



TCS/BM -16/SE/2014-15

January 15, 2015

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Mumbai
Kind Attn: Manager, Listing Department

BSE Limited
P. J. Towers, Dalal Street,
Mumbai
Kind Attn: General Manager
Department of Corporate Services
Scrip Code No. 532540 (BSE)

Dear Sirs,

Sub: Financial Results for the Quarter and Nine Months ended December 31, 2014 and Declaration of a Third Interim Dividend

We enclose the audited financial results of our Company for the quarter and nine months ended December 31, 2014, 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 Third Interim Dividend of ₹ 5 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 Wednesday, January 28, 2015 which is the Record Date fixed for the purpose.

We would like to inform you that the Third Interim Dividend will be paid to the equity shareholders of the Company on Monday, February 9, 2015.

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 / 2072

TSR DARASHAW Limited
Fax No. : 6656 8494

TATA CONSULTANCY SERVICES

Tata Consultancy Services Limited

11 th 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

Corporate Identification No. (CIN): L22210MH1995PLC084781

**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
TATA CONSULTANCY SERVICES LIMITED**

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

1. We have audited the accompanying Statement (the "Statement") comprising the Consolidated Financial Results of **TATA CONSULTANCY SERVICES LIMITED** (the 'Company'), and its subsidiaries (the Company and its subsidiaries constitute the 'Group') and the standalone financial results of the Company, for the Quarter and Nine months ended December 31, 2014, being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement has been prepared by the Company on the basis of the related interim condensed consolidated financial statements of the Group and the interim condensed standalone financial statements of the Company for the Quarter and Nine months ended December 31, 2014, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related interim condensed consolidated and standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 on Interim Financial Reporting specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement 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 Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The consolidated financial results includes the unaudited interim condensed financial statements of 17 direct subsidiaries, whose interim condensed financial statements reflect total assets (net) of Rs. 1170075 lakhs as at December 31, 2014, total revenue of Rs. 407081 lakhs and Rs. 1136443 lakhs, respectively for the Quarter and Nine months ended December 31, 2014 and total profit after tax of Rs. 22734 lakhs and Rs. 67312 lakhs for the Quarter and Nine months ended December 31, 2014, respectively, as considered in the consolidated financial results. Our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited interim financial statements.



**Deloitte
Haskins & Sells LLP**

4. In our opinion and to the best of our information and according to the explanations given to us, and except for the possible effects of the matter described in paragraph 3 above, the Statement:
- a. in the case of the consolidated financial results of the Group, includes the results for the Quarter and Nine months ended December 31, 2014 of the entities listed in Note 1 to the Statement;
 - b. is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and
 - c. gives a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. in the case of the consolidated financial results of the Group, of the net profit and other financial information of the Group for the Quarter and Nine months ended December 31, 2014.
 - ii. in case of the standalone financial results of the Company, of the net profit and other financial information of the Company for the Quarter and Nine months ended December 31, 2014.
5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding as furnished by the Company in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Nine months ended December 31, 2014 of the Statement, from the details furnished by the Company's Registrars.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P. R. Ramesh

P. R. RAMESH
Partner
(Membership No. 70928)

Mumbai, January 15, 2015

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 and Nine months ended December 31, 2014

(₹ in Lakhs)

		Quarter ended			Nine months ended		Year ended
		Dec 31, 2014	Sept 30, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013	March 31, 2014
1	INCOME FROM OPERATIONS						
	a) Information technology and consultancy services	2393551	2335965	2091246	6908800	5899747	8013984
	b) Sale of equipment and software licenses (Net of excise)	56563	45683	38150	134065	126080	166952
	Total Income from operations (net)	2450114	2381648	2129396	7042865	6025827	8180936
2	EXPENSES						
	a) Employee benefits expense	933598	905612	770372	2692421	2227853	2986001
	b) Overseas business expense	334450	339647	303910	1002370	845050	1163642
	c) Services rendered by business associates and others	168490	163339	127959	465009	364303	493837
	d) Depreciation and amortisation expense	46186	44921	34927	132856	97429	134915
	e) Other expenses	308775	293010	258479	862969	742238	1022177
	Total expenses	1791499	1746529	1495647	5155625	4276873	5800572
3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (1-2)	658615	635119	633749	1887240	1748954	2380364
4	OTHER INCOME (NET) (Refer Note 4)	64391	66263	68307	209369	91585	163674
5	PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (3+4)	723006	701382	702056	2096609	1840539	2544038
6	FINANCE COSTS	1798	6649	705	9314	2647	3852
7	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX (5-6)	721208	694733	701351	2087295	1837892	2540186
8	EXCEPTIONAL ITEM (Refer Note 3)	-	-	-	48975	-	-
9	PROFIT BEFORE TAX (7+8)	721208	694733	701351	2136270	1837892	2540186
10	TAX EXPENSE	182374	163506	163620	505745	445670	606999
11	PROFIT AFTER TAX BUT BEFORE MINORITY INTEREST (9-10)	538834	531227	537731	1630525	1392222	1933187
12	MINORITY INTEREST	6079	6799	4388	16574	11596	16800
13	NET PROFIT FOR THE PERIOD (11-12)	532755	524428	533343	1613951	1380626	1916387
14	Paid up equity share capital (Face Value : ₹ 1 per share)	19587	19587	19587	19587	19587	19587
15	Reserves excluding Revaluation Reserves						4899889
16	Basic and diluted earnings per share (in ₹)	27.20	26.78	27.20	82.40	70.40	97.67
17	Dividend per share (par value ₹ 1 each)						
	Interim dividend on equity shares (in ₹)	5.00	5.00	4.00	55.00	12.00	12.00
	Final dividend on equity shares (in ₹)	-	-	-	-	-	20.00
	Total dividend on equity shares (in ₹)	5.00	5.00	4.00	55.00	12.00	32.00
	Total equity dividend percentage	500.00	500.00	400.00	5500.00	1200.00	3200.00
	Dividend on redeemable preference shares (in ₹)	-	-	-	-	-	0.29
	Preference dividend percentage	-	-	-	-	-	29.00

