

## Annual revenues cross trillion rupees in 2015-16

- Annual FY16 revenues at ₹108,646 crore; up 14.8%; Growth of 11.9% in CC
- Annual FY16 Net Profit at ₹24,292 crore; up 22.4% Y-o-Y

## Robust volumes drive growth in Q4; Provides momentum for FY17

- FY16 Q4 Revenues at ₹28,449 crore up 4% Q-on-Q (2.1% CC) and 17.5% Y-on-Y
- FY16 Q4 Net Profit at ₹6,413 crore up 5.4% Q-on-Q & 72.7% Y-on-Y

**MUMBAI, April 18, 2016:** Tata Consultancy Services (TCS), (BSE: 532540, NSE: TCS), a leading IT services, consulting and business solutions firm reported its consolidated financial results according to IGAAP for the quarter and financial year ended March 31, 2016.

- Digital revenues at 15.5% in Q4
- 120,000 TCSers trained in 400+ new digital technologies in FY16
- New Digital Products and Platforms gain strong customer traction

Annual Highlights for 2015-16	Q4 Highlights for 2015-16
<ul style="list-style-type: none"> <li>Operating Profits at ₹ 28,642 cr; up 26.3%</li> <li>Operating (PBIT) Margin at 26.4 %</li> <li>Customer Revenue Metrics: Clients in \$100M+ band increased by 8 Clients in \$20M+ band increased by 11 Clients in \$10M+ band increased by 37</li> <li>All time high Gross addition: 90,182 Employees:</li> <li>FY16 EPS at ₹ 123.28</li> <li>Total Dividend at ₹ 43.5 per share (including ₹ 27 proposed Final Dividend)</li> </ul>	<ul style="list-style-type: none"> <li>Operating Profits at ₹ 7,380 cr up 2.1% Q-o-Q; 93.7% Y-o-Y</li> <li>Operating (PBIT) Margin at 25.9 %</li> <li>Volume growth at 3.2 %</li> <li>Digital Revenues: 15.5%</li> <li>Gross Addition: 22,576 employees</li> <li>Net addition: 9,152 employees</li> <li>Attrition rate: 15.5% LTM (14.7% in IT services)</li> <li>EPS at ₹ 32.54 in Q4 from ₹ 30.88 in Q3</li> <li>Final dividend (proposed) of ₹ 27 per share</li> </ul>

**N. Chandrasekaran, CEO and MD said:** “Our core portfolio performed strongly in a seasonally weak 4th quarter driven by strong volumes led by growth in BFSI, retail and manufacturing sectors. This gives us good momentum going into the new financial year. Our investments in building high impact digital platforms is paying off, resulting in over \$2.3 billion in digital revenues. We are building the right talent pool by training more than 120,000 TCSers in FY16 in over 400 new digital technologies to help our customers drive adoption of digital in their enterprise.”

**Mr Chandrasekaran added:** “Looking ahead, we continue to build on our trusted customer relationships and remain focused on helping them win in the new experience economy. We will continue to invest in developing ‘digital’ talent and launch new products in emerging areas leveraging the Internet of Things, automation and machine learning. We also look forward to intensifying our social initiatives to bring the benefits of technology to the community.”

## Indian GAAP

**Rajesh Gopinathan, Chief Financial Officer, said:** “In FY16, we have balanced our focus on delivering an industry leading financial performance with our ongoing investment program designed to capture evolving Digital demand. We have invested over \$250M to support organic growth in our Digital businesses and in new markets, while maintaining our profitability within our desired range and generated strong operating cash flows as well.”

The fourth quarter saw broad-based growth with the core portfolio performing strongly led by BFSI (3.2% Q-o-Q), Manufacturing (3.9% Q-o-Q) and Retail (2.1% Q-o-Q) in constant currency. For FY16, growth was led by BFS (14.8% Y-o-Y), Life Sciences (20.6% Y-o-Y), Travel & Hospitality (17% Y-o-Y) and Manufacturing (15% Y-o-Y) in constant currency.

In terms of key markets, growth in Q4 was led by Europe (3.6% Q-o-Q) and North America (2.4% Q-o-Q) in constant currency. For FY16, North America grew by 10.8%, Europe grew by 12.9%, UK by 8.3% in constant currency. India crossed \$ one billion milestone in annual revenues while overall revenues from new Growth Markets stood at \$ 3.3 billion in FY16.

