TATA CONSULTANCY SERVICES LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at December 31, 2011	As at March 31, 2011
		₹ crores	
I. EQUITY AND LIABILITIES			
(1) **Shareholders' funds**			
(a) Share capital	2	295.72	295.72
(b) Reserves and surplus	3	29411.42	24209.09
		29707.14	24504.81
(2) **Minority interest**		527.03	458.17
(3) **Non-current liabilities**			
(a) Long-term borrowings	4	40.26	37.70
(b) Deferred tax liabilities (net)	5	153.60	109.49
(c) Other long term liabilities	6	337.63	187.41
(d) Long-term provisions	7	179.49	139.23
		710.98	473.83
(4) **Current liabilities**			
(a) Short-term borrowings	8	22.42	31.57
(b) Trade payables		3603.54	2876.26
(c) Other current liabilities	9	2629.93	1617.47
(d) Short-term provisions	10	1835.75	2718.93
		8091.64	7244.23
TOTAL		39036.79	32681.04
II. ASSETS			
(1) **Non-current assets**			
(a) Fixed assets	11		
(i) Tangible assets		4357.93	3935.33
(ii) Intangible assets		312.54	311.76
(iii) Capital work-in progress		1480.81	1193.89
		6151.28	5440.98
(b) Non-current investments	12	1111.26	1078.68
(c) Deferred tax assets (net)	5	278.95	160.18
(d) Long-term loans and advances	13	3849.98	2919.56
(e) Other non-current assets	14	1360.82	2780.18
(f) Goodwill (on Consolidation)		3570.66	3232.00
		16322.95	15611.58
(2) **Current Assets**			
(a) Current investments	15	663.82	683.99
(b) Inventories	16	17.25	22.82
(c) Unbilled revenue	17	2042.50	1348.85
(d) Trade receivables	18	11534.84	8194.97
(e) Cash and bank balances	19	5953.48	4700.01
(f) Short-term loans and advances	20	2063.87	2000.52
(g) Other current assets	21	438.08	118.30
		22713.84	17069.46
TOTAL		39036.79	32681.04

III. NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — 1-35

As per our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

P. R. Ramesh	**N. Chandrasekaran**	**S. Mahalingam**	**Suprakash Mukhopadhyay**
Partner	*CEO and Managing Director*	*Chief Financial Officer and Executive Director*	*Company Secretary*

Mumbai, January 17, 2012

TATA CONSULTANCY SERVICES LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ crores

		Note	For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months ended December 31, 2011	For the nine months ended December 31, 2010
I.	**Revenue:**					
	Revenue from operations	22	13203.99	9663.35	35634.50	27167.02
	Exchange (loss) /gain (net)		(300.81)	52.16	(301.15)	(36.79)
	Other income, (net)	23	213.53	142.05	630.70	397.21
	Total Revenue		**13116.71**	**9857.56**	**35964.05**	**27527.44**
II.	**Expenses:**					
	Employee benefit expenses	24	4818.15	3552.23	13511.24	10002.47
	Operation and other expenses	25	4292.03	3211.46	11612.47	9079.22
	Finance costs	26	4.86	4.87	19.22	22.83
	Depreciation and amortisation expense		234.83	188.39	674.53	522.38
	Total Expenses		**9349.87**	**6956.95**	**25817.46**	**19626.90**
III	**Profit before tax**		**3766.84**	**2900.61**	**10146.59**	**7900.54**
IV	**Tax expense**					
	(a) Current tax (Refer note 32)		1093.25	566.05	2938.37	1582.47
	(b) Deferred tax (benefit) / expense		(44.18)	36.78	(67.07)	53.80
	(c) Fringe benefit tax		(0.01)	(1.83)	0.04	(1.89)
	(d) MAT credit entitlement		(118.25)	(96.86)	(328.95)	(267.30)
			930.81	**504.14**	**2542.39**	**1367.08**
V	**Profit for the period before minority interest and share of loss of associate**		**2836.03**	**2396.47**	**7604.20**	**6533.46**
VI	Minority interest		33.26	26.64	85.64	88.05
VII	Share of loss of associate		-	-	-	0.30
VIII	**Net profit for the period**		**2802.77**	**2369.83**	**7518.56**	**6445.11**
IX	**Earnings per share - Basic and diluted (₹)**		14.30	12.08	38.37	32.85
	Weighted average number of equity shares		195,72,20,996	195,72,20,996	195,72,20,996	195,72,20,996
X	NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	1-35				

