



# Results for Quarter III FY 2010 - 11

# Disclaimer

Certain statements in this release concerning our future prospects are forward-looking statements. Forward-looking statements by their nature involve a number of risks and uncertainties that could cause actual results to differ materially from market expectations. These risks and uncertainties include, but are not limited to our ability to manage growth, intense competition among Indian and overseas IT services companies, various factors which may affect our cost advantage, such as wage increases or an appreciating Rupee, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which TCS has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. TCS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements.



# Financial Performance

# Indian GAAP Growth Summary

Consolidated Indian GAAP (₹ Crore)	Q3 FY11	Q2 FY11	Q3 FY10
<b>Total Income</b>	<b>9,663</b>	<b>9,286</b>	<b>7,649</b>
% Growth Q-o-Q	4.06%		
% Growth Y-o-Y	26.34%		
<b>PBIDT (before Other Income)</b>	<b>2,900</b>	<b>2,776</b>	<b>2,273</b>
% Growth Q-o-Q	4.47%		
% Growth Y-o-Y	27.59%		
<b>Profit After Tax</b>	<b>2,370</b>	<b>2,169</b>	<b>1,824</b>
% Growth Q-o-Q	9.29%		
% Growth Y-o-Y	29.94%		



# US GAAP Revenue Growth

Consolidated US GAAP (₹ Million)	Q3 FY11	Q2 FY11	Q3 FY10
<b>Total Revenue</b>	<b>96,634</b>	<b>92,864</b>	<b>76,503</b>
% Growth Q-o-Q	4.06%		
% Growth Y-o-Y	26.31%		
<b>Revenue from International Business</b>	<b>87,735</b>	<b>83,648</b>	<b>70,018</b>
% Growth Q-o-Q	4.89%		
% Growth Y-o-Y	25.30%		
<b>Revenue from Indian Business</b>	<b>8,899</b>	<b>9,216</b>	<b>6,485</b>
% Growth Q-o-Q	-3.44%		
% Growth Y-o-Y	37.22%		

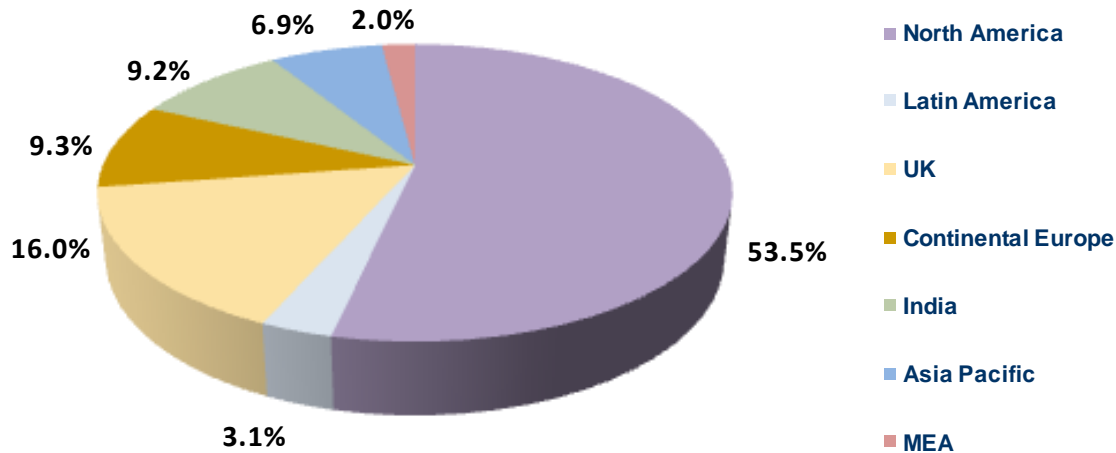
# US GAAP Growth Summary

Consolidated US GAAP (₹ Million)	Q3 FY11	Q2 FY11	Q3 FY10
<b>Gross Margin</b>	<b>44,090</b>	<b>42,133</b>	<b>35,544</b>
% Growth Q-o-Q	4.65%		
% Growth Y-o-Y	24.04%		
<b>EBIDTA</b>	<b>29,173</b>	<b>27,894</b>	<b>22,718</b>
% Growth Q-o-Q	4.58%		
% Growth Y-o-Y	28.42%		
<b>Operating Income</b>	<b>27,132</b>	<b>26,008</b>	<b>20,888</b>
% Growth Q-o-Q	4.32%		
% Growth Y-o-Y	29.90%		
<b>Net Income</b>	<b>23,302</b>	<b>21,065</b>	<b>17,975</b>
% Growth Q-o-Q	10.62%		
% Growth Y-o-Y	29.64%		



