



TCS/BM/177/SE/2020-21

January 8, 2021

National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Mumbai-400051  
Symbol: TCS

BSE Limited  
P. J. Towers, Dalal Street,  
Mumbai-400001  
Scrip Code No. 532540

Dear Sirs,

**Sub: Financial Results for the quarter and nine months ended December 31, 2020 and declaration of a third interim dividend**

We enclose the audited financial results of the Company and audited consolidated financial results of the Company and its subsidiaries for the quarter and nine months ended December 31, 2020 under Ind AS, which have been approved and taken on record at a meeting of the Board of Directors of the 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 ₹6 per Equity Share of ₹1 each of the Company.

The third interim dividend shall be paid on Wednesday, February 3, 2021 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, January 16, 2021 which is the Record Date fixed for the purpose.

The above information is also available on the website of the Company: [www.tcs.com](http://www.tcs.com)

Thanking you,

Yours faithfully,  
For Tata Consultancy Services Limited

  
Rajendra Moholkar  
Company Secretary

Encl: As above

cc:

1. National Securities Depository Limited
2. Central Depository Services (India) Limited
3. TSR Darashaw Consultants Private Limited

**TATA CONSULTANCY SERVICES**

Tata Consultancy Services Limited

TCS House Raveline Street Mumbai 400 001 India

Tel 91 22 6778 9999 Fax 91 22 6778 9000 e-mail [corporate.office@tcs.com](mailto:corporate.office@tcs.com) website [www.tcs.com](http://www.tcs.com)

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

Corporate Identification No. (CIN) : L22210MH1995PLC084781

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway,  
Goregaon (East), Mumbai - 400 063

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## Independent Auditors' Report

### To the Board of Directors of Tata Consultancy Services Limited

#### Report on the Audit of the Consolidated Interim Financial Results

##### Opinion

We have audited the accompanying statement of consolidated interim financial results of Tata Consultancy Services Limited (hereinafter referred to as the "Holding Company") and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020, ("the Statement" or "consolidated interim financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the consolidated interim financial results:

- a. includes the interim financial results of the entities listed in Annexure-I;
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended 31 December 2020 and for the period from 1 April 2020 to 31 December 2020.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the condensed consolidated interim financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated interim financial results.

## **Independent Auditors' Report (Continued)**

### **Tata Consultancy Services Limited**

#### **Management's and Board of Directors' Responsibilities for the Consolidated Interim Financial Results**

These consolidated interim financial results have been prepared on the basis of the condensed consolidated interim financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated interim financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated interim financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated interim financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated interim financial results, the respective Management and the Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

#### **Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated interim financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated interim financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated interim financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Independent Auditors' Report (Continued)**

### **Tata Consultancy Services Limited**

#### **Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results (Continued)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated interim financial results made by the Management and Board of Directors of the Holding Company.
- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated interim financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated interim financial results, including the disclosures, and whether the consolidated interim financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated interim financial results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the consolidated interim financial results. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated interim financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**BSR & Co. LLP**

**Independent Auditors' Report (*Continued*)**

**Tata Consultancy Services Limited**

**Auditor's Responsibilities for the Audit of the Consolidated Interim Financial Results  
(*Continued*)**

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**For BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

YEZDI BEHRAM  
NAGPOREWAL  
LA

Digitally signed by  
YEZDI BEHRAM  
NAGPOREWALLA  
Date: 2021.01.08  
17:49:49 +05'30'

**Yezdi Nagporewalla**

*Partner*

Membership No: 049265

UDIN: 21049265AAAAAB2813

Mumbai  
08 January 2021

## Tata Consultancy Services Limited

### Annexure I: List of entities consolidated

1	APTOnline Limited	32	Tata Consultancy Services (Portugal) Unipessoal, Limitada
2	C-Edge Technologies Limited	33	TCS Financial Solutions Australia Pty Limited
3	CMC Americas, Inc. (ceased w.e.f. December 16, 2020)	34	TCS Financial Solutions Beijing Co., Ltd.
4	Diligenta Limited	35	MGDC S.C.
5	MahaOnline Limited	36	Tata Consultancy Services Argentina S.A.
6	MP Online Limited	37	Tata Consultancy Services De Mexico S.A., De C.V.
7	Tata America International Corporation	38	Tata Consultancy Services Do Brasil Ltda
8	Tata Consultancy Services (Africa) (PTY) Ltd.	39	TCS Inversiones Chile Limitada
9	Tata Consultancy Services Asia Pacific Pte Ltd.	40	Tata Consultancy Services France (formerly known as Tata Consultancy Services France SA)
10	Tata Consultancy Services Belgium	41	TCS Uruguay S.A.
11	Tata Consultancy Services Canada Inc.	42	TCS Solution Center S.A.
12	Tata Consultancy Services Deutschland GmbH	43	Tata Consultancy Services Danmark ApS
13	Tata Consultancy Services Netherlands BV	44	Tata Consultancy Services De Espana S.A.
14	Tata Consultancy Services Qatar S.S.C.	45	Tata Consultancy Services Luxembourg S.A.
15	Tata Consultancy Services Sverige AB	46	Tata Consultancy Services Osterreich GmbH
16	TCS e-Serve International Limited	47	Tata Consultancy Services Saudi Arabia
17	TCS FNS Pty Limited	48	Tata Consultancy Services Switzerland Ltd.
18	TCS Foundation	49	W12 Studios Limited
19	TCS Iberoamerica SA	50	TCS Business Services GmbH
20	PT Tata Consultancy Services Indonesia	51	Tata Consultancy Services Ireland Limited (w.e.f. December 2, 2020)
21	Tata Consultancy Services (China) Co., Ltd.	52	Tata Sons & Consultancy Services Employees' Welfare Trust
22	Tata Consultancy Services (Philippines) Inc.	53	TCS e-Serve Limited – Employees' Welfare Trust
23	Tata Consultancy Services (Thailand) Limited	54	TCS e-Serve International Limited – Employees' Welfare Benefit Trust
24	Tata Consultancy Services Japan, Ltd.		
25	Tata Consultancy Services Malaysia Sdn Bhd		
26	TCS Italia s.r.l.		
27	Tata Consultancy Services (South Africa) (PTY) Ltd.		
28	TCS e-Serve America, Inc.		
29	Tata Consultancy Services Chile S.A.		
30	TATASOLUTION CENTER S.A.		
31	Technology Outsourcing S.A.C. (ceased w.e.f. December 1, 2020)		

**TATA CONSULTANCY SERVICES LIMITED**  
Registered Office : 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021  
CIN: L22210MH1995PLC084781  
Tel: +91 22 6778 9595 Email: investor.relations@tcs.com Website: www.tcs.com  
**PART I : Audited Consolidated Interim Statement of Financial Results**