As per our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

P. R. Ramesh
Partner

N. Chandrasekaran
CEO and Managing Director

S. Mahalingam
Chief Financial Officer and Executive Director

Suprakash Mukhopadhyay
Company Secretary

Mumbai, January 17, 2012

TATA CONSULTANCY SERVICES LIMITED

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		For the nine months ended December 31, 2011	For the nine months ended December 31, 2010
		₹ crores	₹ crores
I.	**NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES**	**4815.52**	**5169.63**
II.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets	(1429.00)	(1239.36)
	Commerial papers matured	-	97.83
	Proceeds from sale of fixed assets	5.46	8.01
	Purchase of mutual fund and other investments	(10720.66)	(44467.30)
	Sale of mutual funds and other investments	10732.97	46299.66
	Inter-corporate deposits placed	(1198.81)	(211.00)
	Inter-corporate deposits refunded	706.80	145.00
	Commercial papers purchased	-	(146.02)
	Adjustment of purchase consideration	-	27.33
	Acquisition of subsidiaries net of cash (including additional consideration)	-	5.61
	Purchase of shares from minority shareholders	(229.16)	(6.59)
	Dividends received	4.90	13.64
	Interest received	241.33	199.73
	Fixed deposit placed with banks having original maturity over three months	(1962.05)	(4232.57)
	Fixed deposit with banks matured having original maturity over three months	2487.45	2925.83
	Net cash used in investing activities	**(1360.77)**	**(580.20)**
III	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Short term borrowings (net)	(11.41)	9.30
	Proceeds from issue of Long term borrowings	-	6.31
	Repayment of Long term borrowings	(1.25)	(1.23)
	Dividend paid, including dividend tax	(3197.39)	(4127.93)
	Dividend tax on dividend paid by subsidiaries	(11.22)	(8.33)
	Dividend paid to minority shareholders of subsidiaries	(17.11)	(15.98)
	Interest paid	(19.39)	(22.27)
	Net cash used in financing activities	**(3257.77)**	**(4160.13)**
	Net increase in cash and cash equivalents	**196.98**	**429.30**
	Cash and cash equivalents at beginning of the year	1548.59	1024.37
	Exchange difference on translation of foreign currency Cash and cash equivalents	142.20	14.36
	Cash and cash equivalents at end of the period as per Note 19	**1887.77**	**1468.03**
	Short term bank deposits	4049.86	3328.85
	Earmarked balances with banks	15.85	26.67
	Cash and bank balances at the end of the period as per Note 19	**5953.48**	**4823.55**

IV NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 1-35

As per our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board

P. R. Ramesh
Partner

N. Chandrasekaran
CEO and Managing Director

S. Mahalingam
Chief Financial Officer and Executive Director

Suprakash Mukhopadhyay
Company Secretary

Mumbai, January 17,2012

1) Significant Accounting Policies

a) Basis of Preparation

These condensed consolidated financial statements of Tata Consultancy Services Limited ("the Company") and its subsidiaries (collectively, "the Group") have been prepared in accordance with Accounting Standard 25 "Interim Financial Reporting" (AS - 25) issued pursuant to the Companies (Accounting Standards) Rules, 2006. These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended and as at March 31, 2011. In the opinion of the management, all adjustments which are necessary for a fair presentation have been included. The accounting policies followed in preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements. The results of interim periods are not necessarily indicative of the results that may be expected for any interim period or for the full year.

b) Principles of consolidation

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.

The condensed consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiary companies have been combined on a line- by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits or losses have been fully eliminated.

ii) Interest in a jointly controlled entity is reported using proportionate consolidation.

iii) The consolidated financial statements include the share of profit / loss of associate companies, which are accounted under the 'Equity method' as per which the share of profit of the associate company has been added to the cost of investment. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture.

iv) The excess of cost to the Group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

v) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Group in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.

vi) On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

c) Use of estimates

The preparation of financial statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provision for doubtful debts, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred to complete software development, the useful lives of depreciable fixed assets and provisions for impairment.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the assets to its present location and condition.

Fixed assets exclude computers and other assets individually costing ₹ 50,000 or less which are not capitalised except when they are part of a larger capital investment programme.

e) Depreciation / Amortisation

Depreciation / amortisation other than on freehold land and capital work-in-progress is charged so as to write-off the cost of the assets, on the following basis:

Particulars	**Method**	**Period**
Leasehold Land and Buildings	Straight-Line	Lease period
Freehold Buildings	Written down value	5%
	Straight-Line	1.63% - 2.5%
Factory Buildings	Straight-Line	10%
Leasehold Improvements	Straight-Line	Lease period
Plant and Machinery	Straight-Line	33.33%
Computer Equipment	Straight-Line	16% - 50%
Vehicles	Written down value	25.89% - 29.89%
	Straight-Line	19.80% - 33.33%
Office Equipment	Written down value	13.91%
	Straight-Line	10% - 20%
Electrical Installations	Written down value	13.91%
	Straight-Line	18% - 20%
Furniture and Fixtures	Straight-Line	10% - 100%
Goodwill	Straight-Line	5 - 12 years
Acquired Contract Rights	Straight-Line	12 years
Intellectual Property / Distribution Rights	Straight-Line	24 - 60 months
Software Licenses	Straight-Line	License Period
	Straight-Line	20% - 50%
Rights under Licensing Agreement	Straight-Line	License Period

Fixed assets purchased for specific projects are depreciated over the period of the project.

f) Leases

Where the Group, as a lessor, leases assets under finance leases such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

Assets leased by the Group in its capacity as lessee, where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where, the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognised as operating lease. Lease rentals under operating lease are recognised in the statement of profit and loss on a straight-line basis.

g) Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risks specific to the asset.

Reversal of impairment loss is recognised immediately as income in the statement of profit and loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the acquisition. Cash-generating units 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 cash-generating unit is less than the carrying amount of the unit, 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. Reversal of impairment loss on goodwill because of a change in estimates is not permitted.

h) Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long term investments, are stated at the lower of cost and fair value, determined on a portfolio basis.

i) Employee benefits

i) Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to contributions.

For defined benefit schemes, 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 statement of profit and loss 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.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as 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.

ii) Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

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 balance sheet date.

j) Revenue recognition

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

Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from the sale of equipment are recognised upon delivery, which is when title passes to the customer.

Revenues from sale of software licenses are recognised upon delivery where there is no customisation required. In case of customisation the same is recognised over the life of the contract using the proportionate completion method.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Revenues from Business Process Outsourcing (BPO) services are recognised on time and material, fixed price and unit priced contracts. Revenue on time and material and unit priced contracts is recognised as the related services are rendered. Revenue from fixed price contracts is recognised as per the proportionate completion method with contract cost determining the degree of completion.

Dividends are recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

k) Research and Development

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred. Development costs of marketable computer software are capitalised when a product's technological feasibility has been established until the time the product is available for general release to customers. In most instances, the Group's products are released soon after technological feasibility has been established. Therefore, costs incurred subsequent to achievement of technological feasibility are usually not significant, and generally most software development costs have been expensed.

