

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Tata Consultancy Services Limited
Consolidated Statements of Financial Position
As of March 31, 2014, March 31, 2013 and April 1, 2012

	As of March 31, 2014	As of March 31, 2013	As of April 1, 2012
	(In ₹ crores)		
ASSETS:			
Current assets:			
Cash and cash equivalents	1,468.83	1,843.16	1,993.64
Bank deposits	12,975.39	4,973.20	3,830.44
Trade receivables	18,230.40	14,095.58	11,502.34
Investments	1,163.13	1,087.11	803.71
Unbilled revenue	4,005.61	3,141.03	2,247.76
Other current financial assets	3,427.30	4,889.47	1,554.06
Current income tax assets	33.83	4.90	-
Other current assets	1,656.83	1,467.72	1,004.89
Total current assets	42,961.32	31,502.17	22,936.84
Non-current assets:			
Bank deposits	1,477.25	2,423.38	2,765.28
Investments	2,298.57	953.11	674.59
Other non-current financial assets	1,747.48	637.42	868.11
Non-current income tax assets	3,068.75	1,934.55	1,483.74
Deferred income tax assets (net)	2,306.00	2,142.21	1,764.49
Property, plant and equipment	10,364.37	8,194.37	6,454.82
Intangible assets	177.16	142.70	173.57
Goodwill	3,979.68	3,363.56	3,323.76
Other non-current assets	531.95	661.02	617.05
Total non-current assets	25,951.21	20,452.32	18,125.41
TOTAL ASSETS	68,912.53	51,954.49	41,062.25
LIABILITIES AND EQUITY:			
Liabilities:			
Current liabilities:			
Trade and other payables	5,536.54	4,270.57	3,094.08
Borrowings	169.61	101.30	11.19
Mandatorily redeemable preference shares	-	100.00	100.00
Other current financial liabilities	1,266.30	1,102.73	875.78
Unearned and deferred revenue	1,050.73	966.26	823.01
Employee benefit obligations	1,046.90	804.21	641.45
Other provisions	37.61	-	-
Current income tax liabilities	670.18	407.29	405.34
Other current liabilities	1,297.29	1,020.52	734.55
Total current liabilities	11,075.16	8,772.88	6,685.40
Non-current liabilities:			
Borrowings	127.26	130.98	115.39
Other non-current financial liabilities	437.99	345.93	344.28
Employee benefit obligations	274.91	348.92	217.65
Other provisions	110.68	-	-
Deferred income tax liabilities (net)	555.64	487.99	433.06
Other non-current liabilities	305.23	263.62	194.23
Total non-current liabilities	1,811.71	1,577.44	1,304.61
TOTAL LIABILITIES	12,886.87	10,350.32	7,990.01
Equity:			
Share capital	195.87	195.72	195.72
Share premium	1,920.29	1,919.89	1,919.89
Retained earnings	51,743.39	37,923.92	29,893.27
Accumulated other comprehensive income	1,475.91	908.59	535.83
Equity attributable to shareholders of TCS Limited	55,335.46	40,948.12	32,544.71
Non-controlling interests	690.20	656.05	527.53
TOTAL EQUITY	56,025.66	41,604.17	33,072.24
TOTAL LIABILITIES AND EQUITY	68,912.53	51,954.49	41,062.25

Tata Consultancy Services Limited
Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the years ended March 31, 2014, 2013 and 2012