# Operational Performance

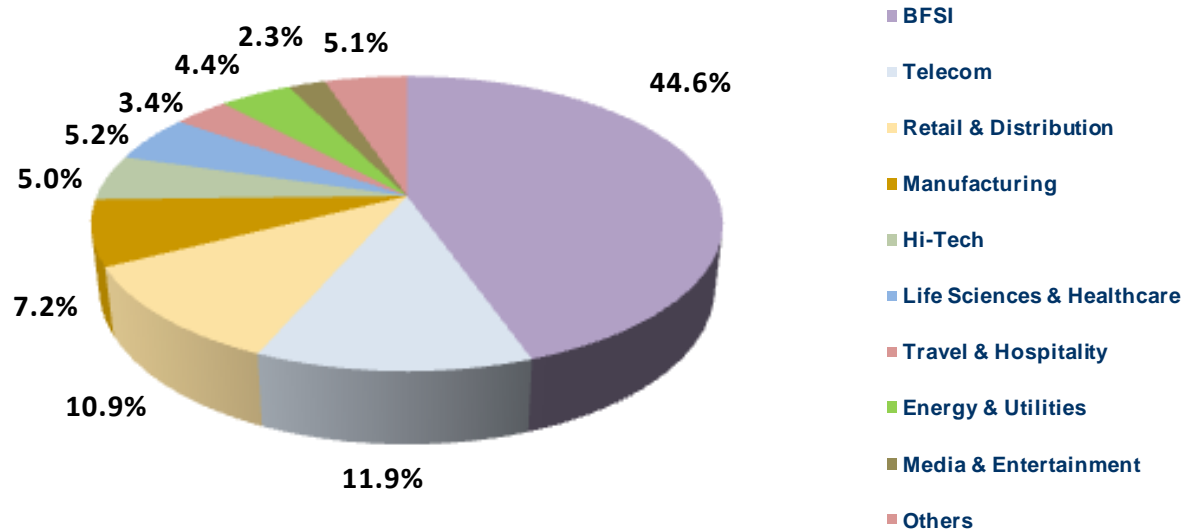
# Growth by Market



Geography (%)	Q3 FY11	Q2 FY11
<b>Americas</b>		
North America	53.5	53.7
Latin America	3.1	3.9
<b>Europe</b>		
UK	16.0	15.3
Continental Europe	9.3	9.1
<b>India</b>		
	9.2	9.9
<b>Asia Pacific</b>		
	6.9	6.2
<b>MEA</b>		
	2.0	1.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

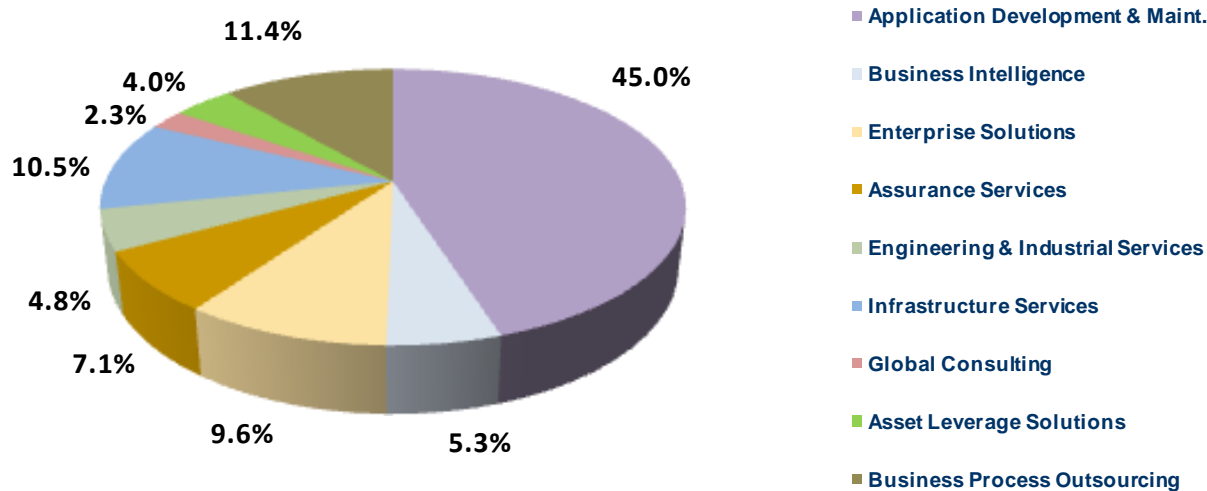


# Growth by Domain



IP Revenue (%)	Q3 FY11	Q2 FY11
BFSI	44.6	44.0
Telecom	11.9	12.8
Retail & Distribution	10.9	10.9
Manufacturing	7.2	7.4
Hi-Tech	5.0	4.6
Life Sciences & Healthcare	5.2	5.1
Travel & Hospitality	3.4	3.2
Energy & Utilities	4.4	4.3
Media & Entertainment	2.3	2.0
Others	5.1	5.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