Fixed assets utilised for research and development are capitalised and depreciated in accordance with the depreciation rates set out in paragraph 1(e).

l) Taxation

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the Group intends to settle the asset and liability on a net basis.

The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

m) Foreign currency transactions

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

Premium or discount on forward exchange contracts and currency option contracts are amortised and recognised in the statement of profit and loss over the period of the contract. Forward exchange contracts and currency option contracts outstanding at the balance sheet date, other than designated cash flow hedges, are stated at fair values and any gains or losses are recognised in the statement of profit and loss.

For the purpose of consolidation, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such change is accumulated under foreign currency translation reserve.

n) Derivative instruments and hedge accounting

The Group uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions.

The use of hedging instruments is governed by the policies of the Company and its subsidiaries which are approved by its respective Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the statement of profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in shareholders' funds is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the statement of profit and loss for the period.

o) Inventories

Raw materials, sub-assemblies and components are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods in transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at cost, less provision for obsolescence. Finished goods produced or purchased by the Group are carried at the lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

p) Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

q) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

r) Cash and cash equivalents

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

2) SHARE CAPITAL

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares and redeemable preference shares having a par value of ₹ 1/- each as follows:

		₹ crores
	As at December 31, 2011	As at March 31, 2011
(a) Authorised		
(i) 225,00,00,000 equity shares of ₹ 1 each *(March 31, 2011 : 225,00,00,000 equity shares of ₹ 1 each)*	225.00	225.00
(ii) 100,00,00,000 redeemable preference shares of ₹ 1 each *(March 31, 2011 : 100,00,00,000 redeemable preference shares of ₹ 1 each)*	100.00	100.00
	325.00	325.00
(b) Issued, Subscribed and Fully Paid up		
(i) 195,72,20,996 equity shares of ₹ 1 each *(March 31, 2011 : 195,72,20,996 equity shares of ₹ 1 each)*	195.72	195.72
(ii) 100,00,00,000 redeemable preference shares of ₹ 1 each *(March 31, 2011 : 100,00,00,000 redeemable preference shares of ₹ 1 each)*	100.00	100.00
	295.72	295.72

144,34,04,398 equity shares (March 31, 2011: 144,34,04,398 equity shares) and 100,00,00,000 redeemable preference shares (March 31, 2011: 100,00,00,000 redeemable preference shares) are held by Tata Sons Limited, the holding company.

3) **RESERVES AND SURPLUS**

Reserves and surplus consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Capital Reserve (on consolidation)	24.50	24.50
(b) Capital Redemption Reserve	0.40	0.40
(c) Securities Premium Account	1918.47	1918.47
(d) General Reserve		
(i) Opening balance	3367.17	2539.59
(ii) Transferred from statement of profit and loss	0.52	827.58
	3367.69	3367.17
(e) Foreign currency translation reserve		
(i) Opening balance	200.77	108.75
(ii) Additions during the period (net)	684.58	92.02
	885.35	200.77
(f) Balance in statement of profit and loss		
(i) Opening balance	18635.05	13604.84
Add : Profit for the period	7518.56	9068.04
	26153.61	22672.88
Less : Appropriations		
(i) Interim dividends on equity shares	1761.49	1174.32
(ii) Proposed final dividend on equity shares	-	1565.78
(iii) Dividend on redeemable preference shares	-	11.00
(iv) Tax on dividend	286.05	459.15
(v) General Reserve	0.52	827.58
	24105.55	18635.05
(g) Hedging reserve account (Refer note 31)		
(i) Opening balance	62.73	(6.07)
(ii) (Deductions) / Additions during the period (net)	(953.27)	68.80
	(890.54)	62.73
	29411.42	24209.09

The Board of Directors declared an interim dividend of ₹ 3 per equity share in the meeting held on January 17, 2012

4) LONG-TERM BORROWINGS

Long-term borrowings consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Secured Loans		
Long term maturities of finance lease obligation	37.50	33.70
(b) Unsecured Loans		
Other loans and advances	2.76	4.00
	40.26	37.70

Obligations under finance lease are secured against fixed assets obtained under finance lease arrangements.

5) DEFERRED TAX BALANCES

Major components of deferred tax balances consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Deferred tax liabilities (net)		
(i) Foreign branch profit tax	87.48	60.15
(ii) Depreciation and amortisation	11.96	1.38
(iii) Employee benefits	1.69	-
(iv) Others	52.47	47.96
	153.60	109.49
(b) Deferred tax assets (net)		
(i) Depreciation and amortisation	(12.79)	(22.45)
(ii) Employee benefits	137.51	70.40
(iii) Provision for doubtful debts	62.37	49.34
(iv) Others	91.86	62.89
	278.95	160.18

6) OTHER LONG TERM LIABILITIES

Other long term liabilities consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Trade payables	186.63	144.47
(b) Other liabilities	151.00	42.94
	337.63	187.41
Other liabilities pertains to the fair values of foreign exchange forward and currency option contracts secured against book debts.	151.00	42.94

7) LONG-TERM PROVISIONS

Long-term provisions consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
Provision for employee benefits	179.49	139.23
	179.49	139.23

Provision for employee benefits includes provision for gratuity and other retirement benefits.

8) SHORT-TERM BORROWINGS

Short-term borrowings consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Secured Loans		
Loans repayable on demand		
- From banks	14.60	0.46
(b) Unsecured Loans		
Loans repayable on demand		
- From banks	7.82	31.11
	22.42	31.57

Secured loans from banks are secured against book debts.

9) OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

₹ crores

		As at December 31, 2011	As at March 31, 2011
(a)	Current maturities of long-term debt	1.25	1.25
(b)	Current maturities of finance lease obligations	5.77	4.28
(c)	Interest accrued but not due on borrowings	0.02	0.19
(d)	Income received in advance	922.15	771.94
(e)	Unpaid dividends	9.35	8.41
(f)	Equity share application monies refundable	0.00	0.03
(g)	Advance received from customers	37.58	40.61
(h)	Other payables	1653.81	790.76
		2629.93	1617.47

		As at December 31, 2011	As at March 31, 2011
	Other payables includes :		
1	Fair values of foreign exchange forward and currency option contracts secured against book debts	837.26	14.77
2	Statutory Liabilities	715.88	489.43
3	Capital creditors	47.14	58.45

Obligations under finance lease are secured against fixed assets obtained under finance lease arrangements.

10) SHORT-TERM PROVISIONS

Short-term provisions consist of the following:

₹ crores

		As at December 31, 2011	As at March 31, 2011
(a)	Employee benefits	678.78	527.35
(b)	Others		
	(i) Proposed final dividend on equity shares	-	1565.78
	(ii) Proposed dividend on redeemable preference shares	-	11.00
	(iii) Interim Dividend	587.17	-
	(iv) Tax on dividend	95.39	266.74
	(v) Current income taxes (net)	471.65	339.53
	(vi) Other provisions	2.76	8.53
		1835.75	2718.93

TATA CONSULTANCY SERVICES LIMITED

Notes forming part of the Condensed Consolidated Financial Statements

11) FIXED ASSETS

Fixed assets consist of the following:

₹ crores

Description	Gross Block as at April 1, 2011	Additions	Deletions/ Adjustment	Translation exchange difference	Gross Block as at December 31, 2011	Accumulated Depreciation / Amortisation as at April 1, 2011	Depreciation/ Amortisation for the period	Deletions/ Adjustment	Translation exchange difference	Accumulated Depreciation / Amortisation as at December 31, 2011	Net book value as at December 31, 2011	Net book value as at March 31, 2011
(a) TANGIBLE FIXED ASSETS												
FREEHOLD LANDS	329.55	-	-	2.65	332.20	-	-	-	-	-	332.20	329.55
LEASEHOLD LANDS	97.72	-	-	-	97.72	(11.55)	(1.30)	-	-	(12.85)	84.87	86.17
FREEHOLD BUILDINGS	1721.38	227.16	-	8.59	1957.13	(290.79)	(57.38)	-	(0.79)	(348.96)	1608.17	1430.59
FACTORY BUILDINGS	1.51	1.26	-	-	2.77	(0.83)	(0.15)	-	-	(0.98)	1.79	0.68
LEASEHOLD BUILDINGS	91.08	4.91	(81.73)	0.95	15.21	(41.50)	(2.47)	34.11	(0.44)	(10.30)	4.91	49.58
LEASEHOLD IMPROVEMENTS	610.50	95.82	75.73	18.99	801.04	(304.02)	(68.28)	(28.17)	(6.81)	(407.28)	393.76	306.48
PLANT AND MACHINERY	32.24	0.06	(0.37)	3.10	35.03	(27.37)	(0.04)	0.37	(2.40)	(29.44)	5.59	4.87
COMPUTER EQUIPMENT	2440.95	389.08	(79.25)	36.10	2786.88	(1592.64)	(313.70)	62.59	(18.42)	(1862.17)	924.71	848.31
VEHICLES	28.06	1.67	(2.55)	(0.07)	27.11	(15.64)	(2.93)	1.85	0.10	(16.62)	10.49	12.42
OFFICE EQUIPMENT	777.19	160.44	18.82	9.46	965.91	(337.51)	(70.38)	(4.50)	(4.45)	(416.84)	549.07	439.68
ELECTRICAL INSTALLATIONS	584.53	67.96	(1.72)	5.19	655.96	(263.82)	(47.97)	1.49	(2.36)	(312.66)	343.30	320.71
FURNITURE AND FIXTURES	484.04	70.48	(35.74)	12.30	531.08	(377.75)	(67.63)	19.19	(5.82)	(432.01)	99.07	106.29
TOTAL	7198.75	1018.84	(106.81)	97.26	8208.04	(3263.42)	(632.23)	86.93	(41.39)	(3850.11)	4357.93	3935.33
Previous year	5928.50	1418.78	(171.31)	22.78	7198.75	(2675.11)	(686.21)	112.30	(14.40)	(3263.42)	3935.33	
(b) INTANGIBLE ASSETS												
GOODWILL ON ACQUISITION	235.56	-	-	34.21	269.77	(98.54)	(15.64)	-	(15.60)	(129.78)	139.99	137.02
ACQUIRED CONTRACT RIGHTS	181.51	-	-	26.36	207.87	(75.96)	(12.05)	-	(12.03)	(100.04)	107.83	105.55
INTELLECTUAL PROPERTY / DISTRIBUTION RIGHTS	12.92	-	-	0.02	12.94	(11.06)	(0.28)	-	-	(11.34)	1.60	1.86
SOFTWARE LICENSES	104.50	9.59	(0.03)	8.84	122.90	(94.00)	(9.40)	-	(8.28)	(111.68)	11.22	10.50
RIGHTS UNDER LICENSING AGREEMENT	59.00	-	-	-	59.00	(2.17)	(4.93)	-	-	(7.10)	51.90	56.83
TOTAL	593.49	9.59	(0.03)	69.43	672.48	(281.73)	(42.30)	-	(35.91)	(359.94)	312.54	311.76
Previous year	491.01	75.01	3.33	24.14	593.49	(222.36)	(49.05)	(1.35)	(8.97)	(281.73)	311.76	
(c) CAPITAL WORK- IN-PROGRESS											1480.81	1193.89
Grand Total	7792.24	1028.43	(106.84)	166.69	8880.52	(3545.15)	(674.53)	86.93	(77.30)	(4210.05)	6151.28	5440.98

(i) Freehold buildings include ₹ 2.67 crores (March 31, 2011: ₹ 2.67 crores) being value of investment in shares of Co-operative Housing Societies and Limited Companies.

