INDEX TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL REPORT

Tata Consultancy Services Limited

Unaudited Condensed Consolidated Statements of Financial Position

As of June 30, 2011, March 31, 2011 and April 1, 2010

	Notes	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
			(In millions of USD)	
ASSETS:				
Current assets:				
Cash and cash equivalents	5	$333.9	$348.5	$228.2
Bank deposits		874.4	713.2	813.1
Trade receivables	6	2,035.6	1,839.3	1,293.4
Investments	7(a)	118.2	79.9	570.1
Other current financial assets	8(a)	385.0	168.1	172.2
Unbilled revenues		366.5	302.5	267.4
Current income tax assets		54.2	78.4	31.6
Other current assets	9(a)	294.1	259.0	194.1
Total current assets		**4,461.9**	**3,788.9**	**3,570.1**
Non-current assets:				
Bank deposits		444.7	605.8	1.0
Investments	7(b)	340.1	332.5	271.9
Other non-current financial assets	8(b)	181.4	124.8	108.9
Current income tax assets		188.4	225.4	132.8
Deferred income tax assets		289.7	262.0	296.1
Property, plant and equipment	10	1,212.6	1,166.1	921.1
Intangible assets		40.4	42.7	26.7
Goodwill		717.2	715.1	704.6
Other non-current assets	9(b)	80.9	90.0	42.2
Total non-current assets		**3,495.4**	**3,564.4**	**2,505.3**
TOTAL ASSETS		**$7,957.3**	**$7,353.3**	**$6,075.4**
LIABILITIES AND EQUITY:				
Liabilities:				
Current liabilities:				
Trade and other payables	11	$686.0	$668.7	$596.2
Borrowings		0.4	7.4	13.6
Mandatorily redeemable preference shares		22.4	22.4	22.3
Other current financial liabilities	12(a)	96.4	109.1	65.0
Unearned and deferred revenues		154.4	165.1	156.4
Employee benefit obligation		126.6	118.3	112.8
Current income tax liabilities		143.9	125.0	87.2
Other current liabilities	13	157.1	122.0	70.9
Total current liabilities		**1,387.2**	**1,338.0**	**1,124.4**
Non-current liabilities:				
Borrowings		0.9	0.9	2.4
Other non-current financial liabilities	12(b)	88.5	85.7	109.3
Employee benefit obligation		29.2	28.6	22.0
Deferred income tax liabilities		139.2	125.7	67.9
Other non-current liabilities		3.7	6.5	6.5
Total non-current liabilities		**261.5**	**247.4**	**208.1**
TOTAL LIABILITIES		**1,648.7**	**1,585.4**	**1,332.5**
Equity:				
Share capital		43.6	43.6	43.6
Share premium		427.2	427.2	427.4
Retained earnings		5,684.7	5,151.6	4,228.5
Accumulated other comprehensive income\(loss)		79.8	74.9	(5.7)
Equity attributable to TCS Limited		**6,235.3**	**5,697.3**	**4,693.8**
Non-controlling interests		73.3	70.6	49.1
TOTAL EQUITY		**6,308.6**	**5,767.9**	**4,742.9**
TOTAL LIABILITIES AND EQUITY		**$7,957.3**	**$7,353.3**	**$6,075.4**

See accompanying notes to unaudited condensed consolidated financial report

Tata Consultancy Services Limited

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the three-month periods ended June 30, 2011 and 2010

	Three-month period ended June 30, 2011	Three-month period ended June 30, 2010
	(In millions of USD, except shares and per share data)	
Revenues:		
Information technology and consultancy services	$2,332.8	$1,739.4
Sale of equipment and software licences	78.8	54.7
Total revenues	**2,411.6**	**1,794.1**
Cost of revenues:		
Cost of information technology and consultancy services	1,275.3	947.9
Cost of equipment and software licenses	68.8	39.6
Total cost of revenues	**1,344.1**	**987.5**
Gross profit	**1,067.5**	**806.6**
Operating Expenses:		
Selling, general and administrative expenses	436.3	313.6
Operating income	**631.2**	**493.0**
Other income / (expense):		
Finance and other income	46.0	21.4
Finance costs	(1.8)	(3.0)
Other gains / (losses), net	20.3	(0.5)
Other income, net	**64.5**	**17.9**
Income before income taxes	**695.7**	**510.9**
Income tax expense	157.7	97.3
Net income	**538.0**	**413.6**
Other comprehensive income, net of tax		
Exchange differences on translation of foreign operations	1.0	(150.1)
Net gain on available-for-sale financial assets	0.6	0.1
Net gains / (losses) on cash flow hedges	3.7	(12.6)
Actuarial gains / (losses) on employee benefit plans	1.5	(1.2)
Total other comprehensive income, net of tax	**6.8**	**(163.8)**
Total comprehensive income for the period, net of tax	**$544.8**	**$249.8**
Net income attributable to:		
TCS Limited	$531.7	$407.0
Non-controlling interests	6.3	6.6
	$538.0	**$413.6**
Total comprehensive income attributable to:		
TCS Limited	$538.2	$245.6
Non-controlling interests	6.6	4.2
	$544.8	**$249.8**
Weighted average number of shares used in computing basic and diluted earnings per share	1,957,220,996	1,957,220,996
Basic and diluted earnings per share:	$0.27	$0.21