# Growth by Service Line



SP Revenue (%)	Q3 FY11	Q2 FY11
<b>IT Solutions and Services</b>		
Application Development & Maint.	45.0	46.8
Business Intelligence	5.3	5.6
Enterprise Solutions	9.6	10.3
Assurance Services	7.1	6.6
<b>Engineering &amp; Industrial Services</b>		
Engineering & Industrial Services	4.8	4.9
<b>Infrastructure Services</b>		
Infrastructure Services	10.5	9.4
<b>Global Consulting</b>		
Global Consulting	2.3	2.1
<b>Asset Leverage Solutions</b>		
Asset Leverage Solutions	4.0	3.4
<b>Business Process Outsourcing</b>		
Business Process Outsourcing	11.4	10.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

# Client Parameters

	Q3 FY11	Q2 FY11
<b>Clients Contribution *</b>		
<b>Revenue %</b>		
Top 1	7.7	8.0
Top 5	21.9	22.1
Top 10	30.1	30.1
US\$ 1 mln Clients	434	420
US\$ 5 mln Clients	200	192
US\$ 10 mln Clients	139	131
US\$ 20 mln Clients	76	66
US\$ 50 mln Clients	25	25
US\$ 100 mln Clients	9	8

\* Last Twelve Months

# Operational Parameters

Revenue %	Q3 FY11	Q2 FY11
<b>Delivery Location*</b>		
Onsite	43.7	43.9
GDC/RDC	4.9	5.0
Offshore	51.4	51.1
<b>Contract Type</b>		
Time & Material	50.3	51.0
Fixed Price & Time	49.7	49.0

\* Excluding Domestic Clients

# Client Acquisition and Expansion

Particulars	Q3 FY11	Q2 FY11
Active Clients	959	936
New Clients	35	30
Revenue %from Repeat Business	97.6	98.3
Revenue %from New Business *	2.4	1.7

\* Reset at the beginning of Financial Year



# Key Wins

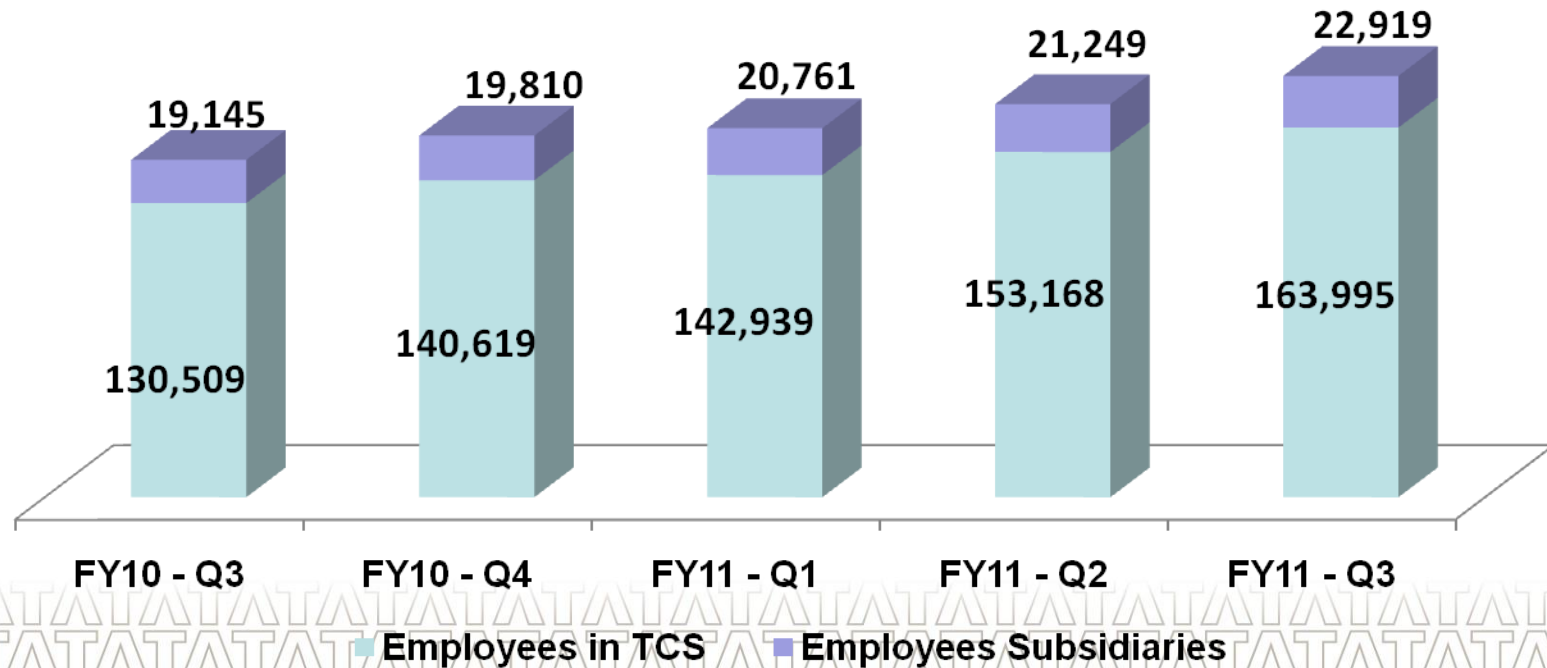
- TCS has been selected by a large global professional services firm for providing multi million, multi year ADM and Infrastructure Services.
- A leading pharmaceutical and healthcare company has selected TCS as a strategic partner in a multi million dollar, multi year deal for knowledge process outsourcing services in its Clinical Development area.
- TCS has signed a multi-year contract for providing application and infrastructure management services for a leading financial services firm in UK. TCS shall provide support in multiple geographies, thus helping its client in creating a 24X5 capability across different time zones.
- A global hospitality leader has signed a multi-year agreement to help accelerate and enhance its worldwide's technology strategy as part of the its Worldwide Innovation Collaborative.
- TCS has signed a multi-year multi-million agreement with a global Top 10 airline for the Application Maintenance & Support of its critical customer-centric applications.
- TCS partnered with a leading private sector bank in India to successfully launch it's online trading platform .TCS provided end to end services including consulting and implementation of its TCS BaNCS securities trading and securities processing solutions.
- A large integrated telecom service provider in Middle East has selected TCS as its long term managed services provider for IT operations including IT infrastructure and application areas in a multi year , multi million deal .
- TCS had been selected as the technology service provider by a Leading Bank in India to provide banking services in un-banked areas enabling its reach to cover 1000+ branches in its 5 Regional Rural Banks over the next 9 months.



