TATA CONSULTANCY SERVICES

TATA

Innovate, Adapt, Thrive

Integrated Annual Report
2022-23

About 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 55 years. Its consulting-led, cognitive powered, portfolio of business, technology and engineering services and solutions 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 614,000 of the world's best-trained consultants in 55 countries. The company generated consolidated revenues of US $27.9 billion in the fiscal year ended March 31, 2023, and is listed on the BSE and the NSE 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 MSCI Global Sustainability Index and the FTSE4Good Emerging Index. For more information, **visit** www.tcs.com

Innovate, Adapt, Thrive.

This year's theme reflects the agility that enterprises require to thrive in a fast-changing, uncertain world. For two years, enterprises battled for scarce talent to embrace the cloud and experiment with powerful technologies like AI and ML. They had just gotten started on their growth and transformation journeys when the war in Europe changed everything. With raging inflation and resultant interest rate hikes dampening global economic outlook, companies are now recalibrating their plans and adapting to the changed circumstances.

TCS, with its full services capability, helps clients thrive in good times and bad. It helped them move to the cloud, accelerate their innovation, adopt new business models and drive competitive differentiation. Now it is helping them adapt, transforming their operations and giving them the agility, resilience and efficiency needed to weather the storm. Its clients see it as their preferred all-weather partner, making its services an enterprise staple, and its business very resilient.

Recent Annual Report Themes

FY 2022

Innovating for Greater Futures

FY 2021

Building on Belief

FY 2020

Purpose-driven. Resilient. Adaptable

FY 2019

Growth and Transformation with Business 4.0™

FY 2018

Dawn of Business 4.0™

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Board of **Directors**

Non-Independent, Non Executive

N Chandrasekaran
Chairman
C C M N

Aarthi Subramanian
M N

Independent, Non Executive

O P Bhatt
C M M I

Dr Pradeep Kumar Khosla
C M I

Hanne Sorensen
M M I

Non-Independent, Executive

K Krithivasan
CEO & MD
M M M NE

N G Subramaniam
COO & ED
M M NE

Keki Mistry
C C M I

Don Callahan
M M I

I Independent, Non-Executive Director
NE Non-Independent, Executive Director
N Non-Independent, Non-Executive Director

Board Committees — C Chairman — M Member

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Executive Committee
- Risk Management Committee*

**Samir Seksaria (Chief Financial Officer) is also a member of the Committee*

Average Age (years): 56 — 63 — 72

Average Tenure on the Board (years): 0 — 07 — 16

Board Independence (%)

56% Independent — **44%** Non-Independent

Average Tenure of Independent Directors on the Board (years): 04 — 06 — 11

Management **Team**

Corporate

K Krithivasan
Chief Executive Officer
and Managing Director

N G Subramaniam
Chief Operating Officer
and Executive Director

Samir Seksaria
Chief Financial Officer

Milind Lakkad
Chief Human Resources Officer

Rajashree R
Chief Marketing Officer

K Ananth Krishnan
Chief Technology Officer

Madhav Anchan
General Counsel Legal

Pradeep Manohar Gaitonde
Company Secretary

Business Heads

Susheel Vasudevan
Relationship Incubation Group

Krishnan Ramanujam
Enterprise Growth Group

Debashis Ghosh
Business Transformation Group

Suresh Muthuswami
Chairman – TCS North America

Amit Bajaj
North America

Amit Kapur
UK & Ireland

Sapthagiri Chapalapalli
Europe

Letter from the Chairman

The global environment is going through considerable changes. At the same time, the world is navigating several important transitions: the Energy transition, the Supply Chain transition and the AI transition. Undoubtedly, these transitions will require significant investments in technology and innovation, and offer a huge growth opportunity for the IT industry.

Dear Shareholder,

I am pleased to share that your company has done well in a volatile global environment in the year gone by. In FY 2023, your company delivered revenue of **₹225,458 crore**, a growth of **17.6%.** This growth has come at an industry-leading operating margin of **24.1%.**

TCS continues to play a crucial role with clients to enable their business transformation, helping them accelerate new technology adoption and bring agility into execution. We work with large enterprises on transformation initiatives to build a digital foundation for the future, enable strategic leverage of data and artificial intelligence (AI) and reimagine customer and employee experiences.

Your company delivered healthy client metrics enabled by new customer additions and deep client relationships. In FY 2023, growth has come from broad-based performance across markets and industry verticals. The order book continues to be strong, indicating demand for your company's services. From a talent perspective, the employee strength grew to over 614,000 associates with 35.7% women associates.

The global environment is going through considerable changes. Geopolitical factors such as the conflict between Russia and Ukraine, rising inflation and volatile commodity prices have caused slowing down of global growth and created stress in the overall economic environment.

At the same time, the world is navigating several transitions. Undoubtedly, these transitions will require significant investments in technology and innovation, and offer a huge growth opportunity for the IT industry.

The global **energy transition** is accelerating. Businesses are making clear commitments towards a sustainable future. There are many innovations across products, services, manufacturing, and delivery. New business models are also emerging. This requires investments in technology and innovation including electric mobility, renewable power, hydrogen and sustainable fuel. In addition, sustainability compliance and reporting requirements are fast evolving as new standards and regulations are coming into play. Across the facets of this transition, investments in IT and digital technology will be an important enabler for businesses.

The **supply chain transition** resulting from the geo-political situation is altering the global supply chains. Companies are rebalancing their supply chains for resilience and efficiency. New global supply chain ecosystems are being created with India playing an important role. This is being led by significant capital investments in technology to set-up 'digital-first' manufacturing and supply chain operations as well as to build ecosystem integration with partners.

In the past decade, there has been a rapid evolution of digital technologies, bringing about a transformation across every industry. Now, the advancements in AI have made **AI transition** a central focus. The impact of AI and Machine learning is going to be profound. There is a transition already underway from predictive AI to generative AI. Majority of the businesses are still adopting predictive AI and are on the journey of capturing large volume of data, harnessing the power of cloud and IoT. There are varying levels of adoption in companies across sectors. Leveraging generative AI would further require technology innovation and investments.

There is another important area that companies need to focus on – building talent for the future. The energy, supply chain and AI transitions are going to require companies to reskill/upskill existing talent base, hire and integrate new talent and invest in research. Our technology strengths make us well-placed to respond to the global demand and scale up our talent base.

As the future of work is evolving, enterprises globally are also assessing their approach to talent. Today, companies can tap into talent anywhere and leaders need to learn how to harness the global talent pool effectively. Technology and tools are facilitating collaboration and enabling virtual and hybrid models of work. Harnessing this talent will need an approach that leverages technologies like AI and cloud to enable effective employee engagement and collaboration.

Your company is significantly investing in building AI capabilities which include products and platforms that are AI-powered. Over the last few years, your company has leveraged partnerships to design and orchestrate a completely indigenous software-defined 4G/5G network stack. 5G technologies along with IoT, edge and AI will enable new digital transformation opportunities across industries, both industrial and consumer. We will also invest in research areas important for the future, in collaboration with our global academic partners and start-up ecosystem.

I would like to thank Rajesh Gopinathan for his contribution during his tenure as CEO & MD and I wish him the very best for the future. I also take this opportunity to wish K Krithivasan the very best in his new role as CEO & MD of your company.

On behalf of the Board of Directors of Tata Consultancy Services, I want to thank you for your continued trust, confidence, and support.

Warm regards,
N Chandrasekaran
Chairman

Our full services capability enables us to help our clients thrive, in good times and bad. During the up-cycle, we help clients accelerate and expand their technology-led innovation to differentiate themselves and drive growth. On the down cycle, we help them adapt, using technology to drive the efficiency, agility and resilience needed to cope with a faltering economy, and prepare for better times ahead.

Letter to **Shareholders**[1]

Dear Stakeholder,
Demand for our services showed remarkable resilience even as other parts of the technology universe deflated, and macroeconomic uncertainties worsened in our major markets throughout FY 2023. Our revenue for the year was ₹**225,458 crore**, a growth of **17.6%** over the prior year (**13.7%** in constant currency).

This growth came with an industry leading operating margin of **24.1%**. Our Net Margin was at **18.7%**. The Earnings Per Share was at ₹**115.19**, a growth of **11.2%** over the prior year.

From an industry vertical perspective, growth in FY 2023 was led by Retail and Consumer Business, which grew **22.1%**, Life Sciences and Healthcare which grew **20.2%** and Communications, Media and Technology which grew **18.1%**. Banking, Financial Services and Insurance grew **14.6%** while Manufacturing grew **14.1%**. Others, which make up **8.2%** of revenues, grew **22.5%**.

By geographic markets, North America grew **24.2%**, UK grew **11.4%** and Continental Europe grew **9.2%**. Among emerging markets, Latin America grew **24.8%**, India grew **14.9%**, Middle East & Africa grew **12.5%** while Asia Pacific grew **7.1%**.

The Board has recommended a final dividend of ₹**24** per share, bringing the total dividend for the year to ₹**115** per share. For the full year, the company's shareholder payout was ₹**42,079 crore**, **108.2%** of the free cash flow during the year.

Innovate, Adapt, Thrive

Our performance this year reflects how much of an enterprise staple IT services have become. Our full services capability enables us to help our clients thrive, in good times and bad. During the up-cycle, we help clients accelerate and expand their technology-led innovation to differentiate themselves and drive growth. On the down cycle, we help them adapt, using technology to drive the efficiency, agility and resilience needed to cope with a faltering economy, and prepare for better times ahead.

Cloud transformation remained a high priority area for enterprises in FY 2023, with greater focus on execution. They engaged us to take up the modernization and migration of their bigger, more complex workloads. The breadth and depth of our cloud expertise, our scale, deep domain knowledge, strong partnership credentials with the hyperscalers and our portfolio of intellectual property on the cloud, give us a distinct competitive edge in this phase of the cloud adoption cycle.

We also helped clients cope with the challenge of managing cloud expenses. In some cases, it required rearchitecting their application stack to be more cloud native, capable of dynamically ramping up resource consumption during periods of high demand, and automatic ramping down at other times. Elsewhere, we offered our FinOps advisory and cloud managed services to rein in cloud costs.

The adoption of cloud technologies continues to drive innovation within enterprises. The availability of compute, data

[1] GRI 2-22

and networks at scale provides access to powerful technologies like advanced analytics and machine learning, applied to diverse areas like computer vision, text and speech processing, in domains like dynamic supply chain optimization, new molecule discovery in life sciences and usage-based pricing of insurance coverage.

Newer developments like generative AI, large language models, and quantum computing triggered more experimentation and innovation by our clients. Our investments in research and innovation across different industries, and our Pace innovation architecture have positioned us well to partner with them in these initiatives. Our Agile Innovation Cloud offering, where we create dedicated, location-independent innovation teams to help clients accelerate and scale up their innovation, gained further traction in FY 2023. 7 new clients signed up during the year, bringing the total to 30 clients.

Some of the emerging innovation themes that we helped customers with include ecosystem and multi-industry models underpinned by technologies like data marketplaces, API and blockchain, in industries like transportation and public sector; AI-powered autonomous robotics in the logistics industry, and new applications for digital twins in the BFSI, Telecom and Retail industries.

Within our growth and transformation (G&T) portfolio, business model innovation continued to be a key theme. For example, for a large Fortune 500 electric gas utility, we built the service delivery platform central to their new business model of providing warranty repair, refurbishment and replacement services of various home appliances to households.

Ingram Micro, one of the largest technology distributors in the US, engaged us as a partner to power their pivot into e-commerce and achieve their mission to transform from a traditional distributor to a platform company that does distribution. **Tapestry Inc**, a leading New York-based house of iconic accessories and lifestyle brands such as Coach, Kate Spade, & Stuart Weitzman, partnered with TCS to drive their omnichannel modernization and transform the customer journey experience.

Other G&T themes, such as M&A and sustainability continued to bring in high-profile deal wins and new strategic engagements for us in FY 2023. Elsewhere in this report, you can read about the work we did for **Philips Domestic Appliances** in its journey to be a standalone company, and how we helped **Eversource Energy** pursue its carbon neutrality aspirations.

Digital transformation, which began in the front office, towards enhancing customer experience, made further inroads within the enterprise during the year, unlocking tremendous value in the middle and back office. As critical technologies such as machine vision and conversational systems get better with the use of AI, our Machine First™ approach is helping clients use them innovatively in the back office, embedding them into reimagined processes to drive greater velocity, agility, throughput and resilience – which, among other things, also enhances customer experience.

Newer developments like generative AI, large language models, and quantum computing triggered more experimentation and innovation by our clients. Our investments in research and innovation across different industries, and our Pace innovation architecture have positioned us well to partner with them in these initiatives.

Applied at scale, across a broad set of business or IT operations, this can result in an entirely new operating model that significantly boosts our clients' competitiveness. As macroeconomic uncertainty increased in the second half of the year, we saw clients adapting by reprioritizing their spends and showing greater interest in such operating model transformations.

TCS Cognix™, our AI-driven human machine collaboration suite, has been a game changer, enabling faster transformations that deliver concrete business benefits within months. Its 600 pre-built configurable and reusable digital solutions enable plug and play transformation of a range of business and technology functions, horizontal and vertical. Nearly 300 of our clients have used it to transform their business and IT operations.

In traditional outsourcing deals, we saw more multi-services integrated deals. By consolidating multiple elements of the operation stack – processes, applications, and the underlying technology and infrastructure – with a single strategic partner, clients not only achieve greater accountability, but also reduce complexity and derisk their larger business transformations. The same rationale is driving more vendor consolidation initiatives that favor a few strategic partners with end-to-end service offerings, the right innovation capabilities and scale.

All these trends play to our strengths. Our scale, structure, and ability to bring together different capabilities into a seamless service delivery team, helped us win several large deals throughout the year.

Investing in People

The supplyside challenges of the last two years peaked in the first half of FY 2023, with employee churn reaching unprecedented levels. We broke out of the vicious cycle of hiring and counter-hiring within the industry by investing in onboarding an unprecedent number of fresh engineers – over **110,000** in FY 2022 and over **44,000** in FY 2023 – and training them on the technologies most in demand.

In FY 2023, we focused on utilizing the spare capacity built up in the prior year, and recalibrated our hiring especially as attrition started falling in the second half of the year. Our LTM attrition in IT services for the year was **20.1%**. Net addition in FY 2023 was **22,600**, and the closing headcount was **614,795**. Our workforce continued to be very diverse, with over 150 nationalities represented and with women making up 35.7% of the employee base.

Our investments in organic talent development continue to deliver exceptional outcomes. In FY 2023, TCSers logged **48.3 million** learning hours, and acquired nearly **6 million** competencies. Popular technologies witnessed unprecedented levels of interest from our employees. During the year, **53,000** TCSers acquired certification on hyperscaler cloud skills, bringing the total number to over **110,000**, making TCS one of the Top 2 partners to the largest cloud providers.

Caring for Communities

We continued to work with communities across the world, pursuing our long-standing commitment to programs in the areas of skills development, bridging of digital divides and STEM education. In FY 2023, we estimate that our community initiatives touched the lives of over **4.5 million** beneficiaries – women, youth and members of marginalized communities.

Our large programs in India around literacy, digital entrepreneurship and youth skilling continued to gain scale. Likewise, our STEM initiatives outside India. goIT is shaping the next generation of digital innovators in 42 countries, while Ignite my Future in School program has doubled its original goal, serving over **2 million** students and educators in five geographies worldwide since inception in 2017.

Our employee volunteer program called HOPE (Hours of Purpose by Employees) resulted in over **2.8 million** hours of volunteering effort towards promoting issues most relevant in their local communities, such as mental health, climate action, circularity, education, skilling, mentoring, and conservation.

On the environmental front, we continue to make good progress in our net zero journey. We have brought down our absolute carbon footprint across Scope 1 and Scope 2 emissions by **71%** over base year 2016, meeting our target two years ahead of time. This was despite increased electricity consumption in FY 2023 from employees' return to office. In addition to enterprise-wide initiatives for energy efficiency, we have also significantly increased our use of renewable energy. Renewable energy sources today make up **55%** of the total (7.25% in 2016).

So long, farewell

This year marks a key milestone in my journey with TCS, and an important transition point for the company, as I step down from my role as CEO and MD on 31st May 2023. It has been an absolute privilege and an unparalleled learning experience to lead our company in the last six years, a period of tremendous growth and transformation for us.

On a more personal note, I am grateful to Chandra, our Chairman, for his mentorship and backing over the years, to our Board members for their guidance, and to all our customers for the confidence they reposed in us. I take this opportunity to thank all my colleagues whose support and trust made my journey as CEO successful, satisfying and unforgettable. I also thank all my fellow TCSers whose energy, dedication and aspirations continue to power the organization's success.

I have had the pleasure of interacting with some of you in person over the last decade. Your feedback and insights helped me learn and shaped my worldview. Thank you for all your support and encouragement.

With enterprises relying on technology ever more to drive their competitive differentiation, technology intensity is rising and on a secular basis, the share of IT services within overall tech spending is also going up. I am confident that TCS' best years are ahead, and I look forward to watching the company's continued success from outside.

Best Regards,
Rajesh Gopinathan
Chief Executive Officer and Managing Director
(For FY 2022-23)

Letter from the **CEO**

Dear Shareholder,

I am truly humbled by this opportunity to lead this remarkable organization that I have been part of for 34 years. The culture, values and ethos of TCS and the Tata group have been an inspiration always. Your company has a very strong leadership team and a workforce that is highly motivated. It is my privilege to lead this talented team.

As part of the transition, I interacted with a number of our customers, leadership teams and employees. This has further enriched my understanding of the depth of our customer relationships, customers 'priorities and the opportunities ahead of us. I see a huge potential to create positive impact for our clients, our employees and for the broader community of stakeholders that we serve.

As part of their continuing digital transformation journey, we see sustained focus on cloud adoption, data architecture, customer experience and business model transformation. Through these initiatives, our customers intend to avoid technology obsolescence, become an intelligent enterprise, introduce new products and services, orchestrate ecosystems and provide immersive, hyper-personalized experiences. In addition, all our customers have also committed to ambitious net-zero carbon emission targets.

On top of these current focus areas, technologies like 5G, IoT, generative AI, virtual reality / metaverse, digital twin and others are also gaining attention and are likely to attract investments in the short to medium term.

As technology adoption will remain a key driver of business growth and transformation for our clients, we have been relentlessly focussed on our clients' needs and have been investing in building newer capabilities to help them accelerate technology adoption. Your company continues to focus on enhancing the talent base of its associates, building partnerships with key technology providers, expanding the innovation ecosystem and building its own products and platforms.

These business and technology trends drove a strong deal flow throughout FY 2023, peaking in the fourth quarter. We closed the year with an order book of $34.1 Bn. This along with the strong pipeline replenishment gives us a good visibility for the medium term.

I would like to take this opportunity to thank you for your continued support in this exciting journey ahead.

Best Regards,
K Krithivasan
Chief Executive Officer and Managing Director

The Year **Gone by**

Q4

After a stellar 22-year career at TCS and a successful stint as Managing Director and CEO from 2017 to 2023, **Rajesh Gopinathan** decided to step down from his role, and resign from TCS effective September 15, 2023, to pursue other interests. The Board nominated **K Krithivasan** to step into the role with effect from June 1, 2023.

Ranked the **number one IT service provide**r for **customer satisfaction in Europe** in an independent survey of over 1,800 CXOs by **Whitelane Research**. This is the tenth consecutive year that TCS has received the top ranking in this survey. Of the top 23 IT service providers ranked on customer satisfaction, TCS topped the list, scoring 83%, versus the group's average of 75%.

Announced an expansion of its long-standing partnership with **Phoenix Group**, UK's largest long-term savings and retirements provider, to digitally transform the latter's ReAssure business using the **TCS BaNCS™ based digital platform**, and to administer the insurer's 3 million policies. Consolidating on TCS' platform will help Phoenix Group drive synergies and enhance customer experience.

Named to the **Forbes** list of **America's Best Large Employers**, based on a large, independent survey of US employees. TCS was also recognized as a **Global Top Employer** for the eighth year in a row, and as Top Employer in **North America**, **Europe**, **Asia Pacific**, and **Latin America**.

Rated **Baa1** by **Moody's** credit rating agency, reflecting moderate credit risk for entities in the investment grade category. The company's good corporate governance practices, extremely strong balance sheet, large liquidity and net cash position were cited as key credit strengths supporting this rating.

TCS-sponsored marathons, such as the **TCS New York City Marathon**, **TCS Amsterdam Marathon**, **TCS Toronto Waterfront Marathon** and **TCS Lidingöloppet** returned to the streets, much to the delight of runners and spectators alike. The company also took on the **title sponsorship** of the **TCS London Marathon**.

Named to **FORTUNE® magazine's list of the World's Most Admired Companies**, regarded as a barometer of corporate reputation. Evaluation criteria include innovation, social responsibility, quality of management, global competitiveness, talent management, and quality of products/services.

FORTUNE

WORLD'S MOST ADMIRED COMPANIES™ 2023

Announced a **special dividend of ₹67 per share**, along with three interim dividends of **₹8** each. This, along with the final dividend of **₹24**, amounted to a total dividend of **₹115** per share. The **total shareholder payout** for the year was **₹42,079 crore.**

Selected as a strategic partner by **Bombardier**, a global leader in aviation, to drive its organization-wide IT and digital transformation to enhance its agility. TCS will modernize the aviation leader's legacy systems across multiple verticals, deploy and integrate new systems around the S/4 HANA ERP platform and transform the operating model using AI and ML.

TCS New York City Marathon

TCS Amsterdam Marathon

TCS Toronto Waterfront Marathon

TCS Lidingöloppet

Tata Group Chairperson and TCS Chairman, **N Chandrasekaran**, was bestowed with the **Eisenhower Global Leadership Award** for his contribution to commerce, by the non-profit, Business Council for International Understanding. Hans Vestberg, the Chairman and CEO of Verizon, presented N Chandrasekaran with the award and described him as **"one of the most purpose-driven and influential leaders of our time".**

Selected by **Sainsbury's**, a leading supermarket retailer in UK, as its transformation partner to modernize its infrastructure landscape using **TCS Enterprise Cloud™**. Additionally, TCS will provide end-to-end managed services for application support, information security, modern workplace services, and network connectivity. The new flexible and scalable digital core will help Sainsbury's provide better value to customers through innovation and lower cost to serve; drive growth with data-led, machine-first core operations; and meet its net zero goals.

Selected by AGL, Australia's largest energy provider, as the partner for the Retail Next Program, which lays the foundation for their strategic business transformation into a multi-service retailer. The program aims to create a new unified platform for CRM, product catalogue and process automation. TCS brings together cross-industry expertise like service bundling and retail customer analytics, in addition to deep knowledge of utilities which will help AGL enhance its speed to market, and transform consumer and agent experience.

Launched the **TCS Quantum Computing Lab** on AWS to help enterprises explore, develop, and test business solutions and accelerate the adoption of quantum computing, considered one of the most promising technologies of the decade. TCS will leverage the virtual research and development environment to design industry-leading solutions, build domain-centric performance benchmarks, and work with clients to co-create new use cases of quantum computing to tackle business challenges that defy the capabilities of conventional technologies.

Chosen by **Rail Delivery Group**, UK's leading rail industry membership body, for the creation of a Rail Data Marketplace. TCS will leverage the data syndication, monetization and marketplace features of its **DeXAM** platform on a leading hyperscaler platform to combine fragmented sources of rail data forming one digital service. This will optimize the sharing of data and real-time information to passengers and operational bodies, improve transparency and enable a UK-wide railway innovation ecosystem.

Enhanced its award-winning **Quartz™** solution to enable central and commercial banks to support the entire lifecycle of **Central Bank Digital Currency (CBDC)** issuance, book-keeping and transactions. With the enhanced solution, central banks will be able to manage the issuance and distribution of CBDCs while commercial banks can transact with other banks and payment services providers using CBDCs as well as offer their customers the ability to hold CBDC balances.

Partnered with **BT Group**, UK's leading provider of fixed and mobile telecommunications, for its Digital Unit to boost its modernization plans. TCS will manage and ramp down over 70% of Digital's legacy technology estate and boost its capacity to accelerate the build of its new strategic technology architecture, supporting the Group's growth.

Won the **2022 Microsoft Supplier of the Year** award in the large supplier category. TCS was recognized for consistently delivering new capabilities with automation solutions that help improve accuracy for Microsoft, while also increasing its speed to market. TCS was cited for its expertise across industries that enables Microsoft to better serve customers, showcasing what it means to focus on strategy, impact, agility, and modernization.

Delegates from The National Robotarium and TCS announce a major research partnership

Announced a major applied engineering and research partnership with The **National Robotarium**, the UK's largest and most advanced AI and robotics research center. The partnership will work on innovation, to support early-stage AI and robotics product development, entrepreneurship, job creation and building digital skills in the workforce.

Q2

Partnered with **C&S Wholesale Grocers, Inc.**, to build a new cloud-based operations platform to reduce the company's carbon footprint and enhance the customer experience. Using AI and machine learning, C&S's new operations platform will monitor traffic patterns and identify optimal distribution routes, thereby reducing food waste and achieving greater fuel efficiency.

Launched the **TCS Mobility Cloud Suite**, a rich toolbox of cloud-enabled software to help automotive manufacturers and suppliers innovate, adapt, and thrive. It includes ready-to-deploy automotive-specific digital frameworks, custom solutions, accelerators, and use cases that enable automakers and their solution providers to embrace digital technologies and new business models across the entire mobility value chain.

Boots, a leading UK health and beauty retailer, announced the launch of the new **INNOVATE** workspace, **powered by TCS Pace™**, at its headquarters in Nottingham, UK. INNOVATE aims to nurture a start-up culture within the organization and is designed to be an agile incubator, combining creative space with top talent and emerging technology, to drive innovation.

Launched its **ESG Integration Solution** on AWS to help financial institutions more easily and accurately measure the impact of environmental, social, and governance (ESG) factors in their investment analysis. With a cloud-native ESG data ingestion platform and proprietary ESG scoring model, the solution is integrated with AWS Data Exchange, and enables greater transparency and flexibility in measuring investment portfolios against ESG criteria and benchmarks.

Former CFO, **V Ramakrishnan ("Ramki")** passed away in July 2022. He served as the CFO of TCS from February 2017 until his retirement in April 2021. He was ranked Best CFO in the All-Asia Executive Team survey by Institutional Investors magazine. He was an accomplished professional known for his tremendous dedication and commitment, with an association of over four decades with TCS and the Tata Group.

Q1

Was the only Indian brand in the **Top 50** in the **2022 Kantar BrandZ** Top 100 Most Valuable Global Brands. TCS was also named among the **Top 10 fastest growing brands** with its brand value growing 61% YoY (as measured by Kantar). Later in the year, the company was ranked the **second most valuable IT services brand** (brand value up 2% to US$17.2 billion) by **Brand Finance**.

Ranked **#2** in CRN's **2022 Solution Provider 500** list that ranks the top system integrators, IT services providers and IT consultants by revenue in **North America**. In the UK, TCS retained its **#1 position** by revenue across the entire technology ecosystem including hyperscalers, software vendors and IT/ITe service providers in the **2022 TechMarketView UK Software and IT Services Supplier Rankings** report.

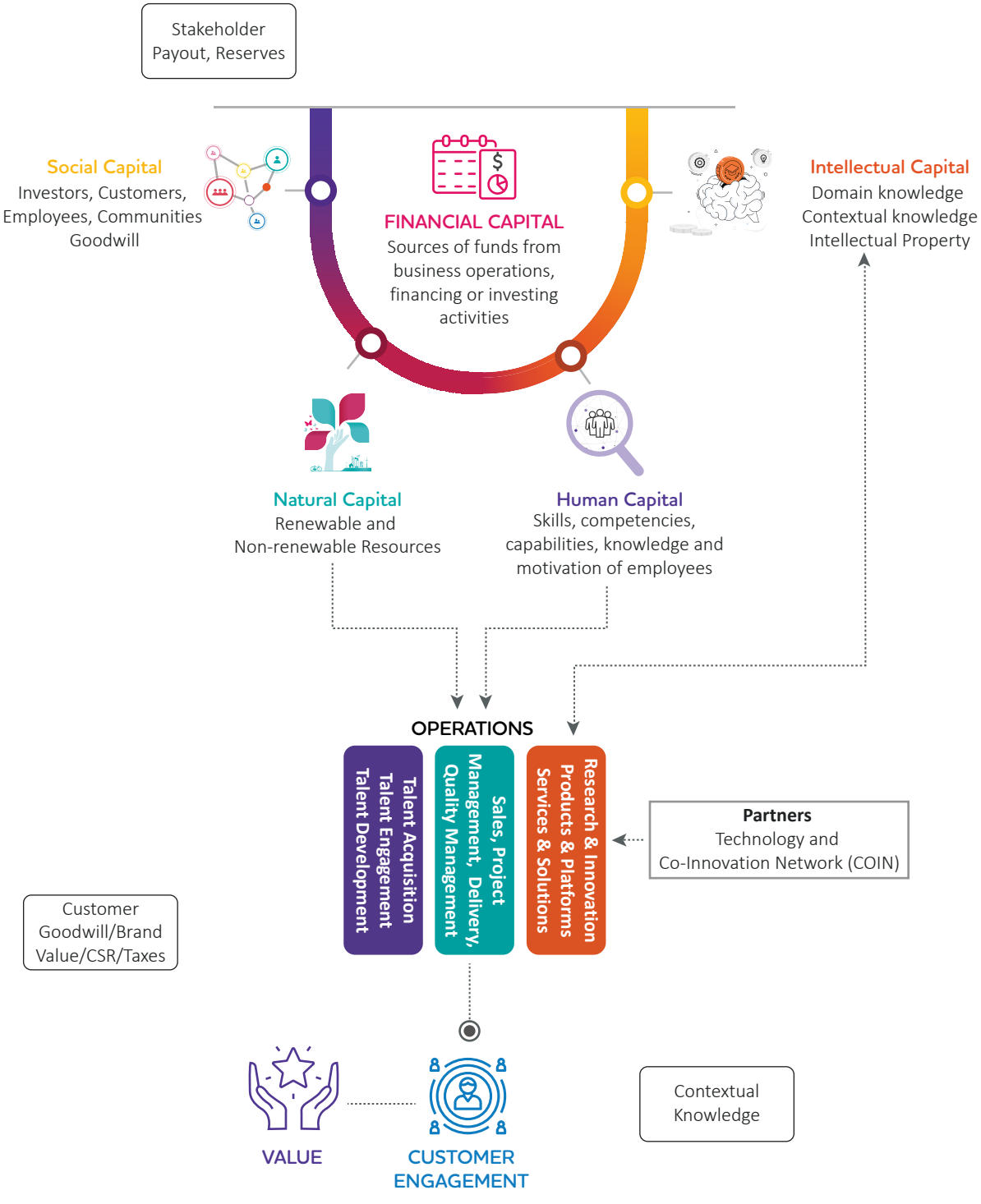
Launched **TCS Pace Port™ Pittsburgh**, its fourth global research and co-innovation hub after Tokyo, New York and Amsterdam. The latest facility, in the Carnegie Mellon University campus, specializes in innovation in the manufacturing and utilities sectors. Later in the year, TCS launched its fifth Pace Port in **Toronto**.

Selected by **The Kansas Department of Labor** to deploy a modern, secure, cloud-based platform for the state's unemployment insurance program, replacing its 70s-era mainframe system. Once deployed, the new system is expected to drastically improve the delivery of services to Kansas residents. The TCS-built platform is currently used by the state labor departments in Connecticut, Maine, Mississippi, Missouri, and Wyoming, and is under implementation at a couple of other states.

Named by **FinanceAsia** in its list of Asia's Best Companies 2022, as the **Best Managed Company in India**, as well as **Most Effective in Creating and Implementing D&I Policies** over the past 12 months. The list is based on their annual poll of investors and analysts in the region.

TCS Integrated Business Model

Value Creation using the Five Capitals

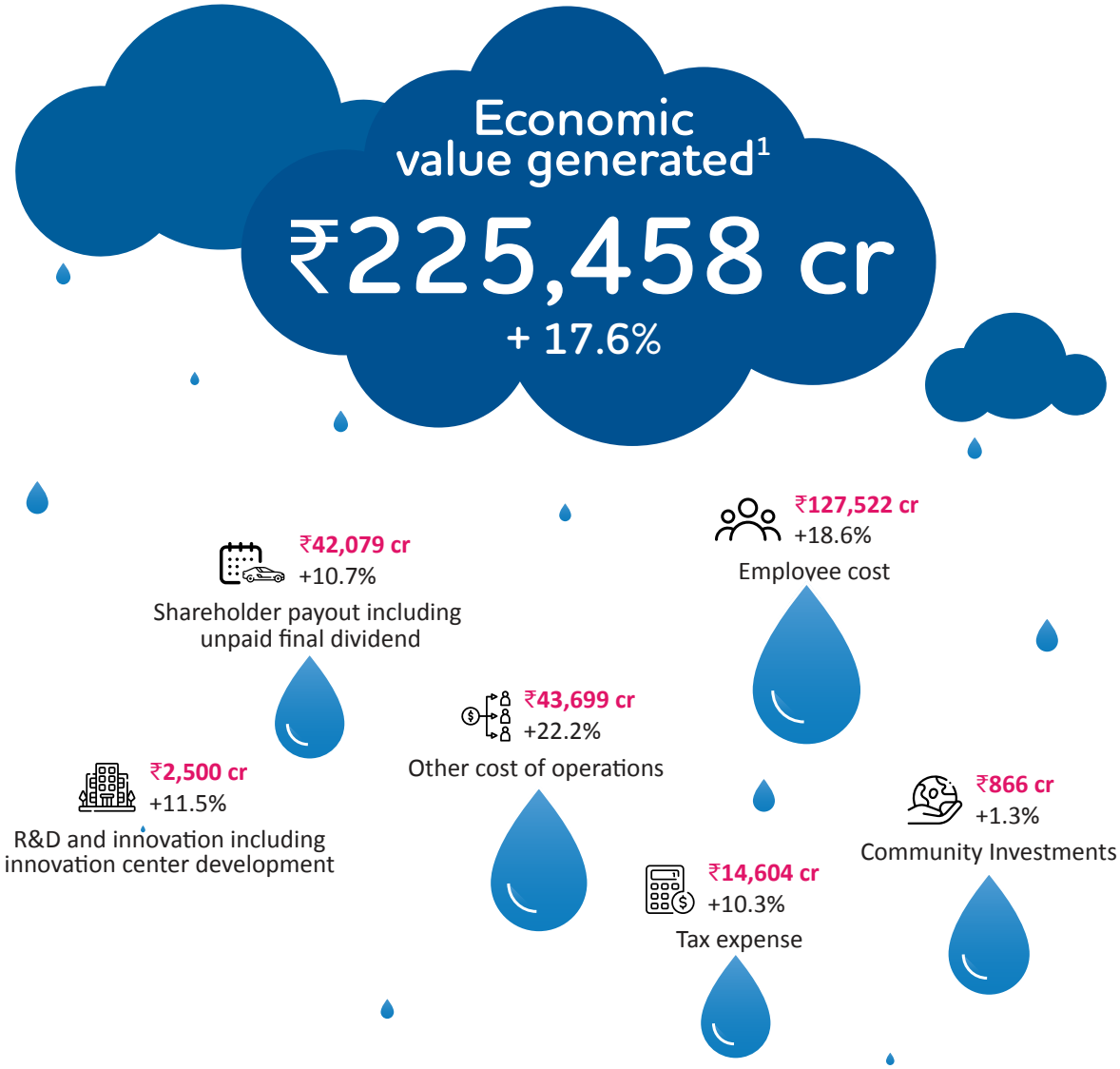


Financial **Capital**

TCS' longevity is testimony to the strength of our business model and our ability to reinvent ourselves in an ever-evolving technology landscape to stay relevant to our customers while remaining focused on creating value for all our stakeholders.