See accompanying notes to unaudited condensed consolidated financial report

Tata Consultancy Services Limited

Unaudited Condensed Consolidated Statements of Changes in Equity
For the three-month periods ended June 30, 2011 and 2010
(In millions of USD, except shares data)

	Number of shares	Share capital	Share premium	Retained earnings	Accumulated other comprehensive income	Equity attributable to TCS Limited	Non-controlling interests	Total equity
Balance as of April 1, 2010	1,957,220,996	$43.6	$427.4	$4,228.5	$(5.7)	$4,693.8	$49.1	$4,742.9
Net Income				407.0		407.0	6.6	413.6
Exchange differences on translation of foreign operations, net of tax					(148.2)	(148.2)	(1.7)	(149.9)
Net gain on available-for-sale financial assets, net of tax					0.1	0.1		0.1
Net loss on cash flow hedges, net of tax					(12.3)	(12.3)	(0.3)	(12.6)
Actuarial losses on employee benefit plans, net of tax				(1.1)		(1.1)	(0.1)	(1.2)
Balance as of June 30, 2010	**1,957,220,996**	**$43.6**	**$427.4**	**$4,634.4**	**$(166.1)**	**$4,939.3**	**$53.6**	**$4,992.9**
Balance as of April 1, 2011	1,957,220,996	$43.6	$427.2	$5,151.6	74.9	5,697.3	$70.6	$5,767.9
Net Income				531.7		531.7	6.3	538.0
Exchange differences on translation of foreign operations, net of tax					1.1	1.1	(0.1)	1.0
Net gain on available-for-sale financial assets, net of tax					0.4	0.4	0.2	0.6
Net gain on cash flow hedges, net of tax					3.6	3.6	0.1	3.7
Actuarial gains on employee benefit plans, net of tax				1.4		1.4	0.1	1.5
Dividends including tax on dividend							(3.9)	(3.9)
Balance as of June 30, 2011	**1,957,220,996**	**$43.6**	**$427.2**	**$5,684.7**	**$79.8**	**$6,235.3**	**$73.3**	**$6,308.6**

See accompanying notes to unaudited condensed consolidated financial report

Tata Consultancy Services Limited

Unaudited Condensed Consolidated Statements of Cash Flows
For the three-month periods ended June 30, 2011 and 2010

	Three-month period ended June 30, 2011	Three-month period ended June 30, 2010
	(In millions of USD)	
Net cash provided by operating activities	**$351.7**	**$236.1**
Cash flows from investing activities:		
Purchase of bank deposits	(65.6)	(18.7)
Purcahse of inter-corporate deposits	(230.0)	-
Purchase of available-for-sale financial assets	(972.6)	(4,152.7)
Purchase of property, plant and equipment	(95.2)	(66.6)
Purchase of intangible assets	(0.1)	(0.7)
Proceeds from bank deposits	63.9	228.9
Proceeds from inter-corporate deposits	5.6	14.2
Proceeds from sale of available-for-sale financial assets	931.4	3,760.4
Proceeds from sale of property, plant and equipment	0.3	1.1
Interest received	3.7	19.6
Dividend received	0.4	1.2
Net cash used in investing activities	**(358.2)**	**(213.3)**
Cash flows from financing activities:		
Proceeds from issue of borrowings	-	0.2
Repayment of borrowings	(7.1)	(2.9)
Interest paid	(1.2)	(0.6)
Net cash used in financing activities	**(8.3)**	**(3.3)**
Net change in cash	(14.8)	19.6
Effect of foreign exchange on cash	0.2	(5.9)
Cash and cash equivalents, beginning of the period	348.5	228.2
Cash and cash equivalents, end of the period	**$333.9**	**$241.9**

See accompanying notes to unaudited condensed consolidated financial report

Tata Consultancy Services Limited
Notes to Unaudited Condensed Consolidated Financial Report

1. Background and operations

Tata Consultancy Services Limited and its subsidiaries (collectively "TCS Limited" or the "Company") provide a wide range of information technology and consultancy services including systems hardware and software, communications and networking, hardware sizing and capacity planning, software project management solutions, technology education services and business process outsourcing.