### Select Key Wins in Q4

- Selected by large UK bank as their strategic IT partner for Information Management including Big Data and Analytics
- Selected by major Commercial Insurer for infrastructure transformation and support.
- Selected by large Personal Lines Insurer to modernize Policy Administration through third party product implementation and integration
- Selected by large North American Healthcare firm as a strategic partner to provide ADM and Assurance
- Selected by Global Professional Services firm for its digital transformation journey to implement an Enterprise Cloud Marketplace through a Public-Cloud-first model.
- Selected by leading process manufacturing major as a strategic partner for application and infrastructure support for all global business operations
- Selected as strategic partner by a leading newspaper conglomerate in North America to manage end to end IT operations and drive transformation to support the changing business environment
- Sweden’s leader in digital banking selected TCS BaNCS platform to power long term business growth and offer next-generation digital banking services

### Digital

In FY16 Digital revenues grew 52.2% due to faster adoption of digital solutions as customers moved to embrace a holistic digital transformation of the enterprise. With its strong suite of products and solutions, extensive domain expertise and customer contextual knowledge, TCS captured significant customer opportunities with 15.5% of total revenues coming from Digital in Q4 led by Analytics & AI, cloud and mobility and channels.

### Key Wins in Digital Services and Solutions in Q4

- Chosen by global logistics provider to enable real time monitoring of port equipment using an IoT Platform incorporating the TCS Sensor Data Analytics framework
- Chosen by UK Utilities Company as a strategic consultant to create the roadmap, operating model and mobile technology architecture to transform its field operations
- Selected by a leading Indian bank to help enable its customers to transact using social media
- Engaged by International consortium as a design consultant to revamp user experience across a suite of web applications to provide superior customer experience
- Chosen by leading global auto manufacturer as a strategic partner for developing its next generation telematics solution by combining mobility, cloud, security and API capabilities

## Indian GAAP

- Engaged by leading Indian Insurance firm to reimagine its workplace experience by building a next generation enterprise social networking platform using the TCS Knome platform
- Selected by leading African banking & insurance firm for its Digital channel transformation program
- Chosen by African airport operator as its preferred partner to digitally transform guest experience
- Engaged by North American conglomerate to design and develop an IoT enabled secure, scalable and mobile-first technology platform to enable the creation of new service lines
- Chosen by leading European bank to reimagine its customer experience by conceptualizing its next generation digital program using wearable technology
- Engaged by global insurance firm for a consulting engagement to provide cloud readiness assessment using TCS proprietary methodology for its IT portfolio rationalization program

### Digital Products and Platforms

TCS continues to drive its Digital Products & Platforms business, which continues to gain traction with customers.

These include built technology-based Intellectual Property (IP) tools and horizontal cloud-based platforms as well as that can be used across industries as well as products for specific domains like retail, banking and education.

- **ignio™**, TCS' flagship automation product for enterprise IT that helps customers analyse, plan and predict their IT needs has received tremendous traction with 16 new customers acquired in less than 9 months since its launch.
- **TCS BaNCS™** Over 25 customers went live in the last six months on the core banking platform, as the product penetrated new geographies and won new clients. TCS BaNCS won six new clients during the year in Greater China and notched up its first major win in the Nordics. In Capital Markets, TCS BaNCS™ continues to be the platform of choice of leading custodians and depositories for Clearing and Settlement. Myanmar's depository became the newest client and went live on our platform with global trading practices in under 90 days. We also launched TCS BaNCS™ Health Insurance offering in Europe
- **iON™ Assessment** platform has gained strong ground in the education sector with significant growth. This product has assessed more than 50 million candidates till date with an 88% reduction in turnaround time.
- In the retail sector, our advanced digital merchandising suite **Optumera™** which allows shopper centric merchandising and modelling to retailers to reimagine the customer journey in a omni-channel world
- The life sciences vertical is able to transform the clinical trial process for our customers by leveraging **TCS Advanced Drug Development Product** which helped conduct over 100 clinical trials for 7 customers, including for three out of top 10 global pharma companies
- **TCS HOBS**, a comprehensive business platform for the Telecom industry standards is enabling fit for purpose and fit for growth for 16 of our telecom customers
- Our horizontal platform, **TAP™** for accounts payable processes is simplifying and automating the purchasing experience with up to 97% touchless processing in specific cases and has won seven customers.
- **CHROMA™**, our HR platform to enable next generation employee experience, is gaining strategic traction in the market with five customers using the platform
- The company also launched the **TCS Urban Intelligence platform (IUX)** to help drive quality of life for citizens worldwide and the **TCS Customer Intelligence & Insights platform (CII)** with live customers and the market response is promising

### Innovation and Intellectual Property:

As of March 31, 2016, the company has applied for **2,842** patents, including **260** applied during the quarter. Till date the company has been granted **341** patents.