	Three month period ended			Nine month period ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2020	2020	2019	2020	2019	2020
Revenue	42,015	40,135	39,854	120,472	117,003	156,949
Other income	691	914	818	2,203	3,854	4,592
<b>TOTAL INCOME</b>	<b>42,706</b>	<b>41,049</b>	<b>40,672</b>	<b>122,675</b>	<b>120,857</b>	<b>161,541</b>
<b>Expenses</b>						
Employee benefit expenses	23,431	22,665	21,622	68,189	63,901	85,952
Fees to external consultants	3,230	3,047	3,268	9,340	9,741	12,937
Cost of equipment and software licences	396	266	460	1,008	1,436	1,905
Depreciation and amortisation expense	1,024	998	897	2,998	2,578	3,529
Other operating expenses	2,750	2,644	3,633	8,190	10,792	14,046
<b>TOTAL EXPENSES</b>	<b>30,831</b>	<b>29,620</b>	<b>29,880</b>	<b>89,725</b>	<b>88,448</b>	<b>118,369</b>
<b>PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX</b>	<b>11,875</b>	<b>11,429</b>	<b>10,792</b>	<b>32,950</b>	<b>32,409</b>	<b>43,172</b>
Finance costs	183	174	223	499	673	924
<b>PROFIT BEFORE EXCEPTIONAL ITEM AND TAX</b>	<b>11,692</b>	<b>11,255</b>	<b>10,569</b>	<b>32,451</b>	<b>31,736</b>	<b>42,248</b>
Exceptional item (Refer note 2)	-	-	-	-	-	-
Provision towards legal claim	-	1,218	-	1,218	-	-
<b>PROFIT BEFORE TAX</b>	<b>11,692</b>	<b>10,037</b>	<b>10,569</b>	<b>31,233</b>	<b>31,736</b>	<b>42,248</b>
<b>Tax expense</b>						
Current tax	3,242	2,849	2,981	8,756	7,702	10,378
Deferred tax	(277)	(316)	(555)	(803)	(320)	(577)
<b>TOTAL TAX EXPENSE</b>	<b>2,965</b>	<b>2,533</b>	<b>2,426</b>	<b>7,953</b>	<b>7,382</b>	<b>9,801</b>
<b>PROFIT FOR THE PERIOD</b>	<b>8,727</b>	<b>7,504</b>	<b>8,143</b>	<b>23,280</b>	<b>24,354</b>	<b>32,447</b>
<b>Profit for the period attributable to:</b>						
Shareholders of the Company	8,701	7,475	8,118	23,184	24,291	32,340
Non-controlling interests	26	29	25	96	63	107
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>						
Items that will not be reclassified subsequently to profit or loss	(184)	(62)	(228)	(110)	(367)	(449)
Income tax on items that will not be reclassified subsequently to profit or loss	39	-	63	10	73	90
Items that will be reclassified subsequently to profit or loss	631	(129)	122	1,397	560	1,138
Income tax on items that will be reclassified subsequently to profit or loss	(71)	73	44	(224)	(137)	(315)
<b>TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)</b>	<b>415</b>	<b>(118)</b>	<b>1</b>	<b>1,073</b>	<b>129</b>	<b>464</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>9,142</b>	<b>7,386</b>	<b>8,144</b>	<b>24,353</b>	<b>24,483</b>	<b>32,911</b>
<b>Total comprehensive income for the period attributable to:</b>						
Shareholders of the Company	9,109	7,358	8,117	24,248	24,405	32,764
Non-controlling interests	33	28	27	105	78	147
Paid up equity share capital (Face Value : ₹1 per share)	375	375	375	375	375	375
<b>Total Reserves (Including Non-controlling interests)</b>						<b>84,374</b>
Earnings per equity share:- Basic and diluted (₹)	23.19	19.93	21.63	61.79	64.74	86.19
Dividend per share (Par value ₹1 each)						
Interim dividend on equity shares (₹)	6.00	12.00	5.00	23.00	55.00	67.00
Final dividend on equity shares (₹)	-	-	-	-	-	6.00
Total dividend on equity shares (₹)	6.00	12.00	5.00	23.00	55.00	73.00
Total equity dividend percentage	600	1,200	500	2,300	5,500	7,300

**TATA CONSULTANCY SERVICES LIMITED**  
Registered Office : 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021  
**PART II : Consolidated Segment Information**

	Three month period ended			Nine month period ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2020	2020	2019	2020	2019	2020
<b>REVENUE BY INDUSTRY PRACTICE</b>						
Banking, Financial Services and Insurance	16,655	16,138	15,483	48,075	45,888	61,095
Manufacturing	4,027	3,826	4,171	11,737	12,251	16,468
Retail and Consumer Business	6,546	6,353	6,709	18,811	19,598	26,280
Communication, Media and Technology	6,980	6,560	6,608	20,035	19,227	25,978
Others	7,807	7,258	6,883	21,814	20,039	27,128
<b>REVENUE FROM OPERATIONS</b>	<b>42,015</b>	<b>40,135</b>	<b>39,854</b>	<b>120,472</b>	<b>117,003</b>	<b>156,949</b>
<b>SEGMENT RESULTS</b>						
Banking, Financial Services and Insurance	4,807	4,773	4,415	13,695	12,774	16,950
Manufacturing	1,188	1,029	1,135	3,203	3,255	4,445
Retail and Consumer Business	1,966	1,844	1,797	5,112	5,110	6,870
Communication, Media and Technology	2,066	1,917	1,926	5,869	5,604	7,703
Others	2,181	1,950	1,597	5,866	4,386	6,141
<b>Total</b>	<b>12,208</b>	<b>11,513</b>	<b>10,870</b>	<b>33,745</b>	<b>31,129</b>	<b>42,109</b>
Unallocable expenses*	1,207	2,390	1,119	4,715	3,247	4,453
<b>Operating Income</b>	<b>11,001</b>	<b>9,123</b>	<b>9,751</b>	<b>29,030</b>	<b>27,882</b>	<b>37,656</b>
Other income	691	914	818	2,203	3,854	4,592
<b>PROFIT BEFORE TAX</b>	<b>11,692</b>	<b>10,037</b>	<b>10,569</b>	<b>31,233</b>	<b>31,736</b>	<b>42,248</b>

\*Includes the provision for legal claim of ₹1,218 crore. Refer note 2.

**Note:** The assets and liabilities of the Group are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence, assets and liabilities have not been identified to any of the reportable segments.