The Company is a public limited company incorporated and domiciled in India. The address of its registered office is Tata Consultancy Services Limited, 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021. As of June 30, 2011, Tata Sons Limited owned 74.07% of Tata Consultancy Services Limited's equity share capital and has the ability to control its operating and financial policies.

2. Summary of significant accounting policies

a. Basis of presentation

This unaudited condensed consolidated financial report has been compiled in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), as applicable to interim periods.

This is the first set of interim period financial report presented in accordance with the recognition and measurement principles of IFRS. The effect of transition from the recognition and measurement principle of Indian GAAP (referred to as "Previous GAAP") to IFRS has been described in note 3 to this financial report.

Accounting policies have been applied consistently to all periods presented in the unaudited condensed consolidated financial report.

b. Basis of consolidation

TCS Limited consolidates all entities which are controlled by it. Control exists when TCS Limited has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired, or sold, during the year are consolidated for the periods from, or to, the date when control passes. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Inter-company transactions, balances and unrealised profits and losses are eliminated on consolidation.

c. Business combinations

The Company accounts for its business combinations under acquisition method of accounting. 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 net income after reassessing the fair values of the net assets and contingent liabilities.

Non-controlling interests in subsidiaries are identified separately from TCS Limited's equity therein. The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value 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.

d. Revenue recognition

TCS Limited earns revenues primarily from providing information technology and consultancy services, including services under contracts for software development, implementation and other related services, re-licensing of third party software products and sales, licensing and sale of its own software, business process outsourcing and maintenance of equipment.

TCS Limited recognises revenue as follows:

Revenues from bundled contracts that involve supplying computer equipment, licensing software and providing services are allocated separately for each element based on their fair values.

Revenues from contracts priced on a time and materials basis are recognised as services are rendered and as related costs are incurred.

Revenues from software development contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Losses on such contracts are recognised when probable. Revenues in excess of billings are recognised as unbilled revenues in the balance sheet; to the extent billings are in excess of revenues recognised, the excess is reported as unearned and deferred revenue in the balance sheet.

Revenues from business process outsourcing contracts priced on the basis of time and material or unit of delivery are recognised as services are rendered or the related obligation is performed.

Revenues from the sale of computer equipment are recognised upon delivery to customers, which is when title and risks and rewards of ownership passes to the customer. TCS Limited acts as a reseller of third party computer equipment products; such revenues are reported gross as TCS Limited acts as a principal, has pricing authority and bears inventory and credit risk.

Revenues from the sale of internally developed and manufactured systems and third party software products which do not require significant modification are recognised upon delivery of a license, which is when the absolute right to use passes to the customer and TCS Limited does not have any material remaining service obligations.

Revenues from maintenance contracts and from finite period software licenses granted are recognised on a pro-rata basis over the period of the contract.

TCS Limited reports billed out-of-pocket expenses as revenue.

All revenues are recognised only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured.

e. Foreign currency

The functional currency of TCS Limited and its Indian subsidiaries is the Indian Rupee (₹) whereas the functional currency of foreign subsidiaries is the currency of their countries of incorporation. The financial statements are presented in US dollars to facilitate the investors’ ability to evaluate TCS Limited’s performance and financial position in comparison to similar companies domiciled in different foreign jurisdictions.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet dates. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the net income.

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 balance sheet date. Comprehensive income statement items have been translated using the quarterly weighted average exchange rates. Translation adjustments have been reported as a component of accumulated other comprehensive income in the statement of changes in equity.

f. Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. The income tax expense for the interim periods within a fiscal year is allocated to those periods based on the management's best estimate of the effective income tax rate expected to be applicable for the full fiscal year.

Current income taxes:

The current income tax expense includes Indian income taxes payable for TCS Limited's worldwide operations after taking credit for benefits available for operations in Software Technology Parks (or STPs) and Special Economic Zones (or SEZs) and export earnings, and after offsetting benefits under double tax avoidance treaties for foreign taxes payable in overseas jurisdictions.

Current income tax is payable in each of TCS Limited's overseas branches and is computed in accordance with the tax laws applicable in the jurisdiction in which each of the branches operate. The amounts paid are generally available for offset as tax credits in India towards the income tax liability computed on TCS Limited's worldwide income.

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

Payments of advance taxes and income taxes payable in the same tax jurisdictions are offset.

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 and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset 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.

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.

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

For domestic operations carried out in STPs and SEZs, deferred tax liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends. No deferred tax asset has been recognised for the reduction in taxes attributable to such tax holidays.

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.

g. Financial instruments

The Company determines the classification of financial instruments at the time of initial recognition depending on their intent, nature and purpose.

A. Non-derivative financial instruments

Cash and cash equivalents

TCS Limited considers all highly liquid financial instruments including bank deposits, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Available-for-sale financial assets

Financial assets classified as available-for-sale are measured at fair value and unrealised gains or losses are recognised directly in other comprehensive income. On disposal or impairment of such investments, the gains or losses in other comprehensive income are recycled into the net income.