*Note on Constant Currency: To calculate CC, TCS recalculates current quarter's revenue using average currency conversion rates from previous quarter.*

**Human Resources:**

The company continued to hire to support business growth and employed 353,843 professionals globally from 129 nationalities including with 33.8% women professionals at the end of FY16. The attrition rate for IT services was 14.7% while overall it stood at 15.5% on an LTM basis. FY16 saw an all-time high gross addition of 90,182 employees in FY16, with a net addition of 34,187 employees. In Q4, there was a total gross addition of 22,576 employees and net addition of 9,152.

“TCS completed its highest ever hiring of over 90,000 new employees globally during the year. We are also delighted that our employee retention continues to increase as we continue to invest in building digital skills of TCSers to help them participate extensively in the new digital economy.” said **Ajoy Mukherjee, Executive vice president and Global Head, Human Resources.**

**Awards and Recognition:**

**Business Leadership:**

- Rated as the world's most powerful brand in IT Services by Brand finance
- Recognised as a UK 'Superbrand' in the UK and among UK's strongest B2B brands for 2016.
- Recognised as a Global Top Employer by the Top Employers Institute in 24 countries
  - o Top Employer certification in UK, Europe, USA, Canada, South America, Africa, Asia, Australia, Latin America and the Middle East.
- Won nine awards at Brandon Hall Group's HCM Excellence Awards Program 2015 for learning, career management, workplace planning, employee engagement and skill development
- Won multiple awards at Global HR Excellence Awards and Recruiting and Staffing Best in Class (RASBIC) awards 2015-16 instituted by the World HRD Congress.
  - o Global HR Excellence Awards - Award for Innovation in Recruitment
  - o Recruiting & Staffing Industry Leader of the Year - Best Overall Recruiting & Staffing Organization
  - o Recruiting & Staffing Industry Leader of the Year - Award for Best Candidate Experience

**Partner:**

- TCS Oracle GTM chosen as Top 15 in the category 'Enable Improved Business Agility' by Tele Management Forum (TM Forum)
- Won the Hitachi Data System's Global System Integrator Partner of the Year award and Outstanding Business Contribution of the Year' awards at the APAC GSI summit 2016.

For immediate use **PRESS RELEASE**

**Indian GAAP**

**About Tata Consultancy Services Ltd (TCS)**

Tata Consultancy Services is an [IT services](#), [consulting](#) and business solutions organization that delivers real results to global business, ensuring a level of certainty no other firm can match. TCS offers a consulting-led, integrated portfolio of [IT](#), [BPS](#), [infrastructure](#), [engineering](#) and [assurance services](#). This is delivered through its unique [Global Network Delivery Model](#)<sup>™</sup>, recognised as the benchmark of excellence in software development. A part of the Tata group, India's largest industrial conglomerate, TCS has over 353,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US \$16.5 billion for year ended March 31, 2016 and is listed on the National Stock Exchange and Bombay Stock Exchange in India. For more information, visit us at [www.tcs.com](http://www.tcs.com).

Follow TCS on [Twitter](#).

Subscribe to an [RSS Feed](#) of TCS Press Releases.