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**Select explanatory notes to the Statement of Audited Consolidated Interim Financial Results for the three month and nine month period ended December 31, 2020**

1. These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 8, 2021. The statutory auditors have expressed an unmodified audit opinion on these results.
2. Pursuant to ruling at the Appeals Court on August 20, 2020, in the case relating to Epic Systems Corporation (referred to as Epic) for alleged unauthorised access to and download of Epic's confidential information and use thereof in the development of the Company's product MedMantra, the Company had provided ₹1,218 crore (US \$165 million) towards this legal claim in its statement of profit and loss for the three month period ended September 30, 2020. This has been presented as an "exceptional item" in the statement of profit and loss. The Company filed a petition for re-hearing of the awards for both compensatory and punitive damages at the Appeals Court on September 3, 2020. Epic also filed for re-hearing of the Appeals Court's decision that invalidated a portion of the award of punitive damages. In November 2020, the petitions for re-hearing filed by the Company and Epic, respectively, were denied by the Appeals Court. The proceedings for assessing punitive damages have been remanded back to the District Court. The Company will continue to pursue all legal options available in the matter.
3. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
4. The Board of Directors at its meeting held on October 7, 2020, approved a proposal to buy-back upto 5,33,33,333 equity shares of the Company for an aggregate amount not exceeding ₹16,000 crore, being 1.42% of the total paid up equity share capital at ₹3,000 per equity share. The shareholders approved the same on November 18, 2020, by way of a special resolution through postal ballot. The period for tendering of shares for buy-back was from December 18, 2020 to January 1, 2021. The settlement of all valid bids was completed on January 5, 2021, and the equity shares bought back were extinguished on January 6, 2021. Pursuant to the issuance of Letter of Offer, the Company has recorded a liability towards buy-back of equity shares of ₹16,000 crore and the corresponding tax payable of ₹3,726 crore as at December 31, 2020.
5. Tata Consultancy Services Netherlands BV, a wholly owned subsidiary of the Company, as a part of an overall arrangement, signed a definitive agreement on January 1, 2021, to obtain entire equity stake in Postbank Systems AG (PBS), a subsidiary of Deutsche Bank AG, at an agreed consideration.
6. The Company incorporated a wholly owned subsidiary, Tata Consultancy Services Ireland Limited in Ireland on December 2, 2020.
7. CMC Americas, Inc., a wholly owned subsidiary of the Company incorporated in USA, was liquidated w.e.f. December 16, 2020.
8. Equity stake in Technology Outsourcing S.A.C., a wholly owned step-down subsidiary at Peru, was sold on December 1, 2020, at book value.
9. The Board of Directors at its meeting held on January 8, 2021, has declared an interim dividend of ₹6.00 per equity share.
10. The results for the three month and nine month period ended December 31, 2020, are available on the BSE Limited website (URL: [www.bseindia.com/corporates](http://www.bseindia.com/corporates)), the National Stock Exchange of India Limited website (URL: [www.nseindia.com/corporates](http://www.nseindia.com/corporates)) and on the Company's website (URL: [www.tcs.com/investors](http://www.tcs.com/investors)).

For and on behalf of the Board of Directors

  
Rajesh Gopinathan

CEO and Managing Director

Mumbai  
January 8, 2021





# B S R & Co. LLP

Chartered Accountants

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Goregaon (East), Mumbai - 400 063

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## Independent Auditors' Report

### To the Board of Directors of Tata Consultancy Services Limited

#### Report on the audit of the Standalone Interim Financial Results

##### Opinion

We have audited the accompanying standalone interim financial results of Tata Consultancy Services Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2020 and the year-to-date results for the period 1 April 2020 to 31 December 2020 ('standalone interim financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone interim financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31 December 2020 as well as the year-to-date results for the period from 1 April 2020 to 31 December 2020.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the condensed standalone interim financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone interim financial results

**Independent Auditors' Report (Continued)**

**Tata Consultancy Services Limited**

**Management's and Board of Directors' Responsibilities for the Standalone Interim Financial Results**

These standalone interim financial results have been prepared on the basis of the condensed standalone interim financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone interim financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone interim financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone interim financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone interim financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone interim financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone interim financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Independent Auditors' Report (Continued)**

**Tata Consultancy Services Limited**

**Auditor's Responsibilities for the Audit of the Standalone Interim Financial Results (Continued)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone interim financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone interim financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone interim financial results, including the disclosures, and whether the standalone interim financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

YEZDI BEHRAM Digitally signed by YEZDI  
BEHRAM  
NAGPOREWAL NAGPOREWALLA  
LA Date: 2021.01.08 17:49:04  
+05'30'

**Yezdi Nagporewalla**

*Partner*

Membership No: 049265

UDIN: 21049265AAAAA3638

Mumbai  
08 January 2021

**TATA CONSULTANCY SERVICES LIMITED**  
Registered Office : 9th Floor, Nirmal Building, Nariman Point, Mumbai 400021  
CIN: L22210MH1995PLC084781  
Tel: +91 22 6778 9595 Email: investor.relations@tcs.com Website: www.tcs.com  
Audited Unconsolidated Interim Statement of Financial Results

(₹ crore)

	Three month period ended			Nine month period ended		Year ended
	December 31,	September 30,	December 31,	December 31,	December 31,	March 31,
	2020	2020	2019	2020	2019	2020
Revenue	34,957	33,365	33,040	99,946	98,084	131,306
Other income	2,096	1,734	1,206	4,536	6,049	8,082
<b>TOTAL INCOME</b>	<b>37,053</b>	<b>35,099</b>	<b>34,246</b>	<b>104,482</b>	<b>104,133</b>	<b>139,388</b>
<b>Expenses</b>						
Employee benefit expenses	17,779	17,211	16,333	51,627	48,263	64,906
Fees to external consultants	3,548	3,404	3,484	10,339	10,404	13,916
Cost of equipment and software licences	331	224	378	839	1,233	1,596
Depreciation and amortisation expense	771	755	677	2,265	1,977	2,701
Other operating expenses	2,621	2,440	3,400	7,783	10,084	13,535
<b>TOTAL EXPENSES</b>	<b>25,050</b>	<b>24,034</b>	<b>24,272</b>	<b>72,853</b>	<b>71,961</b>	<b>96,654</b>
<b>PROFIT BEFORE FINANCE COSTS, EXCEPTIONAL ITEM AND TAX</b>	<b>12,003</b>	<b>11,065</b>	<b>9,974</b>	<b>31,629</b>	<b>32,172</b>	<b>42,734</b>
Finance costs	159	149	200	426	532	743
<b>PROFIT BEFORE EXCEPTIONAL ITEM AND TAX</b>	<b>11,844</b>	<b>10,916</b>	<b>9,774</b>	<b>31,203</b>	<b>31,640</b>	<b>41,991</b>
Exceptional item (Refer note 2)	-	1,218	-	1,218	-	-
Provision towards legal claim	-	-	-	-	-	-
<b>PROFIT BEFORE TAX</b>	<b>11,844</b>	<b>9,698</b>	<b>9,774</b>	<b>29,985</b>	<b>31,640</b>	<b>41,991</b>
<b>Tax Expense</b>						
Current tax	2,968	2,522	2,692	7,813	6,765	9,012
Deferred tax	(366)	(272)	(601)	(614)	(158)	(281)
<b>TOTAL TAX EXPENSE</b>	<b>2,602</b>	<b>2,250</b>	<b>2,091</b>	<b>7,199</b>	<b>6,607</b>	<b>8,731</b>
<b>PROFIT FOR THE PERIOD</b>	<b>9,242</b>	<b>7,448</b>	<b>7,683</b>	<b>22,786</b>	<b>25,033</b>	<b>33,260</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>						
Items that will not be reclassified subsequently to profit or loss	(187)	1	(225)	(50)	(276)	(409)
Income tax on items that will not be reclassified subsequently to profit or loss	40	-	63	11	58	86
Items that will be reclassified subsequently to profit or loss	126	(162)	(229)	608	212	812
Income tax on items that will be reclassified subsequently to profit or loss	(71)	73	44	(224)	(137)	(315)
<b>TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)</b>	<b>(92)</b>	<b>(88)</b>	<b>(347)</b>	<b>345</b>	<b>(143)</b>	<b>174</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>9,150</b>	<b>7,360</b>	<b>7,336</b>	<b>23,131</b>	<b>24,890</b>	<b>33,434</b>
Paid up equity share capital (Face Value : ₹1 per share)	375	375	375	375	375	375
<b>Total Reserves</b>						<b>73,993</b>
Earnings per equity share:- Basic and diluted (₹)	24.63	19.85	20.47	60.72	66.71	88.64
<b>Dividend per share (Par value ₹1 each)</b>						
Interim dividend on equity shares (₹)	6.00	12.00	5.00	23.00	55.00	67.00
Final dividend on equity shares (₹)	-	-	-	-	-	6.00
<b>Total dividend on equity shares (₹)</b>	<b>6.00</b>	<b>12.00</b>	<b>5.00</b>	<b>23.00</b>	<b>55.00</b>	<b>73.00</b>
<b>Total equity dividend percentage</b>	<b>600</b>	<b>1,200</b>	<b>500</b>	<b>2,300</b>	<b>5,500</b>	<b>7,300</b>

