

TATA CONSULTANCY SERVICES LIMITED

Registered Office : 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021

PART I : Statement of Audited Consolidated Financial Results for the Quarter ended June 30, 2014

(₹ in Lakhs)

		Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2014	2014	2013	2014
1	INCOME FROM OPERATIONS				
	a) Information technology and consultancy services	2179284	2114237	1755178	8013984
	b) Sale of equipment and software licenses (Net of excise)	31819	40872	43529	166952
	Total income from operations (net)	2211103	2155109	1798707	8180936
2	EXPENSES				
	a) Employee benefits expense	853211	758148	696525	2986001
	b) Overseas business expense	328273	318592	249822	1163642
	c) Services rendered by business associates and others	133180	129534	106226	493837
	d) Depreciation and amortisation expense	41749	37486	29715	134915
	e) Other expenses	261184	279939	231722	1022177
	Total expenses	1617597	1523699	1314010	5800572
3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (1-2)	593506	631410	484697	2380364
4	OTHER INCOME (NET) (Refer Note 4)	78715	72089	25849	163674
5	PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (3+4)	672221	703499	510546	2544038
6	FINANCE COSTS	867	1205	675	3852
7	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX (5-6)	671354	702294	509871	2540186
8	EXCEPTIONAL ITEM (Refer Note 3)	48975	-	-	-
9	PROFIT BEFORE TAX (7+8)	720329	702294	509871	2540186
10	TAX EXPENSE	159865	161329	122585	606999
11	PROFIT AFTER TAX BUT BEFORE MINORITY INTEREST (9-10)	560464	540965	387286	1933187
12	MINORITY INTEREST	3696	5204	3336	16800
13	NET PROFIT FOR THE PERIOD (11-12)	556768	535761	383950	1916387
14	Paid up equity share capital (Face Value : ₹ 1 per share)	19587	19587	19587	19587
15	Reserves excluding Revaluation Reserves				4899889
16	Basic and diluted earnings per share (in ₹)	28.42	27.27	19.57	97.67
17	Dividend per share (par value ₹ 1 each)				
	Interim dividend on equity shares (in ₹)	45.00	-	4.00	12.00
	Final dividend on equity shares (in ₹)	-	20.00	-	20.00
	Total dividend on equity shares (in ₹)	45.00	20.00	4.00	32.00
	Total equity dividend percentage	4500.00	2000.00	400.00	3200.00
	Dividend on redeemable preference shares (in ₹)	-	0.29	-	0.29
	Preference dividend percentage	-	29.00	-	29.00

PART II: Selected Information for the quarter ended June 30, 2014

(A) PARTICULARS OF SHAREHOLDING

	Particulars	Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2014	2014	2013	2014
1	Total Public Shareholding				
	- Number of shares	511306869	511306869	509671286	511306869
	- Percentage of shareholding	26.10	26.10	26.04	26.10
2	Promoters and promoter group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	32073232	26073232	45033232	26073232
	- Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	2.22	1.80	3.11	1.80
	- Percentage of shares (as a % of the total equity share capital of the company)	1.64	1.33	2.30	1.33
	b) Non-Encumbered				
	- Number of shares	1415347878	1421347878	1402516478	1421347878
	- Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	97.78	98.20	96.89	98.20
	- Percentage of shares (as a % of the total equity share capital of the company)	72.26	72.57	71.66	72.57

(B) Information on investors' complaints for the 3 months ended June 30, 2014

Pending at the beginning of the quarter	Received during the quarter	Disposed of during the quarter	Remaining unresolved at the end of the quarter
1	41	39	3

(C) Consolidated Segment Information

(₹ in Lakhs)

		Quarter ended			Year ended	
		June 30,	March 31,	June 30,	March 31,	
		2014	2014	2013	2014	
	REVENUES BY INDUSTRY PRACTICE					
	Banking, Financial Services and Insurance	921783	924911	772798	3511241	
	Manufacturing	189607	184892	151984	698936	
	Retail and Consumer Packaged Goods	304261	291401	253419	1130906	
	Telecom, Media and Entertainment	268696	255567	210243	961374	
	Others	526756	498338	410263	1878479	
	REVENUES FROM OPERATIONS	2211103	2155109	1798707	8180936	
	SEGMENT RESULTS					
	Banking, Financial Services and Insurance	277257	315750	234982	1152277	
	Manufacturing	54389	57661	43201	205115	
	Retail and Consumer Packaged Goods	90861	95279	72570	367375	
	Telecom, Media and Entertainment	70197	75399	52041	274856	
	Others	138643	121431	108703	502896	
	Total	631347	665520	511497	2502519	
	Unallocable expenses (net)	38708	35315	27475	126007	
	Operating income	592639	630205	484022	2376512	
	Other income (net)	78715	72089	25849	163674	
	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX	671354	702294	509871	2540186	
	Exceptional Item	48975	-	-	-	
	PROFIT BEFORE TAX	720329	702294	509871	2540186	
		As at June 30,	As at March 31,	As at June 30,		
		2014	2014	2013		
		SEGMENT CAPITAL EMPLOYED				
		Banking, Financial Services and Insurance	840238	834364		787472
		Manufacturing	213277	199443		169366
		Retail and Consumer Packaged Goods	308539	292446		257679
		Telecom, Media and Entertainment	321569	297664		261778
		Others	732896	700860		702454
			2416519	2324777		2178749
		Unallocable Assets (net)	2091928	2665498		1864433
Total Capital Employed (net)	4508447	4990275	4043182			