Investments in unquoted equity instruments that do not have a quoted market price and whose fair value cannot be reliably measured are measured at cost.

Held-to-maturity financial assets

Debt securities for which TCS Limited has the positive intent and ability to hold to maturity are classified as held-to-maturity securities and are measured at amortised cost using effective interest method less any impairment loss.

Loans and receivables

Loans and receivables are measured at amortised cost using effective interest method, less any impairment loss.

Financial liabilities

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

B. Derivative financial instruments

TCS Limited uses foreign currency option and forward contracts to manage its exposure to foreign exchange. TCS Limited recognises the outstanding contracts at fair value. The option and forward contracts are designated and documented as hedges at the inception of the contract. The effectiveness of option and forward contracts to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. Any amounts excluded from the assessment of hedge effectiveness, as well as the ineffective portion of designated hedges are recognised immediately in the net income.

The effective portion of changes in fair value of derivatives that are designated and qualified as cash flow hedges are recorded in other comprehensive income and are reclassified into the net income when the related hedged items affect net income.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

Derivative financial instruments that do not qualify for hedge accounting are recognised at fair value and gains and losses are recognised in net income immediately.

h. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives at the following basis and rates:

Type of asset	Method	Rate
Buildings on freehold land	Declining balance	5.0% - 7.39%
	Straight line	1.63% - 2.5%
Computer equipment	Straight line	16% - 50%
Automobiles	Declining balance	25.89% - 29.89%
	Straight line	19.80% - 33.33%
Furniture, fixtures and	Declining balance	13.91%
Office equipment	Straight line	10% - 100%

Leasehold improvements and buildings on leasehold land are amortised over the shorter of estimated useful life or the related lease term. Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

i. Intangible assets

Intangible assets, other than goodwill, consist of acquired contract rights, intellectual property rights and software licenses. Intangible assets are amortised on a straight-line basis. The following table summarises the nature of intangibles and the estimated useful lives.

Nature of intangibles	Useful lives
Acquired contract rights………………………………………	5-12 years
Intellectual property rights……………………………………	2-3 years
Software licenses……………………………………………..	License period

j. Impairment

1) Financial assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

(i) Available-for-sale financial assets

When the fair value of available-for-sale financial asset declines below acquisition cost and there is objective evidence that the asset is impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to the net income.

(ii) Held-to-maturity financial assets and loans and receivables

Held-to-maturity financial assets and loans and receivables are assessed at each reporting date to determine whether there is any objective evidence that it is impaired. An impairment loss that is measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

2) Non-financial assets

(i) Tangible and intangible assets

Property, plant and equipment and 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 units (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 the net income.

(ii) Goodwill

For the purpose of impairment testing, goodwill is allocated to each of the Company's CGU expected to benefit from the synergies of the combination. CGU to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the 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.

k. Employee benefits

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

For defined contribution plans, the amount charged to the net income in respect of pension cost and other post retirement benefits is the contribution payable in the year.

l. Operating leases

Payments under operating leases are recognised in the net income on a straight-line basis over the term of the lease.

m. Use of estimates

The preparation of condensed consolidated financial report in conformity with the recognition and measurement principles of IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the condensed consolidated financial report and the reported amounts of revenues and expenses for the periods presented. Significant estimates in these condensed consolidated financial report that are susceptible to change as more information becomes available include costs to complete for fixed price contracts, allowances for uncollectible accounts receivable, useful lives of intangible assets and property, plant and equipment, estimates of future cash flows and other assumptions associated with goodwill, other intangible and tangible assets impairment tests, determination of discount and other assumptions for employee benefit expenses and income taxes. Actual results could differ from these estimates.

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

3. Explanation of transition to IFRS

The transition as of April 1, 2010 to IFRS was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with IFRS 1, First–time Adoption of International Financial Reporting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to IFRS are explained below.

Exemptions from retrospective application:

The following are the exemptions which the Company has opted to apply:

i. **Business combinations exemption**
The Company has elected not to apply IFRS 3 (Revised 2008), Business Combinations, to business combinations consummated prior to April 1, 2010.

ii. **Cumulative translation differences exemption**
The Company has elected to set the cumulative translation reserve to zero by transferring the balance as of April 1, 2010 to retained earnings.

Exceptions from full retrospective application:

i. **Hedge accounting exception**
The Company did not have on the date of transition a hedging relationship of a type that does not qualify for hedge accounting under IAS 39, Financial Instruments: Recognition and Measurement. Hence, this exception is not applicable.

ii. **Estimates exception**
Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise the estimates under IFRS except where estimates were required by IFRS and not required by Previous GAAP or estimates were required by Previous GAAP and not required by IFRS.