(ii) Legal formalities relating to conveyance of freehold building having net book value ₹ 0.23 crore (March 31, 2011: ₹ 0.23 crore) are pending completion.

12) NON- CURRENT INVESTMENTS

Non-current investments consist of the following:

		₹ crores
	As at December 31, 2011	As at March 31, 2011
(a) Fully Paid Equity Shares (Unquoted)		
National Power Exchange Limited	1.40	1.40
Philippine Dealing System Holdings Corporation	4.80	4.01
Firstech Solutions Co. Limited	1.10	0.92
Taj Air Limited	19.00	19.00
Yodlee, Inc.	-	-
ALMC HF (formerly Straumur - Burdaras Investment Bank hf.)	-	-
(b) Fully Paid Preference Shares (Unquoted)		
8% cumulative redeemable preference shares of Tata AutoComp Systems Limited	5.00	5.00
(c) Others		
Investment in Bonds (Quoted)	3.40	3.40
Investment in Debentures and bonds (Unquoted)	1052.78	1045.99
Investment in Government securities (Unquoted)	25.00	-
	1112.48	1079.72
Less: Provision for diminution in value of investments	(1.22)	(1.04)
	1111.26	1078.68

1 Market value of quoted investments	3.35	3.35
2 Book value of quoted investments	3.40	3.40
3 Book value of unquoted investments (net of provision)	1107.86	1075.28

Unquoted debentures 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 ₹ 1000 crores and ₹ 200 crores, 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 rate of 8.50% and 8.75%, respectively.

13) LONG-TERM LOANS AND ADVANCES

Long-term loans and advances consist of the following:

		As at December 31, 2011 (₹ crores)	As at March 31, 2011 (₹ crores)
(a)	Secured, Considered good		
	Loans and advances to employee	0.27	0.37
(b)	Unsecured, Considered good		
	(i) Capital Advances	382.92	229.49
	(ii) Security Deposits	515.53	457.26
	(iii) Loans and advances to employee	9.78	11.83
	(iv) Loans and advances to related parties	48.36	67.97
	(v) Advance tax (including refunds receivable) (net)	1071.78	847.18
	(vi) MAT Credit Entitlement	1336.79	1010.77
	(vii) Other loans and advances	484.55	294.69
(c)	Considered doubtful		
	Other loans and advances	0.45	0.02
	Less : Provision for doubtful loans and advances	(0.45)	(0.02)
		3849.98	2919.56
	Other Loans and advances include:		
1	Fair values of foreign exchange forward and currency option contracts.	-	14.53
2	Inter-corporate deposits	119.00	-
3	Indirect tax recoverable	52.30	52.30
4	Prepaid expenses	282.05	189.35
	Loans and advances to related parties pertain to:		
1	Tata Sons Limited	2.97	2.97
2	Tata Realty and Infrastructure Limited	45.39	65.00

14) OTHER NON-CURRENT ASSETS

Other non-current assets consist of the following:

		As at December 31, 2011 (₹ crores)	As at March 31, 2011 (₹ crores)
(a)	Future finance lease receivables	1.30	2.34
	Less: Unearned finance income	(0.06)	(0.18)
		1.24	2.16
(b)	Interest receivable	113.72	99.94
(c)	Other non current assets	1245.86	2678.08
		1360.82	2780.18
	Other non current assets includes long term bank deposits	1239.70	2678.08

15) CURRENT INVESTMENTS

Current investments consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Investment in Mutual Funds (Unquoted)	322.74	343.24
(b) Investment in Bonds (Quoted)	7.75	7.42
(c) Investment in Debentures (Unquoted)	333.33	333.33
	663.82	683.99

1 Market value of quoted investments	8.46	7.74
2 Book value of quoted investments	7.75	7.42
3 Book value of unquoted investments	656.07	676.57

16) INVENTORIES

Inventories consist of the following:

₹ crores

	As at December 31, 2011	As at March 31, 2011
(a) Raw Materials, sub-assemblies and components	11.38	4.86
(b) Finished goods and Work-in-progress	2.17	13.07
(c) Stores and spares	3.22	4.60
(d) Goods-in-transit	0.48	0.29
	17.25	22.82

Inventories are carried at the lower of cost and net realisable value.

17) UNBILLED REVENUE

Unbilled revenue as at December 31, 2011, amounting to ₹ 2042.50 crores (March 31, 2011 : ₹ 1348.85 crores) primarily comprises of the revenue recognised in relation to efforts incurred on turnkey contracts priced on a fixed time, fixed price basis.

18) TRADE RECEIVABLES (Unsecured)

Trade receivables consist of the following:

	As at December 31, 2011	₹ crores As at March 31, 2011
(a) Over six months		
(i) Considered good	1233.43	787.61
(ii) Considered doubtful	218.37	230.01
(b) Others		
(i) Considered good	10301.41	7407.36
(ii) Considered doubtful	3.50	3.69
	11756.71	8428.67
Less: Provision for doubtful debts	(221.87)	(233.70)
	11534.84	8194.97

19) CASH AND BANK BALANCES

Cash and bank balances consist of the following:

	As at December 31, 2011	₹ crores As at March 31, 2011
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	1097.87	672.48
In cash credit accounts	9.91	26.32
In deposit accounts with original maturity less than 3 months	731.10	785.62
(ii) Cheques on hand	18.25	54.33
(iii) Cash on hand	9.74	2.40
(iv) Remittances in transit	20.90	7.44
(b) Other Bank balances		
(i) Earmarked balances with banks	15.85	26.12
(ii) Short term bank deposits	4049.86	3125.30
	5953.48	4700.01

Balances with banks in current accounts do not include fourteen bank accounts having a balance of ₹ Nil (March 31, 2011: ₹ Nil) operated by the Company on behalf of a third party.