# Human Resources

# Q3 (FY11) Total Employee Base: 186,914

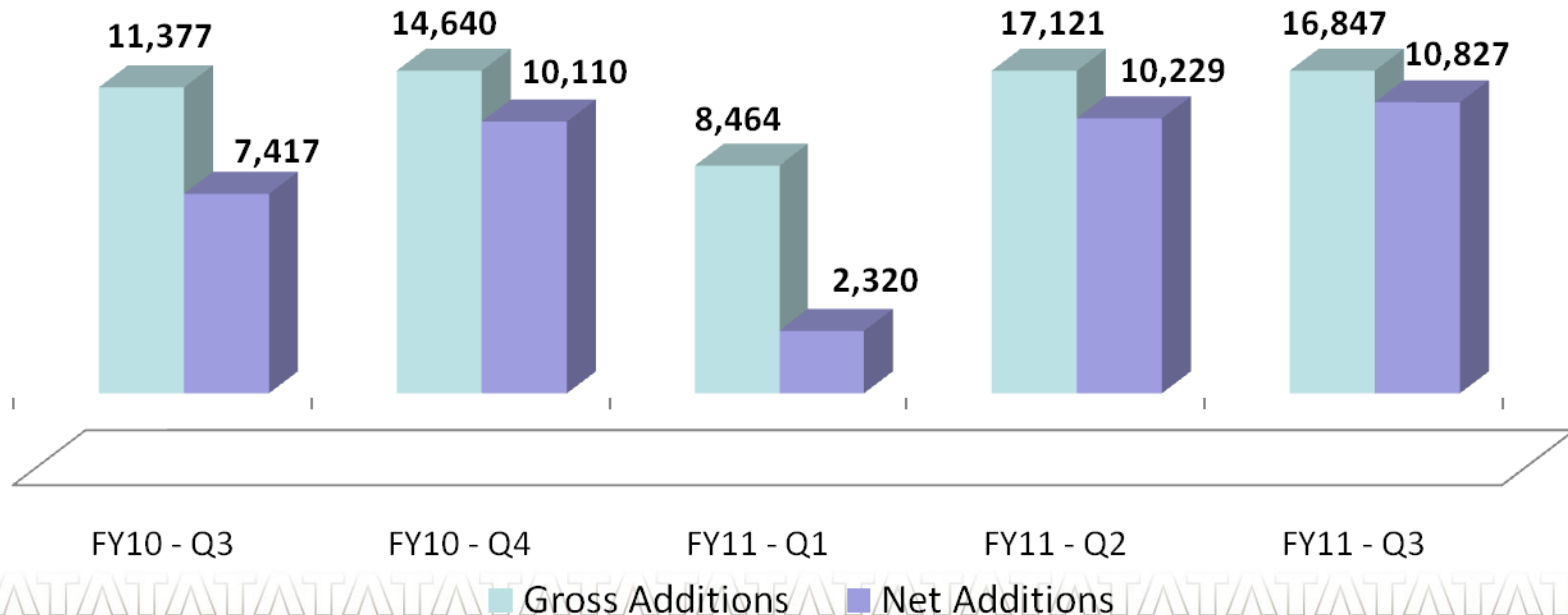
- TCS Employees : 163,995
  - Overseas branches & subsidiaries: 11,508
  - Global/Regional Delivery Centers : 4,547
- Subsidiaries\* : 22,919



