



TCS/BM-13/SE/2011-12

October 17, 2011

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai
Fax No. 2659 8237 / 38
Kind Attn : Manager, Listing Department

BSE Limited
Mumbai

Fax No. 2272 2037/2272 3121

Kind Attn: General Manager, Department of
Corporate Services

Scrip Code No. 532540 (BSE)

Dear Sirs,

Sub: Financial Results for the Quarter and Half Year ended September 30, 2011 and Declaration of a Second Interim Dividend

We enclose the financial results of our Company for the quarter and half-year ended September 30, 2011, which have been approved and taken on record at a meeting of the Board of Directors of our Company held today.

We would like to inform you that at the Board Meeting held today, the Directors have declared a Second Interim Dividend of ₹ 3 per Equity Share of ₹ 1 each of the Company and that the same will be paid to the equity shareholders of the Company whose names appear on the Register of Members of the Company or in the records of the Depositories as beneficial owners of the shares as on Saturday, October 29, 2011 which is the Record Date fixed for the purpose.

We would like to inform you that the Second Interim Dividend will be paid to the equity shareholders of the Company on Friday, November 11, 2011.

We request you to note the above and acknowledge receipt of this letter.

Thanking you

Yours faithfully,

For Tata Consultancy Services Limited

Suprakash Mukhopadhyay
Vice President and Company Secretary

cc.

National Securities Depository Limited
Trade World, 4th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013
Fax No. : 5660 8035 / 2497 6351

Central Depository Services (India) Limited
P.J. Towers, Dalal Street,
Mumbai 400 001
Fax No. 2272 3199

TSR Darashaw Limited
Fax No. : 6656 8494

TATA CONSULTANCY SERVICES

Tata Consultancy Services Limited

11th Floor Air India Building Nariman Point Mumbai 400 021 India

Tel 91 22 6778 9393 Fax 91 22 6778 9344 e-mail corporate.office@tcs.com website www.tcs.com

Registered Office 9th Floor Nirmal Building Nariman Point Mumbai 400 021

TATA CONSULTANCY SERVICES LIMITED

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

A. Audited Consolidated Financial Results for the Quarter and Six months ended September 30, 2011

(₹ in Lakhs)

		Quarter ended September 30,		Six months ended September 30,		Year ended March 31,
		2011	2010	2011	2010	2011
1	INCOME FROM OPERATIONS					
(a)	Information Technology and Consultancy Services	1128982	889978	2173403	1686684	3604613
(b)	Sale of Equipment and Software Licenses (Net of excise)	34367	38661	69648	63683	127838
		1163349	928639	2243051	1750367	3732451
2	EXPENDITURE					
(a)	Employee Benefit Expenses	448426	341119	869310	645024	1372610
(b)	Overseas Business Expenses	167285	139040	322026	264414	552921
(c)	Services rendered by Business Associates and Others	56108	49271	106875	89208	183655
(d)	Depreciation and amortization expense	23177	17246	43970	33399	73526
(e)	Others	153119	121592	303143	233154	505429
	Total Expenditure	848115	668268	1645324	1265199	2688141
	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST AND TAXES	315234	260371	597727	485168	1044310
3	OTHER INCOME (NET)	12269	7075	41683	16621	60400
		327503	267446	639410	501789	1104710
5	PROFIT BEFORE INTEREST AND TAXES					
6	INTEREST	964	1528	1436	1796	2648
7	PROFIT BEFORE TAXES	326539	265918	637974	499993	1102062
8	PROVISION FOR TAXES					
(a)	Tax effect on dividend from foreign subsidiaries	21390	-	21390	-	-
(b)	Tax excluding (a) above	72383	46014	139768	86294	183083
(c)	Total Provision for Taxes [(a)+(b)]	93773	46014	161158	86294	183083
	PROFIT AFTER TAXES BUT BEFORE MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES	232766	219904	476816	413699	918979
9	MINORITY INTEREST	2666	2983	5238	6141	12145
10	SHARE OF LOSS OF ASSOCIATES	-	-	-	30	30
11						
12	NET PROFIT FOR THE PERIOD	230100	216921	471578	407528	906804
	NET PROFIT FOR THE PERIOD BEFORE EFFECT OF TAX ON DIVIDEND FROM FOREIGN SUBSIDIARIES	251490	216921	492968	407528	906804
13	Paid up Equity Share Capital (Face Value : ₹ 1 per share)	19572	19572	19572	19572	19572
14	Reserves excluding Revaluation Reserves					2420909
15	Dividend per share (par value ₹ 1/- each)					
	Interim dividend on equity shares (in ₹)	3	2	6	4	6
	Final dividend on equity shares (in ₹)	-	-	-	-	8
	Total dividend on equity shares (in ₹)	3	2	6	4	14
	Total equity dividend percentage	300	200	600	400	1400
	Dividend on redeemable preference shares (in ₹)	-	-	-	-	0.11
	Preference dividend percentage	-	-	-	-	11
16	Basic and diluted earnings per share (in ₹)	11.74	11.06	24.06	20.77	46.27
	Basic and diluted earnings per share before effect of tax on dividend from foreign subsidiaries (in ₹)	12.83	11.06	25.15	20.77	46.27
17	Total Public Shareholding					
	Number of shares	507356374	508657690	507356374	508657690	507883589
	Percentage of shareholding	25.92	25.99	25.92	25.99	25.95
18	Promoters and promoter group Shareholding					
a)	Pledged / Encumbered					
	Number of shares	83100000	222100000	83100000	222100000	203300000
	Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	5.73	15.33	5.73	15.33	14.03
	Percentage of shares (as a % of the total equity share capital of the company)	4.25	11.35	4.25	11.35	10.39
	b) Non-Encumbered					
	Number of shares	1366764622	1226463306	1366764622	1226463306	1246037407
	Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	94.27	84.67	94.27	84.67	85.97
	Percentage of shares (as a % of the total equity share capital of the company)	69.83	62.66	69.83	62.66	63.66