Outcomes

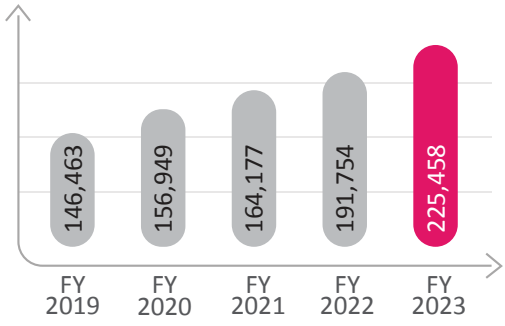
- Best in class profitability and strong balance sheet provide greater ability to invest in newer capabilities and to weather economic dowturns, macro uncertainties
- Consistently high shareholder returns enhances social capital



[1] GRI 201-1

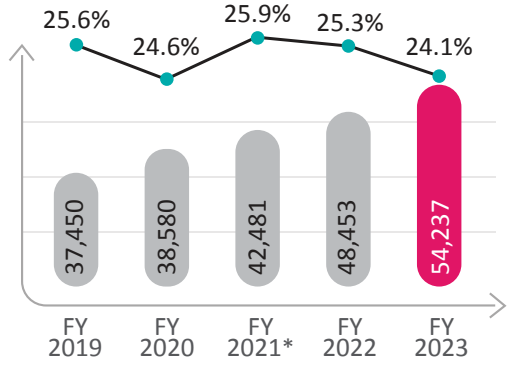
Revenue Trend

CAGR 12.9%



(₹ crore)

Operating Profit Trend

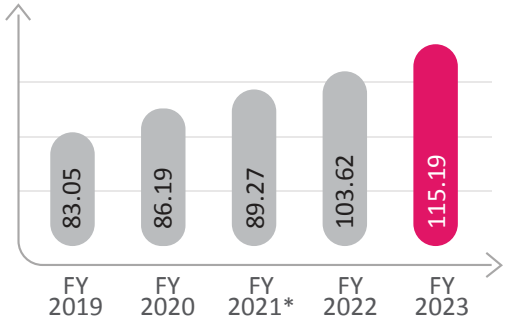


(₹ crore)

- Operating Profit
- Operating Margin

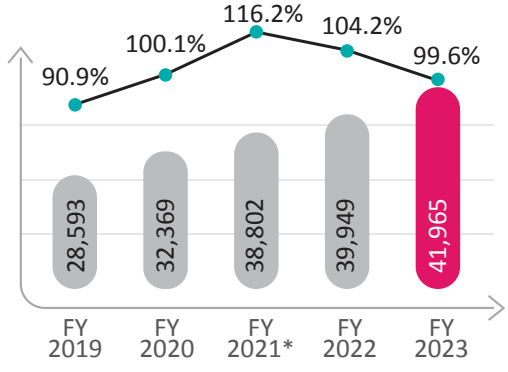
Earnings per share

CAGR 11.4%



(Amount in ₹)

OCF and Cash Conversion

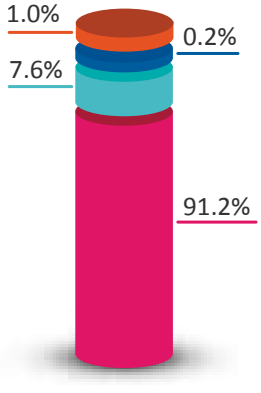


(₹ crore)

- Operating Cash Flow (OCF)
- OCF to Net Profit Ratio

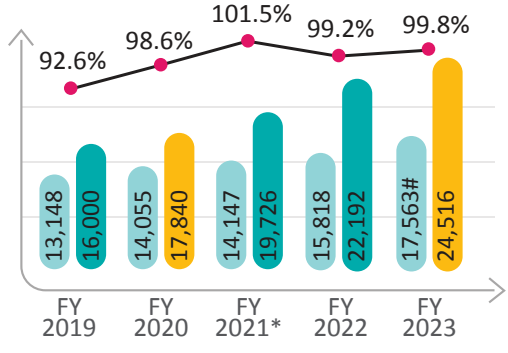
Cash Usage#

- Invested Funds
- Acquisitions etc
- Capex
- Shareholder Distribution



Cash usage for the period FY 2019 to FY 2023

Shareholder Payouts



- Dividend
- Special Dividend
- Buyback including tax
- Shareholder Payout ratio (Including special dividend and buyback, including tax)

includes proposed final dividend

(₹ crore)

*Excluding provision towards legal claim

Human **Capital**[1]

Best in Class Talent Management

614,795 Employees

Workforce
Globally distributed, highly localized

22,600 Employees

Net Addition
Recalibrated to falling attrition; highest ever gross addition of lateral hires

20.1% LTM attrition in IT services

Talent Retention
Best in class, despite unprecedented employee churn across the industry; expected to revert to normal range in FY 2024.

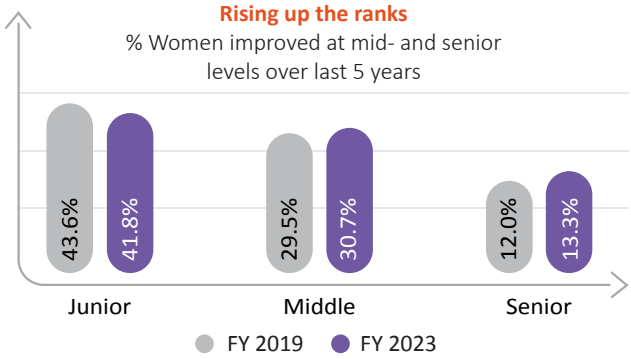
Talent Diversity and Inclusion

150 Nationalities

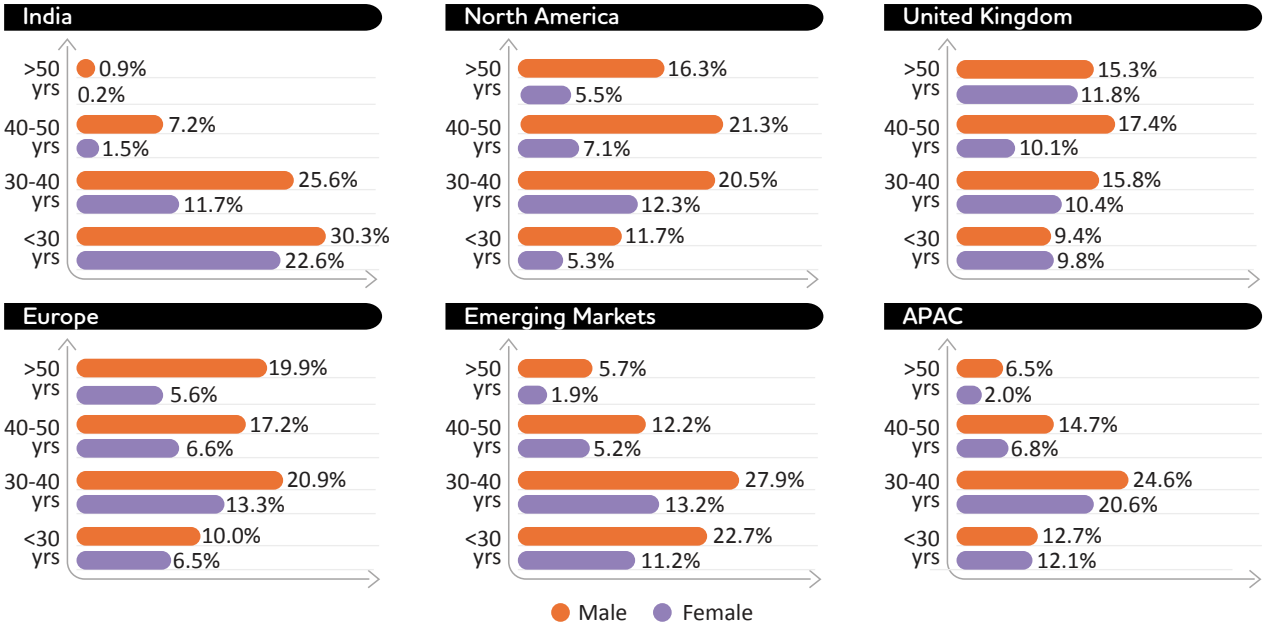
3 Generations
88% Millennials

~220,000+ Women
35.7% of workforce
60%+ Increase in senior women executives over last 5 years
794 Women patent holders

Rising up the ranks
% Women improved at mid- and senior levels over last 5 years



TCS Employees by Region, Age and Gender



[1] GRI 401-1, GRI 405-1

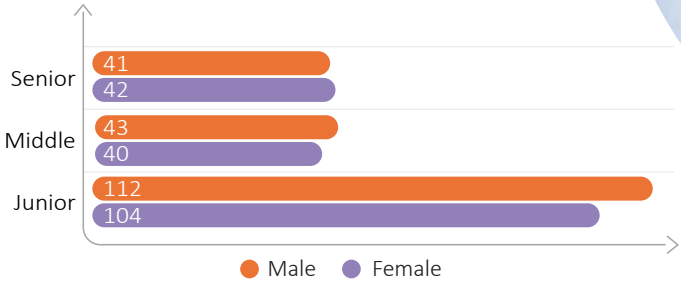
Talent Development

TCS takes a purpose-centric approach to learning and development that leverages horizontal collaboration and the abundance of internal expertise. Catering to millennial tastes, training is just-in-time, just-for-me and just-enough.

6 million
Competencies acquired

194,000
Employees deep skilled

Average Learning Hours per employee[2] **82.4 hrs**



TCS Elevate
407K employees pursued learning linked to career growth

22,000
Employees identified as high talent, with higher pay

500,000 employees trained in digital technologies; **7.5** competencies per employee on average

Contextual Masters
64,000 CMs, +28% YoY
26% Women

Cloud Certification
53K certified on hyperscaler cloud technologies in FY 2023; **110K** in all

Mid-level Training
90% participation;
60% certified on market relevant technologies

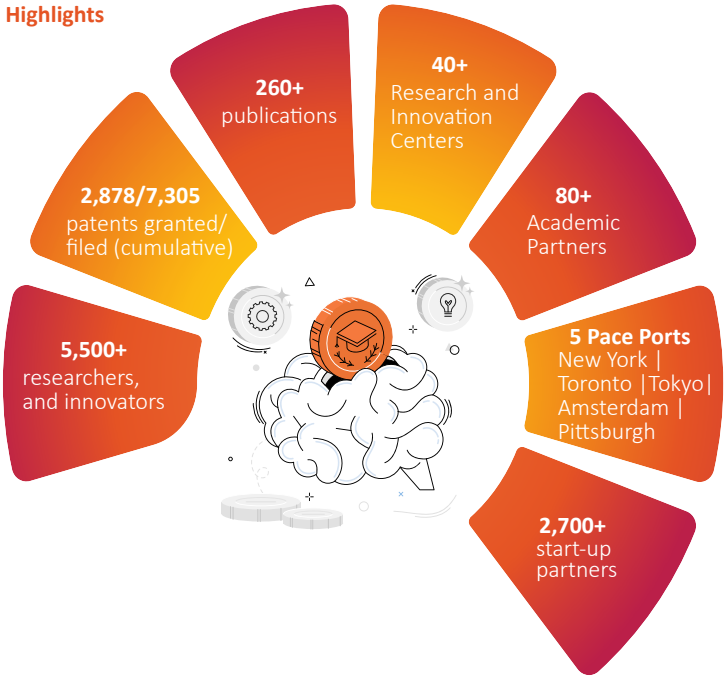
[2] GRI 404-1

Intellectual Capital

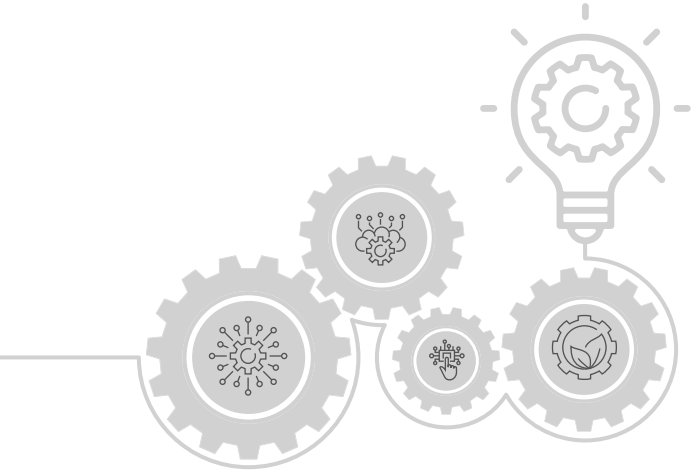
The company channelizes its research and innovation efforts and outcomes towards building better futures through two external facing brands:

- **TCS Research** produces foundational inventions that impact industry and society.
- **TCS Pace™** brings the best of TCS' intellectual content, innovation assets, capabilities, and practices to clients.

Highlights



Focus Areas of TCS' R&I:



Purposeful AI | **Computing Futures** | **Digital Sciences** | **Sustainability**

Physical Sciences

- Meta Materials for Communications
- New Materials Formulation
- Li-ion Batteries
- Catalysis
- Effluent Treatment

Behavioural and Business Sciences

- Emotional Wellbeing for Enterprise
- Consumer Behavior in Retail
- Gamified Engagement and Learning
- Understanding Personae in Connected Homes

Life Sciences

- Generative Design in:
  - Drug (including vaccines and proteins) design and synthesis
  - Molecules, Formulations and Manufacturing Processes

Computing / Data Sciences

- High Performance Computing and AI
- Multicloud deployments
- Cyber Cloud- Data Residency, Compliance, Security- Resilience on Cloud
- Low Energy Hardware, Low Energy High Performance Computing
- Edge Hardware for Compute and Communication
- Quantum Communications
- Robo Logistics
- Learning Aided Adaptive Software
- Digital Transformation for Applications
- AI in Software Development Lifecycle and Data Analytics
- AI for Cybersecurity
- Privacy preserving Service Operations, Privacy preserving Biometrics, Trustworthy AI
- Remote Sensing Spacetech for Sustainability and Infrastructure
- Energy Internet and Carbon Market
- Sustainability in Manufacturing, Carbon Capture, NetZero Transition and Renewables

Products and Platforms

tcs BaNCS™

- 10 new wins and 15 go-lives in FY 2023
- Highlights:
  - Services more than 35% of the world's banking population
- 8 out of top 10 custodian and asset management firms run on TCS BaNCS
  - More than 100 million transactions run on TCS BaNCS Cloud daily
  - Records 10 million new trades per day (peak) across 100+ countries
  - Offers ready market connectivity to 45+ local markets for settlements
  - Services over 30 million life, annuity and pension policies and 135 million property and casualty policies across the globe

ignio

- World leading cognitive automation software for IT and business operations
- 18,832 ignio trained professionals, 8,664 ignio certified professionals till date
- 186+ deals closed, 27 new customers went live in FY 2023

tcs iON

- 450+ new wins in FY 2023
- 62 million candidates assessed
- 70+ new learning programs launched
- 16 patents filed in FY 2023; 23 granted
- Over 1,900 corporates now use TCS NQT for fresher hiring

ADD™

- Comprehensive suite for digital transformation of drug development and clinical trials
- 700+ clinical trials supported by TCS ADD Platforms till date.
- 2 new wins and 4 go-lives in FY 2023

tcs HOBS™

- Plug and play SaaS based business platform to digitally transform business, network and revenue management domains of subscription-based businesses
- 5 new wins and 6 go-lives in FY 2023

tcs Optumera™

- AI and ML powered merchandise optimization platform that enables retailers to optimize their space, mix and price in an integrated manner
- 2 new wins and 4 go-lives in FY 2023

tcs TwinX™

- AI powered enterprise digital twin covering customer, product and process to help business leaders simulate and optimize enterprise decisions, predict and proactively manage outcomes
- Helps businesses achieve:
  - Upto 10-15% increase in revenue
  - Reduced revenue leakage
  - Upto 2X faster time to market
  - Upto 15% reduction in cycle time
  - Enhanced customer experience
  - Minimized waste
- 10 new wins and 7 go-lives in FY 2023

tcs OmniStore™

- AI powered unified commerce platform to orchestrate unified omnichannel customer journeys and help businesses roll out new services and apps quickly without worrying about channel constraints. It can serve diverse lines of business – general merchandise, discount, specialty, fashion, restaurant, post office, telecom, and travel and hospitality industries
- 8 go-lives in FY 2023

tcs MasterCraft™

- Digital platform to optimally automate and manage IT processes. FY 2023 highlights:
- Processed 325 billion records for data privacy and 15 billion records for data quality
  - Automated generation of 60+ million lines of Java and JavaScript code, with over 50% productivity gains
  - Analyzed 600 million lines of legacy code, delivering a productivity improvement of 20-30%
- 111 new wins in FY 2023

jile

- SaaS-based, scalable Agile DevOps platform to accelerate software development and delivery and integrate DevOps tools
- 23 new wins and 6 go-lives in FY 2023

QUARTZ

- Intelligent smart contract development toolkits, Integration solutions and 'Designed for DLT' business solutions that provides foundational technology, tools and business components for creating distributed ledger solutions across varied industries
- 5 new wins and 6 go-lives in FY 2023

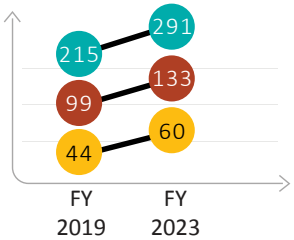
Social **Capital**

TCS' business model and strategy have resulted in deep and enduring customer relationships, a vibrant and engaged workforce, a steady expansion of its addressable market, a strong reputation as a responsible corporate citizen and a proven track record in delivering longer term stakeholder value. All of this has significantly enhanced the company's brand value, which is a quantifiable measure of its social capital with stakeholders.

Customers

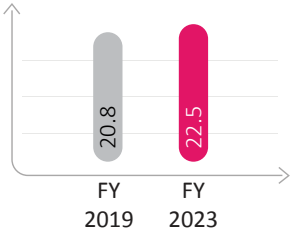
Customer-centricity is at the core of TCS' business strategy. It seeks to deliver superior outcomes, and build strong, enduring relationships. By proactively investing in building newer capabilities, and launching new services and solutions with which to add value in newer parts of the client's business, TCS continually expands and deepens its client relationships.

Large Client Metrics



● US$ 20Mn+ ● US$ 50Mn+
● US$ 100Mn+

Rev per US$ 1 Million+ Client ($ Mn)



Growth 8.2%

Outcomes

- Expanding participation across broad range of stakeholders across the enterprise including business heads, CMOs, CROs, COOs, CFOs and even CEOs
- Continual expansion of customer relationships in terms of services consumed
- Highly satisfied customers

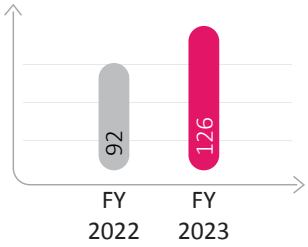
Investors

TCS is seen as a benchmark in its outreach to investors, its transparency and disclosures, and communication of its longer-term strategy. For the last many years, its Investor Relations program has been winning awards based on surveys of investors and analysts across Asia.

Analyst Relations

TCS has a robust engagement program with research firms and industry analysts. Briefing industry analysts and participating in competitive assessments ensures visibility with prospective clients who use such reports to evaluate vendors.

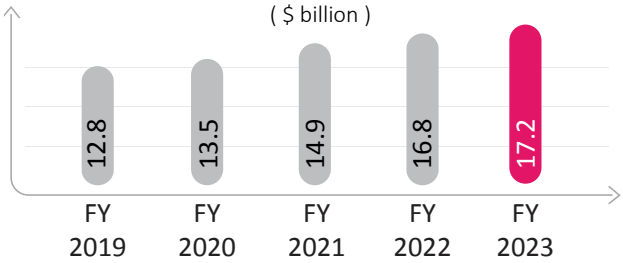
Assessment in which TCS was ranked a Leader by Research Firms



Branding

The strength of its customer relationships, reputation as a good employer, and the goodwill it enjoys with investors, local communities, academia and other stakeholders have helped build up the TCS brand. The brand has been strengthened by its tagline `Building on Belief', marketing campaigns and sponsored events. TCS is among the Top 2 brands in IT services by brand value according to Brand Finance.

TCS Brand Valuation



Source: Brand Finance

* includes multiple investors in group meetings

Community[1]

Education

Ignite My Future

Global Impact
Over **293K** students

goIT
Global Impact
Over **41K** students

Literacy

Literacy as a Service

Global Impact

Over **1.1 Mn** learners

Entrepreneurship

BridgeIT

347 active entrepreneurs in FY 2023

Providing valuable digital services to rural India

Youth employment program

31K Marginalized Youth trained

57% Women

Health & Wellness

Tata Medical Center, Kolkata and Cancer Institute, Chennai

Over **117,600** new patient consultations

Business with purpose

Engaged over **433** customers, creating **186** purpose partnerships

Our **CSR programs on Education, Employment and Entrepreneurship** ensured the inclusion of marginalized talent through social transformation

2.3x
Enhancement in income for women who complete YEP and get employment in comparison to a female employee in a rural areas

2.5x
Higher earnings for women BridgeIT participants compared to other self-employed in rural India

88%
Students who completed goIT demonstrated understanding of how technology can be used to improve their community

81%
LaaS Program participants encouraged their own children especially girls to go to schools

- ₹866 crore CSR Spend
- 4.5 million beneficiaries
- 150K+ volunteers
  2.8 million hours
- 7 major partnerships for program implementation at scale

[1] GRI 413-1

Natural **Capital**

TCS combines its strong sense of purpose with digital expertise and innovation to drive not only its own sustainability journey, but also that of its customers. The company's environmental stewardship rests on four pillars: carbon footprint mitigation, water conservation and recycling, waste reduction and recycling, and preserving biodiversity.

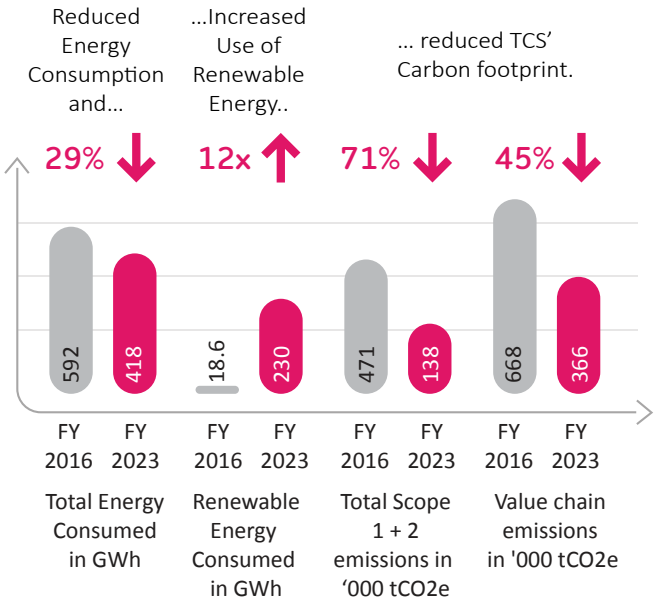
Energy Management and GHG Emissions Reduction [1]

Target: 70% reduction of Scope 1 + 2 emissions by 2025 (vs base year 2016) and Net Zero by 2030

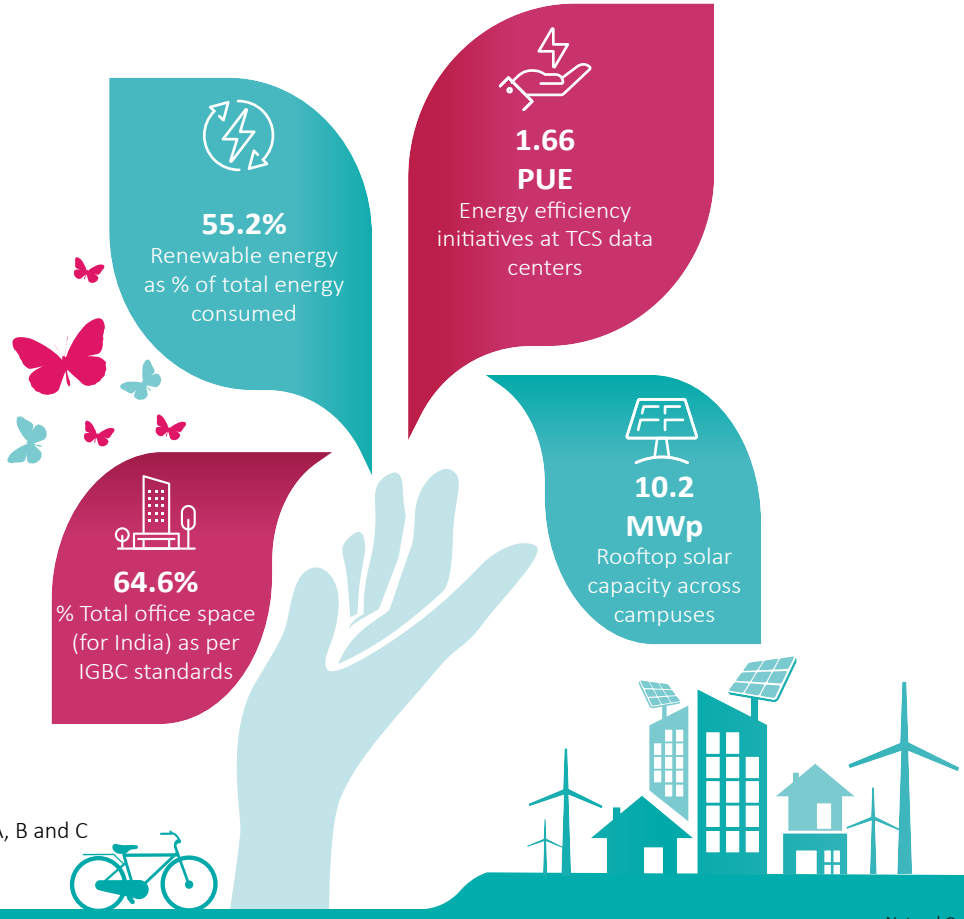
Initiatives:

- 85% of emissions across Scope 1 and Scope 2 due to purchased electricity for office blocks.
- Prioritized energy optimization and greater use of renewable energy.
- Use of Clever Energy to optimize energy consumption, green buildings, green IT.

Outcomes



Achievements



[1] TCFD Metrics and Targets A, B and C

Water Conservation

Target: 3% YoY reduction in freshwater consumption across owned campuses

Initiatives include conservation, sewage treatment and reuse, rainwater harvesting (RWH) and employee awareness. All new campuses have been designed for 50% higher water efficiency, 100% treatment and recycling of sewage, and rainwater harvesting.

Waste Reduction & Reuse

Target: Reduction in waste generation, maximizing recycling/ reuse to divert waste sent to landfill

100%
Recycling of regulated wastes, e-waste, printer cartridges, paper, packaging and plastics

88.4%
Food wastes recycled in biodigesters and organic waste converters on campuses

Biodiversity

Conservation and enhancement initiatives within TCS campuses.

TCS believes in preserving and enriching the biodiversity within its campuses. Various initiatives have helped support

- 593 species of flora
- 187 species of fauna
- 39,000 well grown trees.

2.29 Bn
Liters of fresh water consumed in FY 2023

2.5%
Water from RWH; 90 % from third party sources; 7.6% from ground water

88%
Water recycled (TCS owned campuses)

36%
Increased water consumption YoY at owned campuses due to 5 times increase in headcount

Helping Versuni become a **Digital-First, Innovation-Led Standalone Entity**

Growth and transformation are often constrained by the challenge of integrating with the legacy operations stack, and the complexity that entails. So when health-tech giant Royal Philips sold Philips Domestic Appliances in 2021 to Hillhouse, a private equity firm, the standalone company, rebranded as Versuni, saw the separation as a once-in-a-lifetime opportunity to wipe the slate clean and transform into a digitally lean, agile, and innovation-led organization.

Versuni partnered with TCS in its transformation journey from strategy through execution, with a vision to embed insights and agility into core processes, enabling shorter time to value and quicker responses to market changes through a new cloud-first application landscape. The program entailed decoupling the company from the parent's systems, while simultaneously transforming it across all business domains, within an ambitious 2-year timeframe.

The business transformation, enabled by SAP as the digital core, establishes best practices-based processes from the consumer products industry and simplified ways of working to drive speed, agility and insights-led decision-making.

TCS enabled Versuni's strategies for driving revenue growth opportunities and innovative product launches. The new processes support Versuni's journey to develop products made with more sustainable materials, that are easier to repair, refurbish, recycle, and help to reduce waste.

Enhancements were made to deliver superior business outcomes across every function. Integrating supply chain planning with factory scheduling will enable higher warehouse productivity and more timely shipments. AI-powered insights in finance will help improve cash flow, free up cash and drive efficiencies in back-office functions. The new people processes will provide a better employee experience and enable a more responsive HR function.

Partnering with TCS helped Versuni deploy a new digital foundation and operate as an independent entity. The new fit-for-purpose stack enables Versuni to more effectively respond to the fast-changing demands of the consumer products market, and pursue its vision of turning houses into homes, and building lifetime engagement with consumers.

I am really happy to have partnered with TCS in this journey. TCS has been an invaluable partner in our process and digital transformation journey with SAP as the main enabling technology suite. The hard work and dedication demonstrated by each member of the TCS team has not gone unnoticed. The leadership advisory services and commitment combined with the team's domain and technology expertise is helping us get to our goals as an insights-led digital company.

Corine Adams
CIO, Versuni

TCS' exceptional leadership, expertise, and flexibility combined with their passion and thorough understanding of our mission to become insights-led, makes them an outstanding partner. The TCS leadership team has been with us every step of the way. This transformation will help us continue to innovate and to stay true to our mission to turn houses into homes.

Henk S. de Jong
CEO, Versuni

Enabling Eversource Energy's **Transition to a Green Energy Future**

Energy utilities are leading the world's energy transition, investing in renewable energy sources as part of their journey to carbon neutrality. Leaders in the sector are using technology innovatively to draw environmentally conscious consumers looking for greener choices, and grow their new clean energy businesses.

Eversource Energy is a Fortune 500 energy company that operates New England's largest energy delivery system, with 4.4 million customers across Connecticut (CT), Massachusetts (MA) and New Hampshire. It is focused on making its operations carbon neutral by 2030, and bringing more clean and affordable energy to New England.

Eversource partnered with TCS to build a solution that would help them on-board distributed solar power capacity within its grid by purchasing power from residential, industrial and commercial customers who install solar panels and storage on their properties, and enabling them to avail of incentives offered by their respective states, as part of state-level Net Zero programs.

The TCS-built solution includes onboarding of new solar customers, a customer application that helps keep track of the units generated, and a pricing engine that uses a declining block pricing mechanism to incentivize early enrolment as a producer. It also includes a billing system that processes recovery charges, solar credits and incentive payments, and enables flexible payment options as well as hardship relief options to improve affordability and increase adoption of energy efficiency programs.

To facilitate quick roll outs across states, TCS architected a reusable framework that would simplify adoption of each state's incentive program into Eversource's core platform, enabling the utility to pursue a very aggressive implementation schedule for each state.

Using this solution, Eversource has been able to leverage state incentives to make green energy affordable and rapidly benefit nearly 430,000 customers in CT and MA so far, while driving growth of its clean energy business. At the same time, it is projected to produce over 9,700 MWh of solar power, accelerating not only its own journey to carbon neutrality but also that of the states it services.

Making green energy affordable is central to our business strategy. Its technology enablement was a fairly complex program with multiple sub-programs running concurrently. TCS did an outstanding job in collaborating well with multiple stakeholders and managing risks very well. The TCS team's contextual knowledge of the Eversource business and technology landscape resulted in a high quality solution that helped meet the regulatory mandate as well as Eversource's clean energy and energy affordability goals.

David Coco
Director, IT Business Solutions
Eversource Energy

Innovate, Adapt, Thrive:

A Fireside Chat

K Ananth Krishnan
CTO

Harrick Vin
CTO Designate

How does TCS help clients innovate, adapt and thrive?

KAK: With all the geo-political tension and economic uncertainty in today's world, companies need to respond quickly to events on the ground and cope with surprises, while staying focused on fulfilling customer needs and wants, with innovative products and services.

TCS helps them on both these fronts. We help build a future-ready, digital core that enables quick, insights-driven decision making. We transform IT and business operating models using technology, making them more efficient, agile and responsive, freeing up resources to support innovation. Partnering with us enables our clients to try out a larger number of innovative ideas quickly, and launch new products, services and business models to drive growth and transformation.