PART II: Selected Information for the quarter and nine months ended December 31, 2014

(A) PARTICULARS OF SHAREHOLDING

	Particulars	Quarter ended			Nine months ended		Year ended
		Dec 31,	Sept 30,	Dec 31,	Dec 31,	Dec 31,	March 31,
		2014	2014	2013	2014	2013	2014
1	Total Public Shareholding						
	- Number of shares	511306869	511306869	511286869	511306869	511286869	511306869
	- Percentage of shareholding	26.10	26.10	26.10	26.10	26.10	26.10
2	Promoters and promoter group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	28590000	28673232	26533232	28590000	26533232	26073232
	- Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	1.98	1.98	1.83	1.98	1.83	1.80
	- Percentage of shares (as a % of the total equity share capital of the company)	1.46	1.46	1.35	1.46	1.35	1.33
	b) Non-Encumbered						
	- Number of shares	1418831110	1418747878	1420907878	1418831110	1420907878	1421347878
	- Percentage of shares (as a % of the total equity shareholding of promoter and promoter group)	98.02	98.02	98.17	98.02	98.17	98.20
	- Percentage of shares (as a % of the total equity share capital of the company)	72.44	72.44	72.55	72.44	72.55	72.57

(B) Information on Investors' complaints for the 3 months ended December 31, 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
-	36	35	1

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(C) Consolidated Segment Information

(₹ in Lakhs)

	Quarter ended			Nine months ended		Year ended
	Dec 31,	Sept 30,	Dec 31,	Dec 31,	Dec 31,	March 31,
	2014	2014	2013	2014	2013	2014
REVENUE BY INDUSTRY PRACTICE						
Banking, Financial Services and Insurance	991149	961150	909122	2874082	2586330	3511241
Manufacturing	246429	240175	186413	676211	514044	698936
Retail and Consumer Packaged Goods	327494	322087	293553	953842	839505	1130906
Telecom, Media and Entertainment	285315	276822	253932	830833	705807	961374
Others	599727	581414	486376	1707897	1380141	1878479
REVENUE FROM OPERATIONS	2450114	2381648	2129396	7042865	6025827	8180936
SEGMENT RESULTS						
Banking, Financial Services and Insurance	305158	283341	301247	865756	836527	1152277
Manufacturing	63426	59063	53962	176878	147454	205115
Retail and Consumer Packaged Goods	92565	89140	97692	272566	272096	367375
Telecom, Media and Entertainment	86167	78776	77530	235140	199457	274856
Others	153495	165817	134935	457955	381465	502896
Total	700811	676137	665366	2008295	1836999	2502519
Unallocable expenses (net)	43994	47667	32322	130369	90692	126007
Operating Income	656817	628470	633044	1877926	1746307	2376512
Other income (net)	64391	66263	68307	209369	91585	163674
PROFIT BEFORE EXCEPTIONAL ITEM AND TAX	721208	694733	701351	2087295	1837892	2540186
Exceptional Item	-	-	-	48975	-	-
PROFIT BEFORE TAX	721208	694733	701351	2136270	1837892	2540186
			As at	As at	As at	As at
			Dec 31,	Sept 30,	Dec 31,	March 31,
			2014	2014	2013	2014
SEGMENT CAPITAL EMPLOYED						
Banking, Financial Services and Insurance			820475	855644	795135	834364
Manufacturing			244025	239188	186970	199443
Retail and Consumer Packaged Goods			320246	307425	277288	292446
Telecom, Media and Entertainment			327875	334670	302772	297664
Others			791357	761264	731664	700860
			2503978	2498191	2293829	2324777
Unallocable Assets (net)			2890009	2455912	2642363	2665498
Total Capital Employed (net)			5393987	4954103	4936192	4990275

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.