20) SHORT-TERM LOANS AND ADVANCES

Short -term loans and advances consist of the following:

₹ crores

		As at December 31, 2011	As at March 31, 2011
(a)	Secured, considered good		
	Loans and advances to employee	0.30	0.39
(b)	Unsecured, Considered good		
	(i) Loans and advances to employee	185.49	187.10
	(ii) Loans and advances to related parties	190.92	134.40
	(iii) Advance tax (including refunds receivable) (net)	3.81	297.51
	(iv) MAT Credit Entitlement	11.37	20.94
	(v) Other loans and advances	1671.98	1360.18
(c)	Doubtful		
	(i) Loans and advances to employee	33.15	27.54
	(ii) Other loans and advances	10.91	10.96
	Less : Provision for doubtful loans and advances	(44.06)	(38.50)
		2063.87	2000.52
	Other loans and advances includes:		
1	Fair values of foreign exchange forward and currency option contracts	35.23	99.66
2	Security Deposit	82.18	54.20
3	Inter Corporate Deposits	433.00	100.00
4	Prepaid expenses	827.53	819.26
	Loans and advances to related parties pertain to:		
1	Tata Sky Limited	15.00	30.00
2	Tata Realty and Infrastructure Limited	120.00	100.00
3	Tata Teleservices Limited	0.90	4.38
4	Tata AIG General Insurance Company Limited	-	0.01
5	Infiniti Retail Limited	15.00	0.01
6	Tata Teleservices Limited (Maharastra)	0.02	-
7	Tata Autocomp Systems Limited	30.00	-
8	TATA Housing Development Ltd	10.00	-

21) OTHER CURRENT ASSETS

Other current assets consist of the following:

₹ crores

		As at December 31, 2011	As at March 31, 2011
(a)	Interest receivable	430.26	116.59
(b)	Future finance lease receivables	1.45	2.09
	Less: Unearned finance income	(0.17)	(0.38)
		1.28	1.71
(c)	Other Current Assets	6.54	-
		438.08	118.30

22) REVENUE FROM OPERATIONS

Revenue from operations consist of the following:

₹ crores

		For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months December 31, 2011	For the nine months December 31, 2010
(a)	Information technology and consultancy services	12723.02	9331.47	34457.05	26198.31
(b)	Sale of equipment and software licences	481.03	331.95	1177.63	968.91
	Less : Excise Duty	(0.06)	(0.07)	(0.18)	(0.20)
		13203.99	9663.35	35634.50	27167.02

23) OTHER INCOME (NET)

Other Income (net) consist of the following:

₹ crores

		For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months December 31, 2011	For the nine months December 31, 2010
(a)	Interest	187.49	104.47	568.79	277.88
(b)	Dividend income	1.98	3.90	4.90	13.64
(c)	Profit on redemption / sale of mutual funds and other current investments (net)	7.73	21.11	21.56	73.24
(d)	Rent	3.38	1.72	13.61	5.50
(e)	Loss on sale of of tangible/ intangible assets (net)	(0.14)	(0.38)	(0.45)	(1.28)
(f)	Miscellaneous income	13.09	11.23	22.29	28.23
		213.53	142.05	630.70	397.21

1.	Dividend income pertains to:				
	Dividend from mutual funds / investments	1.98	3.90	4.50	12.87
	Dividends from other investments	-	-	0.40	0.77

24) EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses consist of the following:

₹ crores

	For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months December 31, 2011	For the nine months December 31, 2010
(a) Salaries and incentives	4241.52	3111.41	11872.20	8753.40
(b) Contributions to -				
(i) Provident fund	105.75	82.12	301.34	233.26
(ii) Superannuation scheme	32.48	25.43	93.60	71.43
(iii) Gratuity fund contributions	27.13	28.24	78.44	85.41
(iv) Social security and other benefit plans for overseas employees	104.61	68.95	320.07	193.02
(c) Staff welfare expenses	306.66	236.08	845.59	665.95
	4818.15	3552.23	13511.24	10002.47

25) OPERATION AND OTHER EXPENSES

Operation and other expenses consist of the following:

₹ crores

	For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months December 31, 2011	For the nine months December 31, 2010
(a) Overseas business expenses	1814.79	1405.57	5035.05	4049.71
(b) Services rendered by business associates and others	653.61	436.77	1699.36	1328.85
(c) Software, hardware and material costs	492.85	314.35	1084.13	877.94
(d) Cost of software licenses	172.71	133.94	575.12	346.92
(e) Communication expenses	172.52	143.73	492.21	397.94
(f) Travelling and conveyance expenses	163.36	129.52	460.91	339.90
(g) Rent	250.42	202.82	719.17	512.90
(h) Legal and professional fees	88.16	59.04	218.42	158.66
(i) Repairs and maintenance	84.68	62.30	237.64	181.04
(j) Electricity expenses	91.97	77.80	273.08	229.24
(k) Bad debts and advances written off	2.63	10.44	8.73	23.81
(l) Provision/(Write back) of provision for doubtful debts	4.88	(42.42)	0.59	(94.09)
(m) Provision for doubtful advances	2.62	1.48	5.41	3.51
(n) Recruitment and training expenses	54.14	53.52	170.43	146.61
(o) Diminution in value of long-term investments	-	0.12	-	1.08
(p) Commission and brokerage	15.70	4.27	30.62	13.91
(q) Printing and stationery	15.18	11.28	41.19	33.01
(r) Insurance	8.93	7.45	23.97	21.34
(s) Rates and taxes	23.14	22.61	72.51	54.09
(t) Entertainment	9.92	7.01	25.17	18.40
(u) Other expenses	169.82	169.86	438.76	434.45
	4292.03	3211.46	11612.47	9079.22
1. Overseas business expenses includes:				
Travel expenses	82.60	77.36	266.49	239.69
Employee allowances	1659.74	1271.21	4520.84	3663.45
2. Repairs and maintenance includes:				
Buildings	42.59	33.52	116.60	87.07
Office and computer equipment	41.28	24.19	117.23	84.08