Innovate, Adapt, Thrive refers to how our scale, full services capability and innovation offerings enable our clients to respond to short-term challenges while accelerating their pursuit of longer-term aspirations.

Innovation is about having a lightbulb moment. How do you scale that?

HV: People often relate innovations to serendipitous discoveries. We help clients structure and scale the innovation process using the TCS Agile Innovation Cloud (AIC). This framework brings together the best of TCS' talent, research and innovation inputs, global capabilities and ecosystem partnerships to scale up and speed up 'Ideas to Outcomes'.

For an insurance major, we worked with the client's teams and collated actionable innovation ideas through a series of brainstorming workshops using the Clay Map. Leveraging our AIC, we rapidly built POCs every quarter, some of which got turned into MVPs and rolled out across the enterprise. In just eight months, dozens of innovation ideas were identified, and 24 progressed to become MVPs.

One reason for this high yield is that our teams leverage their contextual knowledge, learned over years spent immersed in the client's IT and business landscape, to come up with ideas deeply rooted in that organization's reality and therefore more likely to succeed.

Generative AI is the talk of the season. What is the business opportunity around it?

KAK: We see interest in exploring use cases right across the enterprise. The most obvious areas are conversational systems, content creation and digital marketing, and activities which require processing of large amounts of unstructured data, text, images and higher-level abstraction.

Legal and procurement teams can use it to trawl through contracts to identify specific clauses, or prepare a summary of variations of a particular clause. HR could use it for handling employee queries. Sales and customer service want smart assistants that can explain product features and answer questions. In IT, generative AI can create basic code snippets or quality check developed code for adherence to standards.

These are just the initial ideas based on the standalone capabilities of generative AI. Over time, you will see newer use cases that are more combinatorial, driving greater spending by enterprises and expanding the opportunity significantly.

If generative AI takes over coding, won't the IT services industry become redundant?

KAK: Software that writes software has been around for a long time. In fact, this is the 50th anniversary of TCS' very first offshore development project, delivered using an in-house code generator. In the 80s, our TRDDC was famous for its tools foundry, which could generate custom code translators on demand, converting source code from any programming language to any other language.

TCS MasterCraft™ is today used by hundreds of our clients for developing, transforming and maintaining model-based applications. In fact, our award-winning product suite, TCS BaNCS™, is written and maintained using MasterCraft. Even though there is effort involved in defining the model up-front, clients see significant productivity benefits.

The new low code, no code platforms have done away even with those overheads. Their graphical drag and drop user interface empowers people with no coding knowledge to build sophisticated applications very quickly.

And yet, none of this has led to any demand compression. It has only led to more growth. We believe generative AI will be no different. Like prior breakthrough technologies, it will sharply bring down the effort per function point, driving up programmer productivity immensely. This will result in greater consumption, with volume growth more than making up for the effort deflation.

What is the evidence for this thesis?

HV: The evidence is empirical. Every new generation of technology has led to reduction in programming effort per function point. But while that has steadily fallen, aggregate spending on IT services has only risen year after year, over decades.

Take for example, the switch from assembly language to C. Its compilers came with large, extensible libraries of reusable pre-defined procedures. A developer could invoke a procedure with one line of code in C and embed its entire logic in the code base, without actually coding all of it from scratch. Three lines of C accomplished what took 30 lines in assembly language. The 10x effort deflation didn't result in mass layoffs of programmers. Instead, there was an explosion in software development because the same IT team could now build ten times as many function points.

Similarly, enterprises adopted offshore outsourcing, it led to a big cost deflation, but nobody's IT budgets deflated. Instead, those savings went into building new systems and volumes rose to fill budgets and spending on IT services has only expanded. Likewise with low-code, no-code platforms.

Why is that so? Farm mechanization caused effort deflation and rendered the agricultural workforce redundant in the West.

KAK: With most goods and services, when the price falls, any increase in volume is limited by how much of that good or service the market can consume in a defined period. When farm mechanization reduced the cost of tilling, the increased demand for men in tractors was not large enough to compensate for the effort deflation because there was only so much land available to till.

Demand for IT services behaves differently. In every enterprise, there is significant unmet demand. Every CIO has limited capacity for new system development, resulting in a requirement backlog that never gets fulfilled. Technologies like generative AI or low code-no code can help a CIO expand capacity and accomplish much more with the same budget. But even then, the backlog never goes away because there is no limit on business users' ingenuity or competitive drive. Demand just rises to fill the incremental capacity created by new technologies.

HV: The emergence of new technologies triggers more ideas, experimentation and more demand for our services. To that extent, business application of generative AI, along with other technologies, will itself drive the incremental demand that fills up the capacity it frees up through higher productivity.

Indian IT companies are seen as fast followers on new technologies. Will that change with generative AI?

KAK: We have been leaders for a while, but perceptions can be too rooted in historic stereotypes to recognize the change. Back in 2008, when the term SaaS was still new, we had built a subscription-based, single instance, multi-tenant core banking platform using TCS BaNCS for small banks in India. A similar model is powering start-up banks in Israel today. The insurance platform launched in 2009, with shared services bundled in, went on to make us the market leader in life and pensions administration in the UK.

Historically, gaining leadership in IT services on any new technology required just training sufficient numbers of people in that technology, ahead of market demand. In the last decade, we not only did that at scale on the entire class of digital technologies, but also invested in higher order capabilities so we could advise our clients on how best to harness the combinatorial power of new technologies in their specific business context.

We scaled up our Research and Innovation, exploring use cases across different industries, creating solutions and showcasing them at our innovation centers. We expanded COIN, created new innovation frameworks and set up Pace Ports, our co-innovation hubs, across the world. Today, we not only have a large number of patents, but also the largest portfolio of products and platforms in our peer set, helping win large transformational engagements that uniquely distinguish us.

We are helping clients explore and develop end-to-end scenarios in combining technologies like quantum computing, generative AI, 5G and the emerging 6G, and new concepts in cyber security. Here in India, we have stitched together a fully indigenous network stack for 4G and 5G, a unique achievement that differentiates us from our global peers.

Elsewhere, we are pursuing 5G-enabled opportunities in operational technologies such as autonomous machines and remote operations. We are looking at emerging cross-industry ecosystem business models in sustainability and energy transition, which will be the big drivers of growth in the coming years.

HV: On the cloud, the biggest technology trend in recent years, we were one of the earliest to set up dedicated business units for each of the three leading hyperscaler clouds. Our early investments in building deep expertise and a large portfolio of innovative cloud-native solutions helped us capture tremendous growth and gain share.

We are today one of the largest partners – in some cases, *the* largest partner – to each of those providers, in terms of number of employees with certifications, volumes of workloads migrated to the cloud and in number of solutions and intellectual property on their platforms.

We are the launch partner for their latest offerings, whether it is AWS' Mainframe Modernization, Finspace, and IoT Fleetwise offerings, or Azure's Sustainability, Supply Chain Platform, and Financial Services and Retail Industry Cloud, and now for Google Cloud's Generative AI solutions. If all this isn't leadership, what is?

Revolutionizing **Small Value Payments in South Africa**

BankservAfrica, Africa's leading automated clearing house, has been facilitating payments in South Africa and the region, for over five decades through its seamless interbank clearing and settlement services. It has a track record of pioneering innovations like the SASWITCH, a national network of interoperable ATMs, in the mid-80s.

When the South African Reserve Bank unveiled its Vision 2025 strategy to reform the South African national payment system framework, BankservAfrica took the lead along with its ecosystem partners, and engaged TCS to build a new platform for rapid payments that would usher in the era of modern, cost-effective, instant digital payments on the continent.

TCS designed a high availability, containerized, cloud optimized solution with TCS BaNCS for Market Infrastructure at its core, using high performance microservices for clearing and payment. Hosted on a public cloud, the solution is very resilient and can auto-scale.

On the front-end, users can make a payment, or a request for payment, through a payment service called PayShap, formally launched in March 2023. Very conveniently, users don't need to enter the recipient's bank account or branch code details to make payments. Instead, they can use a unique identifier such as the recipient's mobile number, or a bank-generated identification number, which serves as a proxy for the full banking details. This proxy and resolution is enabled through a tamper-proof blockchain-based solution powered by TCS' Quartz Smart Solution.

By democratizing access to a frictionless system for low value payments, TCS' innovative solution for BankservAfrica has the potential to reduce the use of cash for small transactions and accelerate formalization of the unorganized sector. It will drive new fee-based revenues for banks, and also offer customer insights with which they can offer credit to more consumers. This will not only improve financial inclusion, but also add to South Africa's GDP growth – a fitting outcome for two very purpose-driven organizations that came together to build this platform of national importance.

BankservAfrica views cost-effective digital payments as a pathway to improving credit access and financial inclusion in South Africa. After an extensive evaluation, we selected TCS for their deep understanding of the payments ecosystem, global experience, technological expertise, intellectual property and shared values. The outcome has been very gratifying. By changing consumer behaviors, PayShap has the potential to reshape sectors and transform the South African economy.

Roshan Moonsamy
Interim CEO and CFO
BankservAfrica

Supporting Takenaka Corporation **Realize its Vision of a Sustainable Society**

Founded by a master builder *(toryo)* more than 400 years ago, Takenaka Corporation has specialized in building construction with an integrated design-build approach that includes initial planning and aftercare services like maintenance. It has redefined urban landscapes in Japan and around the world, with famous landmarks like Tokyo Tower and Changi International Airport. At the core of its longstanding business success is its passion for innovation rooted in its *toryo* spirit, quality management, and its commitment to realizing a sustainable society.

Takenaka's Vision for 2030 aims to realize a fourth industrial revolution in the building industry by embracing digital transformation across the construction value chain. It is addressing key problems facing the industry in Japan, such as labor shortage, by using digital technologies to increase employee productivity and improve the work-life balance of employees. Its innovation initiatives include AI-based design and construction planning, next-generation work sites with construction robots and remotely operated cranes, and environmentally conscious smart buildings with intelligent controls using IoT. The foundation for this innovation is the Building 4.0™ digital platform, which is being developed and operated in partnership with TCS.

Building 4.0™ will integrate data from sales, design, estimation, engineering, construction management, facilities management services, human resources and accounting. This will enable superior decision-making across a wide range of operations through advanced analysis using machine learning and AI. In building design, for example, structural engineers can use AI-based cross-section estimations to more efficiently implement optimal structural designs. In construction, it can enable better construction planning using accurate forecasts of materials and personnel required to achieve target schedules, improve visibility of project progress, and enhance labor productivity.

TCS is supporting Takenaka in promoting innovation, building construction digital twins, simulating human behavior, utilizing knowledge of the construction field, and exploring "what-if" scenarios. The knowledge gained from these efforts will help Takenaka develop comprehensive and sustainable solutions through better designs, understand project risks, and improve KPIs for quality, cost, schedule, safety, and the environment.

We selected TCS for supporting our digital transformation not only because of its accumulated global knowledge and technological capabilities, but also because throughout the long histories of both companies, there is a common bond in our corporate cultures of valuing stakeholders, including society and customers as well as employees. Building 4.0 will turn the dreams of our stakeholders into reality, and we would like to develop it as a foundation to connect with a sustainable society of the future.

Keizo Iwashita
General Manager of Digital Division & Executive Officer
Takenaka Corporation

Through Building 4.0™, Takenaka will continue to create new value for society and customers while improving business efficiency. It will also contribute to the realization of a sustainable society enabling new architecture and urban creation services that is in harmony with the environment and local communities.

Q&A with

Samir Seksaria
CFO

Milind Lakkad
CHRO

You stood out in the industry with virtually zero attrition at senior levels. Now you had CEO-level attrition for the first time in your history. What does this say about your retention of senior talent?

ML: One swallow does not a summer make. This unprecedented event at TCS is just a reminder that CEOs are human too, and might want to pursue their dreams and aspirations just like anybody else. As for our track record in retaining senior leadership talent, it remains industry-leading.

I am proud to say that almost the entire team of 25 business heads we had created in 2008 is still in TCS. We have over **125,000** TCSers today with an average tenure of over 10 years in TCS. This cohort represents the true strength of TCS. They are the custodians of our culture, values and institutional memory, and have been central to our ability to weather the unprecedented attrition and influx of fresh talent without letting it affect the high quality of project outcomes that our clients have come to expect from TCS.

We not only retained our leadership talent better, but also expanded the leadership pool six-fold in the last five years by incubating a next generation of leaders running sub-ISUs, with P&L responsibilities. The breadth and depth of our leadership bench today makes our succession planning an industry benchmark, with multiple equally-qualified successors for any leadership position, starting from the CEO down, as you recently witnessed.

Is normalizing attrition a margin tailwind for FY 2024? What is your margin outlook for the year?

SS: Normalizing attrition is definitely a relief, but I wouldn't call it a tailwind. We incurred a **1.4%** margin headwind in FY 2023 from backfilling and retention expenses. If we onboarded a lateral hire at a 20% premium during the year, that increase in employee cost is a recurring one. But yes, hopefuly we won't have any new headwind due to attrition in FY 2024.

Also, with the supplyside challenges easing, incremental cost of hiring laterals should be lower, and it also gives us an opportunity to bring down subcontractor expense. That is one important margin lever for FY 2024. Utilization improvement, flatter employee pyramid and hopefully, currency support, are the other levers. On the other hand, we will have our usual wage increase in Q1 and we should see further increases in travel expenses during the year.

You won many large outsourcing deals in FY 2023, and your highest ever number of large deals in Q4. Won't this hurt margins in FY 2024?

SS: It is not true that large outsourcing deals are necessarily margin dilutive. A few high profile mega-deals in the industry whose low quality revenues impacted margins have resulted in that perception. In the last five years, TCS has won several mega deals with TCV over $500 million, and every year we win dozens of large deals, with TCV over $50 million. And yet, during this period, our EBIT margin has remained in a tight band between 24 and 26 percent.

Profitability of large deals depends on how you construct them. A client might push for a certain amount of absolute cost reduction at the time of contract renewal. The service provider can either drop prices and sacrifice margins to deliver those

savings, or propose a completely different operating model that uses lesser effort, protects or even expands margins, and achieves the client's objectives.

TCS has differentiated itself in this space with the latter approach. Its win-win propositions reimagine the customer's operating model, leveraging AI and machine learning to reduce human intervention while improving process velocity and operational resilience. Customers have really taken to this idea. In FY 2023, we signed 29 large operating model transformation deals, covering business as well as IT operations, compared to 18 in the prior year.

Attrition among women is higher than for men. Why? How are you addressing this?

ML: Historically, women's attrition at TCS has been similar or lower than men's attrition, so this is unusual. There might be other reasons but intuitively, I would think working from home during the pandemic reset the domestic arrangements for some women, keeping them from returning to office even after everything normalized.

The higher attrition among women in FY 2023 is a setback to our efforts to promote gender diversity but we are doubling down on it. Focused leadership development programs like iExcel are driving tremendous change. Of all the leadership positions fulfilled with internal candidates in FY 2023, women made up **23%** of the selected candidates, even though they account for only **14%** of the applicant pool. This speaks well of the quality of the women candidates in our leadership pool as well as the supportive attitudes of our business leaders in promoting diversity. Likewise, in our external hiring, women make up **38.1%** of our net hires this year, versus **35.7%** in our workforce.

Why is Return to Office so important to TCS? Why not let employees continue to work from home?

ML: Work from home is definitely more convenient for everybody, but there were drawbacks. Tenured employees who are well networked within the organization can work effectively and even collaborate virtually using the social capital built up over the years. That isn't the case with more junior employees. Workplace essentials like collaboration, mentorship and team-building suffered a lot in these two years.

Then there is the matter of organizational culture. Over half our workforce today was hired after March 2020. New employees get acculturated through physical interactions with senior colleagues and leaders, by observing and following their behaviors and ways of thinking. Without those interactions, employee engagement as well as acculturation got badly impacted. All these factors led us to gradually bring back people to our offices during the year.

With laterals brought in at higher salaries, how do you manage the wage gaps between individuals of similar profile doing similar work?

ML: Yes, this is another unusual, industry-wide problem. The pay disparities will eventually go away for two reasons. One, we are running a program called Elevate that empowers employees to take control of their careers and pursue their aspirations by achieving certain learning goals. Meeting those goals can result in significant pay increases, perhaps even a doubling of salary. Second, there will be a natural time-correction through performance-linked wage increases, promotions and voluntary attrition.

Will sticky onsite inflation be a structural headwind for your margins?

SS: In the short term, higher onsite wage inflation is a headwind because our legacy contracts have much lower cost of living adjustments written in. But in the medium and longer term, this will get adjusted.

Wage inflation affects everybody in the market including the clients themselves. Newer contracts reflect the changed cost structure for onsite effort. Also, contractual terms now peg annual cost of living increases to prevailing inflation rates. That should help mitigate inflation risks in longer term contracts.

Without the inflation differential, the Rupee may show greater strength than in the past. How will your margins sustain then?

SS: Inflation differential is not the only driver of currency depreciation. Rupee is also affected by India's trade deficit, interest rate differentials and capital movements. But for argument's sake, let us assume that we may not have the benefit of currency depreciation in the future. Now remember, the currency depreciation basically helps us offset wage inflation in India which historically, we never passed on to clients. In the changed circumstances, this too will get baked into new contracts the same way onsite wage inflation has been. So in the longer term, we should be able to sustain our current margins.

Finally, a question on generative AI. Will the productivity gains delink revenue growth from headcount addition in the future? Can we expect a higher margin as a consequence?

ML: In my view, the productivity benefits will get baked into clients' expectations around project velocity and throughput. For a given project team size, clients will expect much higher output at a much faster pace, compared to today. On aggregate, as the unit price of a function point falls, we expect volumes to increase. With ever-increasing dependence on technology for competitive differentiation, we expect enterprise spending to keep growing, for which we will have to keep hiring new talent. So the linearity between revenue and headcount is not going away any time soon.

SS: Margins are a measure of relative competitiveness. Based just on the productivity improvements in code generation using generative AI, it is difficult to see how a technology which is freely available to everyone – service providers as well as clients' IT teams – can change relative competitiveness and by extension, margins. Margin improvement is possible from selling higher-priced growth and transformation solutions which use generative AI. Likewise, new software products or platforms which use generative AI to deliver superior business outcomes.

Innovating to **Improve Crop Yields and Farmer Incomes**

With climate change, agriculture is increasingly vulnerable to extreme weather events, inconsistent rainfall, as well as increased pest and disease outbreaks. This affects crop yields, farmer incomes and food security.

To help address these challenges, TCS built a digital platform to empower the Indian farmer and improve the resilience of the nation's farming sector. The TCS Digital Platform for Next Generation Agriculture (DNA) is a state-of-the-art, cloud-based decision intelligence and crop monitoring system that provides customized, site-specific predictive advisory services to farmers and other players in the food value chain.

TCS DNA uses an innovative `Sky-Earth' convergence, intelligently fusing remote-sensing data from earth observation satellites and drones with data from proximal sensors and handheld devices on the field. This gives scale and reduces cost significantly without sacrificing accuracy. Proprietary AI/ML algorithms are utilized to analyze the data and provide reliable information and predictive intelligence on weather, soil condition, crop health, and pest forecasts. Farmers can use these insights to make quicker and more informed decisions, optimize production costs and improve their yield.

Rallis India Ltd, a leading agri-input company, partnered with TCS for the first field deployment of the new platform, to improve the productivity of its hybrid seed production farms, as well as for internal business planning. Branded Drishti ("Vision"), the platform is used to monitor approximately 130 million hectares of agricultural land across India, for various aspects such as crop productivity, soil moisture, early alerts for pest outbreak, as well as seasonal weather anomalies and extreme weather events. The platform has helped Rallis increase the field scouting efficiency of its hybrid seed production team, and improved yield by 1 to 2%.

TCS DNA is also helping Amalgamation Plantations, the second largest producer of tea in India, improve the quality and sustainability of tea leaves procured from small tea growers. It is being used to remotely monitor various aspects of small plantations using satellite imagery, predict pest and disease and improve quality. This is expected to help small tea growers improve their income by 15% and reduce rejections by 20%.

Our partnership with TCS is helping us alleviate the issues of farmers and agriculture. The Drishti platform identifies problem areas and offers actionable insights to farmers in India, leading to effective crop management by reducing the risks and minimizing the loss in yield.

Sanjiv Lal
MD & CEO
Rallis India

Notice

Notice is hereby given that the twenty-eighth Annual General Meeting of Tata Consultancy Services Limited will be held on Thursday, June 29, 2023, at 3:30 p.m. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business

1. To receive, consider and adopt

    a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and

    b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

2. To confirm the payment of Interim Dividends (including a special dividend) on Equity Shares and to declare a Final Dividend on Equity Shares for the financial year 2022-23.

3. To appoint a director in place of Aarthi Subramanian (DIN 07121802), who retires by rotation and, being eligible, offers herself for re-appointment.

Special Business

4. Appointment of K Krithivasan as Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that K Krithivasan (DIN 10106739), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from June 1, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") (including any modification and re-enactment thereof), and Article 73 of the Article of Association of the Company, and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

5. Appointment of K Krithivasan as Chief Executive Officer and Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") (including any modification and re-enactment thereof) read with Schedule V of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for appointment and terms of remuneration of K Krithivasan (DIN 10106739), as the Chief Executive Officer and Managing Director of the Company for a period of five years with effect from June 1, 2023, as recommended by Nomination and Remuneration Committee and approved by the Board of Directors, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and K Krithivasan."

"RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to herein after include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. **To approve existing as well as new material related party transactions with**

   i. **Tata Sons Private Limited and/or its subsidiaries, (other than Tejas Networks Limited and/or its subsidiaries)**

   ii. **Joint Ventures, Associate Companies of Tata Sons Private Limited and their subsidiaries and Joint Ventures & Associate Companies of subsidiaries of Tata Sons Private Limited (excluding Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries)**

   iii. **Tejas Networks Limited and/or its subsidiaries**

   iv. **Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries**

   v. **Subsidiaries of the Company (other than wholly owned subsidiaries)**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, for each of the financial years ("FY") in the course of (a) availing and rendering of IT services/ITeS/consulting service(s); (b) reimbursement of expenses including towards availing/providing for sharing/usage of each other's resources viz. employees, office space, infrastructure including IT assets, taxes and related owned/ third-party services; (c) purchase/ sale/exchange/transfer/lease of business asset(s) and/or equipment to meet its business objectives/requirements; (d) transfer of any resources, services or obligations to meet its business objectives/requirements ("Related Party Transactions") on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category, in the explanatory statement, provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out at in the ordinary course of business and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis."

   "RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

   "RESOLVED FURTHER that all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

Notes

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19", General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 6 of the

Notice, is annexed hereto. Further, the relevant details with respect to Item Nos. 3 and 4 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Integrated Annual Report for FY 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.

   If your e-mail address is not registered with the Company/Depositories, you may register on or before 5:00 p.m. (IST) on Thursday, June 22, 2023 to receive this Notice of the AGM and the Integrated Annual Report for FY 2022-23 by completing the process for registration of e-mail address as under:

   a) Click on the URL: https://on.tcs.com/EmailRegn.

   b) Select the Name of the Company from dropdown: Tata Consultancy Services Limited.

   c) Enter DP and Client ID (if shares held in electronic form)/Folio number (if shares held in physical form) and Permanent Account Number ("PAN"). In the event PAN details are not registered for physical folio, Member to enter one of the Share Certificate numbers.

   d) Enter Mobile number and e-mail ID.

   e) System generated One Time Password ("OTP") to be sent on mobile number and e-mail ID.

   f) Enter OTP received on mobile number and e-mail ID.

   g) Click on Submit button.

   h) On completing the above process your request will be accepted and request ID will be generated. Email registered is for limited purpose of sending notice pertaining to the current event.

   Members may note that the Notice and Integrated Annual Report 2022-23 will also be available on the Company's website www.tcs.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.

5. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to tcs.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

6. The Company has fixed Thursday, June 15, 2023 as the 'Record Date' for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.

7. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on Monday, July 3, 2023, as under:

   i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), collectively "Depositories", as of end of day on Thursday, June 15, 2023.

   ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, June 15, 2023.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

   a. For shares held in electronic form: to their Depository Participants (DPs)

   b. For shares held in physical form: to the Company/Registrar and Transfer Agents (RTA) in prescribed Form

ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. In the absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the RTA. Intimation letters along with Business Reply Envelopes for furnishing the required details are being sent by the Company. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website https://on.tcs.com/IR-FAQ.

9. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://on.tcs.com/IR-FAQ and on the website of the Company's RTA, TSR Consultants Private Limited ("TCPL") at https://www.tcplindia.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

10. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or TCPL, for assistance in this regard.

11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or TCPL, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://on.tcs.com/IR-FAQ. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to TCPL in case the shares are held in physical form.

13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

14. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before June 28, 2023 through e-mail on investor.relations@tcs.com. The same will be replied by the Company suitably.

15. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or TCPL and submit the required documents for issue of Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the IEPF-5 form for claiming the dividend and/or shares available on www.iepf.gov.in. For details, please refer to Corporate Governance Report which is a part of this report and FAQ of investor page on Company's website https://on.tcs.com/IR-FAQ.

16. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.

17. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialized form) and the Company/TCPL (if shares are held in physical form).

    A Resident individual shareholder with PAN and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax, as the case may be, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to TCS-Exemptforms2324@tcplindia.co.in or upload the documents on https://on.tcs.com/FormsRegn by 11:59 p.m. (IST) on Wednesday, June 7, 2023. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under Section 206AB of the Income-tax Act, the tax will be deducted at a higher rate prescribed under Section 206AA or 206AB of the Income-tax Act, as applicable.

    Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their

country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to TCS-Exemptforms2324@tcplindia.co.in or upload the documents on https://on.tcs.com/FormsRegn. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. (IST) on Wednesday, June 7, 2023.

For further details please refer to FAQs on Taxation of Dividend Distribution at https://on.tcs.com/IR-FAQ.

18. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to "e-voting Facility Provided by Listed Entities", the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. The remote e-voting period commences on Monday, June 26, 2023 (9:00 a.m. IST) and ends on Wednesday, June 28, 2023 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday, June 22, 2023 i.e. cut-off date, may cast their vote electronically.

The e-voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing from June 26, 2023 to June 28, 2023 or e-voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.

iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.

iv. The Board of Directors has appointed P N Parikh (Membership No. FCS 327) and failing him, Jigyasa Ved (Membership No. FCS 6488) of Parikh & Associates, Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and Password for casting the vote. In case of individual shareholders holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "**Login method for remote e-voting and joining virtual meeting for individual shareholders holding securities in dematerialized mode.**"

vii. The details of the process and manner for remote e-voting are explained herein below:

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below

I) Login method for remote e-voting and joining the virtual meeting for individual shareholders holding securities in dematerialized mode

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

Login method for individual shareholders holding securities in dematerialized mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in dematerialized mode with NSDL.	**A. NSDL IDeAS facility** **If you are already registered, follow the below steps** 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. 4. Click on "Access to e-voting" appearing on the left-hand side under e-voting services and you will be able to see e-voting page. 5. Click on options available against Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. **If you are not registered, follow the below steps** a. Option to register is available at https://eservices.nsdl.com. b. Select "Register Online for IDeAS" Portal or click at https://on.tcs.com/NSDLRegn. c. Please follow steps given in points 1-5.
	B. e-voting website of NSDL 1. Open web browser and type the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone. 2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 3. A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider- NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. **C.** Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in dematerialized mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://on.tcs.com/CDSLRegn or www.cdslindia.com and click on login and select MyEasi. 2. After successful login of Easi/Easiest the user will be also able to see the e-voting menu. The menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. 3. If the user is not registered for Easi/Easiest, option to register is available at https://on.tcs.com/CDSLEasiRegn 4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their DPs	1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. 2. Once logged-in, you will be able to see the e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. 3. Click on options available against Company name or e-voting service provider- NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at +91 22 48867000 and +91 22 24997000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533

II) Login method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-voting website of NSDL. Open web browser by clicking the URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, Password/OTP and a verification code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

6. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file.

      The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) In case you have not registered your e-mail address with the Company/Depository, please follow instructions mentioned below in this notice.

7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and registered address.

   d) Members can also use the OTP based login for casting the votes on the e-voting system of NSDL.

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. After you click on the "Login" button, home page of e-voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies' "EVEN" in which you are holding shares and whose voting cycle and general meeting is in active status.

2. Select "EVEN" of Company, which is 123989 for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-voting as the voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify or modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.

2. In case of any queries related to e-voting, you may refer the Frequently Asked Questions ("FAQs") for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on +91 22 48867000 and +91 22 24997000 or send the request to Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in.

3. Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing demat account number / Folio number, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained above.

4. The instructions for members for e-voting on the day of the AGM are mentioned in point number 18(A).

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com following the steps mentioned above for login to NSDL e-voting system. After successful login, you can see VC/OAVM link placed under Join meeting menu against company name. You are requested to click on VC/OAVM link placed under "Join Meeting" menu.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.

3. Members who need assistance before or during the meeting, can contact NSDL on evoting @nsdl.co.in +91 22 48867000 and +91 22 24997000 or contact Amit Vishal, Assistant Vice President – NSDL at amitv@nsdl.co.in or Sanjeev Yadav, Assistant Manager-NSDL at sanjeevy@nsdl.co.in

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at tcsagm.speakers@tcs.com from June 23, 2023 (9:00 a.m. IST) to June 25, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tcs.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By order of the Board of Directors

Pradeep Manohar Gaitonde
Company Secretary
Membership No. ACS 7016

Mumbai, April 12, 2023

Registered Office:
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CIN: L22210MH1995PLC084781
Tel: +91 22 6778 9595
Email: investor.relations@tcs.com
Website: www.tcs.com

Explanatory Statement

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying Notice:

Item Nos. 4 and 5

The Board of Directors, at its meeting held on April 12, 2023, based on the recommendation of the Nomination and Remuneration Committee, appointed K Krithivasan as an Additional Director of the Company with effect from June 1, 2023. The Board, at the same meeting, also appointed K Krithivasan as Chief Executive Officer and Managing Director ("CEO and MD") of the Company, for a period of five years with effect from June 1, 2023, subject to approval of the Members.

In terms of Section 161(1) of the Act, K Krithivasan holds the office of Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director. The Company has received a notice in writing from a Member, in terms of Section 160(1) of the Act, proposing his candidature for the office of Director.

K Krithivasan has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164(1), 164(2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company.

Prior to his appointment as the CEO and MD, K Krithivasan was the Global Head of Banking, Financial Services, and Insurance (BFSI) Business Group and played a key role in building deep customer relationships and mindshare as well as market positioning across geographies. He has been with the Company for over 3 decades helping customers with their growth and transformation journeys and technology strategies.

He holds a Bachelor's Degree in Mechanical Engineering from the University of Madras and a Master's Degree in Industrial and Management Engineering from IIT Kanpur.

Further details of K Krithivasan have been given in **Annexure A** to this Notice.

The main terms and conditions of appointment of K Krithivasan (hereinafter referred to as "CEO and MD") are given below:

A. Tenure of Appointment

The appointment as CEO and MD is for a period of five years with effect from June 1, 2023.

B. Nature of Duties

The CEO and MD shall devote his whole time and attention to the business of the Company and shall perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and/or subsidiaries, including performing duties as assigned to the CEO and MD from time to time by serving on the Boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

C. Remuneration

a. Basic Salary

Basic Salary of ₹10,00,000 per month; upto a maximum of ₹16,00,000 per month.

The annual increments which will be effective 1st April each year, will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee ("NRC") and will be performance-based and take into account the Company's performance as well, within the said maximum amount.

b. Benefits, Perquisites, and Allowances

Details of Benefits, Perquisites and Allowances are as follows:

i. Rent-free residential accommodation (partly furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g., gas, electricity and water charges) for the said accommodation or house rent, house maintenance and utility allowances aggregating 85% of the Basic Salary (in case residential accommodation is not provided by the Company).

ii. Hospitalisation and major medical expenses, car facility, telecommunication facility and housing loan facility as per Rules of the Company.

iii. Other perquisites and allowances given below subject to a maximum of 55 percent of the Basic Salary; this shall include medical allowance, leave travel concession/allowance and other allowances/personal accident insurance/club membership fees.

iv. Contribution to Provident Fund, Superannuation Fund or Annuity Fund and Gratuity Fund as per the Rules of the Company.

v. Leave and encashment of unavailed leave as per the Rules of the Company.

c. Commission

In addition to Salary, Benefits, Perquisites and Allowances, the CEO and MD would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the Company subject to the overall ceilings

stipulated in Section 197 of the Act. The specific amount payable to the CEO and MD will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by members.

D. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the CEO and MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites, Allowances and Commission subject to such further approvals as may be required.

E. Insurance

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire term, subject to the terms of such policy in force from time to time. A copy of the policy document shall be supplied on request.

F. Other terms of Appointment

The CEO and MD shall enter into an Agreement, containing, *inter alia*, the following terms:

i. The CEO and MD shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

ii. The terms and conditions of the appointment of the CEO and MD may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V of the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the CEO and MD, subject to such approvals as may be required.

iii. The Agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.

iv. The employment of the CEO and MD may be terminated by the Company without notice or payment in lieu of notice:

   a. if the CEO and MD is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required to render services; or

   b. in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the CEO and MD of any of the stipulations contained in the Agreement

v. Upon the termination by whatever means of the CEO and MD's employment:

   a. the CEO and MD shall immediately cease to hold offices held by him in any holding company, subsidiaries or associated companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and unless the Board of Directors of the Company decide otherwise, shall resign as trustee of any trusts connected with the Company.

   b. the CEO and MD shall not, without the consent of the Company, at any time thereafter represent himself as connected with the Company or any of the subsidiaries or associated companies.

vi. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the CEO and MD, unless specifically provided otherwise.

vii. The terms and conditions of appointment of the CEO and MD also include clauses pertaining to adherence with the Tata Code of Conduct and maintenance of confidentiality.

viii. If at any time, the CEO and MD ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the CEO and MD and employee of the Company. In case of termination for any reason whatsoever, the CEO and MD will cease to be the Director and employee of the Company.