JS

**Select explanatory notes to the Statement of Audited Unconsolidated Interim Financial Results for the three month and nine month period ended December 31, 2020**

1. These results have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. These results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 8, 2021. The statutory auditors have expressed an unmodified audit opinion on these results.
2. Pursuant to ruling at the Appeals Court on August 20, 2020, in the case relating to Epic Systems Corporation (referred to as Epic) for alleged unauthorised access to and download of Epic's confidential information and use thereof in the development of the Company's product MedMantra, the Company had provided ₹1,218 crore (US \$165 million) towards this legal claim in its statement of profit and loss for the three month period ended September 30, 2020. This has been presented as an "exceptional item" in the statement of profit and loss. The Company filed a petition for re-hearing of the awards for both compensatory and punitive damages at the Appeals Court on September 3, 2020. Epic also filed for re-hearing of the Appeals Court's decision that invalidated a portion of the award of punitive damages. In November 2020, the petitions for re-hearing filed by the Company and Epic, respectively, were denied by the Appeals Court. The proceedings for assessing punitive damages have been remanded back to the District Court. The Company will continue to pursue all legal options available in the matter.
3. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
4. The Board of Directors at its meeting held on October 7, 2020, approved a proposal to buy-back upto 5,33,33,333 equity shares of the Company for an aggregate amount not exceeding ₹16,000 crore, being 1.42% of the total paid up equity share capital at ₹3,000 per equity share. The shareholders approved the same on November 18, 2020, by way of a special resolution through postal ballot. The period for tendering of shares for buy-back was from December 18, 2020 to January 1, 2021. The settlement of all valid bids was completed on January 5, 2021, and the equity shares bought back were extinguished on January 6, 2021. Pursuant to the issuance of Letter of Offer, the Company has recorded a liability towards buy-back of equity shares of ₹16,000 crore and the corresponding tax payable of ₹3,726 crore as at December 31, 2020.
5. The Company incorporated a wholly owned subsidiary, Tata Consultancy Services Ireland Limited in Ireland on December 2, 2020.
6. CMC Americas, Inc., a wholly owned subsidiary of the Company incorporated in USA, was liquidated w.e.f. December 16, 2020.
7. The Board of Directors at its meeting held on January 8, 2021, has declared an interim dividend of ₹6.00 per equity share.
8. The results for the three month and nine month period ended December 31, 2020, are available on the BSE Limited website (URL: [www.bseindia.com/corporates](http://www.bseindia.com/corporates)), the National Stock Exchange of India Limited website (URL: [www.nseindia.com/corporates](http://www.nseindia.com/corporates)) and on the Company's website (URL: [www.tcs.com/investors](http://www.tcs.com/investors)).

For and on behalf of the Board of Directors

  
**Rajesh Gopinathan**

CEO and Managing Director

Mumbai  
January 8, 2021







TCS/BM/178/SE/2020-21

January 8, 2021

**National Stock Exchange of India Limited**  
**Exchange Plaza, Bandra Kurla Complex,**  
**Mumbai-400051**  
**Symbol: TCS**

**BSE Limited**  
**P. J. Towers, Dalal Street,**  
**Mumbai-400001**  
**Scrip Code No. 532540**

Dear Sirs,

**Sub: Press Release**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of a Press Release which will be disseminated shortly. The Press Release is self-explanatory.

The above information is also available on the website of the Company: [www.tcs.com](http://www.tcs.com)

Thanking you,

Yours faithfully,  
For **Tata Consultancy Services Limited**

**Rajendra Moholkar**  
**Company Secretary**

Encl: As above

**TATA CONSULTANCY SERVICES**

**Tata Consultancy Services Limited**

TCS House Raveline Street Mumbai 400 001 India

Tel 91 22 6778 9999 Fax 91 22 6778 9000 e-mail [corporate.office@tcs.com](mailto:corporate.office@tcs.com) website [www.tcs.com](http://www.tcs.com)

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

Corporate Identification No. (CIN) : L22210MH1995PLC084781

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**PRESS RELEASE****Ind-AS & IFRS ₹**

## Strong Demand Drives TCS Q3 Growth Momentum

- Strongest Third Qtr Growth in 9 yrs: **+4.1% QoQ CC, +4.7% INR, +5.1% USD**
- Back to Positive YoY Growth: **+0.4% CC, +5.4% INR, +2.1% USD**
- Operating Margin: **26.6%, +0.4% QoQ and +1.6% YoY**
- Net Profit Growth **+7.2% YoY**
- Lowest Ever Employee Attrition in IT Services (LTM): **7.6%**

**MUMBAI, January 8, 2021:** Tata Consultancy Services (BSE: 532540, NSE: TCS), the leading global IT services, consulting and business solutions organization, reported its consolidated financial results according to Ind AS and IFRS, for the quarter ending December 31, 2020.