\* CMC, WTI, TCS e-Serve, Diligenta & others are now shown under 'Subsidiaries'

# Q3 (FY11) Gross Additions 16,847 & Net Additions 10,827

- Additions:
  - 7,598 Trainees & 7,737 Laterals in India; 1,512 in Overseas Branches
- Attrition: 14.4% (LTM), including BPO
  - IT Services: 13.21% (LTM), BPO: 24.71% (LTM)
- Utilization Rate: 83.8% (excluding Trainees), 77.1% (including Trainees)

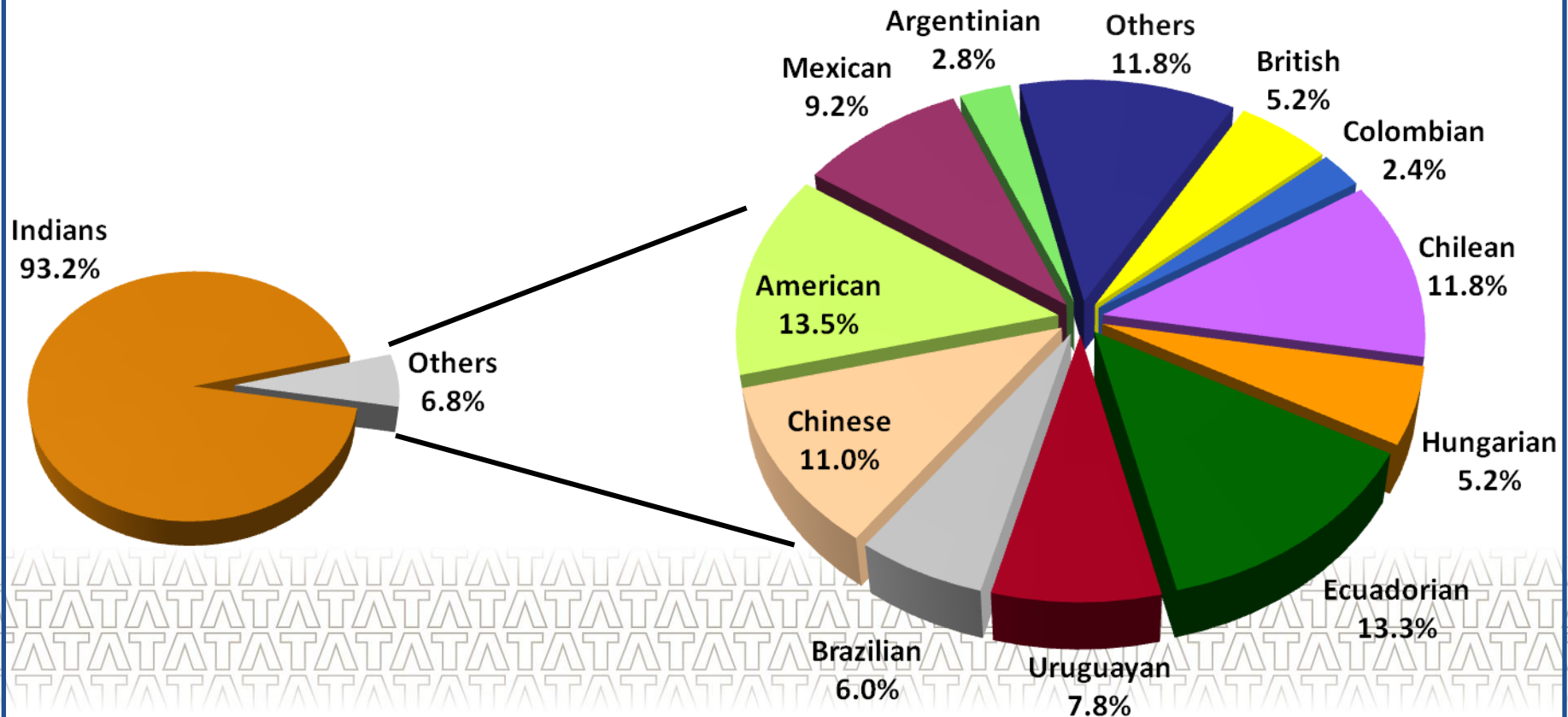


Q3 TCS Consolidated: Gross Additions : 20,219 & Net Additions : 12,497

# Diversity

- 30.5% of our workforce are women
- 61% of our associates have more than 3 years of work experience
- Associates from 90 nationalities

## Composition of International Workforce







# Annexure

# Indian GAAP Income Statement - Consolidated

Consolidated Indian GAAP	₹ Crore			% of Total Income		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
<b>INCOME</b>						
a) IT & Consultancy Services	9,331	8,900	7,445	96.57	95.84	97.34
b) Manufacturing, Sale of equipment and Licences	332	386	204	3.43	4.16	2.66
<b>Total Income</b>	<b>9,663</b>	<b>9,286</b>	<b>7,649</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>EXPENDITURE</b>						
a ) Salaries & Wages	3,552	3,411	2,712	36.76	36.73	35.46
b ) Overseas business expenditure	1,405	1,390	1,184	14.54	14.97	15.47
c) Other operating expenses	1,806	1,709	1,480	18.69	18.40	19.35
<b>Total Expenditure</b>	<b>6,763</b>	<b>6,510</b>	<b>5,376</b>	<b>69.99</b>	<b>70.10</b>	<b>70.28</b>
<b>Profit Before Interest, Depreciation, Taxes &amp; Other Income</b>	<b>2,900</b>	<b>2,776</b>	<b>2,273</b>	<b>30.01</b>	<b>29.90</b>	<b>29.72</b>