Reconciliations between Previous GAAP and IFRS:

i. **Equity reconciliations**

	Notes	As of March 31, 2011	As of June 30, 2010	As of April 1, 2010
			(In millions of USD)	
Equity under Previous GAAP attributable to:				
TCS Limited		$5,495.6	$4,285.2	$4,111.0
Non-controlling interest		102.8	84.6	80.5
Adjusted equity under Previous GAAP		**$5,598.4**	**$4,369.8**	**$4,191.5**
Dividends	a	410.6	786.8	713.2
Reorganisation of entities under common control	b	(81.3)	(77.9)	(80.7)
Others	c	(53.6)	(44.3)	(43.3)
Tax adjustments	e	(106.2)	(41.5)	(37.8)
Equity under IFRS		**$5,767.9**	**$4,992.9**	**$4,742.9**
Attributable to:				
TCS Limited		$5,697.3	$4,939.5	$4,693.8
Non-controlling interest		$70.6	$53.4	$49.1

ii. Comprehensive income reconciliations

	Notes	Year ended March 31, 2011	Three-months period ended June 30, 2010
		(In millions of USD)	
Net income under Previous GAAP attributable to :			
TCS Limited		$1,989.8	416.2
Non-controlling interest		26.5	6.9
Adjusted net income under Previous GAAP		**$2,016.3**	**$423.1**
Employee benefits	d	(2.8)	1.2
Others		(0.1)	(1.4)
Tax adjustments	e	(75.3)	(9.3)
Net income under IFRS		**$1,938.1**	**$413.6**
Other comprehensive income		75.9	(163.8)
Comprehensive income under IFRS		**$2,014.0**	**$249.8**
Attributable to:			
TCS Limited		$1,992.7	$245.6
Non-controlling interest		$21.3	$4.2

iii. Notes to reconciliations between Previous GAAP and IFRS:

a. Dividends

Under IFRS, dividends payable are recorded as a liability in the year in which these are declared and approved by shareholders of the Company. Under Previous GAAP, dividends payable are recorded as a liability in the year to which they relate.

This difference has resulted in an increase in equity under IFRS by $ 410.6 million, $786.8 million and $713.2 million as of March 31, 2011, June 30, 2010 and April 1, 2010, respectively.

b. Reorganisation of entities under common control

In fiscal 2003 and 2004, TCS Limited and Tata Sons Limited entered into an arrangement to transfer the entire shareholding held by Tata Sons Limited in CMC Limited and Tata America International Corporation to TCS Limited. Under IFRS, the transfer has been accounted for on the historical cost basis and the consideration paid in excess of carrying cost of these entities, as of the date of transfer, has been recorded as reduction to equity. Under Previous GAAP, the transfer has been accounted for on fair value basis.

This difference has resulted in a decrease in equity under IFRS by $81.3 million, $77.9 million and $80.7 million as of March 31, 2011, June 30, 2010 and April 1, 2010, respectively.

c. Others

This includes adjustments under IFRS on account of consolidation of an employee's welfare trust and recognition of liability for a put-call option over non-controlling interests of a subsidiary.

d. Employee benefits

Under IFRS, the actuarial gains and losses for retirement benefit plans are recognised in other comprehensive income for the period in which they occur. Under Previous GAAP, the actuarial gains and losses are recognised in the profit and loss account.

This difference has resulted in a decrease by $2.8 million and an increase by $1.2 million in the net income under IFRS for the year ended March 31, 2011 and for the three month ended June 30, 2010, respectively. However, the same does not result in difference in equity or total comprehensive income.

e. Tax adjustments

Tax adjustments are primarily on account of deferred taxes recognised for undistributed earnings of subsidiaries. Under Previous GAAP there is no requirement to recognise such deferred taxes. Tax adjustments also include deferred tax impact on account of difference between Previous GAAP and IFRS.

These adjustments have resulted in a decrease in equity under IFRS by $106.2 million, $41.5 million and $37.8 million as of March 31, 2011, June 30, 2010 and April 1, 2010, respectively and a decrease in the net income under IFRS by $75.3 million and $9.3 million for the year ended March 31, 2011 and for the three month period ended June 30, 2010, respectively.

iv. Explanation of material adjustments to cash flow statement for the three-month period ended June 30, 2010:

No material differences.

5. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Cash at banks and in hand	$178.3	$173.1	$135.3
Bank deposits (original maturities less than three months)	155.6	175.4	92.9
Total	**$333.9**	**$348.5**	**$228.2**
Held within India	$109.0	$113.4	$36.8
Held outside India	224.9	235.1	191.4
	$333.9	**$348.5**	**$228.2**

6. Trade receivables

Trade receivables consist of the following:

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Trade receivables, gross	$2,088.7	$1,891.7	$1,368.3
Less: allowance for doubtful debts	(53.1)	(52.4)	(74.9)
Total	**2,035.6**	**1,839.3**	**1,293.4**

7. Investments

Investments consist of the following:

(a) Investments - Current

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Available-for-sale financial assets, carried at fair value			
Corporate debentures and bonds	$1.7	$1.7	$1.7
Mutual fund units	116.5	78.2	568.4
Total investments - Current	**118.2**	**79.9**	**570.1**

(b) Investments – Non current

Available-for-sale financial assets, carried at cost			
Equity shares	$5.4	$5.4	$1.1
	5.4	**5.4**	**1.1**
Held-to-maturity financial assets, carried at amortised cost			
Corporate debentures and bonds	49.8	44.4	0.8
	49.8	**44.4**	**0.8**
Loans and receivables, carried at amortised cost	284.9	282.7	270.0
Total investments - Non current	**$340.1**	**$332.5**	**$271.9**

Loans and receivables include subscription to the privately placed unsecured, unlisted redeemable non-convertible debentures issued by Tata Sons Limited in January 2010 and its subsidiary Panatone Finvest Limited in March 2010 for a consideration of $217.8 million and $44.5 million, respectively. The debentures issued by Tata Sons Limited would be redeemable at par in three equal installments at the end of second, third and fourth year, respectively from the date of allotment while the debentures issued by Panatone Finvest Limited would be redeemed at the end of the third year. The non-convertible debentures issued by Tata Sons Limited and its subsidiary Panatone Finvest Limited carry an effective interest of 8.50% and 8.75%, respectively.

8. Other financial assets

Other financial assets consist of the following:

(a) Other current financial assets

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Accrued interest	$56.7	$30.3	$29.4
Employee loans and advances	16.2	43.3	33.9
Inter-corporate deposits	251.8	56.1	64.6
Foreign currency derivative assets	36.7	22.6	17.7
Others	23.6	15.8	26.6
Total	**$385.0**	**$168.1**	**$172.2**

(b) Other non-current financial assets

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Premises deposits	$85.0	$87.0	$79.0
Restricted cash	9.2	6.3	9.3
Employee loans and advances	2.9	2.8	4.0
Inter-corporate deposits	29.1	-	-
Others	55.2	28.7	16.6
Total	**$181.4**	**$124.8**	**$108.9**

9. Other assets

Other assets consist of the following:

(a) Other current assets

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Inventories	$5.1	$5.1	$4.0
Prepaid expenses	201.3	177.3	128.3
Advances to suppliers	26.0	20.2	8.9
Other advances	61.7	56.4	52.9
Total	**$294.1**	**$259.0**	**$194.1**

(b) Other non-current assets

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Prepaid expenses	$33.6	41.8	11.4
Prepaid rent	45.1	44.8	28.5
Others	2.2	3.4	2.3
Total	**$80.9**	**$90.0**	**$42.2**

10. Property, plant and equipment

Property, plant and equipment consist of the following:

	(In millions of USD)							
	Freehold land	**Buildings**	**Building on leasehold land**	**Leasehold improve-ments**	**Computer equipments**	**Auto-mobiles**	**Furniture, fixtures and office equipments**	**Total**
Gross block as of April 1, 2010	**$73.4**	**$328.5**	**$16.0**	**$105.9**	**$424.0**	**$6.9**	**$350.4**	**$1,305.1**
Additions	-	55.3	4.3	30.4	126.4	0.8	73.3	290.5
Acquisitions through business combinations	-	-	1.4	2.2	0.8	-	2.1	6.5
Deletion	-	-	(0.1)	(3.0)	(12.7)	(1.5)	(20.0)	(37.3)
Effect of foreign currency exchange differences	0.5	3.8	0.9	9.4	7.3	-	(1.0)	20.9
Gross block as of March 31, 2011	**$73.9**	**$387.6**	**$22.5**	**$144.9**	**$545.8**	**$6.2**	**$404.8**	**$1,585.7**
Accumulated depreciation as of April 1, 2010	**-**	**(51.3)**	**(5.0)**	**(52.5)**	**(286.7)**	**(3.5)**	**(194.6)**	**(593.6)**
Acquisitions through business combinations	-	-	(0.3)	-	-	-	-	(0.3)
Deletion	-	-	0.1	2.5	11.8	1.0	17.0	32.4
Depreciation for the year	-	(14.6)	(2.3)	(15.9)	(75.8)	(1.0)	(40.1)	(149.7)
Effect of foreign currency exchange differences	-	(0.8)	(2.5)	(6.1)	(4.8)	-	3.0	(11.2)
Accumulated depreciation as of March 31, 2011	**-**	**(66.7)**	**(10.0)**	**(72.0)**	**(355.5)**	**(3.5)**	**(214.7)**	**(722.4)**
Net carrying amount as of April 1, 2010	**73.4**	**277.2**	**11.0**	**53.4**	**137.3**	**3.4**	**155.8**	**711.5**
Capital work-in-progress								209.6
Total								**$921.1**
Net carrying amount as of March 31, 2011	**$73.9**	**$320.9**	**$12.5**	**$72.9**	**$190.3**	**$2.7**	**$190.0**	**$863.3**
Capital work-in-progress								302.8
Total								**$1,166.1**