**For more information please contact:**

<b>Media:</b> +9122 6778 9999	<b>Investor Relations:</b>
<a href="mailto:Pradipta.bagchi@tcs.com">Pradipta.bagchi@tcs.com</a> / <a href="mailto:ashish.babu@tcs.com">ashish.babu@tcs.com</a>	<a href="mailto:Kedar.shirali@tcs.com">Kedar.shirali@tcs.com</a>
<a href="mailto:shamala.p@tcs.com">shamala.p@tcs.com</a> / <a href="mailto:h.ramachandra@tcs.com">h.ramachandra@tcs.com</a>	+9122 6778 9999

For immediate use **PRESS RELEASE**

**Indian GAAP**

**Consolidated Statement of Profit and Loss  
For the year ended March 31, 2015 and 2016  
(In crores of ₹, except per share data)**

	Year ended March 31, 2015	Year ended March 31, 2016
<b>INCOME</b>	<b>94,648</b>	<b>108,646</b>
<b>EXPENDITURE</b>		
a) Salaries & Wages	38,701	41,769
b) Overseas business expenditure	13,364	14,840
c) Other operating expenses	18,101	21,447
<b>Total Expenditure</b>	<b>70,166</b>	<b>78,056</b>
<b>Profit Before Interest, Depreciation, Taxes &amp; Other Income</b>	<b>24,482</b>	<b>30,590</b>
Interest	104	20
Depreciation	1,799	1,948
<b>Profit Before Taxes &amp; Other Income</b>	<b>22,579</b>	<b>28,622</b>
Other income (expense), net	3,230	3,054
<b>Profit Before Taxes &amp; Exceptional Items</b>	<b>25,809</b>	<b>31,676</b>
Exceptional items	490	
<b>Profit Before Taxes</b>	<b>26,299</b>	<b>31,676</b>
Provision For Taxes	6,239	7,301
<b>Profit After Taxes &amp; Before Minority Interest</b>	<b>20,060</b>	<b>24,375</b>
Minority Interest	208	83
<b>Net Profit</b>	<b>19,852</b>	<b>24,292</b>
<b>Earnings per share in ₹</b>	<b>101.35</b>	<b>123.28</b>

**Consolidated Statement of Profit and Loss  
For the Quarter ended March 31, 2015, December 31, 2015 and March 31, 2016  
(In crores of ₹, except per share data)**

	Quarter ended March 31, 2015	Quarter ended December 31, 2015	Quarter ended March 31, 2016
<b>INCOME</b>	<b>24,220</b>	<b>27,364</b>	<b>28,449</b>
<b>EXPENDITURE</b>			
a) Salaries & Wages	11,777	10,599	10,910
b) Overseas business expenditure	3,340	3,695	3,877
c) Other operating expenses	4,822	5,355	5,775
<b>Total Expenditure</b>	<b>19,939</b>	<b>19,649</b>	<b>20,562</b>
<b>Profit Before Interest, Depreciation, Taxes &amp; Other Income</b>	<b>4,281</b>	<b>7,715</b>	<b>7,887</b>
Interest	11	5	6
Depreciation	470	485	507
<b>Profit Before Taxes &amp; Other Income</b>	<b>3,800</b>	<b>7,225</b>	<b>7,374</b>
Other income (expense), net	1,136	694	917
<b>Profit Before Taxes</b>	<b>4,936</b>	<b>7,919</b>	<b>8,291</b>
Provision For Taxes	1,181	1,816	1,868
<b>Profit After Taxes &amp; Before Minority Interest</b>	<b>3,755</b>	<b>6,103</b>	<b>6,423</b>
Minority Interest	42	20	10
<b>Net Profit</b>	<b>3,713</b>	<b>6,083</b>	<b>6,413</b>
<b>Earnings per share in ₹</b>	<b>18.95</b>	<b>30.88</b>	<b>32.54</b>



**Consolidated Balance Sheet**  
**As at March 31, 2015 and March 31, 2016**  
**(In crores of ₹)**

	As at March 31, 2015	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>		
Shareholders' Funds	50,634	65,361
Minority Interest	1,128	502
Short term and long term borrowings	300	195
Deferred Tax Liabilities (net)	343	441
Current liabilities and provisions	20,133	21,863
Non-current liabilities and provisions	1,123	1,022
<b>Total Liabilities</b>	<b>73,661</b>	<b>89,384</b>
<b>ASSETS</b>		
Fixed Assets (net)	12,311	12,397
Investments	1,662	22,586
Deferred Tax Assets (net)	594	823
Goodwill (on consolidation)	2,093	1,900
Cash and Bank Balance	18,556	6,785
Current Assets, Loans and Advances	28,765	33,923
Non-current Assets, Loans and Advances	9,680	10,970
<b>Total Assets</b>	<b>73,661</b>	<b>89,384</b>