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

Business segments comprise (1) banking, financial services and insurance, (2) manufacturing, (3) retail and consumer packaged goods, (4) telecommunication, media and entertainment and (5) others such as energy, resources and utilities, Hi-Tech, life science and healthcare, s-Governance, travel, transportation and hospitality, products, etc.

TATA CONSULTANCY SERVICES LIMITED
Registered Office : 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021
Statement of Audited Financial Results for the Quarter ended June 30, 2014

(₹ in Lakhs)

		Quarter ended			Year ended
		June 30,	March 31,	June 30,	March 31,
		2014	2014	2013	2014
1	INCOME FROM OPERATIONS				
	a) Information technology and consultancy services	1719829	1660372	1408782	6333283
	b) Sale of equipment and software licenses (Net of excise)	24014	29019	39083	134010
	Total income from operations (net)	1743843	1689391	1447865	6467293
2	EXPENSES				
	a) Employee benefits expense	602484	535404	525280	2146656
	b) Overseas business expense	288436	279478	215758	1014937
	c) Services rendered by business associates and others	120524	114897	97310	439842
	d) Depreciation and amortisation expense	33526	29721	24124	108055
	e) Other expenses	183578	203108	165413	712486
	Total expenses	1228548	1162608	1027885	4421976
3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (1-2)	515295	526783	419980	2045317
4	OTHER INCOME (NET)	79896	68589	26206	311471
5	PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (3+4)	595191	595372	446186	2356788
6	FINANCE COSTS	373	455	503	2341
7	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX (5-6)	594818	594917	445683	2354447
8	EXCEPTIONAL ITEM	52776	-	-	-
9	PROFIT BEFORE TAX (7+8)	647594	594917	445683	2354447
10	TAX EXPENSE	137907	132065	99494	506955
11	NET PROFIT FOR THE PERIOD (9-10)	509687	462852	346189	1847492
10	Reserves excluding Revaluation Reserves				4385601
11	Basic and diluted earnings per share (in ₹)	26.02	23.54	17.65	94.15

Select explanatory notes to the statement of Audited Financial Results for Quarter ended June 30, 2014.

1. The audited consolidated financial results and the audited financial results of the Company for the quarter ended June 30, 2014 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on July 17, 2014.
2. Other Income (consolidated) for the quarter ended June 30, 2014 includes foreign exchange gain (net) of ₹ 23971 lakhs (Previous period: loss (net) of ₹ 10441 lakhs).
3. The Group has revised its policy of providing depreciation on fixed assets effective April 1, 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis for some assets and straight line basis for others. Further the remaining useful life has also been revised wherever appropriate based on an evaluation. The carrying amount as on April 1, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charge for the quarter ended June 30, 2014 is higher by ₹ 6063 lakhs and the effect relating to the period prior to April 1, 2014 is net credit of ₹ 48975 lakhs (excluding deferred tax of ₹ 11890 lakhs) which has been shown as an 'Exceptional Item' in the statement of profit and loss.
4. The accounting for change in fair value of the time value of options and forwards, which were previously recognised immediately in the statement of profit and loss, was revised in the quarter ended March 31, 2014 retrospectively with effect from April 1, 2013 to be accumulated in hedging reserve, a component of shareholder's funds and is reclassified to statement of profit and loss when the forecast transaction occurs. Had this change in accounting been given effect to in the quarter ended Jun 30, 2013, Other income for that quarter would have been higher by ₹ 18258 lakhs.
5. At their respective meetings held on July 17, 2014, the Boards of the Company and of its wholly owned subsidiary, WTI Advanced Technology Limited (WTI) have approved a Scheme of Amalgamation of WTI with the Company. The appointed date for the proposed Scheme is April 1, 2014. The Scheme is subject to sanction of the Hon'ble High Courts and all other statutory approvals as may be required under law. Pending sanction of the Hon'ble High Courts and other approvals, no effect has been given in the financial results for the quarter ended June 30, 2014 in respect of the proposed amalgamation of WTI with the Company.
6. The Board of Directors at its meeting held on July 17, 2014, has declared an interim dividend of ₹ 45 per equity share which includes a special dividend of ₹ 40 per equity share.
7. Previous periods figures have been regrouped, wherever necessary.

For and on behalf of the Board of Directors

Mumbai
July 17, 2014

N. Chandrasekaran
CEO & Managing Director