Notwithstanding the above, the Board, may at its absolute discretion decide to continue him as a Director or an employee of the Company.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Act, as amended from time to time, the terms of appointment and remuneration of the CEO and MD as specified above are now being placed before the Members for their approval. The Board recommends the passing of the Resolutions at Item Nos. 4 and 5 as an Ordinary Resolutions for approval of the Members.

Except K Krithivasan and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolutions set out at Item Nos. 4 and 5 of the Notice.

Item No. 6

Pursuant to the amended Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (''SEBI Listing Regulations''), the threshold limit for determination of material Related Party Transactions is the lower of ₹1,000 crores (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an ordinary resolution.

Tata Consultancy Services Limited ("the Company" or "TCS"), being a globally recognised provider of IT services, participates in the digitisation initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. During the course of rendering such services, the Company also leverages niche skills, capabilities and resources of entities within the "Tata Group". The transactions that the Company has had with its related parties for the last three years are given below:

Year ended March 31, 2023 (₹ crore)

Transactions	Tata Sons Private Limited	Other than wholly owned subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates/joint ventures of Tata Sons Private Limited and their subsidiaries	Total
IT/ITE services rendered	38	1,063	1,152	2,506	4,759
Other income	-	-	-	-	-
Procurement of goods and services	-	59	577	363	1,000
Brand equity contribution	99	-	-	-	99
Non IT/ITE services availed	1	-	23	59	83
Lease rental	-	-	56	47	103

Year ended March 31, 2022 (₹ crore)

Transactions	Tata Sons Private Limited	Other than wholly owned subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates/joint ventures of Tata Sons Private Limited and their subsidiaries	Total
IT/ITE services rendered	40	1,164	770	2,233	4,207
Other income	-	1	-	-	1
Procurement of goods and services	-	345	549	306	1,200
Brand equity contribution	100	-	-	-	100
Non IT/ITE services availed	1	-	19	45	65
Lease rental	-	-	73	24	97

Year ended March 31, 2021 (₹ crore)

Transactions	Tata Sons Private Limited	Other than wholly owned subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates/joint ventures of Tata Sons Private Limited and their subsidiaries	Total
IT/ITE services rendered	35	1,104	591	1,752	3,482
Other income	-	1	-	-	1
Procurement of goods and services	1	268	447	443	1,159
Brand equity contribution	100	-	-	-	100
Non IT/ITE services availed	-	-	17	42	59
Lease rental	1	-	36	45	82

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product and services between the Company and "related parties", the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned

in the resolution. All the contracts/arrangements and the transactions with "related parties" are reviewed and approved by the Audit Committee. Further, the transactions that require testing of arm's length pricing are reviewed by our statutory auditors for being at arm's length.

The details of transactions that require approval are given below

i. Tata Sons Private Limited and/or its Subsidiaries (other than Tejas Networks Limited and/or its subsidiaries)

Sr. No.	Description	Particulars
1.	Name of the related party	Tata Sons Private Limited and/or its subsidiaries (other than Tejas Networks Limited and/or its subsidiaries) (please refer to Annexure B for list of subsidiaries)
2.	Nature of relationship *[including nature of its interest (financial or otherwise)]*	Holding Company – Tata Sons Private Limited and its subsidiaries which are covered under Section 2(76) of the Act
3.	Type of the proposed transaction	(a) Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas (b) Supply of hardware and software (c) reimbursement of expenses relating to IT Infrastructure services (d) Procurement of goods, services, sponsorship, etc. (e) Leasing of property (f) Any transfer of resources, services, or obligations to meet its objectives/requirements
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/ arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with a single related party subject to a maximum of 1.1 percent of the consolidated turnover of the Company per annum through contracts/arrangements which are entered for a duration upto 5 years and a cumulative threshold of 4.4 percent of the consolidated turnover of the Company across all related parties per annum
5.	Particulars of the proposed transaction	Same as Sr. No. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration upto 5 years
7.	Value of the proposed transaction	1.1 percent of the consolidated turnover of the Company per annum with a single related party subject to a cumulative threshold of 4.4 percent of the consolidated turnover of the Company per annum across all related parties in this category
8.	Percentage of TCS's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	1.1 percent of the consolidated turnover of the Company per annum with single related party 4.4 percent of the consolidated turnover of the Company per annum across all related parties
9.	Justification of the proposed transaction	The Company, being a globally recognised provider of IT services participates in the digitisation initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. During the course of rendering such services, the Company also leverages niche skills, capabilities and resources of entities within the group. These transactions aim at providing enhanced level of user experience to the end-consumers of Tata group and provide the entities within the group cutting edge technologies to sustain and grow their business
10.	Details of the valuation report or external party report *(if any)* enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors

Sr. No.	Description	Particulars
11.	Name of the Director or Key Managerial Personnel, who is related	N Chandrasekaran, N G Subramaniam and Aarthi Subramanian
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A	Source of funds	Not Applicable
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness; • cost of funds; and • tenure of the indebtedness	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given *(including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)*	Not Applicable
D	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
13.	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

ii. Joint Ventures, Associate Companies of Tata Sons Private Limited and their subsidiaries and Joint ventures & Associate Companies of subsidiaries of Tata Sons Private Limited (excluding Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries)

Sr. No.	Description	Particulars
1.	Name of the related party	Joint Ventures, Associate Companies of Tata Sons Private Limited and their subsidiaries and Joint ventures & Associate Companies of subsidiaries of Tata Sons Private Limited (excluding Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries) (please refer to Annexure B for list of Joint Ventures, Associate Companies, and their subsidiaries)
2.	Nature of relationship *[including nature of its interest (financial or otherwise)]*	Joint Ventures, Associate Companies of Tata Sons Private Limited and their subsidiaries, related parties as per SEBI Listing regulations
3.	Type of the proposed transaction	(a) Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas (b) Supply of hardware and software (c) reimbursement of expenses relating to IT Infrastructure services (d) Procurement of goods, services, sponsorship, etc. (e) Leasing of property (f) Any transfer of resources, services or obligations to meet its objectives/ requirements

Sr. No.	Description	Particulars
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with a single related party subject to a maximum of 1.1 percent of the consolidated turnover of the Company per annum through contracts/arrangements which are entered for a duration upto 5 years and a cumulative threshold of 2.2 percent of the consolidated turnover of the Company across all related parties per annum
5.	Particulars of the proposed transaction	Same as Sr. No. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration upto 5 years
7.	Value of the proposed transaction	1.1 percent of the consolidated turnover of the Company per annum with a single related party subject to a cumulative threshold of 2.2 percent of the consolidated turnover of the Company per annum across all related parties in this category
8.	Percentage of TCS's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	1.1 percent of the consolidated turnover of the Company per annum with single related party 2.2 percent of the consolidated turnover of the Company per annum across all related parties
9.	Justification of the proposed transaction	The Company, being a globally recognised provider of IT services participates in the digitisation initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. During the course of rendering such services, the Company also leverages niche skills, capabilities and resources of entities within the group. These transactions aim at providing enhanced level of user experience to the end-consumers of Tata group and provide the entities within the group cutting edge technologies to sustain and grow their business
10.	Details of the valuation report or external party report *(if any)* enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors
11.	Name of the Director or Key Managerial Personnel, who is related	N Chandrasekaran, N G Subramaniam and Aarthi Subramanian
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A	Source of funds	Not Applicable
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness; • cost of funds; and • tenure of the indebtedness	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given *(including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)*	Not Applicable
D	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
13.	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

iii. Tejas Networks Limited and/or its subsidiaries

Sr. No.	Description	Particulars
1.	Name of the related party	Tejas Networks Limited and/or its subsidiaries (please refer to Annexure B for list of subsidiaries)
2.	Nature of relationship *[including nature of its interest (financial or otherwise)]*	Tejas Networks Limited is a subsidiary of Tata Sons Private Limited and hence related party under Section 2(76) of the Act of Tata Sons Private Limited
3.	Type of the proposed transaction	(a) Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas (b) Supply of hardware and software (c) reimbursement of expenses (d) Procurement of goods, services, sponsorship, etc. (e) Leasing of property (f) Any transfer of resources, services or obligations to meet its objectives/ requirements
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions subject to a maximum of ₹15,000 crore through contracts/arrangements for a duration upto twelve years
5.	Particulars of the proposed transaction	Same as Sr. No. 3
6.	Tenure of the transaction	Contractual commitments expected for a tenure of 12 years
7.	Value of the proposed transaction	₹15,000 crore
8.	Percentage of TCS's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	Value of the proposed transaction represents 6.6 percent of the consolidated turnover of the Company for FY 2023.
9.	Justification of the proposed transaction	The domain expertise and competencies available within the group and the collaboration with the company will help in delivering world class technology to one of the high-priority and prestigious projects of the Government of India and further establish Tata Group's commitment to attain Atmanirbhar Bharat
10.	Details of the valuation report or external party report *(if any)* enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors
11.	Name of the Director or Key Managerial Personnel, who is related	N G Subramaniam
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A	Source of funds	Please refer Sr. No. 12 C below
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness; • cost of funds; and • tenure of the indebtedness	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given *(including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)*	Unsecured Interest-free mobilization advance to be given upto ₹1,500 crore to facilitate procurement of equipment, on the back of similar unsecured interest-free mobilization advance received from the end-customer. Adjustment of advance/s against progressive delivery of milestones, on the same terms as committed by the Company to end-customer

Sr. No.	Description	Particulars
D	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Same as Sr. No. 12 C
13.	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

iv. Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries

Sr. No.	Description	Particulars
1.	Name of the related party	Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries (please refer to Annexure B for list of subsidiaries)
2.	Nature of relationship *[including nature of its interest (financial or otherwise)]*	Tata Motors Limited is an associate of Tata Sons Private Limited. Jaguar Land Rover Limited is a subsidiary of Tata Motors Limited and hence related party as per SEBI Listing regulations
3.	Type of the proposed transaction	(a) Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas (b) Supply of hardware and software (c) Reimbursement of expenses relating to IT Infrastructure services (d) Procurement of goods, services, sponsorship, etc. (e) Any transfer of resources, services or obligations to meet its objectives/ requirements
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company operates in. Monetary value of transactions upto approx. ₹5,000 crore per annum
5.	Particulars of the proposed transaction	Same as Sr. No. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration upto five years, extendable by another five years
7.	Value of the proposed transaction	Approx. ₹5,000 crore per annum
8.	Percentage of TCS's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	Maximum up to 2.2 percent of the consolidated turnover of the Company per annum for duration of contract
9.	Justification of the proposed transaction	The Company, being a globally recognised provider of IT services participates in the digitisation initiatives of entities within Tata group and partners in respective entities' growth and transformation journeys. During the course of rendering such services, the Company also leverages niche skills, capabilities and resources of entities within the group. These transactions aim at providing enhanced level of user experience to the end-consumers of Tata group and provide the entities within the group cutting edge technologies to sustain and grow their business
10.	Details of the valuation report or external party report *(if any)* enclosed with the Notice	Company's governance policies with respect to negotiation with third parties are followed for all contracts/arrangements with related party as defined under SEBI Listing Regulations. These contracts/arrangements are approved by the Audit Committee on quarterly basis
11.	Name of the Director or Key Managerial Personnel, who is related	N Chandrasekaran, Hanne Sorensen and O P Bhatt
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A	Source of funds	Not Applicable

Sr. No.	Description	Particulars
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness; • cost of funds; and • tenure of the indebtedness	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given *(including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)*	Not Applicable
D	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
13.	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

v. Subsidiaries of the Company (other than wholly owned subsidiaries)

Sr. No.	Description	Particulars
1.	Name of the related party	Subsidiaries of the Company (other than wholly owned subsidiaries) (please refer to Annexure B for list of subsidiaries)
2.	Nature of relationship *[including nature of its interest (financial or otherwise)]*	Subsidiaries of the Company which are covered under Section 2(76) of the Act
3.	Type of the proposed transaction	(a) Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT and Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas (b) Supply of hardware and software (c) Reimbursement of expenses relating to IT Infrastructure services (d) Procurement of goods, services, sponsorship, etc. (e) Leasing of property (f) Any transfer of resources, services or obligations to meet its objectives/ requirements
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company operates in. Monetary value of transactions with a single related party subject to a maximum of 1.1 percent of the consolidated turnover of the Company per annum through contracts/arrangements which are entered for a duration up to 5 years or more and a cumulative threshold of 2.22 percent of the consolidated turnover of the Company across all related parties per annum
5.	Particulars of the proposed transaction	Same as Sr. No. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration upto 5 years or more
7.	Value of the proposed transaction	1.1 percent of the consolidated turnover of the Company per annum with a single related party subject to a cumulative threshold of 2.2 percent of the consolidated turnover of the Company per annum across all related parties

Sr. No.	Description	Particulars
8.	Percentage of TCS's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction. *(and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)*	1.1 percent of the consolidated turnover of the Company with single related party 2.2 percent of the consolidated turnover of the Company across all related parties Up to 50 percent of respective subsidiary turnover
9.	Justification of the proposed transaction	As per global network delivery model of TCS, the subsidiaries operating in respective countries enters into the contracts from customers and outsource the service delivery to the parent company TCS Limited. Solutions framework along with trained domain experts of TCS Limited ensure delivery of high quality and certainty to end-customers at respective countries
10.	Details of the valuation report or external party report *(if any)* enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing by compliance team and Statutory Auditors
11.	Name of the Director or Key Managerial Personnel, who is related	Person/s holding position of Chief Executive Officer and Managing Director and/or Executive Director and/or Chief Operating Officer
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A	Source of funds	Not Applicable
B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness; • cost of funds; and • tenure of the indebtedness	Not Applicable
C	Terms of the loan, inter-corporate deposits, advances or investment made or given *(including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)*	Not Applicable
D	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
13.	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

None of the Directors or Key Managerial Personnel of the Company or its respective relatives, other than as mentioned above, is concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

Annexure A

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

(In pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard – 2 on General Meetings)

Particulars	Aarthi Subramanian	K Krithivasan
DIN	07121802	10106739
Date of Birth and Age	June 26, 1967 (55 years)	May 5, 1964 (58 years)
Date of Appointment	March 12, 2015	June 1, 2023
Qualifications	• B. Tech in Computer Science • Master's Degree in Engineering Management	• Bachelor's Degree in Mechanical Engineering • Master's Degree in Industrial and Management Engineering
Expertise in specific functional areas	Wide experience in Information Technology	Wide experience in Information Technology
Terms and Conditions of appointment/re- appointment	Not Applicable	Appointed as the CEO and MD for a period of five years w.e.f. from June 1, 2023. Terms and conditions of his appointment and proposed remuneration are specified in the resolution and explanatory statement annexed to this notice.
Details of Remuneration sought to be paid	Sitting fees for attending Board Meetings and Committee Meetings, if any, where she is a member.	Details of remuneration sought to be paid are detailed in Explanatory Statement – Item No. 5
Number of Board meeting attended during the year (Financial Year 2022-23)	6 (Six)	Not Applicable
Directorships held in other companies (excluding Foreign Companies)	• Tata Industries Limited • Tata Capital Limited • Tata AIA Life Insurance Company Limited • Tata Payments Limited • Tata Unistore Limited • Infiniti Retail Limited • Tata Business Hub Limited • Tata Digital Private Limited • Supermarket Grocery Supplies Private Limited • Tata Neu Private Limited	Nil
Listed Entities from which he/she has resigned as Director in past 3 years	Nil	Nil
Memberships/Chairmanships of committees of other companies	Tata Capital Limited • Stakeholders Relationship Committee* • Corporate Social Responsibility Committee • Information Technology Strategy Committee Infiniti Retail Limited • Audit Committee • Nomination and Remuneration Committee • Risk Management Committee • Corporate Social Responsibility Committee* • Technology Committee	Nil

Particulars	Aarthi Subramanian	K Krithivasan
	Tata UniStore Limited • Internal Audit Committee Tata Industries Limited • Nomination and Remuneration Committee • Risk Management Committee* Tata Digital Private Limited • Nomination and Remuneration Committee • Corporate Social Responsibility Committee*	
Number of Equity Shares held in the Company	5,600	11,232

*Chairperson

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, in respect of the above Directors, please refer to the corporate governance report which is a part of this report.

Annexure B

i. List of subsidiaries of Tata Sons Private Limited (excluding Tata Consultancy Services Limited, Tejas Networks Limited and/or their subsidiaries) as on March 31, 2023

Sr. No.	Name
1	Ewart Investments Limited
2	Tata Limited
3	Indian Rotorcraft Limited
4	Panatone Finvest Limited
5	Akashastha Technologies Private Limited
6	Tata Communications Limited
7	Tata Communications Transformation Services Limited
8	Tata Communications Collaboration Services Private Limited
9	Tata Communications Payment Solutions Limited
10	Tata Communications Lanka Limited
11	Tata Communications Services (International) Pte. Limited
12	Tata Communications (Bermuda) Limited
13	Tata Communications (Netherlands) B.V.
14	Tata Communications (Hong Kong) Limited
15	ITXC IP Holdings S.A.R.L.
16	Tata Communications (America) Inc.
17	Tata Communications (International) Pte Limited
18	Tata Communications (Canada) Limited
19	TATA COMMUNICATIONS (BELGIUM) SRL
20	Tata Communications (Italy) SRL
21	Tata Communications (Portugal) Unipessoal LDA
22	Tata Communications (France) SAS
23	Tata Communications (Nordic) AS
24	Tata Communications (Guam) L.L.C.
25	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA
26	Tata Communications (Australia) Pty Limited

Sr. No.	Name
27	Tata Communications SVCS Pte Ltd
28	Tata Communications (Poland) SP.Z.O.O.
29	Tata Communications (Japan) KK.
30	Tata Communications (UK) Limited
31	Tata Communications Deutschland GMBH
32	Tata Communications (Middle East) FZ-LLC
33	Tata Communications (Hungary) KFT
34	Tata Communications (Ireland) DAC
35	Tata Communications (Russia) LLC
36	Tata Communications (Switzerland) GmbH
37	Tata Communications (Sweden) AB
38	TCPOP Communication GmbH
39	Tata Communications (Taiwan) Limited
40	Tata Communications (Thailand) Limited
41	Tata Communications (Malaysia) Sdn. Bhd.
42	Tata Communications Transformation Services South Africa (Pty) Ltd
43	Tata Communications (Spain) S.L.
44	Tata Communications (Beijing) Technology Limited
45	VSNL SNOSPV Pte. Limited
46	Tata Communications (South Korea) Limited
47	Tata Communications Transformation Services (Hungary) Kft.
48	Tata Communications Transformation Services Pte Limited
49	Tata Communications (Brazil) Participacoes Limitada
50	Tata Communications Transformation Services (US) Inc
51	Tata Communications Comunicacoes E Multimídia (Brazil) Limitada
52	Nexus Connexion (SA) Pty Limited
53	SEPCO Communications (Pty) Limited
54	Tata Communications (New Zealand) Limited
55	Tata Communications MOVE B.V.
56	Tata Communications MOVE Nederland B.V.
57	MuCoso B.V.
58	NetFoundry Inc.
59	TCTS Senegal Limited
60	OASIS Smart SIM Europe SAS
61	Oasis Smart E-Sim Pte Ltd
62	TS Investments Limited
63	Tata SIA Airlines Limited
64	Tata Incorporated
65	Tata Investment Corporation Limited
66	Simto Investment Company Limited
67	Tata Asset Management Private Limited
68	Tata Asset Management (Mauritius) Private Limited
69	Tata Pension Management Limited
70	Tata Consulting Engineers Limited
71	Ecofirst Services Limited
72	TCE QSTP-LLC
73	Tata Engineering Consultants Saudi Arabia Company
74	Tata International AG, Zug

Sr. No.	Name
75	TRIF Investment Management Limited
76	Tata Advanced Systems Limited
77	Aurora Integrated Systems Private Limited
78	Nova Integrated Systems Limited
79	TASL Aerostructures Private Limited
80	Tata Capital Limited
81	Tata Capital Advisors Pte. Limited
82	Tata Capital Financial Services Limited
83	Tata Capital General Partners LLP
84	Tata Capital Growth Fund I
85	Tata Capital Healthcare General Partners LLP
86	Tata Capital Housing Finance Limited
87	Tata Capital Plc
88	Tata Capital Pte. Limited
89	Tata Cleantech Capital Limited
90	Tata Opportunities General Partners LLP
91	Tata Securities Limited
92	Tata Capital Special Situation Fund
93	Tata Capital Healthcare Fund I
94	Tata Capital Innovations Fund
95	Tata Capital Growth Fund II
96	TCL Employee Welfare Trust
97	Tata Capital Growth II General Partners LLP
98	Tata Capital Healthcare Fund II
99	Tata Capital Healthcare II General Partners LLP
100	Tata Housing Development Company Limited
101	Apex Realty Private Limited
102	Concept Developers & Leasing Limited
103	HLT Residency Private Limited
104	Kriday Realty Private Limited
105	One-Colombo Project (Private) Limited
106	Promont Hillside Private Limited
107	Smart Value Homes (Boisar) Private Limited
108	Tata Value Homes Limited
109	THDC Management Services Limited
110	World-One (Sri Lanka) Projects Pte. Limited
111	World-One Development Company Pte. Limited
112	Synergizers Sustainable Foundation
113	Technopolis Knowledge Park Limited
114	Princeton Infrastructure Private Limited
115	Ardent Properties Private Limited
116	Promont Hilltop Private Limited
117	Smart Value Homes (Peenya Project) Private Limited
118	Smart Value Homes (New Project) LLP
119	HL Promoters Private Limited
120	SAS Realtech LLP
121	Tata Realty and Infrastructure Limited
122	Acme Living Solutions Private Limited

Sr. No.	Name
123	HV Farms Private Limited
124	TRIF Gurgaon Housing Projects Private Limited
125	Wellkept Facility Mangement Services Private Limited
126	TRIL Roads Private Limited
127	TRIL Urban Transport Private Limited
128	Hampi Expressways Private Limited
129	Dharamshala Ropeway Limited
130	International Infrabuild Private Limited
131	Uchit Expressways Private Limited
132	Durg Shivnath Expressways Private Limited
133	Matheran Rope-Way Private Limited
134	MIA Infrastructure Private Limited
135	TRIL Bengaluru Real Estate One Private Limited
136	TRIL Bengaluru Consultants Private Limited
137	TRIL Bengaluru Real Estate Three Private Limited
138	TRIL IT4 Private Limited
139	Tata Trustee Company Private Limited
140	Niskalp Infrastructure Services Limited
141	India Emerging Companies Investment Limited
142	Inshaallah Investments Limited
143	Tata Autocomp Systems Limited
144	Automotive Stampings and Assemblies Limited
145	Nanjing Tata Autocomp Systems Limited
146	TACO Engineering Services GmbH
147	Ryhpez Holding (Sweden) AB
148	TitanX Holding AB
149	TitanX Engine Cooling Inc.
150	TitanX Engine Cooling Kunshan Co. Ltd.
151	TitanX Engine Cooling AB
152	TitanX Refrigeracão de Motores LTDA
153	TitanX Engine Cooling, Poland
154	TitanX Engine Cooling SRL
155	Changshu Tata AutoComp Systems Limited
156	Tata Toyo Radiator Limited
157	Tata Autocomp Hendrickson Suspensions Private Limited
158	TACO EV Component Solutions Private Limited
159	TACO Punch Powertrain Private Limited
160	Tata International Limited
161	Blackwood Hodge Zimbabwe (Private) Limited
162	Calsea Footwear Private Limited
163	Pamodzi Hotels Plc
164	Tata Africa (Cote D'Ivoire) SARL
165	Tata Africa Holdings (Ghana) Limited
166	TATA Africa Holdings (Kenya) Limited
167	Tata Africa Holdings (SA) (Proprietary) Limited
168	Tata Africa Holdings (Tanzania) Limited
169	Tata Africa Services (Nigeria) Limited
170	Tata De Mocambique, Limitada

Sr. No.	Name
171	Tata Holdings Mocambique Limitada
172	Tata International Metals (Americas) Limited
173	Tata International Metals (Asia) Limited
174	Tata International Metals (Guangzhou) Limited
175	Tata International Singapore Pte Limited
176	Tata South East Asia (Cambodia) Limited
177	Tata Uganda Limited
178	Tata West Asia FZE
179	Tata Zambia Limited
180	Tata Zimbabwe (Private) Limited
181	TIL Leather Mauritius Limited
182	Tata International West Asia DMCC
183	Motor-Hub East Africa Limited
184	Tata International Vietnam Company Limited
185	Tata International Unitech (Senegal) SARL
186	Tata International Canada Limited
187	Newshelf 1369 Pty Ltd.
188	Alliance Finance Corporation Limited
189	AFCL Ghana Limited
190	AFCL Premium Services Ltd.
191	AFCL Zambia Limited
192	Alliance Leasing Limited
193	Stryder Cycle Private Limited
194	AFCL RSA (Pty) Limited
195	TISPL Trading Company Limited
196	Société Financière Décentralisé Alliance Finance Corporation Senegal
197	Tata International Vehicle Applications Private Limited
198	Taj Air Limited
199	Impetis Biosciences Limited
200	Tata Teleservices Limited
201	Tata Tele NXTGEN Solutions Limited
202	NVS Technologies Limited
203	TTL Mobile Private Limited
204	Tata Teleservices (Maharashtra) Limited
205	Tata Digital Private Limited
206	Tata Payments Limited
207	Supermarket Grocery Supplies Private Limited
208	Innovative Retail Concepts Private Limited
209	Savis Retail Private Limited
210	Delyver Retail Network Private Limited
211	Dailyninja Delivery Services Private Limited
212	Tata 1mg Technologies Private Limited
213	Tata 1mg Healthcare Solutions Private Limited
214	LFS Healthcare Private Limited
215	Infiniti Retail Limited
216	Tata Fintech Private Limited
217	Tata Neu Private Limited
218	Protraviny Private Limited

Sr. No.	Name
219	Tata Unistore Limited
220	Tata AIG General Insurance Company Limited
221	Tata Medical and Diagnostics Limited
222	Talace Private Limited
223	Air India Limited
224	Air India Express Limited
225	AIX Connect Private Limited
226	Tata Electronics Private Limited
227	Vidiyal Residency Private Limited
228	Tata Business Hub Limited
229	Tata Elxsi Limited
230	Ranata Hospitality Private Limited
231	Agratas Energy Storage Solutions Private Limited

ii. List of Joint Ventures, Associate Companies of Tata Sons Private Limited and their subsidiaries and Joint ventures & Associate Companies of subsidiaries of Tata Sons Private Limited (excluding Tata Motors Limited, Jaguar Land Rover Limited and/or their subsidiaries) as on March 31, 2023

Sr. No.	Name
1	Tata Chemicals Limited
2	Rallis India Limited
3	Ncourage Social Enterprise Foundation
4	Valley Holdings Inc.
5	Tata Chemicals North America Inc.
6	Tata Chemicals (Soda Ash) Partners
7	TCSAP LLC
8	Homefield Pvt. UK Limited
9	TCE Group Limited
10	Tata Chemicals Africa Holdings Limited
11	Natrium Holdings Limited
12	Tata Chemicals Europe Limited
13	Winnington CHP Limited
14	Brunner Mond Group Limited
15	Tata Chemicals Magadi Limited
16	Northwich Resource Management Limited
17	Gusiute Holdings (UK) Limited
18	British Salt Limited
19	Cheshire Salt Holdings Limited
20	Cheshire Salt Limited
21	Brinefield Storage Limited
22	Cheshire Cavity Storage 2 Limited
23	New Cheshire Salt Works Limited
24	Tata Chemicals International Pte. Limited
25	Tata Chemicals (South Africa) Proprietary Limited
26	Magadi Railway Company Limited
27	Alcad
28	TC (Soda Ash) Partners Holdings
29	Tata Consumer Products Limited
30	Tata Consumer Products UK Group Ltd.
31	Tata Global Beverages Holdings Limited
32	Tata Global Beverages Services Ltd.

Sr. No.	Name
33	Tata Consumer Products GB Ltd.
34	Tata Consumer Products Overseas Holdings Ltd.
35	Tata Global Beverages Overseas Ltd.
36	Lyons Tetley Ltd.
37	Drassington Ltd.
38	Teapigs Ltd.
39	Teapigs US LLC
40	Stansand Ltd.
41	Stansand (Brokers) Ltd.
42	Stansand (Africa) Ltd.
43	Stansand (Central Africa) Ltd.
44	Tata Consumer Products Polska sp.zo.o
45	Tata Consumer Products US Holdings Inc.
46	Tata Waters LLC
47	Tetley USA Inc.
48	Good Earth Corporation
49	Good Earth Teas Inc.
50	Tata Consumer Products Canada Inc.
51	Tata Consumer Products Australia Pty Ltd.
52	Earth Rules Pty Ltd.
53	Tata Global Beverages Investments Ltd.
54	Campestres Holdings Ltd.
55	Kahutara Holdings Ltd.
56	Suntyco Holding Ltd.
57	Onomento Co Ltd.
58	Tata Consumer Products Capital Ltd.
59	Tata Coffee Ltd.
60	Consolidated Coffee Inc.
61	Tata Coffee Vietnam Company Ltd.
62	Eight O'Clock Holdings Inc.
63	Eight O'Clock Coffee Company.
64	Tata Tea Extractions Inc.
65	Tata Tea Holdings Private Ltd.
66	NourishCo Beverages Ltd.
67	Tata Consumer Soulfull Private Limited
68	Tata SmartFoodz Limited
69	TRIL Constructions Ltd.
70	TCPL Beverages & Foods Limited
71	Joekels Tea Packers Proprietary Limited
72	Tetley ACI (Bangladesh) Ltd
73	Tata Steel Limited
74	ABJA Investment Co. Pte. Ltd.
75	Adityapur Toll Bridge Company Limited
76	Tata Steel Special Economic Zone Limited
77	Indian Steel & Wire Products Ltd.
78	Tata Steel Utilities and Infrastructure Services Limited
79	Haldia Water Management Limited
80	Kalimati Global Shared Services Limited
81	Mohar Export Services Pvt. Ltd
82	Rujuvalika Investments Limited
83	Tata Steel Mining Limited
84	Tata Korf Engineering Services Ltd.