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TATA CONSULTANCY SERVICES LIMITED

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

B. Audited Consolidated Statement of Assets and Liabilities as at September 30, 2011

(₹ in Lakhs)

		As at September, 30	As at September, 30	As at March, 31
		2011	2010	2011
	SOURCES OF FUNDS :			
1	SHAREHOLDER'S FUNDS :			
(a)	Share Capital	29572	29572	29572
(b)	Reserves and Surplus	2734288	2143290	2420909
		2763860	2172862	2450481
2	MINORITY INTEREST	49471	40753	45817
3	LOAN FUNDS	72514	9448	7480
4	DEFERRED TAX LIABILITIES (NET)	15268	9627	10949
5	TOTAL FUNDS EMPLOYED	2901113	2232690	2514727
	APPLICATION OF FUNDS:			
6	FIXED ASSETS	617757	488931	571627
7	GOODWILL (ON CONSOLIDATION)	350593	321695	323200
8	INVESTMENTS	172982	344883	176267
9	DEFERRED TAX ASSETS (NET)	22739	16581	16018
10	CURRENT ASSETS, LOANS AND ADVANCES :			
(a)	Interest Accrued on Investments	12360	7027	7397
(b)	Inventories	1832	2617	2282
(c)	Unbilled Revenues	196659	145849	134885
(d)	Sundry Debtors	1022142	706155	819884
(e)	Cash and Bank Balances	703679	359932	737809
(f)	Other Current Assets	-	4969	-
(g)	Loans and Advances	583526	444242	478735
		2520198	1670791	2180992
11	CURRENT LIABILITIES AND PROVISIONS :			
(a)	Current Liabilities	575611	446494	467561
(b)	Provisions	207545	163697	285816
		783156	610191	753377
12	NET CURRENT ASSETS [(10) less (11)]	1737042	1060600	1427615
13	TOTAL ASSETS (NET)	2901113	2232690	2514727

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C. Consolidated Segment Information

(₹ in Lakhs)

	Quarter ended September 30,		Six months ended September 30,		Year ended March 31,
	2011	2010	2011	2010	2011
REVENUES BY INDUSTRY PRACTICE					
Banking, Financial Services and Insurance	507725	408118	975413	775271	1652660
Manufacturing	90307	68348	172152	129517	275176
Retail and Consumer Packaged Goods	141082	101270	266769	191219	410505
Telecom	148217	136962	298079	256797	529245
Others	276018	213941	530638	397563	864865
REVENUES FROM OPERATIONS	1163349	928639	2243051	1750367	3732451
SEGMENT RESULTS					
Banking, Financial Services and Insurance	156736	127439	293436	240884	517084
Manufacturing	23098	18298	42472	35233	70430
Retail and Consumer Packaged Goods	40839	26107	73140	48118	107168
Telecom	42447	52636	88937	92058	184378
Others	71984	49692	137641	95702	227349
Total	335104	274172	635626	511995	1106409
Unallocable Expenses (Net)	20834	15329	39335	28623	64747
Operating income	314270	258843	596291	483372	1041662
Other Income (Net)	12269	7075	41683	16621	60400
PROFIT BEFORE TAXES	326539	265918	637974	499993	1102062
			As at September 30,		As at March 31,
			2011	2010	2011
SEGMENT CAPITAL EMPLOYED					
Banking, Financial Services and Insurance			781318	604828	669735
Manufacturing			99343	67655	70895
Retail and Consumer Packaged Goods			120649	88117	96758
Telecom			192967	140827	168001
Others			427295	280994	317676
			1621572	1182421	1323065
Unallocable Assets (Net)			1191759	1031194	1173233
Total Capital Employed (Net)			2813331	2213615	2496298

Note:

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

Business segments comprise companies 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.