### Highlights of the Quarter Ended December 31, 2020

- Revenue at **₹42,015 crore, +4.7% QoQ, +5.4% YoY**
- Constant Currency revenue growth: **+4.1% QoQ, +0.4% YoY**
- Net Income at **₹8,701 crore, +3.2% QoQ, +7.3% YoY**
- Operating Margin at **26.6%**; Net Margin at **20.7%**
- Strong Cash Conversion: Net Cash from Operations at **₹11,952 crore | 137.4% of Net Profit**
- Consolidated headcount: **469,261 | Net addition: 15,721 | Women in the workforce: 36.4%**
- **366K+** employees trained in new technologies; **444K+** on Agile methods
- IT Services attrition rate dips to a new all-time low, at **7.6% LTM**
- Interim Dividend per share: **₹6.00 | Record date 16/01/2021 | Payment date 03/02/2021**

Commenting on the Q3 performance, **Rajesh Gopinathan, Chief Executive Officer and Managing Director**, said: *"Growing demand for core transformation services and strong revenue conversion from earlier deals have driven a powerful momentum that helped us overcome seasonal headwinds and post one of our best performances in a December quarter. We are entering the new year on an optimistic note, our market position stronger than ever before, and our confidence reinforced by the continued strength in our order book and deal pipeline."*

**He added:** *"Looking beyond the immediate business growth opportunity, we are tremendously excited by what lies ahead. Cloud is enabling a new class of boundaryless organizations, that can seamlessly partner and collaborate within larger ecosystems to create innovative purpose-driven offerings to customers. This boundaryless value creation, supported by the seamless fabric of technology enabled*



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**Ind-AS & IFRS ₹**

*by cloud together the seamless fabric of talent enabled by our SBWS™, will redefine industry after industry over the longer term. Our intimate knowledge of our customers' business contexts, our strong relationships across ecosystems, and our continued investments in research and innovation make us their preferred partner in their growth and transformation journeys."*

**N Ganapathy Subramaniam, Chief Operating Officer & Executive Director, said:** "Our Q3 growth is a very satisfactory outcome of our ability to leverage the proactive investments made to capture the strong demand and be meaningful to our clients. It is a strong endorsement of our resilience, way of working and the relative competitiveness of our products and services. We celebrated the accomplishment of our Enterprise Agile by 2020 vision during the quarter, and with SBWS™, we have a well-oiled location-independent execution model that brings in the resources just in time, efficient execution, and machine-led delivery governance that are delighting our customers. All these augur well to progress our 25x25 future of work vision."

**He added:** "We have had healthy deal closures and the growth has been broad based on a sequential basis, setting ourselves well for the future. We also welcome to the TCS fold, the professionals from Pramerica and Postbank Systems, accelerating our growth plans in Ireland, Germany and more broadly in Europe."

**V Ramakrishnan, Chief Financial Officer, said:** "Strong growth across all our verticals, and operational benefits from our SBWS model allowed us to post the highest operating margin in the last five years, even after rolling out a salary increase this quarter. We also had an all-time high cash conversion in Q3. This and our strong balance sheet position us very strongly to seize the opportunities that the current market offers, and more closely partner our customers in their growth and transformation journeys."

### Q3 Segment Highlights\*\*

**Industries:** All verticals showed good sequential growth, led by Manufacturing (+7.1%), BFSI (+2%), Life Sciences and Healthcare (+5.2%), Communications & Media (+5.5%) and Retail and CPG (+3.1%). On a year on year, constant currency basis, Life Sciences and Healthcare continued to grow in double digits at 18.2%. BFSI (+2.4%) and Technology & Services (+2.4%) also moved into positive territory.

**Markets:** Sequential growth was led by North America (+3.3%), India (+18.1%), UK (+4.5%), and Continental Europe (+2.5%). Other markets grew as well, with Asia Pacific growing +2.6%, MEA +6.7%, and Latin America +3.1%.

**Services:** Continue to see a strong rebound in growth and transformation services as customers seek to operationalize new models. Growth in the quarter was led by Cloud Services, Analytics & Insights, Cognitive Business Operations, IoT and Quality Engineering & Transformation Platform Services.

- **Consulting & Services Integration:** Continued robustness in demand, led by digital and cloud strategy, enterprise agility, mergers and acquisitions, and supply chain and finance transformation.
- **Cognitive Business Operations:** Experiencing strong growth due to acceleration of digital adoption and hyper-automation across enterprises to enhance agility, customer experience, agility and deliver superior business outcomes. Growth in Q3 was led by datacenter services, service desk and end-user computing, supply chain operations, and automation services.

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## PRESS RELEASE

### Ind-AS & IFRS ₹

- **Digital Transformation Services:** There was strong demand for hyperscaler cloud services. key areas included mainframe and legacy modernizations, data modernization on cloud (MDM, data lakes), augmented analytics for in-context insights, risk regulatory & compliance analytics and use of cloud platforms for collaboration. Cybersecurity continued to be of the highest priority as new work models emerge.

The need to enhance user experience across enterprise functions drove good growth for professional services around Salesforce, SAP S/4 HANA and BPM. Consumer demand for automated and contact-less services led to good growth for TCS Interactive, in design led services, digital marketing and content services. Growth in IoT was led by strong demand for implementing IoT-enabled remote monitoring and self-optimizing plant operations.

New offerings launched in Q3 include TCS CogniX™, an AI-driven suite of prebuilt solutions for accelerating digital transformation of operations, ConvertCore™ for accelerated S/4HANA transformation assessment & migration and an expanded version of Crystallus™, a contextualized preconfigured solution for enterprise transformation, to cover Railways.

**\*\* Growth in QoQ CC**

## Key Highlights

- Selected by a subsidiary of one of the world's largest chemical companies, for delivering next generation private cloud services with TCS Enterprise Cloud. TCS will migrate and transform existing data center workloads and enable flexible cloud infrastructure and services, for faster time to market and greater operational efficiencies. TCS will also harmonize, integrate the B2B commerce capabilities of the combined organization resulting from a merger. This is expected to result in a unified customer and distributor experience, ability to drive growth through more effective engagement practices and increased order volume handling.

*"As we look to adapt and scale our business in response to the global pandemic, it has never been more important that we improve operational efficiencies and transform our global IT infrastructure to become more agile. With TCS, we look forward to accelerating the development of new enterprise applications and customer features and deploying machine learning models, to allow us to introduce new services that reimagine the global travel experience for the millions of airline customers we serve across the world."*

Jeffrey Goh  
CEO, Star Alliance

- Engaged for a strategic cloud-first technology transformation of a multinational consumer electronics company. TCS will leverage its cloud capabilities and accelerators to migrate its on-premise data centers and servers around the world, as well as various software applications, onto a leading hyperscale cloud platform. This move will strengthen and transform its digital operations globally, expand collaboration and innovation capabilities of employees, and enhance its delivery effectiveness to customers.



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- Selected by an Australian Media corporation as the strategic partner for its public cloud transformation and data center consolidation initiative. TCS will consolidate and cloudify multiple data centers, modernize the application landscape, and move a large portfolio of applications to a leading public cloud platform enabling higher availability, flexibility and reliability to their business applications.
- Selected by a leading Australian Bank for migrating existing on-premise virtualization solutions to a leading hyperscale cloud platform and for system configuration upliftment to comply with the bank's standard configuration, security and operational management requirements. TCS' solution optimizes the IT infrastructure and data centre footprint, accelerates migration to public cloud, and significantly enhances operating efficiencies.
- Selected by a global medical devices company to migrate business critical information to a leading digital workplace platform leveraging TCS' factory model that offers the combined advantages of a proven content migration solution and TCS solution accelerators. This engagement will help employees access business critical documents seamlessly and securely, thereby achieving better collaboration and efficiency.
- Selected by an American multinational consumer credit reporting company, as the strategic partner for end-to-end vulnerability management services. TCS' solution will provide proactive management, better flexibility and efficient operations.
- Engaged by a Europe-based multinational heavy electrical corporation for a strategic and regulatory compliance-led transformation that will be enabled by TCS' IdentiFence™ Privileged Access Management as a managed services platform.
- Engaged by a large US-based bank holding company for a 3-year risk management program. TCS will undertake consultation and technology transformation to further augment and strengthen their Information Security & Risk Management function.