Interest	5	15	4	0.05	0.16	0.05
Depreciation	188	173	168	1.95	1.86	2.20
<b>Profit Before Taxes &amp; Other Income</b>	<b>2,707</b>	<b>2,588</b>	<b>2,101</b>	<b>28.01</b>	<b>27.88</b>	<b>27.47</b>
Other income (expense), net	194	71	66	2.01	0.76	0.86
<b>Profit Before Taxes</b>	<b>2,901</b>	<b>2,659</b>	<b>2,167</b>	<b>30.02</b>	<b>28.64</b>	<b>28.33</b>
Provision For Taxes	504	460	323	5.22	4.96	4.22
<b>Profit After Taxes From Operations</b>	<b>2,397</b>	<b>2,199</b>	<b>1,844</b>	<b>24.80</b>	<b>23.68</b>	<b>24.11</b>
Minority Interest	(27)	(30)	(20)	(0.28)	(0.32)	(0.26)
<b>Net Profit</b>	<b>2,370</b>	<b>2,169</b>	<b>1,824</b>	<b>24.52</b>	<b>23.36</b>	<b>23.85</b>

# Indian GAAP Balance Sheet - Consolidated

Consolidated Indian GAAP	₹ Crore		%	
	31-Dec-10	31-Mar-10	31-Dec-10	31-Mar-10
<b>Source of Funds</b>				
Shareholders' Funds	23,655	18,467	97.39	97.19
Minority Interest	427	362	1.75	1.90
Loan Funds	118	103	0.49	0.54
Deferred Tax Liability	90	68	0.37	0.37
<b>Total Liabilities</b>	<b>24,290</b>	<b>19,000</b>	<b>100.00</b>	<b>100.00</b>
<b>Application of Funds</b>				
Fixed Assets (net)	5,301	4,539	21.82	23.89
Goodwill	3,223	3,216	13.27	16.93
Deferred Tax Asset	123	168	0.51	0.88
Investments	1,972	3,682	8.12	19.38
<i>Cash and Bank Balance</i>	<i>6,466</i>	<i>4,719</i>	<i>26.62</i>	<i>24.83</i>
<i>Current Assets, Loans and Advances</i>	<i>13,602</i>	<i>11,070</i>	<i>56.00</i>	<i>58.26</i>
<i>Current Liabilities and Provisions</i>	<i>(6,397)</i>	<i>(8,394)</i>	<i>(26.34)</i>	<i>(44.17)</i>
Net Current Assets	13,671	7,395	56.28	38.92
<b>Total Assets</b>	<b>24,290</b>	<b>19,000</b>	<b>100.00</b>	<b>100.00</b>