Previous period figures have been regrouped, wherever necessary.

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TATA CONSULTANCY SERVICES LIMITED

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

D. Audited Financial Results for the Quarter and Six months ended September 30, 2011

(₹ in Lakhs)

		Quarter ended September 30,		Six months ended September 30,		Year ended March 31,
		2011	2010	2011	2010	2011
1	INCOME FROM OPERATIONS					
(a)	Information Technology and Consultancy Services	903149	691945	1733332	1313449	2817126
(b)	Sale of Equipment and Software Licenses (Net of excise)	29775	34800	60948	54391	110415
		932924	726745	1794280	1367840	2927541
2	EXPENDITURE					
(a)	Employee Benefit Expenses	342171	253277	662758	479219	1019031
(b)	Overseas Business Expenses	149752	125397	288010	238940	497994
(c)	Services rendered by Business Associates and Others	62777	44171	114837	81261	173572
(d)	Depreciation and amortization expense	17387	12617	33113	24077	53782
(e)	Others	112185	88039	219230	166424	360591
	Total Expenditure	684272	523501	1317948	989921	2104970
3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST AND TAXES	248652	203244	476332	377919	822571
4	OTHER INCOME (NET)	142048	10322	167788	13965	49473
5	PROFIT BEFORE INTEREST AND TAXES	390700	213566	644120	391884	872044
6	INTEREST	847	1427	1083	1621	2001
7	PROFIT BEFORE TAXES	389853	212139	643037	390263	870043
8	PROVISION FOR TAXES	71142	30874	118083	53357	113044
9	NET PROFIT AFTER TAXES	318711	181265	524954	336906	756999
10	Reserves excluding Revaluation Reserves					1928377
11	Basic and diluted earnings per share (in ₹)	16.27	9.24	26.79	17.16	38.61



E. NOTES:**1. Particulars of subsidiaries as on September 30, 2011****Subsidiaries (held directly)**

CMC Limited, Tata Consultancy Services Sverige AB, Tata Consultancy Services Asia Pacific Pte Ltd., TCS Iberoamerica SA, Tata Consultancy Services Netherlands BV, TCS FNS Pty. Limited, APOne Limited, Tata America International Corporation, Tata Consultancy Services Belgium SA, Tata Consultancy Services Deutschland GmbH, WTI Advanced Technology Limited, Tata Consultancy Services Canada Inc., Diligenta Limited, C-Edge Technologies Limited, MP Online Limited, Tata Consultancy Services Morocco SARL AU, Tata Consultancy Services (Africa) (PTY) Ltd, TCS e-Serve Limited, MahaOnline Limited, Retail FullServe Limited.

Subsidiaries (held indirectly)

CMC Americas Inc, CMC e-Biz Inc, Tata Information Technology (Shanghai) Company Limited, Tata Consultancy Services Japan Ltd, Tata Consultancy Services Malaysia Sdn Bhd., Tata Consultancy Services (China) Co. Ltd., PT Tata Consultancy Services Indonesia, Tata Consultancy Services (Thailand) Ltd., Tata Consultancy Services (Philippines) Inc, TCS Solution Center S.A., Tata Consultancy Services Argentina S.A., Tata Consultancy Services De Mexico S.A., De C.V., TCS Inversiones Chile Limitada, Tata Consultancy Services De Espana S.A., Tata Consultancy Services Do Brasil Ltda., Tata Consultancy Services Chile S.A., TATASOLUTION CENTER S.A., Tata Consultancy Services Portugal Unipessoal Limitada, TCS Uruguay S.A., MGDC S.C., Tata Consultancy Services Luxembourg S.A., Tata Consultancy Services Switzerland Ltd., Tata Consultancy Services France SAS, TCS Italia SRL, TCS Financial Solutions Australia Holdings Pty Limited, TCS Financial Solutions Australia Pty Limited, PT Financial Network Services, TCS Management Pty. Ltd., Financial Network Services (Beijing) Co. Ltd., MS CJV Investment Corporation, Diligenta 2 Limited, Tata Consultancy Services (South Africa) (PTY) Ltd., TCS e-Serve International Limited, TCS e-Serve America, Inc.