Sr. No.	Name
85	Tata Metaliks Ltd.
86	Tata Steel Long Products Limited
87	T Steel Holdings Pte. Ltd.
88	T S Global Holdings Pte Ltd.
89	Orchid Netherlands (No.1) B.V.
90	&Eastern Steel Fabricators Philippines, Inc.
91	The Siam Industrial Wire Company Ltd.
92	TSN Wires Co., Ltd.
93	Tata Steel Europe Limited
94	Apollo Metals Limited
95	Blastmega Limited
96	British Steel Corporation Limited
97	British Steel Directors (Nominees) Limited
98	British Steel Nederland International B.V.
99	C V Benine
100	Catnic GmbH
101	Catnic Limited
102	Tata Steel Mexico SA de CV
103	Cogent Power Limited
104	Corbeil Les Rives SCI
105	Corby (Northants) & District Water Company Limited
106	Corus CNBV Investments
107	Corus Engineering Steels (UK) Limited
108	Corus Engineering Steels Holdings Limited
109	Corus Engineering Steels Limited
110	Corus Group Limited
111	Corus Holdings Limited
112	Corus International (Overseas Holdings) Limited
113	Corus International Limited
114	Corus International Romania SRL.
115	Corus Investments Limited
116	Corus Ireland Limited
117	Corus Liaison Services (India) Limited
118	Corus Management Limited
119	Corus Property
120	Corus UK Healthcare Trustee Limited
121	Crucible Insurance Company Limited
122	Degels GmbH
123	Demka B.V.
124	00026466 Limited
125	Fischer Profil GmbH
126	Gamble Simms Metals Limited
127	Grant Lyon Eagre Limited
128	H E Samson Limited
129	Hadfields Holdings Limited
130	Halmstad Steel Service Centre AB
131	Hammermega Limited
132	Hille & Muller GmbH
133	Hille & Muller USA Inc.
134	Hoogovens USA Inc.
135	Huizenbezit “Breesaap” B.V.
136	Inter Metal Distribution SAS

Sr. No.	Name
137	Layde Steel S.L.
138	London Works Steel Company Limited
139	Montana Bausysteme AG
140	Naantali Steel Service Centre OY
141	Norsk Stal Tynnplater AS
142	Norsk Stal Tynnplater AB
143	Orb Electrical Steels Limited
144	Oremco Inc.
145	Plated Strip (International) Limited
146	Rafferty-Brown Steel Co Inc Of Conn.
147	Runmega Limited
148	S A B Profiel B.V.
149	S A B Profil GmbH
150	Service Center Gelsenkirchen GmbH
151	Service Centre Maastricht B.V.
152	Societe Europeenne De Galvanisation (Segal) Sa
153	Staalverwerking en Handel B.V.
154	Stewarts And Lloyds (Overseas) Limited
155	Surahammar Bruks AB
156	Swinden Housing Association Limited
157	Tata Steel Belgium Packaging Steels N.V.
158	Tata Steel Belgium Services N.V.
159	Tata Steel Denmark Byggsystemer A/S
160	Tata Steel France Holdings SAS
161	Tata Steel Germany GmbH
162	Tata Steel IJmuiden BV
163	Tata Steel International (Americas) Holdings Inc
164	Tata Steel International (Americas) Inc
165	Tata Steel International (Czech Republic) S.R.O
166	Tata Steel International (France) SAS
167	Tata Steel International (Germany) GmbH
168	Tata Steel International (South America) Representações LTDA
169	Tata Steel International (Italia) SRL
170	Tata Steel International (Middle East) FZE
171	Tata Steel International Limited
172	Tata Steel International (Poland) sp Zoo
173	Tata Steel International (Sweden) AB
174	Tata Steel International (India) Limited
175	Tata Steel International Iberica SA
176	Tata Steel Istanbul Metal Sanayi ve Ticaret AS
177	Tata Steel Maubeuge SAS
178	Tata Steel Nederland BV
179	Tata Steel Nederland Consulting & Technical Services BV
180	Tata Steel Nederland Services BV
181	Tata Steel Nederland Technology BV
182	Tata Steel Nederland Tubes BV
183	Tata Steel Netherlands Holdings B.V.
184	Tata Steel Norway Byggsystemer A/S
185	Tata Steel Sweden Byggsystem AB
186	Tata Steel UK Consulting Limited
187	Tata Steel UK Holdings Limited
188	Tata Steel UK Limited

Sr. No.	Name
189	Tata Steel USA Inc.
190	The Newport And South Wales Tube Company Limited
191	Thomas Processing Company
192	Thomas Steel Strip Corp.
193	TS South Africa Sales Office Proprietary Limited
194	Tulip UK Holdings (No.2) Limited
195	Tulip UK Holdings (No.3) Limited
196	U.E.S. Bright Bar Limited
197	UK Steel Enterprise Limited
198	Unitol SAS
199	Fischer Profil Produktions-und-Vertriebs- GmbH
200	Al Rimal Mining LLC
201	TSMUK Limited
202	T S Canada Capital Ltd
203	Tata Steel Minerals Canada Limited
204	Tata Steel (Thailand) Public Company Limited
205	Tata Steel Manufacturing (Thailand) Public Company Limited
206	The Siam Construction Steel Company Limited
207	The Siam Iron and Steel (2001) Company Limited
208	T S Global Procurement Company Pte. Ltd.
209	Tata Steel International (Shanghai) Ltd.
210	TS Asia (Hong Kong) Ltd.
211	Tata Steel Advanced Materials Limited
212	Tata Steel Downstream Products Limited
213	Tayo Rolls Limited
214	The Tata Pigments Limited
215	The Tinplate Company of India Limited
216	Tata Steel Foundation
217	Jamshedpur Football and Sporting Private Limited
218	Bhubaneshwar Power Private Limited
219	Angul Energy Limited
220	Tata Steel Support Services Limited
221	Bhushan Steel (South) Ltd.
222	Tata Steel Technical Services Limited
223	Bhushan Steel (Australia) PTY Ltd.
224	Bowen Energy PTY Ltd.
225	Bowen Coal PTY Ltd.
226	Bowen Consolidated PTY Ltd.
227	Creative Port Development Private Limited
228	Subarnarekha Port Private Limited
229	Ceramat Private Limited
230	Tata Steel TABB Limited
231	S & T Mining Company Limited
232	Medica TS Hospital Pvt. Ltd.
233	Neelachal Ispat Nigam Limited
234	The Indian Hotels Company Limited
235	Piem Hotels Limited
236	Benares Hotels Limited
237	United Hotels Limited
238	Roots Corporation Limited
239	Inditravel Limited
240	Taj Trade & Transport Company Limited

Sr. No.	Name
241	KTC Hotels Limited
242	Northern India Hotels Limited
243	Taj Enterprises Limited
244	Skydeck Properties and Developers Private Limited
245	Sheena Investments Private Limited
246	ELEL Hotels and Investments Limited
247	Luthria and Lalchandani Hotel and Properties Private Limited
248	Ideal Ice & Cold Storage Company Limited
249	Genness Hospitality Private Limited
250	Qurio Hospitality Private Limited
251	United Overseas Holdings Inc.
252	St. James Court Hotel Limited
253	Taj International Hotels Limited
254	Taj International Hotels (H.K.) Limited
255	Piem International (HK) Limited
256	IHOCO BV.
257	IHMS Hotels (SA)(Pty) Limited
258	Kadisland Hospitality Private Limited
259	Suisland Hospitality Private Limited
260	Good Hope Palace Hotels Proprietary Limited
261	Zarrenstar Hospitality Private Limited
262	The Tata Power Company Limited
263	Tata Power Delhi Distribution Limited
264	NDPL Infra Limited
265	TP Ajmer Distribution Limited
266	Tata Power Jamshedpur Distribution Limited
267	Tata Power Solar Systems Limited
268	Chirasthayee Saurya Limited
269	Tata Power Trading Company Limited
270	Maithon Power Limited
271	Tata Power Green Energy Limited
272	Tata Power Renewable Energy Limited
273	TP Wind Power Limited
274	Supa Windfarm Limited
275	Nivade Windfarm Limited
276	Poolavadi Windfarm Limited
277	Vagarai Windfarm Limited
278	Walwhan Renewable Energy Limited
279	Walwhan Solar MP Limited
280	Walwhan Solar PB Limited
281	Walwhan Solar TN Limited
282	Walwhan Wind RJ Limited
283	Clean Sustainable Solar Energy Private Limited
284	MI Mysolar24 Private Limited
285	Walwhan Solar BH Limited
286	Walwhan Solar MH Limited
287	Walwhan Solar AP Limited
288	Walwhan Solar KA Limited
289	Walwhan Energy RJ Limited
290	Walwhan Urja Anjar Limited
291	Walwhan Solar RJ Limited
292	Northwest Energy Private Limited

Sr. No.	Name
293	Walwhan Solar Raj Limited
294	Solarsys Renewable Energy Private Limited
295	Dreisatz Mysolar 24 Private Limited
296	Walwhan Urja India Limited
297	Walwhan Solar Energy GJ Limited
298	Nelco Limited
299	Nelco Network Products Limited
300	Trust Energy Resources Pte. Limited
301	PT Sumber Energi Andalan TBK
302	Tata Power International Pte. Ltd.
303	Far Eastern Natural Resources LLC
304	Khopoli Investments Limited
305	Bhivpuri Investments Limited
306	Bhira Investments Pte Limited
307	TP Renewable Microgrid Limited
308	TP Solapur Limited
309	TP Kirnali Limited
310	TP Central Odisha Distribution Limited
311	TP Kirnali Solar Limited
312	TP Solapur Solar Limited
313	TP Saurya Ltd
314	TP Akkalkot Renewable Ltd
315	TP Roofurja Renewable Limited
316	TP Western Odisha Distribution Limited
317	TP Southern Odisha Distribution Limited
318	TP Northern Odisha Distribution Limited
319	TP Solapur Saurya Limited
320	PT Andalan Group Power
321	PT Sumber Power Nusantara
322	PT Indopower Energi Abadi
323	PT Andalan Power Teknikatama
324	TP Solar Limited
325	TP Nanded Limited
326	TP Green Nature Limited
327	TP Adhrit Solar Limited
328	TP Arya Saurya Limited
329	TP Saurya Bandita Limited
330	TP Ekadash Limited
331	TP Govardhan Creatives Limited
332	TP Narmada Solar Limited
333	TP Bhaskar Renewables Limited
334	TP Atharva Solar Limited
335	TP VIVAGREEN LIMITED
336	TP VARDHAMAN SURYA LIMITED
337	TP Kaunteya Saurya Limited
338	Trent Limited
339	Nahar Retail Trading Services Limited
340	Fiora Business Support Services Limited
341	Trent Global Holdings Limited
342	Fiora Hypermarket Limited
343	Fiora Online Limited
344	Booker India Limited

Sr. No.	Name
345	Booker Satnam Wholesale Limited
346	Voltas Limited
347	Voltas Netherlands B.V.
348	Lalbuksh Voltas Engineering Services & Trading L.L.C.
349	Weathermaker FZE
350	Saudi Ensas Company for Engineering Services W.L.L.
351	Universal MEP Projects & Engineering Services Limited
352	Voltas Qatar W.L.L.
353	Voltas Oman SPC
354	Universal MEP Projects Pte Limited
355	Agro Foods Punjab Limited
356	Westerwork Engineers Limited
357	HI-Volt Enterprises Pvt. Ltd.
358	Titan Company Limited
359	TCL Watches Switzerland AG
360	Titan Engineering & Automation Limited
361	Titan Watch Company Hong Kong Limited
362	CaratLane Trading Private Limited
363	Titan Holdings International FZCO
364	Titan Global Retail L.L.C
365	Titan Commodity Trading Limited
366	StudioC Inc
367	TEAL USA Inc
368	TCL North America Inc
369	Titan International QFZ LLC
370	Ferbine Private Limited
371	Amalgamated Plantations Private Limited
372	Lokmanaya Hospital Private Limited
373	Novalead Pharma Private Limited
374	Vortex Engineering Private Limited
375	Sea6 Energy Private Limited
376	Alef Mobitech Solutions Private Limited
377	Tema India Limited
378	Kapsons Industries Private Limited
379	Tata Technologies Limited
380	TVS Supply Chain Solutions Limited
381	Fincare Business Services Limited
382	Tata Projects Limited
383	Artson Engineering Limited (AEL)
384	Ujjwal Pune Limited
385	TPL-CIL Construction LLP
386	TCC Construction Private Limited
387	TP Luminaire Private Limited
388	TQ Cert Services Private Limited
389	TQ Services Europe GmbH
390	Industrial Quality Services, LLC Oman
391	Ind Project Engineering (Shanghai) Co Ltd
392	TPL-Asara Engineering South Africa (Proprietary) Limited
393	TPL INFRA PROJECTS (BRAZIL) PROJETOS DE INFRAESTRUTURA E ENGENHARIA LTDA
394	Anderson Diagnostic Services Pvt. Ltd.
395	Indusface Private Limited
396	Linux Laboratories Private Limited

Sr. No.	Name
397	Fincare Small Finance Bank Limited
398	Atulaya Healthcare Private Limited
399	Cnergyis Infotech India Private Limited
400	Deeptek Inc, a Delaware Corporation
401	Speech and Software Technologies (India) Private Limited
402	The Associated Building Company Limited
403	Tata Enterprises (Overseas) AG
404	Tata Motors (SA) (Proprietary) Limited
405	A.O. Avron
406	United Telecom Limited
407	STT Global Data Centres India Private Limited
408	Smart ICT Services Private Limited
409	Cellcure Cancer Centre Private Limited
410	Tata Overseas Development Co. Ltd.
411	Inter Consumer Goods AG
412	Tata International UK Ltd.
413	Strategic Energy Technology Systems Private Limited
414	Tata AIA Life Insurance Company Limited
415	Tata Play Limited
416	Actve Digital Services Private Limited
417	Tata Play Broadband Private Limited
418	TSBB Voice Private Limited
419	Tata Industries Limited
420	Qubit Investments Pte. Limited
421	Flisom – AG
422	915 Labs Inc
423	Flisom Hungary Kft
424	Smart ClassEdge Systems Limited
425	HELA Systems Private Limited
426	Tata Lockheed Martin Aerostructures Limited
427	Tata Sikorsky Aerospace Limited
428	Tata Boeing Aerospace Limited
429	LTH Milcom Private Limited
430	Arvind and Smart Value Homes LLP
431	Sohna City LLP
432	Kolkata-One Excelton Private Limited
433	Sector 113 Gatevida Developers Private Limited
434	One Bangalore Luxury Projects LLP
435	Land kart Builders Private Limited
436	Pune Solapur Expressways Private Limited
437	Arrow Infraestate Pvt Limited
438	Gurgaon Constructwell Private Limited
439	Gurgaon Realtech Limited
440	Infopark Properties Limited
441	Mikado Realtors Private Limited
442	Industrial Minerals and Chemicals Company Private Limited
443	Pune IT City Metro Rail Limited
444	Tata Ficosa Automotive Systems Private Limited
445	Tata AutoComp GY Batteries Private Limited
446	Air International TTR Thermal Systems Private Limited
447	Tata Autocomp Katcon Exhaust Systems Private Limited
448	TM Automotive Seating Systems Private Limited

Sr. No.	Name
449	TACO Sasken Automotive Electronics Limited
450	Tata Autocomp SECO Powertrain Private Limited
451	Tata AutoComp Gotion Green Energy Solutions Private Limited
452	TACO Prestolite Electric Private Limited
453	Tata Precision Industries (India) Limited
454	Tata International GST AutoLeather Limited
455	Women in Transport
456	Ferguson Place (Proprietary) Limited
457	Air India SATS Airport Services Private Ltd.
458	TRIL Infopark Limited
459	TM Railway Seating Private Limited

iii. List of subsidiaries of Tejas Networks Limited as on March 31, 2023

Sr. No.	Name
1	Tejas Communication Pte Limited
2	Tejas Communications (Nigeria) Limited
3	Saankhya Labs Private Limited
4	Saankhya Labs Inc
5	Saankhya Strategic Electronics Private Limited

iv. List of subsidiaries of Tata Motors Limited and Jaguar Land Rover Limited as on March 31, 2023

Sr. No.	Name
1	TML Business Services Limited
2	Tata Motors European Technical Centre PLC
3	Tata Motors Insurance Broking and Advisory Services Limited
4	TMF Holdings Limited
5	TML Holdings Pte. Limited
6	Tata Hispano Motors Carrocera S.A.
7	Tata Hispano Motors Carrocerries Maghreb SA
8	Trilix S.r.l.
9	Tata Precision Industries Pte. Limited
10	Tata Technologies Limited
11	Tata Motors Body Solutions Limited (Name changed from Tata Marcopolo Motors Limited w.e.f. December 30, 2022)
12	Jaguar Land Rover Technology and Business Services India Private Limited
13	TML CV Mobility Solutions Limited
14	Tata Daewoo Commercial Vehicle Company Limited
15	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited
16	Tata Motors (Thailand) Limited
17	Tata Motors (SA) (Proprietary) Limited
18	PT Tata Motors Indonesia
19	PT Tata Motors Distribusi Indonesia
20	Jaguar Land Rover Automotive plc
21	Jaguar Land Rover Holdings Limited
22	Jaguar Land Rover Limited
23	Jaguar Land Rover Austria GmbH
24	Jaguar Land Rover Japan Limited
25	JLR Nominee Company Limited

Sr. No.	Name
26	Jaguar Land Rover Deutschland GmbH
27	Jaguar Land Rover North America LLC
28	Jaguar Land Rover Nederland BV
29	Jaguar Land Rover Portugal- Veículos e Peças, Lda.
30	Jaguar Land Rover Australia Pty Limited
31	Jaguar Land Rover Italia Spa
32	Jaguar Land Rover Korea Company Limited
33	Jaguar Land Rover (China) Investment Co. Limited
34	Jaguar Land Rover Canada ULC
35	Jaguar Land Rover France, SAS
36	Jaguar Land Rover (South Africa) (Pty) Limited
37	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA
38	Limited Liability Company "Jaguar Land Rover" (Russia)
39	Jaguar Land Rover (South Africa) Holdings Limited
40	Jaguar Land Rover Ventures Limited
41	Jaguar Land Rover India Limited
42	Jaguar Land Rover Espana SL
43	Jaguar Land Rover Belux NV
44	Jaguar Cars South Africa (Pty) Limited
45	Jaguar Cars Limited
46	Land Rover Exports Limited
47	Land Rover Ireland Limited
48	The Daimler Motor Company Limited
49	Daimler Transport Vehicles Limited
50	S.S. Cars Limited
51	The Lanchester Motor Company Limited
52	Shanghai Jaguar Land Rover Automotive Services Company Limited
53	Jaguar Land Rover Pension Trustees Limited
54	Jaguar Land Rover Slovakia s.r.o
55	Jaguar Land Rover Singapore Pte. Ltd.
56	Jaguar Racing Limited
57	InMotion Ventures Limited
58	In-Car Ventures Limited
59	InMotion Ventures 2 Limited
60	InMotion Ventures 3 Limited
61	Jaguar Land Rover Colombia S.A.S
62	Jaguar Land Rover Ireland (Services) Limited
63	Jaguar Land Rover Taiwan Company Limited
64	Jaguar Land Rover Servicios México, S.A. de C.V.
65	Jaguar Land Rover México, S.A.P.I. de C.V.
66	Jaguar Land Rover Classic USA LLC
67	Tata Technologies Pte Limited
68	Tata Technologies (Thailand) Limited
69	Tata Manufacturing Technologies (Shanghai) Co. Limited
70	INCAT International Plc.
71	Tata Technologies Gmbh
72	Tata Technologies Europe Limited
73	Tata Technologies Nordics AB

Sr. No.	Name
74	Tata Technologies Inc.
75	Tata Technologies de Mexico, S.A. de C.V.
76	Cambric Limited
77	Tata Technologies SRL Romania
78	Tata Motors Finance Solutions Limited
79	Tata Motors Finance Limited
80	Jaguar Land Rover Hungary KFT
81	Jaguar Land Rover Classic Deutschland GmbH
82	Brabo Robotics and Automation Limited
83	Bowler Motors Limited
84	Jaguar Land Rover (Ningbo) Trading Co. Limited
85	Tata Motors Passenger Vehicles Limited
86	Tata Passenger Electric Mobility Limited
87	TML Smart City Mobility Solutions Limited
88	TML Smart City Mobility Solutions (J&K) Private Limited

v. List of subsidiaries of the Company (other than wholly owned subsidiaries) as on March 31, 2023

Sr. No.	Name
1	APTOnline Limited
2	C-Edge Technologies Limited
3	MahaOnline Limited
4	MP Online Limited
5	Tata Consultancy Services Japan, Ltd.

Directors' **Report**

To the Members,

The Directors present this Integrated Annual Report of Tata Consultancy Services Limited (the Company or TCS) along with the audited financial statements for the financial year ended March 31, 2023.

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Financial results

(₹ crore)

	Standalone		Consolidated	
	Financial Year 2022-23 (FY 2023)	Financial Year 2021-22 (FY 2022)	Financial Year 2022-23 (FY 2023)	Financial Year 2021-22 (FY 2022)
Revenue from operations	1,90,354	1,60,341	2,25,458	1,91,754
Other income	5,328	7,486	3,449	4,018
Total income	**1,95,682**	**1,67,827**	**2,28,907**	**1,95,772**
Expenses				
Operating expenditure	1,39,357	1,14,096	1,66,199	1,38,697
Depreciation and amortisation expense	3,940	3,522	5,022	4,604
Total expenses	**1,43,297**	**1,17,618**	**1,71,221**	**1,43,301**
Profit before finance costs and tax	52,385	50,209	57,686	52,471
Finance costs	695	486	779	784
Profit before tax	**51,690**	**49,723**	**56,907**	**51,687**
Tax expense	12,584	11,536	14,604	13,238
Profit for the year	**39,106**	**38,187**	**42,303**	**38,449**
Attributable to:				
Shareholders of the Company	39,106	38,187	42,147	38,327
Non-controlling interests	NA	NA	156	122
Opening balance of retained earnings	**68,949**	**70,928**	**78,158**	**79,586**
Closing balance of retained earnings	**62,228**	**68,949**	**74,722**	**78,158**

2. Return of surplus funds to Shareholders

In line with the practice of returning 80 to 100 percent free cash flow to shareholders and based on the Company's performance, the Directors have declared three interim dividends of ₹8 per equity share and a special dividend of ₹67 aggregating to ₹91 per equity share involving a cash outflow of ₹33,297 crore during the year. The Directors have also recommended a final dividend of ₹24 per equity share, the final dividend on equity shares, if approved by the Members, would involve a cash outflow of ₹8,782 crore. The total shareholders payout excluding the buyback tax of ₹4,192 crore paid at the beginning of FY 2023, would involve a total cash outflow of ₹42,079 crore at ₹115 per equity share, resulting in a dividend payout of 107.6 percent of the standalone profits of the Company.

For FY 2022, the Company paid a total dividend of ₹43 per equity share, which resulted in an outflow of ₹15,818 crore and a dividend payout of 41.4 percent of the standalone profits of the Company. In addition to the above, the Company bought back 4,00,00,000 equity shares at a price of ₹4,500 per equity share for an aggregate consideration of ₹18,000 crore. The offer size of the buyback was 21.03 percent and 19.06 percent of the aggregate paid-up equity share capital and free reserves as per audited condensed standalone interim financial statements and audited condensed consolidated interim financial statements of the Company as at December 31, 2021, respectively.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is available on the Company's website at https://on.tcs.com/Dividend.

3. Transfer to reserves

The closing balance of the retained earnings of the Company for FY 2023, after all appropriation and adjustments was ₹62,228 crore.

4. Company's performance

On a consolidated basis, the revenue for FY 2023 was ₹2,25,458 crore, higher by 17.6 percent over the previous year's revenue of ₹1,91,754 crore. The profit after tax (PAT) attributable to shareholders and non-controlling interests for FY 2023 and FY 2022 was ₹42,303 crore and ₹38,449 crore, respectively.

The PAT attributable to shareholders for FY 2023 was ₹42,147 crore registering a growth of 10.0 percent over the PAT of ₹38,327 crore in FY 2022.

On a standalone basis, the revenue for FY 2023 was ₹1,90,354 crore, higher by 18.7 percent over the previous year's revenue of ₹1,60,341 crore in FY 2022. The PAT attributable to shareholders in FY 2023 was ₹39,106 crore registering a growth of 2.4 percent over the PAT of ₹38,187 crore in FY 2022.

5. Quality initiatives

The Company continues to strengthen its commitment to the highest levels of quality, superior customer experience, best-in-class service management, robust information security and privacy practices and mature business continuity management.

The relevance of TCS' integrated Quality Management System (iQMS™) is continually evaluated for new service offerings, emerging delivery methodologies, industry best practices and latest technologies, and adequately upgraded to provide outstanding value and experience to its customers.

TCS has successfully achieved Maturity Level 5 in CMMI Enterprise Wide assessment for Development. TCS has successfully completed the annual ISO surveillance audit and has been recommended for continuation of its enterprise-wide certification. TCS's enterprise ISO certification scope includes conformance to the following globally recognized standards: ISO 9001:2015 (Quality Management), ISO 20000-1:2018 (IT Service Management), ISO 22301:2019 (Business Continuity Management), ISO 27001:2013 (Information Security Management), ISO 27017:2015 (Information Security Controls for Cloud Services), ISO 27018:2019 (Protection of PII in Public Clouds as PII Processors), ISO 27701:2019 (Privacy Information Management Systems), AS 9100:2016 (Aerospace Industry), ISO 13485:2016 (Medical Devices) and TL 9000–SV R6.2/R5.7 (Telecom Industry).

The customer-centricity, focus on their growth and transformation, rigor in operations and commitment to delivery excellence have resulted in sustained high customer satisfaction levels in the periodic surveys conducted by the Company. This is validated by top rankings in third party surveys as well. TCS achieved the top position in Whitelane customer satisfaction survey for the tenth consecutive year, with an overall satisfaction score of 83 percent compared to the industry average of 75 percent.

TCS has received multiple external awards this year, in the areas of quality and data privacy. TCS won the Data Security Council of India (DSCI) Excellence Award 2022 in category Best Privacy Practices in Organization, two years in a row; PICCASO Privacy Awards Europe 2022 for Best Privacy Programme; Gold award won by BFSI Cognitive Business Operations- IT IS Team in 8th National Institute for Quality and Reliability (NIQR) Annual Six Sigma/Task Achievement Competition; Customer Experience Team of the Year Award by Global Sourcing Association – UK.

6. Subsidiary companies

On March 31, 2023, the Company has 51 subsidiaries and there has been no material change in the nature of the business of the subsidiaries. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

On May 18, 2022, Tata Consultancy Services Asia Pacific Pte. Ltd. acquired additional 6.8 percent ownership interest in Tata Consultancy Services (China) Co., Ltd. (TCS China) thereby making it a wholly owned subsidiary.

Tata Consultancy Services Danmark ApS was liquidated effective July 27, 2022.

On March 16, 2023, TCS China acquired 100 percent ownership interest in TCS Financial Solutions (Beijing) Co., Ltd. from TCS Financial Solutions Australia Pty Limited.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website at https://www.tcs.com/investor-relations.

7. Directors' responsibility statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. They have prepared the annual accounts on a going concern basis;

v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023.

8. Directors and key managerial personnel

As on March 31, 2023, the Company has nine Directors comprising of two Executive Directors and seven Non-Executive Directors out of which five are Independent Directors. There are two women directors.

On April 16, 2022, the Members approved the re-appointment of Rajesh Gopinathan (DIN 06365813) and N G Subramaniam (DIN 07006215) as the CEO and MD and COO and ED, respectively.

On February 12, 2023, the Members approved the re-appointment of Dr Pradeep Kumar Khosla (DIN 03611983) as an Independent Director. In the opinion of the Board, he is a person of integrity, fulfils requisite conditions as per applicable laws and is independent of the management of the Company.

Rajesh Gopinathan would relinquish his position of CEO and MD of the Company with effect from June 1, 2023. The Board places on record its appreciation of the invaluable services of Rajesh Gopinathan as the CEO and MD.

The Board appointed K Krithivasan (DIN 10106739) as the Chief Executive Officer Designate with effect from March 16, 2023 and as CEO and MD with effect from June 1, 2023 for a period of five years, subject to approval of the Members at the ensuing Annual General Meeting (AGM). K Krithivasan heads the Banking, Financial Services, and Insurance (BFSI) Business Group at the Company and has been part of the global technology sector for over 34 years, having joined the Company in 1989.

Aarthi Subramanian (DIN 07121802) retires by rotation and being eligible, offers herself for re-appointment.

A resolution seeking shareholders' approval for their appointment/re-appointment along with other required details forms part of the Notice.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

Pursuant to the provisions of Section 203 of the Act, Rajesh Gopinathan, CEO and MD, N G Subramaniam, COO and ED, Samir Seksaria, Chief Financial Officer and Pradeep Manohar Gaitonde, Company Secretary are the Key Managerial Personnel of the Company as on March 31, 2023.

9. Number of meetings of the Board

Six meetings of the Board were held during the year. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

10. Board evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of Independent Directors, Performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee

meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

11. Policy on directors' appointment and remuneration and other details

The Company's policy on appointment of directors is available on the Company's website at https://on.tcs.com/ApptDirectors.

The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the Company's website at https://on.tcs.com/remuneration-policy.

12. Corporate Social Responsibility (CSR)

TCS' CSR initiatives and activities are aligned to the requirements of Section 135 of the Act.

A brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure I** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Policy is available on the Company's website at https://on.tcs.com/Global-CSR-Policy

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

13. Internal financial control systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

14. Audit committee

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

15. Auditors

At the twenty-seventh AGM held on June 9, 2022, the Members approved the re-appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty-second AGM to be held in the year 2027.

16. Auditor's report and Secretarial audit report

The statutory auditor's report and the secretarial auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report as Annexure II.

17. Risk management

The Board of Directors of the Company has a Risk Management Committee to frame, implement and monitor the risk management plan for the Company.

The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

18. Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in conformation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. This Policy is available on the Company's website at https://on.tcs.com/WhistleBP.

19. Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

20. Transactions with related parties

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023 and hence does not form part of this report.

Pursuant to SEBI Listing Regulations, the resolution for seeking approval of the shareholders on material related party transactions is being placed at the AGM.

21. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at https://on.tcs.com/annualreturn-22-23.

22. Particulars of employees

The information under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Ratio to median remuneration	% increase in remuneration in the financial year
Non-executive Directors:		
N Chandrasekaran*	-	-
O P Bhatt	41.16	10.41
Aarthi Subramanian#	-	-
Dr Pradeep Kumar Khosla	37.10	10.80
Hanne Sorensen	37.32	11.46
Keki Mistry	41.03	9.80
Don Callahan	37.23	10.76
Executive Directors:		
Rajesh Gopinathan	427.10	13.17
N G Subramaniam	345.68	14.08
Chief Financial Officer:		
Samir Seksaria	-	$
Company Secretary:		
Pradeep Manohar Gaitonde	-	$

* As a policy, N Chandrasekaran, Chairman, has abstained from receiving commission from the Company and hence not stated.

\# In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company and hence not stated.

$ Remuneration received in FY 2023 is not comparable with remuneration received in FY 2022 (for part of the year) and hence not stated.

b. The percentage increase in the median remuneration of employees in the financial year is 5.11 percent.

c. The number of permanent employees on the rolls of Company are 6,14,795.

d. The average annual increase was in the range of 5-8 percent in India. However, during the course of the year, the total increase is in the range of 6-9 percent, after accounting for promotions and other event based compensation revisions. Employees outside India received a wage increase varying from 1.5 to 5.5 percent.

The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects the Company's performance, the performance pay is also linked to organization performance and individual utilization in addition to individual performance.

Increase in the managerial remuneration for the year was 13.58 percent.

e. The Company affirms that the remuneration is as per the remuneration policy of the Company.

f. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

23. Integrated Report

The Company has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well informed decisions and have a better understanding of the Company's long term perspective. The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the five forms of capital viz. financial capital, intellectual capital, human capital, social capital and natural capital.

24. Disclosure requirements

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated Management Discussion and Analysis, the Business Responsibility and Sustainability Report ("BRSR") form part of the Director's Report.

The BRSR indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the Members to have an insight into Environmental, Social and Governance initiatives of the Company.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

25. Deposits from public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

26. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Conservation of energy

The Company is committed towards conservation of energy and climate action which is reaffirmed in its Environmental Sustainability policy (https://on.tcs.com/Environmental-Sustainability).

During the year, several initiatives were aligned to achieve the carbon targets which included those in building and IT infrastructure. Initiatives in building infrastructure included higher energy efficiencies in heating, ventilation, and air conditioning (HVAC) systems, uninterruptible power supply (UPS), LEDs, motors, chillers and Energy Monitoring and Analytics (Clever Energy + Resource Oprtimization Center) which resulted in energy savings of 4,219 MWh, equivalent to 3,016 tCO2e reduction during FY 2023.

Initiatives in green IT focussed on data center and IT device consolidation and optimization to reduce the carbon footprint. Our data centers had a weighted average power utilisation effectiveness (PUE) of 1.66 during the year. In addition to this, the Company ensures energy efficiency of the equipment it procures.

The Company continues to leverage the TCS' IoT-based Real-time Energy Management System (TCS Clever Energy™) that involves real time monitoring to optimization of operational energy efficiency across all offices.

The roof top solar photo voltaic installations this year remained at 10.2 MWp contributing to 3.44 percent of total electricity use in the reporting year. The Company increased the renewable energy procurement through switch over to green tariffs for its operations in several states in India and addition to open access power purchase agreements (PPA). The renewable energy procurement has resulted in an increase in renewable energy use to 55.2 percent of total energy use.

TCS is certified to ISO 50001:2018 standards for Energy Management Systems (EnMS) across 19 campuses in India of which 14 campuses were included in FY 2023 ensuring our commitment to energy conservation and management.

The above energy efficiency and renewable energy procurement efforts helped achieve a year-on-year reduction in absolute carbon footprint (across Scope 1 and Scope 2) of TCS' global operations by 12.4 percent. The Company has achieved a 71 percent reduction in absolute emissions (Scope 1 and Scope 2) when compared to the base year of FY 2016 thereby achieving the 2025 target (of 70 percent reduction) ahead of time. The electricity consumption across TCS operations increased by 33.3 percent compared to FY 2022. This is due to increased resumption of operations in FY 2023 compared to FY 2022 and inclusion of 22 locations globally in the reporting boundary during the current year.

The Company has achieved carbon neutrality across Scope 1 and Scope 2 in Asia Pacific*, Europe, North America, UK & Ireland**, Latin America, Middle East & Africa regions during the reporting year.

Continued focus on the above initiatives will enable steer the Company towards achieving its carbon target to become net zero by 2030.

Technology absorption, adoption and innovation

Research & Development (R&D): Specific areas in which R&D was carried out by the Company

With innovation being central to the Company's purpose statement TCS Research, TCS PACE™ and TCS Co-Innovation Network(COIN)™ adopted many initiatives to address customer needs and create impact.

In its fifth decade, TCS Research continued to expand its foundational research in computing, and its intersection with the sciences. As part of physical sciences research, TCS focused on formulation of new materials with applications in batteries, catalysis and industrial effluents. Teams also worked on carbon capture, digital twins for continuous manufacture of biopharma, and emission reduction in industries. Generative Design research and realisation of this with complex problems with customers showed that algorithmic methods, including AI, can transform early stage design of complex systems with significant benefits over the traditional methods. In the life sciences area, the Company explored generative design across drug design and synthesis, molecules and formulations, and manufacturing processes. TCS Research used diffusion models as well as large language models for computational creativity. The software research teams worked on learning aided adaptive software, digital transformation of applications, and AI in the software development lifecycle and data analytics. Cyber security remains an important area of

*Excluding Japan
**Excluding Diligenta

research; AI for cybersecurity, privacy enabled service operations, privacy preserving biometrics and trustworthy AI initiatives are in progress. Research in AI was oriented around the latest in Generative Large Language Models, to create techniques for controlled code generation, question answering, consistent image generation, solving optimisation problems and other core AI problems.

The Company expanded its space tech research, working on on-board computing for remote sensing satellites to reduce data and bandwidth for ground communication; it is also leveraging neuromorphic computing for low power computing at the edge. In the area of embedded devices and intelligent systems, research continued solving customer problems in machine, material, infrastructure, and people sensing, using AIoT and edge computing. Teams also worked on meta materials for next gen communications, computational sensing/imaging and neuromorphic computing.

TCS deepened its expertise in heterogeneous computing. The high performance computing team is working on accelerating runtime performance of computing systems while minimizing energy consumption and costs. Quantum computing, resilience on cloud with data residency, compliance and security on cloud are other areas of focus.

In the area of behavioural and business sciences, the Company created tools for emotional wellbeing of employees, studied consumer behaviour in retail and gamified learning. Research also provided intervention options for caregivers of elders in connected homes.

Quantum computing initiatives progressed with Proofs of Concepts and customer engagements. Research based offerings in robotics are moving to deployment for logistics and warehouses. TCS' Digital twins are now integrating industrial, data driven, physics-based and enterprise models to offer comprehensive insights to customers.

TCS' IP based offerings made headway. TCS TwinX™, an AI powered enterprise digital twin platform for risk-free business simulations, is available on Google Cloud. The Company's substantial Investments in IP, as in MFDM™, TCS Cognix™, ignio™, Pace Ports™, and Dedicated Cloud Units, was seen as a key strength by analysts. TCS Avapresence, a cloud-based virtual event platform with extended reality(XR) elements, was leveraged by customers for product launches. TCS Conversa™ and TCS GoSafe™ have multiple implementations across the globe; TCS Crystallus™ adoption and Industry Innovations continue to resonate well with customers in their enterprise transformation journey. Semiconductor engineering, 5G engineering and software product engineering services made a mark and won awards. The Company's research and innovation in meta-material-based antenna, network softwarization and desegregation, expanded the opportunity pipeline. TCS contributed in the area of interoperability of ORAN sub-systems. It contributed to the Chromite Core community in processor design and verification areas.