	(In millions of USD)							
	Freehold land	**Buildings**	**Building on leasehold land**	**Leasehold improve-ments**	**Computer equipments**	**Auto-mobiles**	**Furniture, fixtures and office equipments**	**Total**
Gross block as of April 1, 2011	**$73.9**	**$387.6**	**$22.5**	**$144.9**	**$545.8**	**$6.2**	**$404.8**	**$1,585.7**
Additions	-	25.1	0.7	8.5	34.9	-	31.6	100.8
Deletion	-	-	-	-	(3.7)	(0.1)	(0.3)	(4.1)
Effect of foreign currency exchange differences	(0.1)	(0.6)	0.4	(10.2)	(0.4)	-	10.2	(0.7)
Gross block as of June 30, 2011	**73.8**	**412.1**	**23.6**	**143.2**	**576.6**	**6.1**	**446.3**	**1,681.7**
Accumulated depreciation as of April 1, 2011	-	**(66.7)**	**(10.0)**	**(72.0)**	**(355.5)**	**(3.5)**	**(214.7)**	**(722.4)**
Deletion	-	-	-	-	3.7	0.1	0.3	4.1
Depreciation for the period	-	(4.1)	(0.8)	(4.0)	(21.6)	(0.2)	(12.4)	(43.1)
Effect of foreign currency exchange differences	-	0.1	(0.3)	5.8	0.2	-	(5.7)	0.1
Accumulated depreciation as of June 30, 2011	-	**(70.7)**	**(11.1)**	**(70.2)**	**(373.2)**	**(3.6)**	**(232.5)**	**(761.3)**
Net carrying amount as of June 30, 2011	**$73.8**	**$341.4**	**$12.5**	**$73.0**	**$203.4**	**$2.5**	**$213.8**	**$920.4**
Capital work-in-progress								292.2
Total								**$1,212.6**

11. Trade and other payables

Trade and other payables consist of the following:

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Trade payables	$183.9	$200.8	$168.9
Accrued expenses	431.9	378.9	347.8
Accrued payroll	69.2	87.0	69.3
Others	1.0	2.0	10.2
Total	**$686.0**	**$668.7**	**$596.2**

12. Other financial liabilities

(a) Other current financial liabilities

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Foreign currency derivative liabilities	$9.7	$3.3	$18.1
Put-call option liability	48.4	48.7	37.8
Others	38.3	57.1	9.1
Total	**$96.4**	**$109.1**	**$65.0**

(b) Other non-current financial liabilities

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Capital lease commitments	$7.8	$7.3	$6.4
Others	80.7	78.4	102.9
Total	**$88.5**	**$85.7**	**$109.3**

13. Other current liabilities

	As of June 30, 2011	As of March 31, 2011	As of April 1, 2010
		(In millions of USD)	
Indirect tax payable and other statutory liabilities	$141.2	$102.0	$63.7
Advances received from customers	10.7	15.9	5.4
Others	5.2	4.1	1.8
Total	**$157.1**	**$122.0**	**$70.9**

14. Derivative financial instruments

TCS Limited has following outstanding derivative instruments as of June 30, 2011, March 31, 2011 and April 1, 2010:

(i) The following are outstanding foreign exchange forward contracts, which have been designated as cash flow hedges, as of:

	June 30, 2011		
Foreign currency	**No. of contracts**	**Notional amount of forward contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	64	310.8	$10.5
Sterling pound	44	20.3	1.0
Australian dollar	21	10.5	(0.8)

	March 31, 2011		
Foreign currency	**No. of contracts**	**Notional amount of forward contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	52	207.8	$7.8
Sterling pound	38	27.7	0.4
Australian dollar	19	9.5	(0.5)

	April 1, 2010		
Foreign currency	**No. of contracts**	**Notional amount of forward contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	20	51.2	$2.7

(ii) The following are outstanding currency option contracts, which have been designated as cash flow hedges, as of:

	June 30, 2011		
Foreign currency	**No. of contracts**	**Notional amount of currency option contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	82	1,501.4	$2.6
Sterling pound	3	30.0	1.3
Australian dollar	3	21.0	-
Euro	21	120.0	0.4

	March 31, 2011		
Foreign currency	**No. of contracts**	**Notional amount of currency option contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	58	349.4	$(3.8)
Sterling pound	9	54.0	2.0
Euro	21	149.0	0.2