26) FINANCE COSTS

Finance costs consist of the following:

₹ crores

	For the quarter ended December 31, 2011	For the quarter ended December 31, 2010	For the nine months December 31, 2011	For the nine months December 31, 2010
Interest expenses	4.86	4.87	19.22	22.83
	4.86	4.87	19.22	22.83

27) Acquisitions /Divestments

a) In terms of the shareholders agreement dated March 23, 2006, Phoenix Group Services Limited (formerly known as Pearl Group Services Limited), exercised their put option and sold equity holding of 24% in Diligenta Limited to the Company at a fixed price of ₹ 228.00 crores (GBP 30.24 million) in September 2011. Thereby Diligenta Limited became a wholly owned subsidiary of the Company.

b) Tata Consultancy Services Morocco SARL AU, a wholly owned subsidiary, is in the process of being voluntarily liquidated.

c) On December 20, 2011, the Company has subscribed to 100% equity share capital of Tata Consultancy Services Qatar SPC.

28) The Company has given undertakings to:

a) Bank of China Co. Limited, not to transfer its controlling interest in TCS Financial Solutions Australia Pty Limited, a wholly owned subsidiary of TCS FNS Pty Limited.

b) The Government of Maharashtra not to divest its shareholding in MahaOnline Limited except to an affiliate.

Equity investments in these companies are subject to these restrictions as per terms of individual contractual agreement.

29) Contingent Liabilities

(₹ crores)

Particulars	As at December 31, 2011	As at March 31,2011
Claims against the Group not acknowledged as debt	100.90	82.83
Income Taxes (See note (a) and (b) below)	1726.97	842.04
Indirect Taxes	142.45	144.68
Guarantees given by the Group (See note (c) below)	2435.36	2259.48
Unexpired Letters of Credit	0.11	1.57
Other Contingencies	0.37	0.94

Notes:

a) TCS e-Serve Limited has a contingent liability of ₹ 313.29 crores (March 31, 2011: ₹ 236.41 crores) in respect of Income Tax matters in dispute. TCS e-Serve Limited has net advance taxes aggregating to ₹ 249.90 crores against disputed amounts for the various assessment years. The Company is entitled to an indemnification from the seller, of the above referred contingent claims on TCS e-Serve Limited, and would be required to refund to the seller, amounts equal to the monies received by TCS e-Serve Limited, on all such claims, as an adjustment to the purchase price consideration.

b) The amount includes ₹ 768.05 crores based on a disputed draft assessment order.

c) The Group has provided guarantees aggregating to ₹ 2116.88 crores (GBP 257.50 million) (March 31, 2011 : ₹ 1978.41 crores) (GBP 275.60 million) to third parties on behalf of its subsidiary Diligenta Limited. The Group does not expect any outflow of resources in respect of the above.

d) The Group has examined the social security and tax aspects of contracts with legal entities which provide services to an overseas subsidiary and, based on legal opinion, concludes that the subsidiary is in compliance with the related statutory requirements.

30) Segment Reporting

The Group has identified business segments (industry practice) as its primary segment and geographic segments as its secondary segment.

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, products, 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 that are 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 primary and secondary segments.

Geographical revenues are allocated based on the location of the customer. Geographic segments of the Group are Americas (including Canada and South American countries), Europe, India and Others.

Quarter ended December 31, 2011 (₹ crores)

Particulars	**Business Segments**					
	Banking, Financial Services and Insurance	**Manufacturing**	**Retail and Consumer Packaged Goods**	**Telecom**	**Others**	**Total**
Revenue	**5710.60**	**1031.29**	**1623.90**	**1615.61**	**3222.59**	**13203.99**
	4308.70	*696.39*	*1055.91*	*1372.50*	*2229.85*	*9663.35*
Segment result	**1846.32**	**280.56**	**501.67**	**521.55**	**910.12**	**4060.22**
	1328.84	*168.42*	*290.50*	*489.87*	*592.44*	*2870.07*
Unallocable expenses (net)						**206.10**
						163.67
Operating income						**3854.12**
						2706.40
Other income (net)						**(87.28)**
						194.21
Profit before taxes						**3766.84**
						2900.61
Tax expense						**930.81**
						504.14
Profit before Minority Interest and share of loss of associate						**2836.03**
						2396.47
Minority Interest						**33.26**
						26.64
Share of loss of associate						-
						-
Net profit for the period						**2802.77**
						2369.83

Nine months ended December 31, 2011 (₹ in crores)

Particulars	Business Segments					
	Banking, Financial Services and Insurance	**Manufacturing**	**Retail and Consumer Packaged Goods**	**Telecom**	**Others**	**Total**
Revenue	**15464.73**	**2752.81**	**4291.59**	**4596.40**	**8528.97**	**35634.50**
	12061.41	*1991.57*	*2968.10*	*3940.47*	*6205.47*	*27167.02*
Segment result	**4780.68**	**705.28**	**1233.07**	**1410.92**	**2286.55**	**10416.50**
	3737.68	*520.76*	*771.69*	*1410.45*	*1549.42*	*7990.00*
Unallocable expenses (net)						**599.46**
						449.88
Operating income						**9817.04**
						7540.12
Other income (net)						**329.55**
						360.42
Profit before taxes						**10146.59**
						7900.54
Tax expense						**2542.39**
						1367.08
Profit before Minority Interest and share of loss of associate						**7604.20**
						6533.46
Minority Interest						**85.64**
						88.05
Share of loss of associate						**0.00**
						0.30
Net profit for the period						**7518.56**
						6445.11