# US GAAP Income Statement

Consolidated US GAAP	₹ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
<b>Revenue</b>	<b>96,634</b>	<b>92,864</b>	<b>76,503</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cost of revenue	52,544	50,731	40,959	54.37	54.63	53.54
<b>Gross margin</b>	<b>44,090</b>	<b>42,133</b>	<b>35,544</b>	<b>45.63</b>	<b>45.37</b>	<b>46.46</b>
SG & A expenses	16,958	16,125	14,656	17.55	17.36	19.16
<b>Operating income</b>	<b>27,132</b>	<b>26,008</b>	<b>20,888</b>	<b>28.08</b>	<b>28.01</b>	<b>27.30</b>
Other income (expense), net	1,817	337	569	1.88	0.36	0.74
<b>Income before income taxes</b>	<b>28,949</b>	<b>26,345</b>	<b>21,457</b>	<b>29.96</b>	<b>28.37</b>	<b>28.04</b>
Income taxes	5,385	4,992	3,241	5.57	5.38	4.24
<b>Income after income taxes</b>	<b>23,564</b>	<b>21,353</b>	<b>18,216</b>	<b>24.39</b>	<b>22.99</b>	<b>23.80</b>
Minority Interest	262	288	241	0.27	0.31	0.31
<b>Net Income</b>	<b>23,302</b>	<b>21,065</b>	<b>17,975</b>	<b>24.12</b>	<b>22.68</b>	<b>23.49</b>
	<b>INR</b>	<b>INR</b>	<b>INR</b>			
<b>Earnings Per Share in INR</b>	<b>11.91</b>	<b>10.76</b>	<b>9.18</b>			

# COR – SG&A Details

COR	₹ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
Employee Cost	43,225	42,182	33,705	44.73	45.42	44.06
Equipment & Software	2,978	3,383	1,822	3.08	3.64	2.38
Depreciation	1,358	1,283	1,118	1.41	1.39	1.46
Travel	834	914	723	0.86	0.98	0.94
Communication	1,106	946	737	1.14	1.02	0.96
Rent	1,413	794	1,436	1.46	0.86	1.88
Other Costs	1,630	1,229	1,418	1.69	1.32	1.85
<b>Cost of Revenue</b>	<b>52,544</b>	<b>50,731</b>	<b>40,959</b>	<b>54.37</b>	<b>54.63</b>	<b>53.54</b>

S G & A	₹ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
Employee Cost	10,561	10,216	8,976	10.93	11.00	11.73
Bad Debts & Prov for Doubtful Debts	(331)	(273)	184	(0.34)	(0.29)	0.24
Depreciation	683	603	711	0.71	0.64	0.93
Rent	851	544	533	0.88	0.59	0.70
Travel	769	611	584	0.80	0.66	0.76
Communication	349	335	346	0.36	0.36	0.45
Recruitment & Training	548	467	298	0.56	0.50	0.39
Professional Fees	466	436	468	0.48	0.47	0.61
Other Costs	2,814	2,942	2,468	2.91	3.17	3.23
Research and development	248	244	88	0.26	0.26	0.12
<b>S G &amp; A expenses</b>	<b>16,958</b>	<b>16,125</b>	<b>14,656</b>	<b>17.55</b>	<b>17.36</b>	<b>19.16</b>



# US GAAP Balance Sheet

Consolidated US GAAP	31-Dec-10		31-Mar-10	
	₹ Million	%	₹ Million	%
<b>Assets</b>				
Cash and Cash equivalents	14,797	4.75	10,249	3.71
Bank Deposits	32,925	10.56	36,525	13.22
Accounts Receivable	76,799	24.64	58,098	21.03
Unbilled Revenues	12,561	4.03	12,011	4.35
Other Current assets	30,910	9.92	21,267	7.70
Property & Equipment	48,184	15.46	41,706	15.10
Intangible assets and Goodwill	32,342	10.38	32,415	11.74
Investments	20,522	6.58	37,839	13.70
Other Non Current assets	42,627	13.68	26,103	9.45
<b>Total assets</b>	<b>311,667</b>	<b>100.00</b>	<b>276,213</b>	<b>100.00</b>
<b>Liabilities and Shareholders' Equity</b>				
Current liabilities	63,489	20.37	52,891	19.15
Short term borrowings	2,719	0.87	2,307	0.84
Redeemable Preference Shares	1,000	0.32	1,000	0.36
Long term debt	102	0.04	111	0.04
Other non-current liabilities	7,924	2.54	6,732	2.44
Minority Interest	4,368	1.40	3,768	1.36
Shareholders' Funds	232,065	74.46	209,404	75.81
<b>Total Liabilities</b>	<b>311,667</b>	<b>100.00</b>	<b>276,213</b>	<b>100.00</b>