The Company's Pace Ports™ are spaces that connect customers to all of TCS' organizational capabilities in innovation, technology, and industry expertise. The Company inaugurated two Pace Ports this year: TCS Pace Port™ Pittsburgh, on the Carnegie Mellon University campus; and TCS Pace Port™ Toronto. TCS and Boots launched an innovation hub, INNOVATE Powered by TCS Pace™, at the Boots Nottingham headquarters. TCS forged a major applied engineering and research partnership with The National Robotarium, UK's largest and most advanced AI and robotics research centre. TCS launched a Quantum Computing Lab on AWS.

TCS COIN™ expanded its global footprint. It now has over 2,700 start-ups in the network and 80+ active academic partnerships. COIN Business Accelerator, a high-touch program with emerging tech companies, has kicked off its 3rd cohort. The Accelerator is playing an instrumental part in TCS' ecosystem strategy, increasing its innovation footprint, and winning deals.

In keeping with the Company's commitment to social responsibility and sustainability, TCS Research continued its focus on energy, circularity, and development related projects. These have won appreciation from analysts. TCS' Clever Energy was launched on Google Cloud. TCS' futuristic accessibility research was also lauded. Barclays leveraged TCS' VHAB, a gamified assistive tech offering, to help children with special needs. The Digital farming Initiative enabled carbon sequestration in agriculture. TCS' energy research teams worked on smart grids, the EV ecosystem, the energy internet, and carbon market.

TCS conducted several sustainathons to create pools of ideas to address social issues. TCS Sustainathon South Africa 2022 focused on nutrition and food security for underprivileged South African children. Another sustainathon was launched in UK and Ireland with University of Glasgow to Develop Sustainable Technology Solutions that support businesses.

The Digital Impact Square, that encourages innovation using digital technologies to address social challenges, onboarded many new projects selected from 900+ applications. DiSQ expanded its ecosystem with more network partners. Several companies within the purview of DiSQ have won awards. The TCS Research Scholarship Program, that completed 10 years, has been extended.

In keeping with the Company's belief of building greater futures through innovation and collective knowledge, Research and Innovation initiatives to foster a culture of creativity continued this year. An organization-wide incubation bootcamp to encourage and support entrepreneurial ideas in areas of Space Tech, Future of Software, Sustainability, Financial Crime and Compliance was held. To further scale out the concept of Rapid Labs, "Build your own Rapid" initiative was held, mentoring teams to create labs that can deliver quick MVPs for customer requests. The TCS Innovista 2022 contest drew

10,000+ innovative entries. TCS won four awards in the Tata Innovista 2022 finals.

TCS CodeVita completed a decade of engaging students with programming as a sport. Season 10 saw participation of 100,000+ students from 87 countries and was one of the most competitive finales in the contest's history.

TCS OmniStore™ and TCS Optumera™ won Stevies at the International Business Awards 2022 in the AI/ML solution category. TCS won gold in the category 'Smart Technology- Electricity Transmission' at Indian Smart Grid Forum (ISGF) Innovation Awards 2023. VidyutVanika created in collaboration with IIIT Hyderabad won at the international smart grid competition PowerTAC 2022. TCS' Digital Farming Initiatives won the NASSCOM Enterprise Cloud Awards '22. ignio™ AIOps was awarded significant industry accolades.

TCS continues to contribute to standards in areas such as environmental engineering, cyber security, cyber resilience, Internet of Things, smart cities, software architecture, quantum computing & communication, accessibility of ICT for the differently abled, AI and FinTech-RegTech.

The Company's intellectual property grew with 260+ publications and presentations in top-tier journals and conferences. As of March 31, 2023, 7305 patents have been filed (cumulatively) by the Company and 2878 have been granted. TCS won many awards relating to IP, including the Asia IP Elite Award 2022 for being an exemplar of IP value creation.

Future course of action:
TCS will continue to scale the Patents, Products and Platforms strategy across the organization, harnessing the collective knowledge and creativity of internal teams and of partners to deliver innovative solutions for customers.

Expenditure on R&D:
TCS research and innovation centres are located in India and other parts of the world. The research centres in India, as certified by Department of Scientific & Industrial Research (DSIR), function from Pune, Chennai, Bengaluru, Delhi- NCR, Hyderabad, Kolkata and Mumbai.

Expenditure incurred in the R&D centers and innovation centers of TCS during FY 2023 and FY 2022 are given below:

(₹ crore)

Expenditure on R&D and innovation		Standalone		Consolidated	
		FY 2023	FY 2022	FY 2023	FY 2022
a.	Capital	1	-*	1	-*
b.	Recurring	375	337	380	341
c.	**Total R&D expenditure (a+b)**	**376**	**337**	**381**	**341**
d.	Innovation center expenditure	2,048	1,841	2,119	1,901
e.	**Total R&D and innovation expenditure (c+d)**	**2,424**	**2,178**	**2,500**	**2,242**
f.	R&D and innovation expenditure as a percentage of total turnover	1.3%	1.4%	1.1%	1.2%

*Represents value less than ₹0.50 crore

Foreign exchange earnings and outgo
Export revenue constituted 94.3 percent of the total standalone revenue in FY 2023 (94.0 percent in FY 2022).

(₹ crore)

Foreign exchange earnings and outgo		FY 2023	FY 2022
a.	Foreign exchange earnings	1,83,412	1,55,240
b.	CIF Value of imports	144	216
c.	Expenditure in foreign currency	75,786	63,689

27. Acknowledgements

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support. The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the TCS family.

On behalf of the Board of Directors

N Chandrasekaran
Chairman
DIN 00121863

Mumbai, April 12, 2023

Annexure I

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company

TCS' CSR vision is to *empower people and communities*, building self-reliance through purpose and technology while ensuring the values of *fairness, equity, and respect for human rights*. The Company remains steadfast in its mission to connect people to opportunities in the digital economy while building equitable, inclusive pathways for all – especially women, youth, and marginalized groups.

TCS invests in addressing the most pressing needs of the community through various CSR initiatives and programs across globe aligned with the U.N. Sustainable Development Goals, against the primary focus areas of *education, skilling, employment, and entrepreneurship*. With a focus on bridging the access to opportunity gap, the Company also invests in *social innovation and community projects* targeted at marginalized sections of society. The Company invests in *basic health and wellness, water sanitation and hygiene, conservation, and disaster relief efforts* to support the basic needs of communities across the globe.

By applying its resources towards communities that need it the most, TCS ensures equitable access. The Company's CSR strategy incorporates an inclusive approach into the design of every program. In India this is also aligned to its support of the Government of India's Affirmative Action Policy and the Tata Group's Affirmative Action Program.

With a view to grow the capacity of grassroot organizations and the knowledge base of community issues, TCS also invests in strategic partnerships, research, and insights and in providing pro-bono technology consulting.

To achieve transformational impact, TCS leverages the best of the Company's capabilities – its intellectual, technology, human and financial capital. TCS aims to create innovative solutions to societal challenges applying its contextual knowledge while harnessing the expertise of a diverse network of leaders; execute and scale programs using its technology capabilities; engage its large employee base to volunteer their time, skills and expertise as last-mile connectors and make impact investments in large scale, sustainable, multi-year programs that empower communities.

The projects undertaken are within the broad framework of Schedule VII to the Act.

2. Composition of the CSR committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	N Chandrasekaran	Chairman, Non-independent Non-Executive Director	4	4
2	O P Bhatt	Member, Independent, Non-Executive Director	4	4
3	N G Subramaniam	Member, Non-Independent, Executive Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company

Composition of the CSR committee shared above and is available on the Company's website at https://www.tcs.com/corporate-governance.

CSR policy- https://on.tcs.com/Global-CSR-Policy

CSR projects- https://www.tcs.com/corporate-social-responsibility

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

TCS has been conducting internal impact assessments to monitor and evaluate its strategic CSR programs. The Company takes cognizance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and has initiated impact assessment of BridgeIT - Development Focus project through an independent agency. The report is available on the Company's website at https://on.tcs.com/BridgeIT-2023

5. (a) **Average net profit of the Company as per sub-section (5) of Section 135:** ₹38,662 crore

(b) **Two percent of average net profit of the Company as per sub-section (5) of section 135:** ₹773 crore

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years :** NIL

(d) **Amount required to be set off for the financial year, if any :** NIL

(e) **Total CSR obligation for the financial year [5(b)+5(c)-5(d)]:** ₹773 crore

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹775 crore

(b) **Amount spent in Administrative Overheads:** ₹8 crore

(c) **Amount spent on Impact Assessment, if applicable:** NIL

(d) **Total amount spent for the Financial Year [6(a)+6(b)+6(c)]:** ₹783 crore

(e) **CSR amount spent or unspent for the financial year:**

(₹ crore)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
783	NIL	-	-	NIL	-

(f) **Excess amount for set off, if any:**

(₹ crore)

Sr. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	773
(ii)	Total amount spent for the Financial Year	783
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	10

7. **Details of Unspent CSR amount for the preceding three financial years:**

(₹ crore)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso Section 135(5), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
	-	NIL	-	-	-	-	-	-

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

◯ Yes ✓ No

If Yes, enter the number of Capital assets created/ acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
NIL							

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)** - Not Applicable

Rajesh Gopinathan
Chief Executive Officer and Managing Director
DIN 06365813

N Chandrasekaran
Chairman, Corporate Social Responsibility Committee
DIN 00121863

Annexure II

Form No. MR-3

Secretarial Audit Report

for the financial year ended March 31, 2023

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Consultancy Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Consultancy Services Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) Other laws applicable specifically to the Company namely:-

a) Information Technology Act, 2000 and the rules made thereunder;

b) Special Economic Zones Act, 2005 and the rules made thereunder;

c) Software Technology Parks of India rules and regulations

d) The Indian Copyright Act, 1957

e) The Patents Act, 1970

f) The Trade Marks Act, 1999

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited

read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines etc.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

For **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327E000066844
PR No.: 1129/2021

Place: Mumbai
Date: 12.04.2023

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members,
Tata Consultancy Services Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327E000066844
PR No.: 1129/2021

Place: Mumbai
Date: 12.04.2023

Management Discussion and **Analysis**

Overview of the Industry

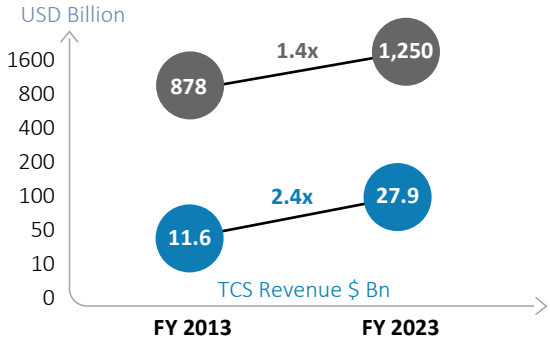
Global GDP in FY 2023 was affected by the Russia-Ukraine war and resultant dislocations in supply chains, leading to surging food and energy inflation. Central banks raised interest rates sharply in response. As a result, the global GDP is estimated to have grown at a more subdued 3.4% in 2022, versus 5.9% in the prior year[1].

Global technology spending on Enterprise software and IT services crossed the $2 trillion[2] mark in 2022, growing 5.5% YoY. IT services grew 3.5% YoY, to $1,250 billion. This growth was led by accelerated cloud adoption, preference for external expertise due to severe talent scarcity, and expanding scope of digital transformation to cover more back-office operational areas.

The global IT services industry continues to be a highly fragmented one, with even the largest provider having a mid-single digit market share. TCS is among the largest IT services providers globally, with a market share of 2.2%, and has outperformed the market, growing significantly higher than market growth over the last decade.

[1] World Economic Outlook, IMF, April 2023
[2] Gartner
[3] GRI 2-22

Global Spend on IT Services ($ Bn)



The outperformance may be attributed to market share gains resulting from TCS' longer-term, purpose-driven partnerships with its customers, its agile organization structure, and a very stable management team; its investments in organic talent development, research and innovation, intellectual property and in building newer capabilities that have helped expand wallet share with clients; and better execution resulting in greater customer satisfaction.

TCS' Business

An Overview

TCS is an IT services, consulting and business solutions organization partnering many of the world's largest businesses in their transformational journeys for the last 55 years. It has a global presence, deep domain expertise in multiple industry verticals and a complete portfolio of offerings – grouped under consulting and service integration, application services, digital transformation services, cloud services, engineering services, cognitive business operations, and products and platforms – targeting every C-suite stakeholder.

The company leverages all these capabilities and its deep contextual knowledge of its customers' businesses to craft unique, high quality, high impact solutions designed to deliver differentiated business outcomes. These solutions are delivered using its Secure Borderless Workspaces™ (SBWS™) operating model which enables a highly distributed, Location Independent Agile™ delivery.

TCS geographic footprint covers North America, Latin America, the United Kingdom, Continental Europe, Asia Pacific, India and Middle-East Africa.

TCS considers industry verticals as its primary go-to-market business segments. The key vertical clusters are: Banking, Financial Services and Insurance (BFSI), Communication, Media and Technology (CMT), Retail and Consumer Business, Life Sciences and Healthcare, Manufacturing and Others.

Strategy for Sustainable Growth[3]

Customer-centricity is at the heart of TCS' strategy, organization structure and investment decisions. TCS' customer-centric worldview helps spot trends early, embrace business opportunities by making the right investments and mitigating risks while discharging its social and environmental responsibilities.

TCS has been broadening and deepening customer relationships by continually looking for new opportunities and newer areas in their businesses to add value, proactively investing in building newer capabilities, reskilling its workforce and launching newer services, solutions, products and platforms to address those opportunities.

In the last few years, the company has been using its investments in research and innovation, its intellectual property and deep contextual knowledge of the customer's business and technology landscape to proactively pitch ideas and solutions designed to improve the client's topline and help drive competitive differentiation.

These growth and transformation (G&T) engagements are higher value engagements catering to the needs of a broader set of stakeholders in the client organization, enjoying greater visibility within the CXO suite and more closely aligned with their business strategy. An expanding share of this business is helping drive a steady increase in the scope and scale of services consumed year after year, and an expansion of TCS' share of wallet, as evidenced by the client metrics.

Over time, this strategy has resulted in deep and enduring customer relationships, a vibrant and engaged workforce, industry-leading profitability, a steady expansion of the addressable market, and a proven track record in delivering longer term stakeholder value.

Enabling Investments

TCS pioneered[4] the use of the word 'digital' to describe the new family of technologies that emerged in the last decade. Quick to recognize the potential of cloud, the company made investments ahead of time in launching new platform-based business models as far back as in 2009[5], reskilling the workforce, research and innovation, building collaborative workspaces and innovation centers, intellectual property, and alliances and partnerships. Those early investments have given TCS a head start in participating in its customers' G&T journeys.

The company continues to invest in co-innovation hubs, launching TCS Pace Ports™ in major markets. TCS teams use these physical spaces to work with academic and start-up partners, ideate jointly with client teams and rapidly build prototypes. The Pace Ports at Pittsburgh in the US, in the Carnegie Mellon University campus, and the other in Toronto, Canada, were formally inaugurated this year. Including the ones in Tokyo, New York and Amsterdam, the company has five Pace Ports in all.

The company launched joint innovation hubs as well, using the TCS Pace™ framework. TCS and Boots launched an agile incubator called INNOVATE Powered by TCS Pace™, at Boots' Nottingham headquarters in the UK. TCS forged a major applied engineering and research partnership with The National Robotarium, UK's largest and most advanced AI and robotics research centre, located at Heriot-Watt University's Edinburgh campus.

TCS continued to expand and deepen its industry-leading portfolio of products and platforms, launching new variants within the ignio™ suite and building newer functionality and features in the TCS BaNCS™ suite, HOBS, TwinX, Mastercraft and Jile. TCS Omnistore™ now offers three more modules as part of its AI powered enterprise personalization- Unified and composable commerce, Enterprise personalization, and Marketing hub.

TCS' dedicated practice units around AWS, Microsoft Azure and Google Cloud Platform have been steadily investing in training, certifications, credentials and in building solutions and intellectual property on their respective hyperscaler stacks. In FY 2023, the company crossed the milestone of 100,000 hyperscaler-certified employees. By virtue of being one of their largest system integrator partners with deep domain expertise across multiple areas, TCS was the launch partner for many new solutions introduced by hyperscaler platforms during the year.

The company has leveraged its deep domain knowledge across multiple industries to create an extensive catalog of over 100 industry cloud offerings addressing the needs of clients across 20 industries. The portfolio of TCS solutions available on public hyperscaler cloud platforms continued to expand. In FY 2023, TCS Dexam™, TCS DigiGov™, TCS Cognitive Plant Operations, TCS Mobility Cloud Suite and TCS ESG Integrator were added to the list of existing solutions like TCS Omnistore™, TCS MasterCraft™, 5G Edge Suite, TwinX, TCS Clever Energy™, TCS IP2™ and TCS Envirozone™.

Strategic Responses to Opportunities and Threats

Opportunity / Threat	TCS Approach	Outcomes
Macroeconomic uncertainty impacting decision making and prompting cost reduction initiatives	• Proven track record in helping enterprises reduce their cost of operations. • Proactive pitching of IT and business operating model transformations that not only deliver greater efficiency, but also enhance enterprise agility, resilience and throughput. • Leveraging full services capability and deep client relationships to propose product-aligned operating models. • Use of TCS Cognix™ to accelerate operations transformation, using over 600 pre-built automation components that infuse AI/ML and other technologies into IT and business processes to reduce human intervention, increase velocity and throughput.	• Strong deal flow resulting in a robust order book that gives better visibility of medium-term growth. • Market share gains in vendor consolidations. • Efficiency gains helping fund client's transformation programs in some instances. • TCS Cognix recognized as a means of driving quicker realization of RoI and used by nearly 300 clients.

[4] Ref AR FY 2012, MD&A, Pages 25, 29
[5] Ref AR FY 2010, Letter from CEO, Page 7

Opportunity / Threat	TCS Approach	Outcomes
Greater interest in using technology to drive business growth and differentiation	• Focused on developing contextual knowledge and applying that for inside-out transformations. • Continued investments in research and innovation, TCS Pace Ports, and intellectual property (IP). • Dedicated practice with domain experts to bring together TCS' differentiated capabilities from across the organization to stitch together comprehensive solutions. • Proactive pitching of solutions to customers' most pressing business problems. • New brand tagline 'Building on Belief' to strengthen positioning as a growth and transformation partner.	• Expansion of addressable market. • Growing share of G&T business adding to growth. • Higher quality revenue, lending margin resilience. • More deeply embedded in the client's business. • Engaging with a broader set of buyers in the client organization. • Higher visibility within C-Suites.
Accelerated adoption of public cloud	• Dedicated business units with end to end capabilities on each of the hyperscaler platforms. • Continued investment by each of these units in skills, certifications, credentials, IP and accelerators. • Articulated the multi-horizon cloud transformation framework. • Made available TCS products and solutions on public clouds.	• Strong growth in cloud transformation revenues. • Top tier partner to each of the hyperscalers. • Preferred partner to clients seeking to use cloud native capabilities to power their growth and transformation. • Over 110,000 hyperscaler-certified employees.
Greater acceptance of as-a-Service platforms	• Strengthened alliances and launched new offerings around the popular and new SaaS products. • Helped ISV* clients upgrade their products to launch new SaaS versions. • Partnering with product manufacturers to help launch innovative as-a-Service offerings using TCS Bringing Life to Things IoT framework. TCS IP: • Promoted SaaS versions of in-house product portfolio, now available on hyperscaler platforms. • Used IP portfolio to launch new platforms that bundle IP and shared services on the cloud.	• Stronger win-win partnerships. • Expansion of addressable market. • Strong growth in SaaS sales. • Platforms drive stickier relationships, with long term revenue visibility.

* Independent Software Vendor

Talent Management

TCS aims to attract, develop, motivate and retain diverse talent, that is critical for its competitive differentiation and continued success. The company's talent management strategy seeks to maximize the potential of every employee by creating a purpose-driven, inclusive, stimulating, and rewarding work environment, delivering outstanding employee experience, while fueling business growth. TCS strives to create a vibrant workplace and an engaged workforce by encouraging four behaviors: *follow your passion, stay hungry, commit to lifelong learning and thrive together.*

In FY 2023, TCS made a net addition of 22,600 employees globally, taking the total employee base to 614,795, representing 150 nationalities.

After two years of remote working, TCS initiated a Return to Office initiative to better integrate and acculturate new recruits, deepen employee engagement levels, drive purposeful engagement and extend the spirit of #OneTCS. As an outcome, 50% of employees started working from office for two or more days in a week.

Industry-First Initiatives

- Intensified focus on equipping the company's mid-level managers with market relevant skills by providing the right learning and certification opportunities to help them succeed in a world of new technologies. More than 90% of the target employee pool is participating in this strategic program and close to 60% is certified in various market relevant skills.

- **Xcelerate**- The industry recognized Talent Transformation platform for employees, to capture employees' aspirations and mapping them to future opportunities. Aspirations of nearly 2/3rd of TCSers were captured, with ~100K progressing towards their aspired roles.

- **Engagement with Purpose** – A platform for employees to live TCS' values through collective community service, enhance organizational belonging and self-actualization. More than 400,000 employees were engaged as part of the initiative.

Talent Acquisition

In FY 2023, TCS responded with agility to the changing supply side dynamics which saw the unprecedented industry-wide employee churn peaking mid-year, then falling sharply in the latter half. This entailed recalibrating talent acquisition dynamically to fully utilize the additional capacity built up in the prior year.

The company remains the preferred employer and one of the largest job creators in IT services in several major markets, for both freshers and lateral hires. In addition to about 44,000 fresh engineers, TCS onboarded its highest ever number of lateral recruits during the year. It also pivoted from a virtual-only mode to a hybrid model of virtual and in-person recruitment focused on attracting the right talent, creating better employee experiences, and building the TCS brand.

Key Achievements:

- **TCS National Qualifier Test:** Over 618,000 students from more than 4,200 institutes in India competed for the opportunity to work for TCS.

- Hiring from India's top B-schools, including the top 3 IIMs, continues with internship and placement offers as part of the strategic leadership program.

- **TCS CareersNext:** TCS' virtual career fair platform was leveraged for conducting 3 virtual hiring drives in this year, yielding over 32,000 registrations and 8,000 job applications.

- **TCS HackQuest**, the company's flagship ethical hacking competition now in its 7th season saw over 58,000 registrations from more than 3,000 institutes across India.

- Programs to improve diversity in hiring produced encouraging outcomes. **Rebegin**, an initiative for experienced women professionals re-entering the workforce after a break saw nearly 14,000 job applications. Over 200 job applications were received from people with disabilities.

- **TCS Sigma** launched in FY 2023 to provide career opportunities for graduates and postgraduates in pharmacy in the company's life sciences business.

- **TCS Academic Interface Program** continued to engage with faculty and students through focus group connects, workshops, faculty development programs and other campus outreach activities. In FY 2023, TCS engaged with over 216,000 students and about 17,000 faculty members in nearly 1,500 partner academic institutes across the world. More than 2,000 interns were engaged during the year.

Culture and Diversity

TCS is an equal opportunity employer and has a well-defined and progressive Diversity, Equity and Inclusion (DEI) policy embracing all diversity parameters which includes gender, marital status, religion, race/caste, colour, age, ancestry, nationality, language, ethnic origin, socio-economic status, physical appearance, disability, sexual orientation, gender identity and/or expression and any other category protected by applicable law.

TCS recognizes that a diverse and inclusive workforce is necessary to drive innovation, foster creativity, and guide business strategies. Its disclosures around DEI earned it a place in the Bloomberg Gender-Equality Index (GEI) once again. Other highlights include:

- **iExcel:** TCS' flagship executive leadership development program for women completed 22 editions, benefiting 1,450 women leaders.

- **The Diversity Maturity Matrix:** An in-house diversity measurement tool that aims at identifying gaps and assessing an organization's maturity in DEI.

- **Client engagement:** Allies of Diversity is a program where senior leadership from client organizations are invited to share diversity best practices. Engagement with 75 C-Suite leaders with 63 different client organizations has been completed till date. An Allies of Diversity conclave was organized in London to provide a forum for DEI leaders to share organizational learnings. DEI focused learning programs were conducted for 4 client organizations.

- **The Workplace Coach:** A 75-hour internal coach certification program enabling individuals to become coaches. This supports individuals within the organization towards ACC certification. So far, 3 cohorts have completed this program bringing together over 450 internal coaches.

- **Education and Sensitization:** TCS has mandatory online training designed to sensitize employees on key concepts of DEI. 504,255 employees completed this in FY 2023.

- **Employee Resource Groups:** These serve as platforms for under-represented communities and their allies to share concerns, experiences, stories and strategic solutions. TCS has 13 voluntary, employee-led groups that have come together based on shared diversity identity characteristics or interest.

- **Champions of Equity:** This campaign was created to ensure a fair and inclusive culture at the workplace. Under this program, 105,000 employees have taken a pledge till date, to be a Champion of Equity – someone who treats everyone with fairness and transparency, and takes an inclusive approach towards every individual, culture and system.

- **TCS Culture Survey:** As part of the Belongingness campaign, TCS Culture Survey was rolled out and responded to by over 7,000 employees across 7 geographies.

- **Employee Engagement**: Over 84,000 employees participated in DEI learning programs and diversity celebration month.

- **Supplier Diversity:** TCS has a Supplier Diversity Program that identifies certified diverse suppliers that can provide competitive, high-quality goods and services, whose business model is aligned with the company's business strategy.

Talent Development

TCS strongly believes that every employee should have access to market relevant learning opportunities for career growth and no TCSer should be left behind. The company has adopted a segmented approach to learning to ensure this.

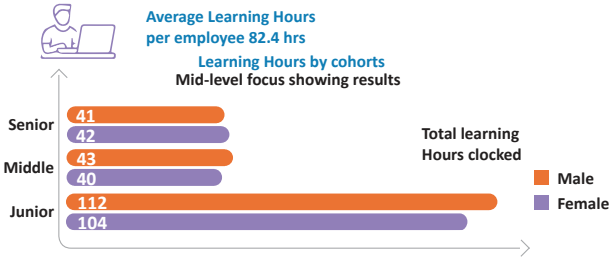
TCS Elevate: TCS' pioneering program linking learning to career growth and reward covered over 407,000 employees. Over 22,000 employees were identified as high talent and received increased compensation.

Contextual Masters: TCS' program to identify tenured employees with contextual knowledge of the customer's business and technology landscape, continues to expand. The company has over 64,000 Contextual Masters who are being groomed to be next generation transformation leaders with specially curated leadership development programs designed in collaboration with Ivy league institutions.

Key Metrics:

- 60,000 open positions fulfilled using up-skilled / cross-skilled employees.

- TCSers invested in 82.4 hours of learning on average during the year.



- TCSers acquired 53,000 certifications on various hyperscaler cloud technologies during the year. With over 110,000 cloud certified employees in total, TCS is the #1 partner for Google and #2 partner for Microsoft Azure.

- 500,000 employees trained in digital technologies, with an average of ~7.5 competencies per employee.

- 568,000 employees have acquired Agile competency, with 495,000 of them groomed as Agile practitioners, over 35,000 as Agile certified and about 3,000 as mentors and coaches.

- Taking advantage of the large numbers of employees who started returning to office after two years of entirely virtual working, the company adopted an increasingly phygital (physical + digital) approach to learning and development. Over 80,000 TCSers benefited from in-person training during the year.

Building on Belief through Purposeful People Policies

Based on feedback received from employees, evolving needs of the workforce and best practices in the field of human capital management, the company makes refinements to existing policies and introduces new policy. In FY 2023, TCS:

- Introduced a new policy on workforce fluidity, in keeping with its talent cloud strategy, that encourages employees to take ownership of their careers by seeking new and challenging opportunities at defined periodicity.

- Introduced a policy on flexible work arrangements, which provides necessary support and flexibility for caregivers of young children, expectant women employees, and persons with disability.

- Extended its policy on DEI to include gender identity, individuals with mental variations and HIV/Aids affected persons at the workplace, and to comply with relevant inclusivity laws.

Talent Transformation

TCS has multiple initiatives to help employees grow in their careers:

- **Mentoring:** TCS has been building a culture of mentoring and coaching in the organization through systemic intervention programs as part of its Mentor Capability Building Framework. This was further strengthened during the year with the introduction of two new certifications – Platinum and NexGen certification in mentoring. TCS currently has about 36,000 mentors in the organization of whom more than 3,500 Gold and Silver certified.

- **iConnect** is a highly collaborative tool designed to help employees reach out to senior mentors for guidance on career paths, and have face to face dialogues about their role and career. In FY 2023, over 29,000 iConnect sessions were initiated.

- **Talent Review** is TCS' process to assess and review the leadership pool in the organization. It enables leaders to share their career aspirations and preferences of mobility, followed by an assessment of their leadership attributes. The objective of the program is to create and sustain a healthy leadership pipeline.

- **Exciting Opportunities** is the internal platform to publish niche and critical open positions to the leadership and

high potential communities, thereby facilitating talent mobility. This embodies the company's philosophy of giving the first right of refusal for all leadership positions to internal candidates, thereby enabling better leadership development and building strong organizational loyalty.

Competitive Compensation

TCS' business model depends on its ability to attract and retain talent in the highly competitive, global market for software engineers with graduate or post-graduate degrees in engineering and with relevant technical skills.

Compensation levels are merit based, determined by qualification, experience levels, special skills if any, and individual performance. Compensation structures are driven by prevailing practices in each country that TCS operates in. The merit based, democratized, transparent talent framework – Elevate, is designed to establish a tighter linkage between learning, skill development, career and reward. The company regularly benchmarks its compensation plans and benefits with the market to ensure competitiveness.

At TCS, three months' notice is required from either side for termination[6]. Although most of the organization's activities are performed by full-time employees, TCS uses contractors, especially for short-term assignments or those requiring skills not internally available.

Engagement with Purpose

With more employees returning to work, various programs were run to enable higher levels of engagement. More than 320,000 employees were engaged through townhalls and project confluences with an emphasis on Living my Values, Build my Career and Lifelong Learning. The company enabled more than 22,000 mentoring sessions and over 15,000 career conversations.

Highlights of the company's key engagement forums:

- **New Joinee Integration:** Various structured programs such as meet and greet sessions, workplace visits and leader connects were organized to improve the integration experience of new joiners at various milestones of their induction in the initial one year. The effectiveness of these programs was demonstrated by the high 83% iBelong satisfaction index.
- **TCS Cares:** Aims to build an emotionally strong and mentally resilient workforce. A special edition targeting leaders saw participation by over 1,100 leaders. 87% of participants agreed that it helped in their wellbeing and 80% agreed that their productivity increased after attending this program.
- **Fit4life:** Builds a fraternity of health and fitness conscious employees and creates a culture of fitness. 54,000 active participants logged physical activity equivalent to running 24 million kms.
- **Purpose4Life:** Forum for volunteering for community projects in the areas of education, health and environment. More than 40,000 volunteers participated in various social outreach initiatives, contributing 898,000 volunteering hours that benefited 394,000 individuals in the community.
- **PULSE:** Pulse 2022 recorded an enthusiastic participation with more than 400k employees taking in the survey. TCS has achieved Satisfaction Index of 79.5 and Engagement Index of 81.0.

Other engagement and collaboration platforms in TCS include:

- **Knome, KnowMax, GEMS:** Platforms for social collaboration within the organization, learning, sharing and for rewards and recognition.
- **Safety First:** Initiative focused on employee safety and security.
- **Maitree:** Community of TCSers and their families who plan activities that help create a bond among employees and promote work-life balance.

Employee Retention

TCS' values-driven culture, progressive HR policies, and philosophy of investing in people and empowering them have been integral to creating a culture of belonging and One TCS and also made it an industry benchmark in talent retention.

The company's philosophy of grooming leadership from within, and giving first right of refusal to internal talent for new open positions, inspires higher levels of loyalty to the organization. This has resulted in a very strong, deeply acculturated mid-layer with long tenures in the company. This cohort played a pivotal role in seamlessly integrating new talent in FY 2023 and added significant value through their contributions and contextual knowledge.

Unprecedented levels of employee churn across the industry drove TCS' attrition to an all-time high in the first half of FY 2023. It trended down in the second half. IT services attrition was 20.1% on an LTM basis.

Occupational Health and Safety

TCS has a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and well-being of its employees. Safety lead and lag indicators are measured across the organization and reported. The Stakeholders' Relationship Committee in the Board reviews the company's health and safety performance on a half-yearly basis. Over 94% of the workforce is represented in joint management-employee health and safety committees that monitor, advise, and drive occupational, health and safety initiatives.

TCS is certified to ISO 45001:2018 Occupational Health and Safety Management System standard across 127 of its facilities worldwide covering approximately 94% of its total footprint. The company continued to focus on creating ergonomic awareness including correct postures and workstation stretches for an office-based work environment and remote working environment, as employees worked in hybrid mode during the year. General safety awareness (fire safety, office safety, road safety etc.,) and safety incident reporting awareness was also provided to employees through monthly themes and campaign initiatives. There were also several fitness programs, including yoga and meditation practices, mental health and wellbeing which drew employee participation.

[6] GRI 402-1

FINANCIAL PERFORMANCE OVERVIEW

The discussions in this section relate to the consolidated, Rupee-denominated financial results pertaining to the year that ended March 31, 2023. The financial statements of Tata Consultancy Services Limited and its subsidiaries (collectively referred to as 'TCS' or 'the Company') are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements.

The following table gives an overview of the consolidated financial results of the company:

(₹ crore)

	FY 2023			FY 2022	
	Amount	% of Revenue	% Growth	Amount	% of Revenue
Revenue from operations	225,458	100.0	17.6	191,754	100.0
Earnings before interest, tax, depreciation and amortization (EBITDA) (before other income)	59,259	26.3	11.7	53,057	27.7
Profit Before Tax (PBT)	56,907	25.2	10.1	51,687	27.0
Profit after tax attributable to shareholders of the company	42,147	18.7	10.0	38,327	20.0
Earnings per share (in ₹)	115.19		11.2	103.62	

Analysis of revenue growth

On a reported basis, TCS' revenue grew 17.6% in FY 2023, compared to 16.8% in the prior year. The growth was driven by accelerated spending on digital transformation initiatives, cloud adoption and increased outsourcing, aided by currency benefit.