	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
	(In ₹ crores, except shares and per share data)		
Revenue:			
Information technology and consultancy services	80,139.84	61,223.00	47,360.50
Sale of equipment and software licences	1,669.52	1,766.48	1,533.33
Total revenue	81,809.36	62,989.48	48,893.83
Cost of revenue:			
Cost of information technology and consultancy services	41,594.38	32,392.14	25,115.84
Cost of equipment and software licenses	1,470.06	1,526.66	1,340.25
Total cost of revenue	43,064.44	33,918.80	26,456.09
Gross profit	38,744.92	29,070.68	22,437.74
Operating expenses:			
Selling, general and administrative expenses	14,936.94	12,062.72	8,920.90
Operating profit	23,807.98	17,007.96	13,516.84
Other income:			
Finance and other income	1,378.92	1,072.07	823.57
Finance costs	(72.19)	(70.80)	(47.95)
Other gains / (losses), (net)	282.33	80.66	(337.86)
Other income (net)	1,589.06	1,081.93	437.76
Profit before taxes	25,397.04	18,089.89	13,954.60
Income tax expense	6,071.26	4,034.56	3,158.51
Profit for the year	19,325.78	14,055.33	10,796.09
Other comprehensive income, net of taxes:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	594.82	194.63	590.10
Net change in fair value of intrinsic value of cash flow hedges	(16.85)	147.67	(156.90)
Net change in fair value of time value of cash flow hedges	(6.01)	35.23	(33.32)
Items that will not be reclassified subsequently to profit or loss:			
Net (losses) / gains on financial assets carried at fair value	(3.26)	(1.36)	0.98
Remeasurement of defined employee benefit plans	19.76	(40.53)	12.41
Total other comprehensive income, net of taxes	588.46	335.64	413.27
Total comprehensive income for the year, net of taxes	19,914.24	14,390.97	11,209.36
Profit for the year attributable to:			
Shareholders of TCS Limited	19,116.82	13,906.00	10,685.01
Non-controlling interests	208.96	149.33	111.08
	19,325.78	14,055.33	10,796.09
Total comprehensive income attributable to:			
Shareholders of TCS Limited	19,703.10	14,237.71	11,094.13
Non-controlling interests	211.14	153.26	115.23
	19,914.24	14,390.97	11,209.36
Weighted average number of shares used in computing basic and diluted earnings per share	195,81,00,069	195,72,20,996	195,72,20,996
Basic and diluted earnings per share	₹97.63	₹71.05	₹54.59

Tata Consultancy Services Limited
Consolidated Statements of Changes in Equity
For the years ended March 31, 2013 and 2014

(In ₹ crores, except share data)

	Number of shares	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Cash flow hedging reserve		Investment revaluation reserve	Equity attributable to shareholders of TCS Limited	Non-controlling interests	Total equity
						Intrinsic value	Time value				
Balance as of April 1, 2012 (as previously reported)	195,72,20,996	195.72	1,919.89	29,865.87	663.97	(103.81)	-	3.07	32,544.71	527.53	33,072.24
Adjustments on change in accounting policy	-	-	-	27.40	-	-	(27.40)	-	-	-	-
Restated balance as of April 1, 2012	195,72,20,996	195.72	1,919.89	29,893.27	663.97	(103.81)	(27.40)	3.07	32,544.71	527.53	33,072.24
Profit for the year				13,906.00	-	-	-	-	13,906.00	149.33	14,055.33
Other comprehensive income				(41.05)	193.31	144.91	35.23	(0.69)	331.71	3.93	335.64
Total comprehensive income				13,864.95	193.31	144.91	35.23	(0.69)	14,237.71	153.26	14,390.97
Dividend (including tax on dividend of ₹787.84 crores)				(5,677.61)	-	-	-	-	(5,677.61)	(24.74)	(5,702.35)
Excess of consideration transferred over net assets received from entity under common control				(156.69)	-	-	-	-	(156.69)	-	(156.69)
Balance as of March 31, 2013	195,72,20,996	195.72	1,919.89	37,923.92	857.28	41.10	7.83	2.38	40,948.12	656.05	41,604.17
Balance as of April 1, 2013	195,72,20,996	195.72	1,919.89	37,923.92	857.28	41.10	7.83	2.38	40,948.12	656.05	41,604.17
Profit for the year				19,116.82					19,116.82	208.96	19,325.78
Other comprehensive income				18.96	592.81	(16.85)	(6.01)	(2.63)	586.28	2.18	588.46
Total comprehensive income				19,135.78	592.81	(16.85)	(6.01)	(2.63)	19,703.10	211.14	19,914.24
Dividend (including tax on dividend of ₹565.68 crores)				(5,455.12)	-	-	-	-	(5,455.12)	(37.63)	(5,492.75)
Adjustment of equity of merged entity				(0.40)	-	-	-	-	-	-	-
Issue of Shares and adjustment to non-controlling interest on Merger	1,506,983	0.15	-	139.21	-	-	-	-	139.36	(139.36)	-
Balance as of March 31, 2014	195,87,27,979	195.87	1,920.29	51,743.39	1,450.09	24.25	1.82	(0.25)	55,335.46	690.20	56,025.66

Tata Consultancy Services Limited
Consolidated Statements of Cash Flows
For the years ended March 31, 2014, 2013 and 2012

