited	106	91	331	247
Tata Steel IJmuiden BV	16	18	50	54
Purchases of goods and services (including reimbursements) and net of cost recovery				
Tejas Networks Limited	273	18	714	21
Advances given				
Tejas Networks Limited	-	-	59	91

Material related party balances are as follows:

	As at December 31, 2024	As at March 31, 2024
	(In million of USD)	
Trade receivables and contract assets		
Jaguar Land Rover Limited	93	108
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tejas Networks Limited	471	73

Transactions with key management personnel are as follows:

	Three months ended December 31, 2024	Three months ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023
	(In million of USD)			
Short-term benefits	-*	-*	1	1
Dividend paid during the year	-	-	-*	-*
Post-employment benefits			-*	-*
Total	**-**	**-**	**1**	**1**

*Amount less than $0.50 million.

The remuneration of directors and key executives is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

22) The Board of Directors approved post-employment benefits, payable to the retiring COO and Executive Director, which has been actuarially valued. Accordingly, the Company has recorded an expense of $3 million during three months ended June 30, 2024.

23) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its Indian subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

24) Amounts for the year ended and as at March 31, 2024 represent audited amounts.

25) Dividend

The Dividends paid during the period ended December 31, 2024 include an amount of ₹28.00 (USD equivalent $0.33) per equity share towards final dividend for the year ended March 31, 2024 and an amount of ₹20.00 (USD equivalent $0.23) per equity share towards interim dividends for the period ended December 31, 2024. Dividends paid during the year ended March 31, 2024 include an amount of ₹24.00 (USD equivalent $0.29) per equity share towards final dividend for the year ended March 31, 2023 and an amount of ₹45.00 (USD equivalent $0.55) per equity share towards interim dividends (including special dividend) for the year ended March 31, 2024.

The Board of Directors at its meeting held on January 9, 2025, has declared an interim dividend of ₹10.00 (USD equivalent $0.12) per equity share per equity share and special dividend of ₹66.00 (USD equivalent $0.77) per equity share.