Average currency exchange rates during FY 2023 for the three major currencies are given below:

Currency	Weightage (%)	FY 2023 ₹	FY 2022 ₹	% Change YoY
USD	56.0	80.74	74.61	8.2
GBP	12.8	96.98	101.50	(4.5)
EUR	10.8	84.01	86.36	(2.7)

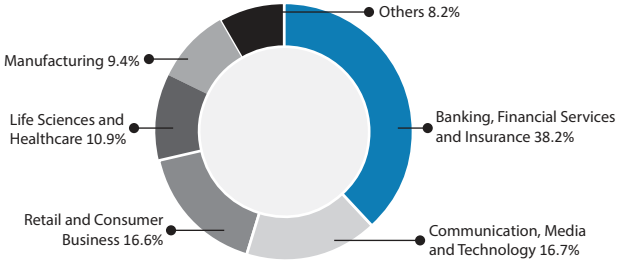
Movements in currency exchange rates through the year resulted in a positive impact of 3.9% on the reported revenue. The constant currency revenue growth for the year, which is the reported revenue growth stripped of the currency impact, was 13.7%.

Growth attributable to	FY 2023 (%)	FY 2022 (%)
Business growth	13.7	15.4
Impact of exchange rate	3.9	1.4
Total Growth	**17.6**	**16.8**

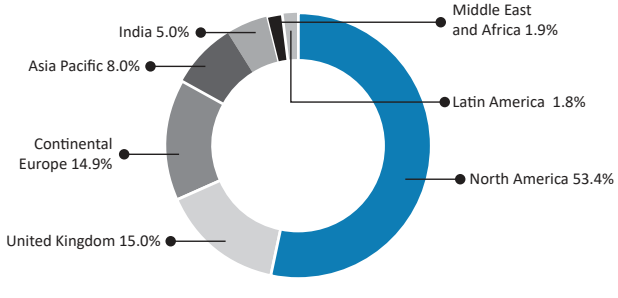
Segmental Performance

The revenue break-up by Industry Vertical and Geography is provided below:

Revenue by Industry Vertical



Revenue by Geography



Segment revenues, year on year growth, a brief commentary and segment margins are provided below:

Industry Vertical	Segment Revenue FY 2023 *(FY 2022)* ₹ crore	YoY Revenue Growth %	Key Demand Drivers[7]	Segment Margin FY 2023 *(FY 2022)* %
Banking, Financial Services and Insurance	86,127 *(75,126)*	14.6	• AI for risk monitoring and management, fraud detection and trading strategies. • Customer journey transformation, ecosystem strategies for new products and services, connected insurance, fintech adoption. • Decentralized finance, embedded finance, Banking as a Service, document custody transformation. • Sustainability and climate change initiatives, green lending.	25.9 *(26.9)*
Communication, Media and Technology	37,653 *(31,874)*	18.1	• 5G and fiber rollout, network virtualization, cloud enablement, product, and platform engineering. • AI-monitored networks, generative AI for automated content creation. • Hyper-personalization, immersive experiences in gaming, recommendation engines.	28.3 *(29.9)*
Retail and Consumer Business	37,506 *(30,715)*	22.1	Retail and Consumer Packaged Goods (CPG): • Marketplace, social commerce, future stores, digital advertising platform, payments. • Smart shelves, smart manufacturing, automated micro-fulfilment centers. • Resilient and intelligent supply chain, partner integration, track and trace, last-mile delivery, AI enabled inventory management. • Seamless and unified customer experience across channels (omni-channel), hyper personalization, CX and recommendations, AI for apparel design and personalized fashion recommendations. • Green labeling. Travel, Transportation and Hospitality (TTH): • Retailing in airlines, new distribution capability, experiential selling and non-booking revenues in hospitality, decision intelligence. • Automation and self-service, touchless experience, digital identity solutions, maintenance drones in airlines, autonomous vehicles, and robots in airports. • Warehouse robotics, intelligent shipment planning, last mile delivery, real-time operations visibility, AI-enabled pricing, end-to-end shipment visibility in logistics. • Safe and sustainable travel.	25.7 *(27.8)*

[7] Only industry specific drivers are listed. In addition, every industry vertical saw demand for TCS' services around IT estate rationalization, core platform simplification, application and data modernization, ERP modernization, cloud enablement, cloud migration, data democratization, data compliance and protection, IT infrastructure modernization, employee experience redesign, digital workplace transformation, cyber security, intelligent automation, business and IT operating model transformation, agile and DevOps adoption, digital marketing and analytics, mergers, acquisitions and divestitures, supply chain transformation, vendor consolidation and cost optimization.

Industry Vertical	Segment Revenue FY 2023 *(FY 2022)* ₹ crore	YoY Revenue Growth %	Key Demand Drivers[7]	Segment Margin FY 2023 *(FY 2022)* %
Life Sciences and Healthcare	24,605 *(20,462)*	20.2	Life Sciences: • Drug discovery, virtual clinical trials, connected labs, and instruments. • Digital twin for manufacturing and factory of the future. • AI-led pharmacovigilance and product surveillance. Healthcare: • Patient experience, health data platforms. • Wearable devices, mobile health. • AI powered diagnosis, treatment planning, digital surgery, personalized medicine.	28.0 *(30.0)*
Manufacturing	21,236 *(18,610)*	14.1	• Integration across silos and digital twins for product innovation. • Connected assets and plants, remote asset management. • Resilient supply chain, parts track and trace. • Front-end digital investments to enhance customer experience. • Plant safety, energy efficiency and decarbonization, emission tracking and monitoring, sustainability focus on facilities waste management and energy, EVs.	27.5 (30.1)
Others	18,331 *(14,967)*	22.5	• Connected ecosystems for utilities, connected home, smart metering and alerts, virtual power plants, remote monitoring and infra inspection. • AI-enabled smart grids, patterns, and predictions. • Energy transition, emission detection and monitoring in critical infrastructure.	21.1 *(20.6)*

Business Outlook

Global growth is projected to moderate from 3.4 percent in 2022 to 2.8 percent in 2023[8] , weighed down by central banks raising interest rates to fight inflation, and Russia's war in Ukraine. In major economies, the heightened risk of a recession – made worse by a banking crisis – has led to uncertainty in enterprise decision-making, affecting spending on capex and certain discretionary programs.

Despite this, spending on IT services has been resilient so far. Cloud migration programs are continuing apace, and clients continue to launch new G&T projects. The higher level of uncertainty in the business environment has made clients more receptive to proactive proposals around IT and business operating model transformations that can not only deliver significant efficiencies but also help them become more agile and resilient. All this has resulted in a strong order book for FY 2023, at $34.1 Bn, which is 1.2 times revenue. The pipeline has also grown well.

This provides visibility on medium-term growth amid near-term uncertainty. If the delayed decision-making and cash conservation seen in some segments at the end of FY 2023 flows over into the first half of FY 2024, that could result in some moderation in full year revenue growth after two years of strong growth.

Key demand drivers expected to power the company's growth in FY 2024 include:

- **Technology transformation:** IT infrastructure modernization, cloud enablement, application and data estate modernization, cloud migration, data centre and collocated data support, digital workplace, digital twins, cyber security, ERP modernization, low-code no-code, 5G/ Edge and AI adoption.

[8] IMF World Economic Outlook Update, April 2023

- **G&T:** Customer experience transformation using personalization, omnichannel implementation, immersive experiences using XR/Metaverse, product and business model innovation, supply chain modernization, M&A integration / divestitures, sustainability.
- **Operations:** Traditional outsourcing, vendor consolidation and multi-services deals, AI/ML-led transformation of IT / business operations for greater resilience and leaner operating models, managed services models and real time operation visibility.

Enterprise Risk Management[9]

FY 2023 saw multiple external and internal challenges continuing to shape the overall risk profile of the company. Macroeconomic and geo-political risks had an impact throughout the year. The Russia-Ukraine war and geo-political tensions, trade wars and imposed sanctions were pervasive and had direct and cascading impacts on economies and businesses. Shortages, rising inflation, supply-chain disruptions, energy crisis led to further uncertainties in the economic growth environment, with the year ending with banking industry upheavals in US and Europe. During the year, IT organizations including TCS faced the knock-on effects of the pandemic including attrition and impact of hybrid modes of working. Technological advancements and breakthroughs like generative AI and metaverse have opened up new vistas of both risks and opportunities.

TCS continues to monitor this uncertain and dynamic business environment very closely and has strengthened the deployment of its Enterprise Risk Management framework to address the risks and leverage the associated opportunities. This framework enables risk identification, risk assessment, risk response planning and actions, risk monitoring and overall risk governance. Key risk indicators and control indicators are used to anticipate risks and assess effectiveness of their mitigation actions respectively.

TCS takes a holistic view of its enterprise risk profile, covering strategic, operational, compliance, financial and catastrophic risks, thus enabling informed decision-making. Risks are assessed and managed at various levels with a top-down and bottom-up approach across the enterprise, business units, geographies, business functions, customer relationships and individual projects.

Listed below are some of the key risks, anticipated impact on the company and mitigation strategies.

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
Volatile global political and economic environment (R)	• Geo-politics and macroeconomic volatility can affect demand for the company's services. The ongoing Russia-Ukraine war has led to supply chain disruptions, energy crisis, food and merchandise scarcities and related inflation. • Persistent high inflation in major economies could affect consumer spending and fuel social unrest. Repeated interest rate hikes by central banks to rein in the inflation could result in economic slowdowns. • Continuing turmoil in the banking sector could affect not only spending in that sector, but also squeeze liquidity. • All of these could affect clients' business outlook and result in reduced demand for TCS' services. It could also increase TCS' costs of doing business. • In addition, there could be risks to service delivery, business continuity, cybersecurity, sanctions compliance and human rights risks in geo-politically sensitive zones, all of which could increase costs or affect the company's revenue growth.	• Broad-based business mix, well diversified across geographies and industry verticals. • Monitor changing geopolitical scenarios, the potential business implications and strengthen internal controls to further safeguard against secondary risks. • Offerings and value propositions targeting all stakeholders (in addition to the CIO) in the customer organization, covering discretionary as well as non-discretionary spends, and relevant at every point in the business cycle. • Participate in the customer's G&T initiatives through services and offerings including advisory services, migration and modernization of applications and workplace transformation using location independent agile, deep contextual knowledge and data-driven analytics and dashboards. • Where customer's discretionary budgets are uncertain, focus on cost and optimization propositions in the short term to improve their business efficiency.	Negative

[9] TCFD Risk Management A, B and C
[10] GRI 3-3
[11] GRI 201-2, TCFD Risk Management A, B and C

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Proactively invest in infrastructure and resourcing to satisfy anticipated customer demand for flexible products and platforms-based solution offerings and subscription-based services to gain market share and new clients and markets. • Enter into more long-term contracts. • Target market segments which provide counter-cyclical support in times of downturn. • Leverage business ecosystem through collaboration with partners, start-ups and alliances to participate in transformation initiatives of customers. • Country-level business continuity plans in place to address potential conflicts in the region.	
Talent risk due to huge demand for talent globally and attrition (R & O)	• The company's ability to attract, develop, motivate, and retain talent is critical to its business success. • Talent scarcity can lead to poaching of the company's employees and result in higher attrition. This can disrupt ongoing projects, slow down planned ramp ups and affect revenue growth. • Inability to scale up experienced professionals with niche digital skills from the market, can also impact TCS' ability to grow.	• Commitment to organic talent development, best in class learning and development, career growth linkage to cross-skilling / upskilling, preference to internal talent for new leadership positions, all incentivize planning of longer-term careers in TCS and improved retention. • Tactical initiatives to retain talent using proactive as well as reactive initiatives. • Focused employee engagement to reduce attrition, increase sense of belonging and build capability to capture the demand from the market. • Leverage top employer brand and social networking sites and talent sourcing channels to tap into the passive pool. • Reduce talent acquisition cycle time to improve joining rates through innovative practices. • Engage in various markets through investments in STEM/goIT programs, campus engagements, local hiring and building reputation to attract local talent.	Negative
	Opportunity: • Talent scarcity in major markets is impeding enterprises' ability to staff projects, increasing the propensity to outsource. • Superior talent retention by TCS can result in greater delivery certainty and therefore a differentiated positioning for the company, driving market share gains.	• Proactive pitches to clients for operating model transformations leveraging AI and automation, or managed services models to enable tapping into global talent pools. • Commitment to organic talent development, best in class learning and development, career growth linkage to cross-skilling / upskilling, preference to internal talent for new leadership positions, all incentivize planning of longer-term careers in TCS and best in class talent retention.	Positive

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Focused employee engagement to reduce attrition, increase sense of belonging and build capacity to capture market share. • Higher level of industrialization, with robust processes and controls, and knowledge management reduces disruption due to attrition of individual team members, and helps differentiate TCS.	
Restrictions on global mobility, location strategies (R)	• Distributed software development models require the free movement of people across countries and any restrictions in key markets pose a threat to the global mobility of skilled professionals. • Restrictions could also be due to legislations which limit / delay the availability of work visas or which apply onerous eligibility criteria or costs, leading to project delays and increased expenses.	• Ongoing monitoring of the global environment, working with advisors, partners and governments to promote local talent building efforts. • Material reduction in dependency on work visas through increased local hiring, use of contractors, local mobility and training in all major markets. • Leveraging the SBWS™ model to deliver from anywhere. Use of Location Independent Agile to promote systematic collaboration and reduce the need for co-location. • Active engagement in Science, Technology, Engineering and Math (STEM) initiatives designed to structurally increase the availability of engineering talent in major markets. • Greater brand visibility through event sponsorships, community outreach, showcasing of investments, innovation capabilities and employment generation. • Increased outreach to government stakeholders, trade bodies, think tanks and research institutes.	Negative
Business model changes in customer enviroment (R & O)	• Rapidly evolving technologies are changing technology consumption patterns, creating new classes of buyers within the enterprise, giving rise to entirely new business models and therefore new kinds of competitors. • High levels of economic uncertainty can result in clients recalibrating their IT programs and pulling back their spending on discretionary projects. • Increased focus on corporate restructuring and mergers and acquisitions in some industries is driving vendor consolidation, insourcing and cost reduction pressures. • These changes require agile responses. Inability to quickly adapt could affect company's competitiveness and result in loss of market share.	• Investments in innovation and differentiated capabilities at scale on emerging technologies through large scale reskilling, external hiring, research and innovation, solution development and IP asset creation leveraging deep contextual knowledge across customer specific domain, technologies and processes. • Dedicated business service units providing end-to-end transformational and operational solutions on leading cloud platforms spanning advisory, migration and modernization and support of applications. • Constantly scouring the technology landscape using strong partnerships with clients, technology providers, academia, and start-ups, to spot new trends, technologies and potential threats, invest early in building capabilities to mitigate risks and participate in the opportunities.	Negative

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
	Opportunity: • Increased focus on corporate restructuring and mergers and acquisitions in some industries is creating new opportunities for IT separations and integrations. • Interest in technology-enabled business model innovation has opened up opportunities for the company to participate in clients' growth and transformation spending. • Pressure to establish competitive differentiation is driving enterprises to look for partners to speed up and scale up their innovation efforts. • This is also driving greater interest in pre-built solutions, products and platforms that can accelerate the deployment of transformational solutions. • The quest for cost efficiency along with greater resilience and agility in operations is expanding the opportunity for comprehensive operating model transformations.	• Steadily expanding coverage of newer buyers in the enterprise by constantly launching new offerings and solutions to their most pressing business problems. • Innovative offerings like operating model transformations using TCS Cognix to help deliver significant cost savings quickly, Location Independent Agile methods to mitigate location constraints and pricing and margin pressures. • An entrepreneurial mindset, a decentralized decision-making which empowers frontline managers to take decisions, and an organization structure that enables the company to adapt to constantly evolving situations on the ground with agility and speed. • Differentiated solutions for organization divestiture and integration, catering to M&A-induced demand for advisory and business consolidation related services. • Large portfolio of IP made available on hyperscaler clouds to accelerate clients' Horizon 2 and 3 transformation journeys. • PacePort co-innovation hubs, Agile innovation cloud framework, and extended innovation ecosystem including partners and start-ups to help clients accelerate their product and business model innovation. • Bringing Life to Things framework to help clients create connected products, launch remote monitoring and maintenance services. • Solutions like TCS HOBS and Servitization engine to help clients embrace subscription-based business models. • Focused investments to expand presence in clients' growth and transformation spending, including programs like Contextual Masters to build organizational capacity, new brand tagline, amplification of transformation successes. • Platform-based business models and AI-based operating models to disrupt conventional labor arbitrage based constructs, and gain market share.	Positive

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
Currency volatility (R)	• Volatility in currency exchange movements results in transaction and translation exposure. TCS' functional currency is the Indian Rupee. Appreciation of the Rupee against any major currency could impact the reported revenue in Rupee terms, the profitability and also result in collection losses. • Conversely, depreciation could optically inflate revenues and earnings, distorting stakeholder perceptions of the underlying business momentum and profitability.	• Currency hedging policy that is aligned with market best practices, to limit impact of short term exchange volatility on receivables, forecasted revenue and other current assets and liabilities. • Hedging strategies guided and monitored periodically by the Risk Management Committee of the Board. • Management commentary based on constant currency figures to enable a currency-neutral understanding of business growth.	Negative / Positive
Breach of data protection laws (R)	• The focus on data privacy and protection of personal data has increased compliance risk. • Legislations like GDPR in Europe carry severe consequences for non-compliance or breach. Many other countries have enacted or are enacting their Data Privacy regulations to ensure protection of personal data. • Violation of data protection laws or security breaches can result in substantive liabilities, fines or penalties and reputational impact.	• Global privacy policy covering all geographies, all areas of operations, and stakeholders, which sets out the privacy principles and guidance for deployment. • Organization structure with the Global Privacy Office to strategize, monitor and guide deployment of data privacy framework across the enterprise. Data Protection Officers and other privacy officers have been appointed for TCS entities as required by local privacy regulations to monitor and drive implementation of data protection principles. Business Privacy Leaders are appointed to deploy compliance to the data privacy framework in all functions and business units. • Unified global framework PrivACE adopted across all entities and branches to standardize privacy practices while catering to local requirements. • Continuous monitoring and analysis of changes to regulatory and legal landscape and enhancing the data privacy framework. • Privacy Information Management Systems (ISO 27701:2019) adopted and certified. • Embedded privacy by design and privacy by default principles in development of new or changed internal processes, services and products. • Data protection controls and robust risk response mechanisms to protect personal data in the TCS ecosystem and also in customer engagements. • Industry standard data masking and encryption technologies to protect personal data.	Negative

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Vendors and third parties subjected to due diligence, contracted with appropriate privacy obligations and tracked for compliance based on risk assessment. • Mandatory trainings and workshops on data protection, Privacy by Design and global privacy regulations. Continuous awareness campaigns through blog posts, email broadcasts, gamification, roadshows and online events. • Risk assessments related to cross border transfers and maintaining data transfer agreements, where required for the transfer of data across jurisdictions. • Periodic reviews and audits by independent audit firm to verify compliance to obligations in addition to internal audits across the ecosystem.	
Cyber Attacks (R & O)	Risks of cyber-attacks are on the rise due to the fast-evolving nature of the threat. There is also an increased risk due to various pandemic themed cyber threats and attacks due to geo-political drivers. In addition to impact on business operations, a security breach could result in reputational damage, penalties and legal and financial liabilities.	• Use of advanced tools based on AI/ML to prevent and detect incursions with quarantine capabilities, including perimeter security controls with advanced tools, enhanced internal vulnerability detection, data leak prevention tools, defined and tested incident management and recovery process in compliance with industry best practices. • Continued reinforcement of stringent security policies and procedures (certified against ISO 27001) including enhanced security measures and awareness building to combat phishing attempts and soliciting for fraudulent causes or charities through social media, text or calls. • Close collaboration with Computer Emergency Response Team (CERT) and other private cyber intelligence agencies, and enhanced awareness of emerging cyber threats. • Enterprise-wide training and awareness programs on Information Security including the extensively used enterprise-wide communication and collaboration platforms accessed through mobile or desktop channels. • Strict access controls including non-persistent passwords (OTP) for secure access to enterprise applications/network, special handling of privileged administrator accounts, rigorous access management on all cloud deployments. • Encryption of data, data back-up and recovery mechanisms for ensuring business continuity.	Negative

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Ability to isolate TCS enterprise network from client network and defined escalation mechanisms to handle security incidents in client environment. • Periodic rigorous testing to validate effectiveness of controls through vulnerability assessment and penetration testing. • Internal and external audits, red teaming, "breach and attack" simulation. • Sourcing threat intelligence from various government, public and private sources to proactively block IPs used by threat actors. • State of the art security operations center with automated playbooks.	
	Opportunity: • Enterprises are increasing their investments in building cyber resilience and turning to specialized third parties to be detect and foil intrusion attempts and limit the impact. • This presents a fast growing business opportunity for TCS to become the preferred cyber security partner to its clients.	• Investments in building local threat management centers across the world. • Launch of new services and solutions including the Cyber Defense Suite.	Positive
Non-compliance to complex and changing global regulations (R)	• As a global organization, the company has to comply with complex regulatory requirements across multiple jurisdictions, covering across a broad range of areas grouped under environmental, social and governance themes. • The fast pace and complex nature of changes in the regulatory requirements requires quick identification and sound understanding of these requirements along with agility in adaptation in business operations. Failure to comply could result in penalties, reputational damage and criminal prosecution.	• Deployment of a comprehensive global compliance management framework that enables tracking of regulatory changes across various jurisdictions, including new countries of operations and functional areas and management of compliance risks. • In-house digitized regulatory compliance platform enabling clear accountability, tracking of compliance obligations and governance to ensure long-term business sustainability. • Operationalized regulatory requirements through business policies and embedding into business processes. • 100% digitized, quarterly regulatory compliance declarations enabling self-governance of all compliance areas applicable to company's global operations. • Up to date, effective internal controls to comply with regulations, keep a check on unlawful and fraudulent activities and internal audits to provide compliance assurance.	Negative

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Strong focus on fostering ethical and compliance culture; awareness through web-based compliance training courses for all staff and regular notifications/alerts on regulatory changes communicated to stakeholders. • Strong governance at board, executive and management levels through compliance committees and compliance working groups.	
Intellectual Property (IP) infringement and leakage (R)	• Risk of infringement of IP of third parties including suppliers, partners and alliance organizations by TCS may lead to potential liabilities, increased litigation and impact reputation. • Inadequate protection of TCS' IP may lead to potential loss of ownership rights, revenue and value.	• Establishment of an industry leading IP management framework (IP 4.0) with institutionalized frameworks, processes and procedures that address the risk of infringement of third-party IP while ensuring safeguarding of TCS' own IP assets. • Establishment of a centralized IP and Software Product Engineering group that strives to build an IP-led culture and IP related awareness effectively. • Well-defined (software) asset lifecycle governance framework that incorporates policy guidance and risk mitigation guidelines on IP, legal, software product engineering and business-related risks. • IP governance program that ensures that there is right access and right use of TCS IP, customer IP, partner IP, and third-party IP in service and partner engagements. • Other key controls include employee confidentiality agreement, training and awareness for IP protection and prevention of IP contamination and infringement. Digitized system to enable strict controls around movement of people and information across TCS' product teams and customer account teams.	Negative
Litigation risks (R)	• Litigation risks might arise from commercial disputes, perceived violation of intellectual property rights/trade secret violations and employment related matters. • The company's rising profile and scale also makes it an attractive target to meritless lawsuits. • Besides the distraction and legal expense, litigations garner negative media attention and pose reputation risk. Adverse rulings can result in substantive damages.	• Strengthening internal processes and controls to adequately ensure compliance with contractual obligations, information security and compliance with IP policies and procedures for protection of intellectual property and avoidance of allegations of trade secret violations. • Improved governance and controls over immigration process /increasing localization and inclusion of arbitration provisions in employment contracts. • Training and sensitization of business managers to spot the risks, adhere to best practices and escalate potential disputes within the organization for early mitigation steps.	Negative

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
		• Team of in-house counsels in all major geographies and a network of reputed global law firms in countries it operates in. • Robust mechanism to track and respond to notices as well as defend the company's position in all claims and litigation.	
Sustainability Risks- Climate change and Environmental aspects (R & O)[12]	• Extreme weather events due to climate change pose a threat to human safety and can cause business disruptions. • With globally distributed operations, the company faces physical risks to life and property due to extreme weather events, transition risks resulting from disruptions in the market and emerging regulations, disruptions to operations due to water scarcity, risks of inadvertent non-compliance to emerging regulatory requirements around circular economy, e-waste and solid waste regulations, impacting health and safety in local communities, business disruption and reputational damage. All of these could affect TCS' growth and profitability.	• An environmentally sustainable approach through green policies, processes, frameworks and infrastructure, on target to achieve net zero carbon emissions by 2030. • Delivery centers designed to withstand extreme weather events. Business continuity plans are tested periodically to ensure effectiveness. • Green buildings, efficient operations, green IT, greater use of renewable energy to reduce carbon footprint; adoption of newer technologies and methods to manage waste in line with circular economy principles. • Operational and engineering controls to minimize freshwater consumption, upgradation of water infrastructure and more water efficient systems. • Water management through sewage treatment, recycling of treated water and rainwater harvesting. • Supply chain sustainability through responsible sourcing, including leveraging sustainability ratings platform. • Year-round employee engagement on environmental awareness and sensitizing them towards nature and conservation of resources. • Initiatives like TCS Circle4Llife™ and Sustainathons to come up with technology-led innovations to safeguard TCS' environment.	Negative
	Opportunity: • As enterprises look to reduce their own carbon footprint and cater to the growing demand more environmentally friendly products and services, it opens up new business opportunities for TCS to provide technology-led solutions to help them realize their green plans. • Proactive measures taken by TCS to reduce its environmental footprint strengthens the brand and makes it attractive to enterprises looking for an IT partner with a shared purpose. It also helps attract and retain younger, more purpose-driven employees.	• Dedicated business units for each of the large hyperscaler providers, helping clients migrate their workloads from owned data centers to the cloud, thereby reducing the carbon footprint associated with those workloads. • Steadily expanding suite of sustainability services including designing sustainability strategy, sustainability innovation, sustainable consumer analytics and sustainability dashboards. • Build and promote TCS products and solutions such as TCS Clever Energy™, Envirozone™, ESG integration solution, to help accelerate customers' sustainability journeys.	Positive

12 TCFD Metrics and Targets B

Key Risks (R) / Opportunity (O)	Impact on the Company	In case of risk, approach to adapt or mitigate[10]	Financial implications of the risk or opportunity[11]
Challenges and Opportunities with Disruptive Technologies (R & O)	Disruptive cutting-edge technologies like quantum computing, generative AI and large language models and metaverse could impact TCS' business: • Quantum computing may increase exposure to cyberattacks because existing security infrastructure may prove inadequate. • Generative AI, large language models and metaverse could lead to legal liabilities through plagiarism, deep fakes and privacy and copyright infringement issues. • The efficacy of AI models depends on the quality of the data they are trained on. Unless specifically designed to prevent such outcomes, the models could be vitiated by all kinds of human biases contained in large data sets, and produce outcomes that cause reputational damage and legal liabilities. • Generative AI technologies could disrupt software development and testing activities, distorting customer expectations in the short term.	• Ensure controlled use of these technologies through pilots/research. • Restricted access to generative AI technologies like ChatGPT on company network until proven safe. • Work with government bodies, regulators and academia to build consensus about policies and guidelines for use of these technologies. • Embark on large-scale skilling of employees to prepare for deployment on market-oriented products and services based on these technologies. • Participate as a member of industry specific large language models consortia.	Negative
	Opportunity: • Generative AI technologies also have the potential to reimagine existing products and services and can also open up opportunities in form of new solutions using those technologies, and new services needing newer kinds of skills.	• Proactively invest in research around embedding generative AI capabilities into software development processes to boost productivity. • Develop niche skills to tap demand created for Post Quantum cryptography services as customers seek Quantum safe security algorithms. • Leverage opportunities to market TCS' own generative AI tools and services as overall attention and adoption of the technology increases.	Positive

Internal Financial Control Systems and their Adequacy

TCS has aligned its current systems of internal financial control with the requirement of Companies Act, 2013, on the lines of the globally accepted risk-based framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The company has successfully laid down the framework and ensured its effectiveness.

TCS' internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. TCS has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down. TCS uses a state-of-the-art enterprise resource planning (ERP) system that connects all parts of the organization, to record data for accounting, consolidation and management information purposes. It has continued its efforts to align all its processes and controls with global best practices.

TCS management assessed the effectiveness of the company's internal control over financial reporting (as defined in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as of March 31, 2023.

B S R & Co. LLP, the statutory auditors of TCS have audited the financial statements included in this annual report and have issued an attestation report on the company's internal control over financial reporting (as defined in section 143 of Companies Act, 2013).

TCS has appointed PricewaterhouseCoopers Services LLP (PwC) LLP to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and approved by the Audit Committee. In line with international practice, the conduct of internal audit is oriented towards the review of internal controls and risks in the company's operations such as software delivery, accounting and finance, procurement, employee engagement, travel, insurance, IT processes, including the subsidiaries and foreign branches.

TCS also undergoes periodic audit by specialized third party consultants and professionals for business specific compliances such as quality management, service management, information security, etc. The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets TCS' statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations periodically.

Based on its evaluation (as defined in section 177 of Companies Act 2013 and Regulation 18 of SEBI LODR), TCS' Audit Committee has concluded that, as of March 31, 2023, the company's internal financial controls were adequate and operating effectively.

Performance Trend – 10 years

(₹ Crore)

	Ind AS									Indian GAAP		
	FY 2023	FY 2022	FY 2021*	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015#	FY 2015	FY 2014
Revenue from operations												
Total revenue from operations	225,458	191,754	164,177	164,177	156,949	146,463	123,104	117,966	108,646	94,648	94,648	81,809
Revenue by geographic segments												
Americas	124,336	100,072	84,278	84,278	82,000	77,562	66,145	66,091	60,011	51,053	51,053	45,259
Europe	67,436	61,142	52,346	52,346	48,037	43,456	34,155	30,038	29,092	26,730	26,730	23,433
India	11,271	9,805	8,449	8,449	8,964	8,393	7,921	7,415	6,729	6,108	6,108	5,488
Others	22,415	20,735	19,104	19,104	17,948	17,052	14,883	14,422	12,814	10,757	10,757	7,629
Cost												
Employee cost	127,522	107,554	91,814	91,814	85,952	78,246	66,396	61,621	55,348	48,296	50,924	40,486
Other operating cost	38,677	31,143	25,817	27,035	28,888	28,711	24,192	24,034	22,621	19,242	19,242	16,170
Total cost (excluding interest & depreciation)	166,199	138,697	117,631	118,849	114,840	106,957	90,588	85,655	77,969	67,538	70,166	56,656
Profitability												
EBITDA (before other income)	59,259	53,057	46,546	45,328	42,109	39,506	32,516	32,311	30,677	27,110	24,482	25,153
Profit before tax	56,907	51,687	44,978	43,760	42,248	41,563	34,092	34,513	31,840	28,437	25,809	25,402
Profit after tax attributable to shareholders of the Company	42,147	38,327	33,388	32,430	32,340	31,472	25,826	26,289	24,270	21,912	19,852	19,164
Financial Position												
Equity share capital	366	366	370	370	375	375	191	197	197	196	196	196
Reserves and surplus	90,058	88,773	87,014	86,063	83,751	89,071	84,937	86,017	70,875	52,499	50,439	48,999
Gross block of property, plant and equipment	32,344	30,300	28,658	28,658	26,444	24,522	22,720	20,891	19,308	16,624	16,624	13,162
Total investments	37,163	30,485	29,373	29,373	26,356	29,330	36,008	41,980	22,822	1,662	1,662	3,434
Net current assets	66,712	65,959	66,076	65,125	63,177	70,047	63,396	65,804	47,644	30,726	28,495	27,227
Earnings per share in ₹												
EPS- as reported	115.19	103.62	89.27	86.71	86.19	83.05	134.19	133.41	123.18	111.87	101.35	97.67
EPS- adjusted for Bonus Issue	115.19	103.62	89.27	86.71	86.19	83.05	67.10	66.71	61.59	55.94	50.68	48.84
Headcount (number)												
Headcount (including subsidiaries) as on March 31st	614,795	592,195	488,649	488,649	448,464	424,285	394,998	387,223	353,843	319,656	319,656	300,464

Note : The company transitioned into Ind AS from April 1, 2015.

*Excluding provision towards legal claim.

Excluding the impact of one-time employee reward.

Overview of Funds Invested

Funds invested exclude earmarked balances with banks and equity shares measured at fair value through other comprehensive income.