	<u>Year ended</u> <u>March 31, 2014</u>	<u>Year ended</u> <u>March 31, 2013</u>	<u>Year ended</u> <u>March 31, 2012</u>
	(In ₹ crores)		
Cash flows from operating activities:			
Profit for the year	19,325.78	14,055.33	10,796.09
Adjustments to reconcile profit or loss to net cash provided by operating activities:			
Depreciation and amortisation	1,324.23	1,079.20	903.54
(Gain) / loss on disposal of property, plant and equipment	(4.55)	(0.23)	0.35
Income tax expense	6,071.26	4,034.56	3,158.51
Unrealised gain on securities carried at fair value through P&L	(0.34)	-	-
Gain on disposal of investments carried at fair value	(173.26)	(42.57)	(31.76)
Interest accrued on investments	(31.70)	(20.49)	(45.54)
Impairment of goodwill	-	-	21.18
Provision for diminution in value of investments	-	-	0.08
Bad debts, provision for trade receivables and advances, net	95.29	55.88	24.87
Unrealised (gain) / loss	(43.66)	16.68	(31.02)
Operating profit before working capital changes	26,563.05	19,178.36	14,796.30
Net change in:			
Trade receivables	(3,194.94)	(2,408.38)	(2,723.57)
Unbilled revenue	(649.02)	(847.39)	(778.42)
Other financial assets	(489.86)	(215.24)	(519.74)
Other assets	(5.18)	(465.53)	(138.87)
Trade and other payables	414.86	989.42	294.23
Unearned and deferred revenue	(11.12)	132.52	6.10
Other financial liabilities	(44.38)	231.65	140.62
Other liabilities	386.90	559.02	371.48
Cash generated from operations	22,970.31	17,154.43	11,448.13
Taxes paid	(7,048.66)	(4,832.19)	(4,079.27)
Net cash provided by operating activities	15,921.65	12,322.24	7,368.86

Tata Consultancy Services Limited
Consolidated Statements of Cash Flows
For the years ended March 31, 2014, 2013 and 2012

	<u>Year ended</u> <u>March 31, 2014</u>	<u>Year ended</u> <u>March 31, 2013</u>	<u>Year ended</u> <u>March 31, 2012</u>
	(In ₹ crores)		
Cash flows from investing activities:			
Bank deposits placed	(12,789.64)	(4,722.00)	(4,314.28)
Inter-corporate deposits placed	(2,727.01)	(3,621.12)	(1,676.21)
Purchase of investments	(82,628.12)	(28,782.18)	(16,942.83)
Purchase of property, plant and equipment	(3,074.57)	(2,586.91)	(1,998.24)
Purchase of intangible assets	(7.52)	(14.91)	(12.03)
Purchase of subsidiaries and business, net of cash of ₹53.80 crores, ₹1.30 crores and NIL respectively (including additional consideration and purchase price adjustment)	(452.41)	(162.62)	-
Proceeds from bank deposits	5,768.51	3,912.12	3,605.78
Proceeds from inter-corporate deposits	3,539.77	847.75	992.80
Proceeds from disposal of investments	81,483.98	28,266.60	17,385.57
Proceeds from disposal of property, plant and equipment	14.07	8.07	19.66
Advance towards investments	-	-	(0.20)
Net cash used in investing activities	(10,872.94)	(6,855.20)	(2,939.98)
Cash flows from financing activities:			
Short-term borrowings (net)	8.44	79.83	(32.90)
Proceeds from issue of long-term borrowings	-	2.12	-
Repayment of long-term borrowings	(1.24)	(3.38)	(1.25)
Proceeds from other borrowings	117.67	-	-
Issue of shares to non-controlling interests	-	-	9.71
Dividend paid to non-controlling interests	(37.91)	(24.46)	(19.82)
Dividend paid including dividend tax	(5,455.12)	(5,677.61)	(3,867.03)
Repayment of put-call option liability to non-controlling interests	-	-	(228.00)
Repayment of other borrowings	(140.02)	-	-
Repayment of inter corporate deposits	-	(23.00)	-
Repayment of finance lease obligations	(30.27)	(19.07)	-
Redemption of preference shares	(100.00)	-	-
Net cash used in financing activities	(5,638.45)	(5,665.57)	(4,139.29)
Net change in cash and cash equivalents	(589.74)	(198.53)	289.59
Effect of foreign exchange on cash and cash equivalents	215.41	48.05	150.27
Cash and cash equivalents, beginning of the year	1,843.16	1,993.64	1,553.78
Cash and cash equivalents, end of the year	1,468.83	1,843.16	1,993.64
Supplementary cash flow information:			
Interest paid	60.29	73.52	33.53
Interest received	1,381.25	804.79	426.69
Dividend received	9.25	6.47	6.41