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*"We have always been an early adopter and pioneer in the usage of new age technology and us signing up with TCS is another trend-setting initiative, which we believe will soon be emulated by other banks and insurance firms in Israel. Rolling out new technology such as Quartz Blockchain to digitize bank guarantees will help our customers with simpler, easier, transparent and optimized processes. With this solution, we will be extending our client base to include corporates, SMEs and individuals who will soon be able to access their digital bank guarantees across its life cycle through APIs and an intuitive web portal."*

*Dov Kotler*  
CEO, Bank Hapoalim

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*"Our partnership with TCS has provided our business the ability to create new and flexible subscription products for our customers that seamlessly integrate into our existing IT landscape. TCS has consistently delivered on time and on budget during very trying times, and the business value delivered has enhanced our capabilities for managing, reporting, and supporting our customers."*

*Daniel Adam*  
CIO, Extreme Networks

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- Selected by a US-based investment management and advisory services provider as the strategic partner for transitioning from mainframe to cloud. TCS will migrate its applications to a leading hyperscale cloud platform and implement a microservices based architecture to significantly enhance computing efficiency, increase business system flexibility, and improve overall customer experience.
- Selected by a global insurance major, as its partner for designing and building a cloud native platform for content management across their lines of businesses.
- Engaged by an American insurance company to ensure brand consistency and improve their NPS scores by adopting a differentiated content strategy and enhancing customer communications technology. TCS will also provide analytics as a managed service to create a corporate data hub that will help drive business insights at scale and help the insurer stay ahead of competition by accelerating its data modernization journey.
- Chosen by a leading American mattress brand, to define and implement its digital marketing strategy to improve customer engagement and digital lead conversion, through an effective omni-channel marketing drive.
- The T. Marzetti Company has selected Tata Consultancy Services as its single strategic IT Service Provider for Infrastructure, Applications and Service Desk services. T. Marzetti Company is a wholly owned subsidiary of the Lancaster Colony Corporation (LANC) headquartered in Columbus, Ohio.
- Engaged by a Swiss building materials manufacturer and services provider as the strategic partner in a multi-year digital transformation journey. TCS will develop and roll out multiple digital solutions across a large number of plants to help it achieve market advantage, agility, and scalability. TCS will also implement workspace services and products leveraging a leading hyperscale platform to facilitate a culture of collaboration, harness the collective knowledge of the organization and redefine productivity with intelligent workspace apps.
- Chosen by a leading American health insurance company to develop a claims interoperability platform to enable processing of insurance claims efficiently. The program aims to standardize and accelerate claims ingestion and processing, and be compliant to regulatory needs. In addition, TCS has been engaged to transform its

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*"We look forward to continuing our strategic partnership with TCS and accelerating our aspiration of becoming a digital first retailer by leveraging their deep contextual knowledge of our business, global Retail industry experience and their expertise in the next generation technologies."*

*Andy Wolfe*  
*Group CIO, Kingfisher plc*

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*"We have made good progress and continue to build momentum in our Cloud Transformation Program. Partnering with TCS helped us reduce risks and accelerate the migration, meeting our stretch targets. Once we complete this program, AGL will be very well placed to deliver superior customer experiences and drive growth."*

*Owen Rapose*  
*Head of Cloud Technology, AGL*

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customer engagement using a leading health cloud solution, to improve customer experience and retention. TCS has also been selected as the Quality Assurance partner for enhanced overall quality and faster time to market.

- Selected by one of the largest pharmaceutical companies in the world as a strategic partner for their cloud acceleration journey. TCS will provide thought leadership and execution in customer experience transformation, cloud strategy and fit assessment, to accelerate enterprise business value creation by leveraging cloud native services.
- Selected by a North American bank holding company to enable its integration program of a recent merger. TCS will leverage its consulting capabilities support its card transformation, data analytics and digital channel for its digital online services for superior customer experience.
- Selected by a Japanese multinational pharmaceutical and biopharmaceutical company for its e-commerce platform modernization and cloud adoption journey. Through an Agile methodology, TCS will grow, scale, and transform the customer's e-commerce business with new and enhanced features, as well as performance improvements. This engagement will help expand the customer's product portfolio as well as provide a superior end-user experience leading to an increase in revenue generation and business growth.
- Selected by a Japanese financial services group to modernize its Human Resources function. TCS will leverage a leading cloud-based solution for the adoption of next generation HR practices for enhanced employee engagement, employee satisfaction and talent retention.
- Selected by a Nordics-based postal and logistics company for digital transformation of its IoT platform to enhance its core production operations. TCS is developing an agile, IoT-enabled cloud-based routes and scheduling solution that will help optimize delivery schedules for last mile delivery and pickup.
- Selected by a leading European automotive OEM, as a strategic partner in the end-to-end design and development of a next generation Electric Vehicle.
- Chosen by an American multinational medical technology company, for implementing Manufacturing Execution System (MES) across multiple sites. The benefits include compliance of regulatory requirements, process & cost optimization, and reduced order lead times.
- Selected as a long-term digital transformation partner by a global leader of swimming pool and wellness equipment, to enhance their IoT-enabled connected pools platform that helps to connect

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*"At AG, we've always prided ourselves in offering superior service to our customers and distribution partners. With customer expectations continuing to grow and evolve, along with the size of our organization, we needed an IT partner who had expert domain knowledge of the insurance sector and the flexibility to adapt to our unique needs. After an initial positive experience with successful delivery of projects such as [www.yongo.be](http://www.yongo.be), TCS is well positioned to become a strong long-term partner for day to day IT operations as well as IT transformation projects. We expect to leverage on TCS's global Innovation ecosystem and experience to increase efficiency and build differentiating experiences in the market we operate."*

*Philippe Van Belle,  
Business Operating Officer, AG*

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remotely and ensure that the pool is always ready when the customer needs it. This platform ensures convenience, optimal usage and sustainability for the pool owners and pool operators.