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TATA CONSULTANCY SERVICES LIMITED

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

Statement of Audited Financial Results for the Quarter and Nine months ended December 31, 2014

(₹ in Lakhs)

		Quarter ended			Nine months ended		Year ended
		Dec 31,	Sept 30,	Dec 31,	Dec 31,	Dec 31,	March 31,
		2014	2014	2013	2014	2013	2014
1	INCOME FROM OPERATIONS						
	a) Information technology and consultancy services	1851240	1804271	1642670	5375340	4672911	6333283
	b) Sale of equipment and software licenses (Net of excise)	42395	36234	26595	102643	104991	134010
	Total income from operations (net)	1893635	1840505	1669265	5477983	4777902	6467293
2	EXPENSES						
	a) Employee benefits expense	644038	626067	543093	1872589	1611252	2146656
	b) Overseas business expense	295416	301524	265218	885376	735459	1014937
	c) Services rendered by business associates and others	131412	126223	111658	378159	324945	439842
	d) Depreciation and amortisation expense	35051	34071	28036	102648	78334	108055
	e) Other expenses	208647	196553	171377	588778	509378	712486
	Total expenses	1314564	1284438	1119382	3827550	3259368	4421976
3	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (1-2)	579071	556067	549883	1650433	1518534	2045317
4	OTHER INCOME (NET)	150316	86517	65313	316729	242882	311471
5	PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX (3+4)	729387	642584	615196	1967162	1761416	2356788
6	FINANCE COSTS	1254	5814	400	7441	1886	2341
7	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX (5-6)	728133	636770	614796	1959721	1759530	2354447
8	EXCEPTIONAL ITEM	-	-	-	52776	-	-
9	PROFIT BEFORE TAX (7+8)	728133	636770	614796	2012497	1759530	2354447
10	TAX EXPENSE	157018	137602	137120	432527	374890	506955
11	NET PROFIT FOR THE PERIOD (9-10)	571115	499168	477676	1579970	1384640	1847492
12	Reserves excluding Revaluation Reserves						4385601
13	Basic and diluted earnings per share (in ₹)	29.16	25.48	24.36	80.66	70.61	94.15

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Select explanatory notes to the statement of Audited Financial Results for the Quarter and Nine months ended December 31, 2014.

1. Particulars of subsidiaries as on December 31, 2014

a) 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 (Africa) (PTY) Ltd, MahaOnline Limited, Tata Consultancy Services Qatar S.S.C., Computational Research Laboratories Inc., TCS e-Serve International Limited.

b) Subsidiaries (held indirectly)

CMC Americas Inc, CMC eBiz Inc, 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) Limited, 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 Do Brasil Ltda, Tata Consultancy Services Chile S.A., Tata Solution Centre S.A., 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, Tata Consultancy Services De Espana S.A., Tata Consultancy Services Portugal Unipessoal Limitada, Tata Consultancy Services Osterreich GmbH, Tata Consultancy Services Danmark ApS, TCS Financial Solutions Australia Holdings Pty Limited, TCS Financial Solutions (Beijing) Co., Ltd., MS CJV Investments Corporation, Diligenta 2 Limited, Tata Consultancy Services (South Africa) (PTY) Ltd., TCS e-Serve America, Inc, Alti S.A., Planaxis Technologies Inc, Alti HR, Alti Infrastructures Systemes & Reseaux, Alti NV, Tescom (France) Software Systems Testing, Alti Switzerland, Teamlink.

2. The audited consolidated financial results and the audited financial results of the Company for the quarter and nine months ended December 31, 2014 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on January 15, 2015.
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 and nine months ended December 31, 2014 is higher by ₹ 2901 lakhs and ₹ 13160 lakhs respectively 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 shareholders' 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 and nine months ended December 31, 2013, other income would have been lower by ₹ 13438 lakhs and higher by ₹ 30 lakhs respectively.
5. Income from Operations of subsidiaries of ₹ 407081 lakhs and ₹ 1136443 lakhs for the quarter and nine months ended December 31, 2014 respectively and assets (net) of those subsidiaries aggregating to ₹ 1170075 lakhs as at December 31, 2014 have not been audited.
6. Other Income (consolidated) for the quarter and nine months ended December 31, 2014 includes foreign exchange gain of ₹ 24146 lakhs and a gain of ₹ 64557 lakhs respectively. (Previous period: gain of ₹ 29489 lakhs and loss of ₹ 18686 lakhs respectively).

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7. At their respective meetings held on October 16, 2014 the Boards of the Company and of its subsidiary, CMC Limited have approved a Scheme of Amalgamation (Scheme) of CMC Limited with the Company. The appointed date for the proposed Scheme is April 1, 2015. The Scheme is subject to sanction by the Hon'ble High Courts and all other statutory approvals as may be required under law. As per the Scheme, shareholders of CMC Limited will receive 79 equity shares of ₹1 each of TCS for 100 equity shares of ₹10 each of CMC Limited.
8. The Board of Directors at its meeting held on January 15, 2015, has declared an interim dividend of ₹ 5 per equity share.
9. Previous period/year's figures have been regrouped, wherever necessary.

For and on behalf of the Board of Directors

Mumbai
January 15, 2015


N. Chandrasekaran
CEO & Managing Director