# US GAAP Income Statement – In USD

Consolidated US GAAP	\$ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
<b>Revenue</b>	<b>2,144</b>	<b>2,004</b>	<b>1,635</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cost of revenue	1,166	1,095	875	54.37	54.63	53.54
<b>Gross margin</b>	<b>978</b>	<b>909</b>	<b>760</b>	<b>45.63</b>	<b>45.37</b>	<b>46.46</b>
SG & A expenses	376	348	313	17.55	17.36	19.16
<b>Operating income</b>	<b>602</b>	<b>561</b>	<b>447</b>	<b>28.08</b>	<b>28.01</b>	<b>27.30</b>
Other income (expense), net	40	8	12	1.88	0.36	0.74
<b>Income before income taxes</b>	<b>642</b>	<b>569</b>	<b>459</b>	<b>29.96</b>	<b>28.37</b>	<b>28.04</b>
Income taxes	119	108	70	5.57	5.38	4.29
<b>Income after income taxes</b>	<b>523</b>	<b>461</b>	<b>389</b>	<b>24.39</b>	<b>22.99</b>	<b>23.75</b>
Minority Interest	6	6	5	0.27	0.31	0.32
<b>Net Income</b>	<b>517</b>	<b>455</b>	<b>384</b>	<b>24.12</b>	<b>22.68</b>	<b>23.43</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>			
<b>Earnings Per Share in USD</b>	<b>0.26</b>	<b>0.23</b>	<b>0.20</b>			

# COR – SG&A Details – In USD

COR	\$ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
Employee Cost	959	910	720	44.73	45.42	44.06
Equipment & Software	66	73	39	3.08	3.64	2.38
Depreciation	30	28	24	1.41	1.39	1.47
Travel	19	20	15	0.86	0.98	0.94
Communication	25	20	16	1.14	1.02	0.96
Rent	31	17	31	1.46	0.86	1.88
Other Costs	36	27	30	1.69	1.32	1.85
<b>Cost of Revenue</b>	<b>1,166</b>	<b>1,095</b>	<b>875</b>	<b>54.37</b>	<b>54.63</b>	<b>53.54</b>

S G & A	\$ Million			% of Revenue		
	Q3 FY11	Q2 FY11	Q3 FY10	Q3 FY11	Q2 FY11	Q3 FY10
Employee Cost	234	220	192	10.93	11.00	11.73
Bad Debts & Prov for Doubtful Debts	(7)	(6)	4	(0.34)	(0.29)	0.24
Depreciation	15	13	15	0.71	0.64	0.93
Rent	19	12	11	0.88	0.59	0.70
Travel	17	13	13	0.80	0.66	0.76
Communication	8	7	7	0.36	0.36	0.45
Recruitment & Training	12	10	6	0.56	0.50	0.39
Professional Fees	11	9	10	0.49	0.47	0.61
Other Costs	62	64	53	2.91	3.17	3.23
Research and development	5	5	2	0.26	0.26	0.12
<b>S G &amp; A expenses</b>	<b>376</b>	<b>348</b>	<b>313</b>	<b>17.55</b>	<b>17.36</b>	<b>19.16</b>

# US GAAP Balance Sheet in USD

Consolidated US GAAP	31-Dec-10		31-Mar-10	
	\$ Million	%	\$ Million	%
<b>Assets</b>				
Cash and Cash equivalents	331	4.75	228	3.71
Bank Deposits	736	10.56	813	13.22
Accounts Receivable	1,718	24.64	1,293	21.03
Unbilled Revenues	281	4.03	267	4.35
Other Current assets	692	9.92	474	7.70
Property & Equipment	1,078	15.46	929	15.10
Intangible assets and Goodwill	723	10.38	722	11.74
Investments	459	6.58	842	13.70
Other Non Current assets	954	13.68	581	9.45
<b>Total assets</b>	<b>6,972</b>	<b>100.00</b>	<b>6,149</b>	<b>100.00</b>
<b>Liabilities and Shareholders' Equity</b>				
Current liabilities	1,420	20.37	1,178	19.15
Short term borrowings	61	0.87	51	0.83
Redeemable Preference Shares	22	0.32	22	0.36
Long term debt	2	0.03	3	0.04
Other non-current liabilities	178	2.55	150	2.44
Minority Interest	98	1.41	84	1.37
Shareholders' Funds	5,191	74.45	4,661	75.81
<b>Total Liabilities</b>	<b>6,972</b>	<b>100.00</b>	<b>6,149</b>	<b>100.00</b>

**Thank You!**