	April 1, 2010		
Foreign currency	**No. of contracts**	**Notional amount of currency option contracts (in millions)**	**Fair value (In millions of USD)**
U.S.dollar	56	639.8	$(12.1)

In addition to the above cash flow hedges, the Group has outstanding foreign exchange forward and currency option contracts with notional amount aggregating $1462.1 million (March 31,2011 : $1042.7 millions) whose fair value showed a gain of $9.8 million (March 31,2011 : gain of $6.6 million) as on June 30, 2011. Although these contracts are effective as hedges from an economic perspective, they do not qualify for hedge accounting and accordingly these are accounted as derivatives instruments at fair value with changes in fair value recorded in the profit and loss account.

15. 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. TCS Limited's chief operating decision maker is the Chief Executive Officer and Managing Director.

The Company has identified business segments (industry practice) as reportable segments. Business segments are primarily financial services comprising customers providing banking, finance and insurance services, manufacturing companies, companies in retail and consumer packaged goods industries, companies in telecommunication, media and entertainment and others such as energy, resources and utilities, Hi-Tech industry practice, life science and healthcare, s-Governance, travel, transportation and hospitality etc.

Revenues 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 revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably among segments are not allocated to reportable segments.

Summarised segment information for the three-months periods ended June 30, 2011 and 2010 is as follows:

	Three-months period ended June 30, 2011 (In millions of USD)					
	Banking, Financial Services and Insurance	Manufacturing	Retail and Consumer Packaged Goods	Telecom	Others	Total
Revenues	**$1,044.6**	**$182.8**	**$280.7**	**$334.7**	**$568.8**	**$2,411.6**
Segment result	**304.1**	**43.3**	**72.1**	**103.6**	**147.4**	**670.5**
Unallocable Expenses						39.3
Operating income						631.2
Other income / (expense), net						64.5
Income before taxes						695.7
Income tax expense						157.7
Net income						**$538.0**
As of June 30, 2011						
Segment assets:						
Allocable assets	$1,901.3	$190.7	$249.5	$472.9	$953.6	$3,768.0
Unallocable assets						4,189.3
Total assets						**$7,957.3**
Segment liabilities						
Allocable liabilities	$100.5	$17.7	$16.5	$49.8	$142.3	$326.8
Unallocable liabilities						1,321.9
Total liabilities						**$1,648.7**

	Three-months period ended June 30, 2010 (In millions of USD)					
	Banking, Financial Services and Insurance	Manufacturing	Retail and Consumer Packaged Goods	Telecom	Others	Total
Revenues	**$801.6**	**$133.6**	**$196.4**	**$261.6**	**$400.9**	**$1,794.1**
Segment result	**248.8**	**37.1**	**48.3**	**86.1**	**100.9**	**521.2**
Unallocable Expenses						28.2
Operating income						493.0
Other income / (expense), net						17.9
Income before taxes						510.9
Income tax expense						97.3
Net income						**$413.6**
As of June 30, 2010						
Segment assets:						
Allocable assets	$1,495.3	$139.1	$199.4	$330.0	$638.8	$2,802.6
Unallocable assets						3,583.3
Total assets						**$6,385.9**
Segment liabilities						
Allocable liabilities	$180.2	$14.0	$17.3	$61.7	$101.6	$374.8
Unallocable liabilities						1,018.2
Total liabilities						**$1,393.0**

16. Commitments and contingencies

Commitments and contingent liabilities are as follows:

Capital commitments

As of June 30, 2011, $335.5 million are contractually committed for purchase of property, plant and equipment.

Contingencies

Letters of credit

TCS Limited has unexpired letters of credit of $1.1 million as at June 30, 2011.

Income tax matters

As of June 30, 2011, TCS Limited has demands from direct tax authorities in Indian jurisdiction, which are being contested by TCS Limited on appeal amounting to $192.4 million. Demands from direct tax authorities include $52.9 million in respect of TCS e-Serve Limited. TCS e-Serve Limited has also paid advance taxes aggregating $41.4 million against the disputed amounts for the relevant assessment years. TCS Limited is entitled to an indemnification of the above referred contingent claims on TCS e-Serve Limited from the seller and would be required to pay amounts equal to amounts refunded to TCS e-Serve Limited on those claims.

Indirect tax matters

TCS Limited has ongoing disputes with Indian tax authorities mainly relating to treatment of characterisation and classification of certain items. As of June 30, 2011, TCS Limited has demands from various indirect tax authorities in Indian jurisdiction, which are being contested by TCS Limited on appeal amounting to $32.4 million.

17. Subsequent event

On July 14, 2011, the Board of Directors declared an interim dividend of $0.07/- (₹3/-) per equity share.