- Selected by a leading US-based engineering, procurement, and construction company to create long term efficiencies in their capital projects design and execution through Engineering Information Management and operations. This engagement will help improve its on-time delivery and business function efficiency by ensuring zero downtime in critical communications to on-field staff.
- Selected by a prominent healthcare chain in the US, to transform its revenue management operations. TCS will leverage its MFDM™ framework and Ignio™ to drive end to end process transformation and deliver predictability in operations to reduce claims disputes and proactively improve customer experience.
- Selected by a leading multinational consumer credit reporting agency to transform its IT infrastructure. TCS will utilize its MFDM™ framework to automate processes and deliver integrated real-time visual analytical dashboards to drive operational efficiency.
- Engaged by a French pharmaceutical company, to transform and manage its global IT landscape. This engagement will improve quality of services, operating efficiencies and agility. TCS will extend its MFDM™ model powered by ignio™ AIOps platform and develop the next-gen transformation roadmap for the customer.
- Chosen by a global metal products manufacturer to provide global infrastructure and application support, development, and enhancements for systems that are aligned with and integrated to its core E-Business Suite. TCS will consolidate multiple vendor services, deploy MFDM powered by ignio, and develop and deploy next gen digital transformation and AMS roadmap. This engagement will significantly reduce complexity and cost, drive returns and improve agility.

*"Volt's unique platform technology places it at the forefront of Australian banks and positions us well for incredible growth into the future.*

*"Operating in a highly regulated industry and the goal of becoming a market leader has led Volt to partner with exceptional global technology players like TCS whose commitment to continuing innovation will ensure Volt's banking platform remains cutting-edge."*

*Steve Weston*  
*Founder and CEO, Volt*



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- Engaged by a leading American coal producer to transform its business support landscape. This engagement will result in substantially improved productivity and better user experience by leveraging the MFDM framework in its Finance & Accounting, HR and Procurement functions.
- Engaged by an Australian banking and financial services provider for an enterprise-wide operating model transformation, while also developing the next-gen transformation roadmap for workload automation, batch consolidation and predictive capability. TCS is the trusted partner chosen for driving the Agile Program across suppliers and managing business side changes which will result in consistency, standardization, more efficient operations and ultimately better customer outcomes across its business.
- Chosen by a leading energy company based in the UK, as the partner for its test environment management services - to setup environment and data services. TCS positioned an innovative operating model and Smart QE platform as key enablers for achieving high degree of automation & productivity.
- Selected by one of the largest supermarket chains in the United Kingdom, to modernize its data and analytics technology landscape. TCS will leverage one of the leading hyperscaler cloud platforms to set up application management, data and cyber security services to improve customers' shopping experience, eliminate wasted effort and enable business agility.
- Chosen by a leading European investment bank and financial services company to modernize its data management and analytics programs covering data sourcing, transaction monitoring, anti-bribery and corruption, investigations toolkit and data retention. TCS will also simplify its business operations by modernizing its data estate, thereby enabling it to stay agile.
- Selected by a leading Nordic bank to improve agility and operational efficiency by replacing the existing master data management solution with an agile and modern solution. TCS will leverage its

*"BDB's digital transformation program is a key pillar of delivering on the Bank's vision to build BDB as a sustainable, industry leader and trusted partner for entrepreneurs in Bahrain, helping them to grow their businesses into successful and regionally competitive enterprises. With the full solution stack being implemented by TCS, BDB will be able to transform our clients' experience delivering new channels, and innovative products. With this visionary project Bahrain is once again leading the way in adopting full digital core banking on cloud, delivered using a SaaS model thereby assuring that the Bank is always at the cutting edge of technology."*

Sanjeev Paul  
Group CEO, Bahrain Development Bank

*"We were impressed by the start-up friendly aspect of Quartz and the solution's technical capability to help us launch to aggressive timeframes and support our vision of geographical expansion. The objective is to support numerous merchant venues and redefine how they deliver services, and in the process increase customer loyalty. The solution from Quartz provides a hybrid network that allows our customers to pre-order goods and services from merchants utilizing the rewards on the private blockchain network and manage the Zap tokens on the public network simultaneously."*

Elliot Hall  
Founder CEO & Chairman, Zapaygo



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DAEzMO™ framework to enable the client to access quality information across all its business functions and improve data-driven decision making.

- Selected by a leading Europe-based multinational engineering company as its strategic partner to enhance resilience in its business, and enable analytics for key processes across business functions including supply chain, logistics, asset maintenance, and demand forecasting, by implementing a future-ready cloud data platform.

## Research and Innovation

TCS Access Infinity platform, developed by the Accessibility Center of Excellence, won the **Zero Project's 2021 Award** for Innovations related to ICT. The platform allows publishers to generate real-time accessible content for persons with visual impairment or printing disabilities, enabling one-click conversion into multiple formats. It powers *Sugamya Pustakalaya*, an online accessible library that today hosts over 200,000 pages of university study material and over 450,000 titles in 17 languages.

As on December 31st, 2020, the company has applied for **5,634** patents, including **134** applied during the quarter, and has been granted **1,713** patents.

## Human Resources

TCS' consolidated headcount stood at **469,261** as of December 31, 2020, with a diverse workforce comprising **147** nationalities, and women constituting **36.4%** of the base.

TCS' investments in skilling and developing its workforce, and the use of innovative training methods, continue to deliver industry-leading outcomes. Over **366,000** employees have been trained on multiple new technologies, and over **444,000** have been trained on Agile methods.

The company's people culture, and world-leading HR practices have made it the global industry benchmark in talent retention. In Q3, its IT services attrition rate (LTM) was at **7.6%**.

*"While continuing to stay closely focused on employee engagement and morale, we are now gearing up for growth. Our sustained investment in organic talent development is now paying rich dividends, helping us support our business growth. We are also continuing along our journey to reimagine and transform the HR value chain, leveraging technology innovatively to digitize processes, virtualize interactions, and enhance responsiveness. These initiatives for entry-level hiring, training and onboarding were so successful, we are now rolling out similar models for mid-level hiring and incremental reskilling. All this has resulted in a superior employee experience, while materially driving up our throughput,"* said **Milind Lakkad, Chief Human Resources Officer**.

## Awards and Recognition

### Business Leadership:

- Ranked **number one** for customer satisfaction in Germany as well as in Switzerland in the country editions of Whitelane Research 2020 IT Sourcing Study, based on a survey of CXOs and senior IT executives from the top IT spending enterprises in these two countries.

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- Awarded the **Best Patents Portfolio** in the Large Enterprises (Information and Communications Technology and Services) category at the Confederation of Indian Industry (CII) Industrial Intellectual Property Awards 2020.
- Won the **CIO Magazine Innovation Award** jointly with Damen Shipyards, in the '**Most Innovative B2B Project or Program**' category, for Triton, Damen's connected vessel platform, designed and built by TCS.
- OmniStore™, part of TCS Algo Retail™ suite, was named the **Point of Sale Technology of the Year** at the Retail Systems Awards 2020.
- TCS Connected Clinical Trials solution, part of TCS ADD platform, won the 2020 Citeline Award in the category '**Best Patient-facing Technology Initiative**' for providing a positive experience to patients in clinical trials and driving efficiency.
- Named a **Superbrand** in the **US** and in the **UK**, on the strength of its brand reputation, business performance, industry-leading job creation, scale of employee training and development, and commitment to corporate social responsibility initiatives.
- Won the **Business Culture Award** in the category **Best Use of Innovation for Business Culture**, for building a culture of innovation that welcomes new ideas from across the organization, resulting in an industry-leading portfolio of intellectual property.
- Ranked at second place for the **Analyst Relations Team of The Year** award by the Institute of Industry Analyst Relations, based on their poll of over 100 top industry analysts.
- Listed among the **Top 10** in five categories – **Customer Favourite, Best AR Team, Biggest Improver, Analyst Advocacy Award** and **Overall Champion**, in a survey covering over 300 analysts globally, by The Analyst Observatory at the University of Edinburgh Business School. Notably, this is an unaided measure of analyst mindshare of the larger universe of software vendors, technology providers, hyperscalers, telecom companies and system integrators.
- Won the **Top Women Award for Corporate Citizenship** in South Africa, hosted by Standard Bank, in recognition of its role in advancing women to leadership roles.
- Recognized as a **Solution Plus Partner** by Intel's Winners' Circle Program, for contributions to the acceleration of #5G and virtual network transformation.