2. Income from Operations of subsidiaries of ₹ 215969 lakhs and ₹ 411202 lakhs for the quarter and six months ended September 30, 2011 respectively and assets (net) of those subsidiaries aggregating to ₹ 555038 lakhs as at September 30, 2011 have not been audited.
3. The consolidated financial results and the financial results of the Company for the quarter and six months ended September 30, 2011 which have been audited by the statutory auditors have been reviewed by the Audit Committee of the Board and have been approved by the Board of Directors at its meeting held on October 17, 2011.
4. Other Income (consolidated) for the quarter and six months ended September 30, 2011 includes foreign exchange loss of ₹ 7990 lakhs and ₹ 34 lakhs respectively (Previous period : net loss of ₹ 4177 lakhs and ₹ 8895 lakhs respectively).
5. 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 ₹ 22800 lakhs (GBP 30.24 million) in September 2011. Thereby Diligenta Limited becomes a wholly owned subsidiary of the Company. Legal formalities relating to the transfer of shares are in the process of being completed.
 - (b) Tata Consultancy Services Morocco SARL AU, a wholly owned subsidiary, is being voluntarily liquidated.
6. The Board of Directors at its meeting held on October 17, 2011, declared an interim dividend of ₹ 3 per equity share.
7. Previous period figures have been regrouped, wherever necessary.
8. Information on investors' complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended September 30, 2011.

Opening Balance	Received during the Quarter	Resolved during the Quarter	Closing Balance
2	52	54	0

For and on behalf of the Board of Directors

Mumbai
October 17, 2011


N. Chandrasekaran
CEO & Managing Director

Deloitte Haskins & Sells

Chartered Accountants
12, Dr. Annie Besant Road
Opp. Shiv Sagar Estate
Worli, Mumbai - 400 018
India

Tel : + 91 (22) 6667 9000
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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF TATA CONSULTANCY SERVICES LIMITED

1. We have audited the accompanying statement of consolidated financial results of **TATA CONSULTANCY SERVICES LIMITED** ('the Company') and its subsidiaries for the quarter and six months ended September 30, 2011, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement with the Stock Exchanges. These consolidated financial results have been prepared by the Company on the basis of consolidated interim financial statements which are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other information regarding components, and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.
3. The interim financial statements of 17 subsidiaries whose financial statements reflect total assets (net) of Rs 555038 lakhs as at September 30, 2011, and total revenues of Rs. 215969 lakhs and Rs. 411202 lakhs for the quarter and six months ended September 30, 2011, respectively, as considered in the consolidated financial results, have not been audited.
4. Subject to the matter referred to in paragraph 3 above, based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the said consolidated financial results of the Company and its subsidiaries in so far as it relates to the consolidated figures stated in the column 'Quarter ended September 30, 2011' and 'Six months ended September 30, 2011':
 - i. include the financial results of quarter and six months ended September 30, 2011 of the entities listed in note E (2) to the accompanying financial results;
 - ii. have been presented in accordance with the requirements of clause 41 of the Listing Agreement with the Stock Exchanges to the extent applicable; and
 - iii. give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated financial results for the quarter and six months ended September 30, 2011.
5. Further, we also report that we have traced the number of shares as well as the percentage of shareholdings in respect of aggregate amount of public shareholdings, pledged /encumbered shares and non-encumbered shares of promoter and promoter group shareholders as furnished by the Company in terms of Clause 35 of the Listing Agreement and the particulars relating to undisputed investor complaints from the details furnished by the Company's Secretary.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
Registration No. 117366W

P. R. Ramesh

P. R. Ramesh
Partner

Membership No. 70928

Mumbai, October 17, 2011

Deloitte Haskins & Sells

Chartered Accountants
12, Dr. Annie Besant Road
Opp. Shiv Sagar Estate
Worli, Mumbai - 400 018
India

Tel : + 91 (22) 6667 9000
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AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA CONSULTANCY SERVICES LIMITED

1. We have audited the accompanying statement of financial results of **TATA CONSULTANCY SERVICES LIMITED** ('the Company') for the quarter and six months ended September 30, 2011, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement with the Stock Exchanges. These financial results have been prepared by the Company on the basis of interim financial statements which are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the said financial results in so far as they relate to the figures stated in the column 'Quarter ended September 30, 2011' and 'Six months ended September 30, 2011':
 - (a) are presented in accordance with the requirements of clause 41 of the Listing Agreement with the Stock Exchanges; and
 - (b) give a true and fair view of the financial results for the quarter and six months ended September 30, 2011.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
Registration No. 117366W

P. R. Ramesh

P. R. RAMESH

Partner

Membership No. 70928

Mumbai, October 17, 2011