As at December 31, 2011

Particulars	Banking, Financial Services and Insurance	Manufacturing	Retail and Consumer Packaged Goods	Telecom	Others	Total
Segment Assets	**9351.06**	**1132.55**	**1591.63**	**2174.88**	**5458.93**	**19709.05**
	7270.74	*752.59*	*971.02*	*1848.26*	*3554.51*	*14397.12*
Unallocable assets						**19327.74**
						16224.64
Total Assets						**39036.79**
						30621.76
Segment Liabilities	**1038.57**	**117.71**	**83.50**	**169.95**	**688.53**	**2098.26**
	977.50	*50.02*	*101.83*	*213.25*	*493.87*	*1836.47*
Unallocable Liabilities						**6704.36**
						4703.03
Total Liabilities						**8802.62**
						6539.50

Note:
a) Figures in *Italics* represent data for the period / as at December 31, 2010.
b) Other income, (net) includes exchange (loss)/gain (net).

31) Derivative Financial Instruments

The Company and its subsidiaries, in accordance with its risk management policies and procedures, enter into foreign currency forward contracts and currency option contracts to manage its exposure in foreign exchange rates. The counter party is generally a bank. These contracts are for a period between one day and eight years.

The Group has following outstanding derivative instruments as at December 31, 2011:

i) The following are outstanding foreign exchange forward contracts, which have been designated as Cash Flow Hedges, as at:

	December 31, 2011			March 31, 2011		
Foreign Currency	No. of Contracts	Notional amount of Forward contracts (million)	Fair Value (₹ crores)	No. of Contracts	Notional amount of Forward contracts (million)	Fair Value (₹ crores)
U.S.Dollar	50	292.91	(175.68)	52	207.82	34.70
Sterling Pound	35	62.84	(42.56)	38	27.70	1.71
Australian Dollar	53	13.23	(10.33)	19	9.50	(2.27)

ii) The following are outstanding Currency Option contracts, which have been designated as Cash Flow Hedges, as at:

	December 31, 2011			March 31, 2011		
Foreign Currency	No. of Contracts	Notional amount of Currency Option contracts (million)	Fair Value (₹ crores)	No. of Contracts	Notional amount of Currency Option contracts (million)	Fair Value (₹ crores)
U.S.Dollar	45	1095.18	(652.22)	58	349.38	(16.79)
Sterling Pound	6	66.00	(35.35)	9	54.00	8.64
Euro	9	84.00	(22.59)	21	149.00	1.06

Net loss on derivative instruments of ₹ 781.41 crores recognised in Hedging Reserve as of December 31, 2011, is expected to be reclassified to the statement of profit and loss by December 31, 2012.

The movement in Hedging Reserve during the period ended December 31, 2011, for derivatives designated as Cash Flow Hedges is as follows:

(₹ crores)

	Period ended December 31, 2011	*Period ended March 31, 2011*
Balance at the beginning of the year	62.73	(6.07)
Changes in the fair value of effective portion of discontinued / matured cash flow hedges during the period	(545.36)	0.12
Losses / (gains) transferred to statement of profit and loss on occurrence of forecasted hedge transaction	524.72	(57.38)
Change in the fair value of effective portion of outstanding cash flow hedges	(943.23)	125.61
Amount transferred to minority interest during the period	10.60	0.45
Balance at the end of the period	(890.54)	62.73

Loss on foreign exchange forward contracts and currency option contracts which have been designated as Cash Flow Hedges amounts to ₹ 408.55 crores (December 31, 2010 : gain of ₹ 20.76 crores) and ₹ 525.52 crores (December 31, 2010 : loss of ₹ 39.57 crores) for the quarter and nine months ended December 31,2011, respectively.

In addition to the above Cash Flow Hedges, the Group has outstanding foreign exchange forward contracts and currency option contracts with notional amount aggregating ₹ 8718.46 crores (March 31, 2011: ₹ 4649.67 crores) whose fair value showed a loss of ₹ 14.30 crores (March 31, 2011 : gain of ₹ 29.44 crores) as at December 31, 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 derivative instruments at fair value with changes in fair value recorded in the statement of profit and loss. Exchange loss of ₹ 342.61 crores (December 31, 2010 : exchange gain of ₹ 71.98 crores) and loss of ₹ 540.16 crores (December 31,2010 : exchange gain ₹ 11.22 crores) on foreign exchange forward contracts and currency option contracts for the quarter ended and nine months period ended December 31, 2011, have been recognised in the statement of profit and loss, respectively.

32) Current tax is net of the write back of provisions (net) and refunds of ₹ 27.73 crores for the quarter ended December 31, 2011 (December 31, 2010: Current tax is net of the effect of additional provision (net) of ₹ 5.04 crores) and for the nine months ended December 31, 2011 of ₹ 8.32 crores *(*December 31, 2010: Current tax is net of the effect of additional provision (net) of ₹ 66.07 crores) in domestic and certain overseas jurisdictions relating to earlier years.

33) Decrease in payables in respect of purchase of fixed assets amounting to ₹ 11.31 crores for the period ended December 31, 2011 (Increase in December 31, 2010 : ₹ 14.01 crores) have been considered as non-cash transactions in the cash flow statement.

34) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements.

35) These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956. Previous period figures have been recast / restated to confirm to the classification of the current period.