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## IFRS Financial Statements

**Consolidated Statements of Comprehensive Income**  
**For the three-month periods ended December 31, 2019, and December 31, 2020**  
(In millions of ₹, except per share data)

	Three-month period ended December 31, 2019	Three-month period ended December 31, 2020
<b>Revenue</b>	<b>398,540</b>	<b>420,150</b>
Cost of revenue	233,690	245,270
<b>Gross margin</b>	<b>164,850</b>	<b>174,880</b>
SG & A expenses	65,110	63,040
<b>Operating income</b>	<b>99,740</b>	<b>111,840</b>
Other income (expense), net	5,950	5,080
<b>Income before income taxes</b>	<b>105,690</b>	<b>116,920</b>
Income taxes	24,260	29,650
<b>Income after income taxes</b>	<b>81,430</b>	<b>87,270</b>
Non-controlling interests	250	260
<b>Net income</b>	<b>81,180</b>	<b>87,010</b>
<b>Earnings per share in ₹</b>	<b>21.63</b>	<b>23.19</b>

**Consolidated Statements of Financial Position**  
**As of March 31, 2020, and December 31, 2020**  
(In millions of ₹)

	As of March 31, 2020	As of December 31, 2020
<b>Assets</b>		
Property and equipment	119,380	119,810
Right-of-use Assets	79,940	76,980
Intangible assets and Goodwill	41,330	43,990
Accounts Receivable	306,060	299,670
Unbilled Revenues	105,440	93,920
Investments	263,560	503,440
Cash and Cash equivalents	86,460	72,160
Other current assets	148,950	154,940
Other non-current assets	79,010	77,060
<b>Total Assets</b>	<b>1,230,130</b>	<b>1,441,970</b>
<b>Liabilities and Shareholders' Equity</b>		
Shareholders' Funds	862,400	821,390
Other current liabilities	270,600	527,200
Other non-current liabilities	90,900	86,670
Non-controlling interests	6,230	6,710
<b>Total Liabilities</b>	<b>1,230,130</b>	<b>1,441,970</b>

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## Ind AS Financial Statements

Consolidated Statement of Profit and Loss  
For the Quarter ended December 31, 2019 and December 31, 2020  
(In ₹ crore, except per share data)

	Quarter ended December 31, 2019	Quarter ended December 31, 2020
<b>Revenue</b>	<b>39,854</b>	<b>42,015</b>
<b>Expenditure</b>		
a) Employee Costs	21,622	23,431
b) Cost of equipment and software licences	460	396
c) Other Operating expenses	6,901	5,980
d) Depreciation	897	1,024
<b>Total Expenditure</b>	<b>29,880</b>	<b>30,831</b>
<b>Profit Before Taxes &amp; Other Income</b>	<b>9,974</b>	<b>11,184</b>
Other income (expense), net	595	508
<b>Profit Before Taxes</b>	<b>10,569</b>	<b>11,692</b>
Provision For Taxes	2,426	2,965
<b>Profit After Taxes &amp; Before Non-controlling interest</b>	<b>8,143</b>	<b>8,727</b>
Non-controlling interests	25	26
<b>Net Profit</b>	<b>8,118</b>	<b>8,701</b>
<b>Earnings per share in ₹</b>	<b>21.63</b>	<b>23.19</b>

Consolidated Balance Sheet  
As at March 31, 2020 and December 31, 2020  
(In crores of ₹)

	As at March 31, 2020	As at December 31, 2020
<b>ASSETS</b>		
Property, plant and equipment	12,130	12,293
Right-of-use assets	7,994	7,698
Investments	26,356	50,344
Deferred tax assets (net)	2,828	3,332
Goodwill (on consolidation)	1,710	1,850
Cash and Bank Balance	9,666	11,075
Current Assets, Loans and Advances	54,431	50,444
Non-current assets, Loans and advances	5,784	5,040
<b>Total Assets</b>	<b>120,899</b>	<b>142,076</b>
<b>EQUITY AND LIABILITIES</b>		
Shareholders' Funds	84,126	80,018
Non-controlling interests	623	671
Deferred Tax Liabilities (net)	779	695
Current Liabilities and Provisions	27,060	52,720
Non-current liabilities and provisions	8,311	7,972
<b>Total Liabilities</b>	<b>120,899</b>	<b>142,076</b>



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

Tata Consultancy Services is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 50 years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions. This is delivered through its unique Location Independent Agile™ delivery model, recognized as a benchmark of excellence in software development.

A part of the Tata group, India's largest multinational business group, TCS has over 469,000 of the world's best-trained consultants in 46 countries. The company generated consolidated revenues of US \$22 billion in the fiscal year ended March 31, 2020, and is listed on the BSE (formerly Bombay Stock Exchange) and the NSE (National Stock Exchange) in India. TCS' proactive stance on climate change and award-winning work with communities across the world have earned it a place in leading sustainability indices such as the Dow Jones Sustainability Index (DJSI), MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, visit us at [www.tcs.com](http://www.tcs.com).

To stay up-to-date on TCS global news, follow @TCS\_News.

**For more information please contact:**

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###



TCS/BM/179/SE/2020-21

January 8, 2021

**National Stock Exchange of India Limited**  
**Exchange Plaza, Bandra Kurla Complex,**  
**Mumbai-400051**  
**Symbol: TCS**

**BSE Limited**  
**P. J. Towers, Dalal Street,**  
**Mumbai-400001**  
**Scrip Code No. 532540**

Dear Sirs,

**Sub: Financial Results for the quarter and nine months ended December 31, 2020**

The audited financial results of the Company and the audited consolidated financial results of the Company and its subsidiaries under Ind AS for the quarter and nine months ended December 31, 2020 have been approved and taken on record at a meeting of the Board of Directors of the Company held today at 3.30 p.m. and concluded at 5.50 p.m.

Thanking you,

Yours faithfully,  
For **Tata Consultancy Services Limited**

**Rajendra Moholkar**  
**Company Secretary**

**TATA CONSULTANCY SERVICES**

**Tata Consultancy Services Limited**

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Corporate Identification No. (CIN) : L22210MH1995PLC084781