(₹ Crore)

	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
	Current		Non-current		Total funds invested	
Investments in mutual funds, Government securities and others	36,897	30,262	230	187	37,127	30,449
Deposits with banks	8,223	15,784	1,334	1,232	9,557	17,016
Inter-corporate deposits	846	6,074	170	303	1,016	6,377
Cash and bank balances	2,124	2,211	-	-	2,124	2,211
Total	**48,090**	**54,331**	**1,734**	**1,722**	**49,824**	**56,053**

Total invested funds include ₹2,080 crore and ₹1,722 crore for FY 2023 and FY 2022, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

Ratio Analysis – 10 years

		Ind As									Indian GAAP		
	Unit	FY 2023	FY 2022	FY 2021*	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015#	FY 2015	FY 2014
Ratios - Financial Performance													
Employee Cost / Total Revenue	%	56.6	56.1	55.9	55.9	54.8	53.4	53.9	52.2	50.9	51.0	53.8	49.5
Other Operating Cost / Total Revenue	%	17.1	16.2	15.7	16.5	18.4	19.6	19.7	20.4	20.9	20.4	20.3	19.8
Total cost (excluding interest & depreciation) / Total Revenue	%	73.7	72.3	71.6	72.4	73.2	73.0	73.6	72.6	71.8	71.4	74.1	69.3
EBITDA (Before Other Income) / Total Revenue	%	26.3	27.7	28.4	27.6	26.8	27.0	26.4	27.4	28.2	28.6	25.9	30.7
Profit Before Tax / Total Revenue	%	25.2	27.0	27.4	26.7	26.9	28.4	27.7	29.3	29.3	30.0	27.3	31.1
Tax / Total Revenue	%	6.5	6.9	7.0	6.8	6.2	6.8	6.7	6.9	6.9	7.2	6.6	7.4
Effective Tax Rate- Tax / PBT	%	25.7	25.6	25.5	25.6	23.2	24.1	24.1	23.6	23.6	23.5	23.7	23.9
Profit After Tax / Total Revenue	%	18.7	20.0	20.3	19.8	20.6	21.5	21.0	22.3	22.3	23.2	21.0	23.4
Ratios - Growth													
Total Revenue	%	17.6	16.8	4.6	4.6	7.2	19.0	4.4	8.6	14.8	15.7	15.7	29.9
EBITDA (Before Other Income)	%	11.7	14.0	10.5	7.6	6.6	21.5	0.6	5.3	25.3	7.8	(2.7)	39.4
Profit After Tax	%	10.0	14.8	3.2	0.3	2.8	21.9	(1.8)	8.3	22.3	14.3	3.6	37.7
Ratios - Balance Sheet													
Debt (excluding lease liabilities) - Equity Ratio	Times	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0
Current Ratio	Times	2.5	2.6	3.0	2.9	3.3	4.2	4.6	5.5	4.1	3.9	2.4	2.7
Days Sales Outstanding (DSO) in ₹ terms	Days	67	65	67	67	71	68	74	70	81	79	79	81
Days Sales Outstanding (DSO) in $ terms	Days	65	64	68	68	67	69	74	73	80	78	78	82
Invested Funds / Capital Employed	%	50.4	57.4	52.6	53.1	47.7	55.2	55.6	55.8	45.8	42.3	43.9	44.0
Capital Expenditure / Total Revenue	%	1.4	1.5	1.9	1.9	2.0	1.5	1.5	1.7	1.8	3.1	3.1	3.8

Note : The Company transitioned into Ind AS from April 1, 2015.
*Excluding provision towards legal claim.
#Excluding the impact of one-time employee reward.

		Ind As									Indian GAAP		
	Unit	FY 2023	FY 2022	FY 2021*	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015#	FY 2015	FY 2014
Operating Cash Flows / Total Revenue	%	18.6	20.8	23.6	23.6	20.6	19.5	20.4	21.4	17.6	20.5	20.5	18.0
Free Cash Flow / Operating Cash Flow Ratio	%	92.7	92.6	91.9	91.9	90.5	92.5	92.8	92.3	89.7	84.8	84.8	78.9
Depreciation of Property, Plant and Equipment / Average Gross Block of Property, Plant and Equipment	%	9.2	9.1	8.7	8.7	8.6	8.5	9.1	9.5	10.0	11.7	11.7	10.6
Ratios - Per Share													
EPS- adjusted for Bonus	₹	115.19	103.62	89.27	86.71	86.19	83.05	67.10	66.71	61.59	55.94	50.68	48.84
Price Earnings Ratio, end of year	Times	27.8	36.1	35.6	36.6	21.2	24.1	21.2	18.2	20.4	22.8	25.1	21.8
Dividend Per Share	₹	115.00	43.00	38.00	38.00	73.00	30.00	50.00	47.00	43.50	79.00	79.00	32.00
Dividend Per Share- adjusted for Bonus	₹	115.00	43.00	38.00	38.00	73.00	30.00	25.00	23.50	21.75	39.50	39.50	16.00
Market Capitalization / Total Revenue	Times	5.2	7.1	7.2	7.2	4.4	5.1	4.4	4.1	4.6	5.3	5.3	5.1

Note : The Company transitioned into Ind AS from April 1, 2015.
*Excluding provision towards legal claim.
#Excluding the impact of one-time employee reward.

Awards and **Accolades**

Financial Capital

- Ranked **#1** by **revenue** in the **UK** across the entire technology ecosystem for the **second year**, in the **2022 TechMarketView UK Software and IT Services Supplier Rankings.**
- Ranked **#2**, up one place over the prior year's position, in **CRN's 2022 Solution Provider 500** rankings of the top system integrators, service providers and IT consultants by revenue in North America.
- Won **3** awards at the **India Risk Management Awards (IRMA) 2022** by ICICI Lombard and CNBC-TV18: **'Masters of Risk in IT-ITes'** under the Large Cap category, **Masters of Risk in Regulatory Compliance** and **Masters of Risk in Cyber Security.**
- Recognized with a special award in the category `**Regional Asian Investor in Ireland',** at the **2022 Asia Matters Business Awards.**

Intellectual Capital

- Awarded the **Asia IP Elite Award 2022** for being an **Exemplar of IP Value.**
- Named the **Top Indian Company for Creating Brand in India and Abroad** and awarded the **World Intellectual Property Organization's (WIPO's) Users Trophy** at the **National Intellectual Property Awards 2021 & 2022.**
- Won **ASSOCHAM IP Excellence Award** for **Best Intellectual Property (IP) Portfolio** in the Large Enterprises category.
- Won the **CXO Tech Innovation Award** for digital innovation in smart collaboration at the **CXO Tech Awards 2022.**
- Recognized with **`The Innovative 100'** and **`Mission Critical Master'** awards by **CIO 100 India**.
- **TCS BaNCS™** ranked **# 1** in the **Investment and Fund Management** category for the third consecutive year, and **#2** in the **InsurTech** category in the **IBS Intelligence Sales League Tables** for 2022.
- **TCS Quartz™ for Markets** recognized as **Best New Post Trade Solution of the Year** by **Financial Technologies Forum**.
- **TCS Quartz** recognized as an **Industry Special Leader** and ranked **#1 Fraud Management solution** in the **IBS Intelligence Sales League Tables** for 2022.
- **TCS Quartz** won **Outstanding Innovation of the Year** at the **Industry Excellence Awards** by the **Asset Servicing Times**.
- **TCS OmniStore™** won the **Omnichannel Technology of the Year** award from **Retail Systems** for delivering a seamless customer experience.
- **TCS OmniStore** and **TCS Optumera™** won **2 Stevies at the International Business Awards 2022** in the **AI/ML solution** category.
- The **TCS Smart Store solution** won the **Best Customer Solution** award at the **IoT Solution Awards 2022** during the **IoT Solutions World Congress**.
- **TCS Marketing Data Hub** won the **Economic Times DATA CON Awards 2022** for **Automated Data Management.**
- **CS Design Toolkit** was awarded a **Bronze** award at the **Stevie Awards Asia Pacific 2022** for **Innovative Achievement in Customer Satisfaction**.
- TCS ADD™ Connected Clinical Trials platform won the **India Pharma Award 2022** in the category, Excellence in Ancillary Pharma Services.

- Won an award for **Revenue Generation (Customer Experience)** at the Mint TechCircle Business Transformation Awards 2022.

- Awarded **SAP Customer Award** for "Best supplier collaboration story" for **TCS Procurement 4.0.**

- Won the **Customer Innovation Award** from **Commvault** in the Governance and compliance category for **Digital Compliance solution.**

- Won a **Gold** at the **Indian Smart Grid Forum Innovation Awards 2023** in the category **'Smart Technology - Electricity Transmission'** for AI-Powered Control and Management of Power Networks.

- Awarded **2 Golds** at the 12th Competition on Software Verification (SV-COMP 2023) in the Reach Safety and Termination categories for TCS Research's tools **VeriAbs** and **FuzzNT** respectively.

- Won the **`Special Purpose Vehicle Design'** Award at the **12th CII Design Excellence Awards 2022** for **PalPicker**, a fork-over autonomous mobile robot by TCS.

- Won **5** Stevies® in different categories at the **2023 Stevie® Awards for Sales & Customer Service**, for solutions targeting the BFSI vertical.

- Won **2** awards at **2022 Brandon Hall Group Excellence in Technology Awards**: 1 Gold for **Best Advance in Business Strategy and Technology Innovation** and 1 Silver for **Best Advance in Learning Management Technology.**

- TCS products and solutions won 2 Gold, 3 Silver and 1 Bronze Stevies at the **Stevie International Business Awards® 2022:** 1 Gold in the Project Management Solution category for **TCS Allocation Reimagination**, 1 Gold in the Software Defined Infrastructure category for **TCS Infrastructure as Code**; 2 Silvers in the Artificial Intelligence/ Machine Learning Solution category for **TCS Optumera™ and TCS OmniStore™**; 1 Silver Stevie in the Event Management Solution category for **TCS Prime Events** and 1 Bronze in the Collaboration/Social Networking Solution category for **TCS Enterprise Social Collaboration.**

Human Capital

- Named in the Forbes annual list of **America's Best Large Employers**, based on an independent survey of 45,000 employees working for American companies with more than 1,000 employees.

- Certified as a **Global Top Employer 2023** by the Top Employers Institute:

    - Recognized as a **Top Employer in Europe** for the eleventh consecutive year, and the **Number One Top Employer** in **Belgium, Denmark**, and **The Netherlands**.

    - Recognized as a **Top Employer** in the **UAE, Kingdom of Saudi Arabia**, and **South Africa** for the eighth successive year.

- Featured in **2023 Bloomberg Gender-Equality Index**.

- Won the **Best of Best award** from **Association for Talent Development (ATD)** for the fifth time in a row.

- Won **4 Golds** and **1 Silver** at the **ET HR Future Skills** awards for best learning teams.

- Recognized among the **Most Preferred Workplaces 2022** by Team Marksmen in collaboration with India Today Television.

- Won **6 Gold** and **2 Silver** awards at the **14th Annual 2022 Golden Bridge (Globee) Business and Innovation Awards** in the following HR categories: Achievement of the Year in Learning and Development, Best Use of Reward and Recognition, Most Effective Use of HR Technology, Most Effective Use of Internal Communications, Human Resources Outstanding Performance of the Year and Human Resources Project or Initiative of the Year.

- Won **32 Brandon Hall awards** (21 Golds, 7 Silvers and 4 Bronzes) and **13 Stevie awards** (5 Golds, 5 Silvers and 3 Bronzes) across various functions in HR.

- Won the **Indian Achievers' Award 2022** for **Excellence in Industry Academia Collaboration** from **Indian Achievers Forum** for the second year in a row.

Social Capital

CUSTOMER

- Ranked the **#1 IT service provider** for **customer satisfaction** in Europe in an independent survey of over 1,800 CXOs of the continent's top IT spenders by **Whitelane Research**. This is the **tenth consecutive year** that TCS has topped this survey. TCS was also ranked **#1** in **France**, **Germany** and the **Nordics** in the country-specific rankings published in Q4.

- Ranked **#1 in customer satisfaction** in the **UK**, for the **seventh year by Whitelane Research**, with an overall customer satisfaction score of 82%.

- Won the **Supplier of the Year** award in the Large Category (by spend) at the **2022 Microsoft Supplier Prestige Awards**.

- Won the **2022 Best IT Supplier** Award from **Infineon Technologies AG**.

- TCS and Virgin Media O2 won the **GSA Professional Award 2022** in the category of **Customer Experience Team of the Year** for the technology transformation resulting in a cloud-native, resilient, future-ready IT infrastructure.

INDUSTRY ANALYST

- TCS was ranked a Leader in **126** competitive assessments published by leading research firms **in FY 2023** (92 in FY 2022). In **15** of these, TCS was positioned the **foremost leader** or ranked **#1**.
- Won the **2021 Best Practices Company of the Year Award** for its visionary innovation, market-leading performance, and unmatched customer impact in the GCC's Business Process Outsourcing Industry by **Frost and Sullivan**.

INVESTOR

- Recognized in FinanceAsia's Best Managed Companies 2022 list as the **Best Managed Company** and **Most Effective in creating and implementing D&I Policies over the past 12 months**, in India, based on a poll of investors and analysts across Asia.

PARTNER

- Won three **2022 Microsoft Partner of the Year awards** in the categories: **SAP on Azure, Retail & Consumer Goods, and Global SI & Advisory Digital Transformation.**
- Named to the **Microsoft Business Applications 2022/2023 Inner Circle**, for the third consecutive year. This is based on TCS' sales achievements that place it in the top echelons of Microsoft Business Applications' global network of partners.
- Recognized as the **Microsoft Customer Success Partner of the Year** for its commitment and dedication to building strong customer relationships and helping clients achieve their businesses success.
- Won two **Google Cloud Partner of the Year 2021** awards in the categories: **Industry Solution Partner of the Year for Retail** and **Global Diversity & Inclusion Partner of the Year**.
- Recognized as **Enterprise Partner of the Year** at the **India 2022 AWS Partners of the Year** awards; as the **Security Partner of the Year** (APJ) and **Migration Partner of the Year** (APJ) at the **2022 Regional and Global AWS Partners of the Year Awards.**
- Won **ANZ 2022 AWS Partners of the Year** award in the category **Global Systems Integrator**; and **GSI Partner of the Year** award at the **AWS Summit**, Bogota, Colombia.
- TCS Interactive won the **Digital Experience (DX) Partner of the Year 2022** award from **Adobe**.
- Recognized as **Global Partner of the Year 2022** by **Beyond Trust**.
- Won **Pega's Industry Excellence Award for Financial Services** at the **PegaWorldiNspire 2022**.
- Awarded **Partner of the Year 2022** by **Creatio** for outstanding commitment to partnership and implementation of solutions.
- Won the **SAP System Integrator BeLux 2022** award at the **SAP BeLux Partner Awards** for its strong partnership with SAP and its ongoing commitment to digital transformation and optimizing business processes.
- Won the **Consulting Partner** award in **Manufacturing and Energy** at the **Salesforce 2022 Partner Innovation Awards.**
- Named **Intel Global System Integrator Partner of the year 2022**.
- Won **Qlik Global Transformation Awards 2022** for Partners Leveraging Active Intelligence for Transformation and Impact.
- Won the **Qlik Partner Excellence Award FY 21-22** in the category **`Most Deal Influencer SI Partner'**.
- Won **3** partner awards from **Software AG: EMEA IOT Partner, EMEA hybrid Integration Partner** and **Global Hybrid Integration Partner**.
- Won the **'Transformation Partner of the Year Award'** at the **Hitachi Vantara GSI Summit 20**22 in Lisbon, Portugal.
- Won the **SUSE India Innovation Hero Award 2022** in the `**Kubernetes Innovators**' category.
- Won the **'Emerging Partner of the Year 2022**' award from **Nexthink.**
- Recognized as **BMC's Partner of the Year 2022** in the category `Digital Business Automation'.
- Won the **2022 Growth Global System Integrator Partner of the Year** award from **Nutanix.**
- Won the **APJ Top Alliance Growth Partner of the Year** Award at **Microfocus Partner Leadership Summit 2022.**
- Won **2** awards at **Yellow.ai's** first-ever Virtual Partner Success Kickoff: **Industry Partner of the Year – North America** and **Digital Transformation Award** for TCS BaNCS.
- Awarded by **Siemens** for the **Highest Enterprise Sales Achievement for the Year 2022**.
- Recognized by **Informatica** as the **Growth Global System Integrator Partner of the Year 2022**.
- Won **2** partner awards from **Quadient** at Inspire Days 2023: **Services Partner of the Year – Americas** and Breakthrough Partner of the Year – EMEA.
- Named by **Saviynt** as the **'Delivery Partner of the Year'** for APAC region.

COMMUNITY

- Named as one of the **top 50 community-minded companies** in the **United States**; recognized as the **Information Technology Sector Lead** for the fourth year and honored with the **Strategic Volunteer Award** for aligning employee volunteer time and talent with its strategic CSR programs.
- Won the **Gold** award in the WASH Initiative category at the **6th CSR Health Impact Awards** for **TCS' IoTbased smart water management solution** in support of the Government of India's Jal Jeevan Mission.
- Ranked the **2nd Largest CSR Spender** according to the **2022 Burgundy Private Hurun India 500** list.
- Awarded **Gold** at **The Economic Times Human Capital Awards 2022** in the Excellence in Social Initiative category for the **Sadhana SamarpaN** initiative under **TCS Purpose4Life**.

BRAND

- Named in the **Fortune®** magazine's 2023 list of the **World's Most Admired Companies**.
- Ranked the **second most valuable IT services brand globally** by **Brand Finance.**
- Only brand from India in the **Top 50** in the **2022 Kantar BrandZ Top 100 Most Valuable Global Brands**; also ranked among the **Top 10 fastest growing brands** globally.
- TCS brand **ranked #4** overall and **#1** among all technology firms in the **2022 FutureBrand Index** for innovation, good customer service, contented workforce and strong management.
- Ranked as the **most valuable Indian brand** by **Kantar BrandZ India**; TCS' brand value rose 212% from 2020 to 2022.
- Ranked as the **second most valuable Indian company** by the **2022 Hurun Global 500** report.
- Won a **Gold** at the **ITSMA 2022 Marketing Excellence Award**s in the category `**Collaborating with Sales**' for Digital Store.
- Won a **Drum Award for B2B 2022** in the category '**Most Effective Digital Transformation Initiative**'.

Natural Capital

- Won first place at the **Celonis Ecosystem Hackathon for Smart Metering for Utilities** to **Reduce CO2 Emissions** under the **Use Case Ideation** category.
- TCS' Digital Farming Initiatives won the **NASSCOM Enterprise Cloud Awards '22** in the category `**Excellence in Leveraging Cloud for Sustainability**'.
- TCS' **Food Digital Twin** won the **2022 Vivekananda Sustainability Award** for **'Innovative Use of Technology for Environmental Improvement'.**
- Won an award for '**Natural Resources Conservation**' at the **Dun & Bradstreet ESG Awards 2023**.

Corporate Governance **Report**

I. Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising employees, investors, customers, regulators, suppliers and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company follows the Tata Group philosophy of building sustainable businesses that are rooted in the community and demonstrate care for the environment. Being a part of the Tata Group, which epitomizes sustainability, the Company has inherited a strong legacy of fair and transparent ethical governance, as embodied in the Tata Code of Conduct (TCoC).

The Company has adopted a Code of Conduct for its employees including the Chief Executive Officer and Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors that suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act").

The Company's corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, the TCS Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code"). The Company has in place an Information Security Policy that ensures proper utilization of IT resources.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details of TCS' board structure and the various committees that constitute the governance structure[1] of the organization are covered in detail in this report.

The various material aspects of corporate governance and TCS' approach to them are discussed in the table below:

Material Topic	TCS' Approach
Board effectiveness, independence and protection of minority shareholders' interests	Board effectiveness is enhanced by setting a high bar in selecting the right mix of individuals to serve on the Board, with the right qualifications, expertise and experience, who can collectively serve the best interests of all stakeholders, maintain board and management accountability and drive corporate ethics, values and sustainability. Profiles of Board of Directors are available at https://www.tcs.com/ir-corporate-governance. For greater diversity of opinions and perspectives within the Board, the Nomination and Remuneration Committee[2] has fostered diversity in terms of backgrounds, areas of expertise and: • Gender: Two (22.2 per cent) of the nine Directors are women. • Nationality: Three nationalities represented – Indian, American and Danish. • Industry: Technology, Banking, Energy, Transportation and Academia.

[1] GRI 2-9
[2] GRI 2-10

Material Topic	TCS' Approach
	TCS' policy on Appointment of Directors and Board Diversity can be found at https://on.tcs.com/appointment-BoD. Board independence is ensured by having an independent majority, with 5 independent directors out of 9 i.e., 55.6 percent. None of the independent directors is related to each other, or to the non-independent directors. Average tenure of independent directors is 6 years. Board effectiveness is further improved by ensuring that none of the directors holds directorships in more than seven listed entities, and none of the executive directors serves as an independent director on the Boards of more than three listed entities. TCS' governance philosophy around minority shareholders' interests is guided by the TCoC which emphasizes fairness and transparency to all stakeholders. Further a qualified, diverse and independent Board ensures that minority shareholders' interests are protected. TCS strives to reduce information asymmetry through transparency, extensive disclosures and detailed commentary of the demand environment and the state of the business, and material developments. The Company provides a variety of channels including a structured global investor outreach program, through which minority shareholders can interact with the management or the Board. Shareholders can communicate concerns and grievances to the Company Secretary's office through a well-publicized channel, where complaints are tracked till closure. The Stakeholders' Relationship Committee oversees the redressal of these complaints.
Avoidance of conflict of interest[3]	Chairmanship[4] of the Board is a non-executive position, and separate from that of the Chief Executive Officer and Managing Director (CEO and MD). TCoC[5] for non-executive directors, and for independent directors, carries explicit clauses covering avoidance of conflict of interest. Likewise, it explicitly prohibits any employee – including the executive directors – from accepting any position of responsibility, with or without remuneration, with any other organization without TCS' prior written approval. For the executive directors, such approval must be obtained from the Board.
Values, Ethics and compliance[6]	Over the last five decades, TCS has consistently demonstrated very principled conduct and has earned its reputation for trust and integrity while building a highly successful global business. The Company's core values are: Leading Change, Integrity, Respect for the Individual, Excellence, and Learning and Sharing. The TCoC serves as a moral guide and a governing framework for responsible corporate citizenship. It sets out guidelines on various topics including respect for human rights, prohibition of bribery and corruption, recognition of employees' freedom of association, and avoidance of conflicts of interest. Every employee of the Company is required to sign the TCoC at the time of joining. Web-based annual refresher courses are mandated to ensure continued awareness of the Code. Further, frequent communications from the leadership, reiterate the importance of the company values and the TCoC. Customers are made aware of the TCoC principles in contract discussions, and through inclusion of specific clauses in proposals and contracts. Employees also undergo Web-based mandatory training every year on Anti-bribery and ethical behaviour. They can raise ethics concerns on Ultimatix – the intranet portal of the Company, which are investigated and tracked to closure by the HR department. Employees and other stakeholders can also report any non - compliance to the TCoC or to the laws of the land by senior executives directly to the Chairman of the Audit Committee under the Whistle blower Policy without fear of retaliation. Information about these channels is communicated to employees as part of the mandatory training modules.

[3] GRI 2-15
[4] GRI 2-11
[5] https://www.tcs.com/tata-code-of-conduct
[6] GRI 2-12

Material Topic	TCS' Approach
	Compliance to laws of the countries in which we operate, as well as global legislation such as Foreign Corrupt Practices Act, Bribery Act, 2010, etc. are monitored through formal compliance procedures led by the Corporate compliance office. Changes to legislation are closely monitored, risks are evaluated and effectively managed across the business operations. Governance, Risk and Compliance are overseen by the Chief Compliance Officer, Chief Risk Officer and the Chief HR Officer who report to the Chief Operating Officer and Executive Director (COO and ED), and CEO and MD respectively. At the apex level, the Audit Committee headed by an Independent Director oversees compliance to the TCoC, Anti-Bribery and Anti-Corruption Policy, Gift and Hospitality Policy and also to the external regulations.
Tax Strategy[7]	TCS is committed to comply with the applicable laws and regulations, and believes in reporting to the respective tax authorities, relevant information that is complete and accurate, in a timely manner. TCS does not engage in aggressive and contrived tax planning or tax structuring for the purpose of gaining tax advantages. TCS's tax policy is to optimize the tax cost, avail tax incentives where available, while achieving 100 per cent compliance with the spirit as well as the letter of the tax laws and regulations in all countries in which it operates. Compliance is achieved through a robust compliance reporting and monitoring process, with a strong governance on minimizing the tax risk. TCS has zero tolerance towards tax evasion, or the facilitation of tax evasion, by itself or by its employees or vendors. TCS maintains open and collaborative relationships with governments and tax authorities worldwide. Where appropriate, TCS seeks advance clearance from tax authorities on the proposed tax treatment of transactions, helping pre-empt future disputes.
Board Oversight of Sustainability Matters[8]	TCS' approach to sustainable growth is built on the belief that it can expand its business by creating longer term value for all its stakeholders, including employees, customers, suppliers and local communities, while also valuing the environment. The various sustainability topics material to TCS are overseen by the relevant Board committees, as outlined below:

Material Sustainability Topics	Board Committee
Financial reporting, robustness of internal controls and risk management systems, auditor remuneration, compliance to policies around insider trading, whistle blower, ethics and TCoC.	Audit Committee
Risk management policy and plan, management of foreign exchange risks, cyber security risks, data privacy risks and intellectual property infringement risks.	Risk Management Committee
Recommend composition of Board and its committees, appointment/re-appointment of directors and KMP, design executive directors' remuneration, recommend remuneration policy for directors, executive team and KMP, evaluation of the performance of the Board, Committees and Directors.	Nomination and Remuneration Committee
Health and safety at the workplace, shareholder grievances and other sustainability initiatives.	Stakeholders' Relationship Committee
Community initiatives and Corporate Social Responsibility, including compliances.	Corporate Social Responsibility Committee

Succession planning	TCS' philosophy of empowering employees, its industry-leading talent retention, and an organization structure that devolves executive decision-making across the three business groups (viz., Relationship Incubation group, Enterprise Growth group and Business Transformation group) have resulted in a large and deep bench of leadership talent that enables robust succession planning and continuity and consistency in strategy. Succession planning for the top two leadership positions in each business unit is reviewed by senior management. Additionally, heads of business units carry out succession planning for key functions within their units. Succession planning at senior management levels is reviewed by the Board. Business or unit heads are invited to present on specific topics at Board meetings from time to time, offering an opportunity to the directors to assess their values, competencies, and capabilities.

[7] GRI 207-1, GRI 207-2, GRI 207-3. TCS Tax Strategy link: https://on.tcs.com/TCS-Tax-Strategy
[8] GRI 2-12, GRI 2-14, TCFD Governance A & B

Material Topic	TCS' Approach
Building sustainable and responsible supply chain	TCS requires its suppliers to sign the TCoC upon empanelment. That includes principles on protecting and safeguarding human rights, treating all persons with respect and dignity while safeguarding their rights, the abolition of forced and compulsory labor, child labor in the supply chain and strong corporate governance practices including anti-corruption and bribery and promoting fair business practices across the supply chain. TCoC also requires its suppliers to protect the environment and make conscious use of scarce natural resources in their business processes and at the same time highlighting the importance of health and safety in its workplace and expects the supplier to comply with sustainable business practices in letter and spirit in turn for its employees. The Company supports the principles contained in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. It works with its suppliers to ensure that they too are fully aligned with these principles.

II. Board of Directors

i. As on March 31, 2023, the Company has nine Directors. Of the nine Directors, seven (i.e. 77.8 percent) are Non-Executive Directors out of which five (i.e. 55.6 percent) are Independent Directors including women directors.

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act.

ii. None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as independent directors in more than seven listed entities; and
- who are the Executive Directors serve as independent directors in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors is related to each other except N G Subramaniam and N Chandrasekaran.

iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

iv. Six Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: April 11, 2022; July 8, 2022; October 10, 2022; January 9, 2023 and March 13 and 14, 2023 and March 16, 2023. The necessary quorum was present for all the meetings.

v. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2023 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Director and DIN	Category	Number of Board Meetings attended during the FY 2023	Whether attended last AGM held on June 9, 2022	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
				Chairman	Member	Chairman	Member	
N Chandrasekaran (Chairman) DIN 00121863	Non-Independent, Non-Executive	6	Yes	7	-	-	-	1. Tata Steel Limited @ 2. Tata Motors Limited@ 3. Tata Consumer Products Limited @ 4. The Tata Power Company Limited @ 5. The Indian Hotels Company Limited @ 6. Tata Chemicals Limited @
Rajesh Gopinathan (Chief Executive Officer and Managing Director) DIN 06365813	Non-Independent, Executive	6	Yes	-	-	-	-	-
N G Subramaniam (Chief Operating Officer and Executive Director) DIN 07006215	Non-Independent, Executive	6	Yes	2	1	-	-	1. Tata Elxsi Limited @ 2. Tata Communications Limited@ 3. Tejas Networks Limited @
O P Bhatt DIN 00548091	Independent, Non-Executive	6	Yes	1	3	1	5	1. Hindustan Unilever Limited # 2. Tata Steel Limited # 3. Tata Motors Limited # 4. Aadhar Housing Finance Limited (Debt Listed)#
Aarthi Subramanian DIN 07121802	Non-Independent, Non-Executive	6	Yes	2	5	1	3	Tata Capital Limited (Debt Listed)@
Dr Pradeep Kumar Khosla* DIN 03611983	Independent, Non-Executive	4	Yes	-	-	-	-	-
Hanne Sorensen DIN 08035439	Independent, Non-Executive	6	Yes	-	1	-	2	Tata Motors Limited #
Keki Mistry DIN 00008886	Independent, Non-Executive	6	Yes	1	4	1	6	1. Housing Development Finance Corporation Limited $ 2. Torrent Power Limited # 3. HDFC Life Insurance Company Limited^ 4. HDFC Asset Management Company Limited@ 5. HDFC ERGO General Insurance Company Limited
Don Callahan DIN 08326836	Independent, Non-Executive	6	Yes	-	-	-	-	-

*Re-appointed as Independent Director for a second term w.e.f. January 11, 2023

Category of directorship held:

@Non-Independent, Non-Executive # Independent, Non-Executive $ Executive Director ^ Nominee, Non-Executive

Video-conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

vi. During FY 2023, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

vii. During FY 2023, two meetings of the Independent Directors were held on April 8, 2022 and March 13, 2023. The Independent Directors, *inter alia*, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

viii. The Board periodically reviews the compliance reports of all laws applicable to the Company.

ix. Details of equity shares of the Company held by the Directors as on March 31, 2023 are given below:

Name	Category	Number of equity shares
N Chandrasekaran	Non-Independent, Non-Executive	1,77,056
Aarthi Subramanian	Non-Independent, Non-Executive	5,600
Rajesh Gopinathan	Non-Independent, Executive	2,760
N G Subramaniam	Non-Independent, Executive	1,97,760
Keki Mistry*	Independent, Non-Executive	4,150

*includes shares held jointly with his relative

The Company has not issued any convertible instruments.

x. The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long - term effective stakeholder engagements and driving corporate ethics and values.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. Being an IT service provider, the Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

III. Committees of the Board

i. There are six Board Committees as on March 31, 2023, details of which are as follows

Name of the Committee	Extract of terms of reference	Category and composition		Other details
Audit Committee	Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. The terms of reference of the Committee, *inter alia,* includes: • Oversight of financial reporting process. • Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval. • Evaluation of internal financial controls and risk management systems. • Recommendation for appointment, remuneration and terms of appointment of auditors of the Company. • Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same. • To consider matters with respect to the TCoC, Anti-Bribery and Anti-Corruption Policy and Gift and Hospitality Policy.	**Name**	**Category**	• Four meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. • Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings. • The Company Secretary acts as the Secretary to the Audit Committee. • Pradeep Manohar Gaitonde, Company Secretary is the Compliance Officer to ensure compliance and effective implementation of the Insider Trading Code. • Quarterly Reports are sent to the members of the Audit Committee on matters relating to the Insider Trading Code. • The previous AGM of the Company was held on June 9, 2022 and was attended by Keki Mistry, Chairman of the Audit Committee.
		Keki Mistry (Chairman)	Independent, Non-Executive	
		O P Bhatt	Independent, Non-Executive	
		Aarthi Subramanian	Non-Independent, Non- Executive	
		Dr Pradeep Kumar Khosla	Independent, Non-Executive	
		Hanne Sorensen	Independent, Non-Executive	
		Don Callahan	Independent, Non-Executive	

Name of the Committee	Extract of terms of reference	Category and composition		Other details
Nomination and Remuneration Committee ("NRC")	Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The terms of reference, *inter alia,* includes: • Recommend to the Board the setup and composition of the Board and its Committees. • Recommend to the Board the appointment/ re-appointment of Directors and Key Managerial Personnel. • Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors. • Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees. • Oversee familiarization programs for Directors.	**Name**	**Category**	• Four NRC meetings were held during the year under review. • The Company does not have any Employee Stock Option Scheme. • Details of Performance Evaluation Criteria and Remuneration Policy are provided at serial no. III (iii) below. • The previous AGM of the Company was held on June 9, 2022 and was attended by O P Bhatt, Chairman of the NRC.
		O P Bhatt (Chairman)	Independent, Non-Executive	
		N Chandrasekaran	Non-Independent, Non-Executive	
		Hanne Sorensen	Independent, Non-Executive	
Stakeholders' Relationship Committee ("SRC")	Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The terms of reference, *inter alia*, includes: • Consider and resolve the grievances of security holders. • Consider and approve issue of share certificates, transfer and transmission of securities, etc. • Review activities with regard to the Health Safety and Sustainability initiatives of the Company.	**Name**	**Category**	• Two meetings of the SRC were held during the year under review. • Details of Investor complaints and Compliance Officer are provided at serial no. III (ii) below. • The previous AGM of the Company was held on June 9, 2022 and was attended by Dr Pradeep Kumar Khosla, Chairman of the SRC.
		Dr Pradeep Kumar Khosla (Chairman)	Independent, Non-Executive	
		Rajesh Gopinathan	Non-Independent, Executive	
		Keki Mistry	Independent, Non-Executive	
Corporate Social Responsibility ("CSR") Committee	Committee is constituted in line with the provisions of Section 135 of the Act. The terms of reference of the committee, *inter alia,* includes: • Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act. • Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. • Monitor the CSR Policy.	**Name**	**Category**	• Four meetings of the CSR Committee were held during the year under review. • Four Board meetings of TCS Foundation, a Section 8 company which was incorporated with sole objective of carrying on CSR activities of the Company were held during the year.
		N Chandrasekaran (Chairman)	Non-Independent, Non-Executive	
		O P Bhatt	Independent, Non-Executive	
		N G Subramaniam	Non-Independent, Executive	

Name of the Committee	Extract of terms of reference	Category and composition		Other details
Risk Management Committee ("RMC")	Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. The terms of reference of the committee, *inter alia,* includes: • Formulate, monitor and review risk management policy and plan, *inter alia*, covering investment of surplus funds, management of foreign exchange risks, cyber security risks, data privacy risks and intellectual property infringements risks. • Approve addition/deletion of banks from time to time for carrying out Treasury transactions and delegate the said power to such person as may deem fit.	**Name**	**Category**	• Three meetings of the RMC were held during the year under review. • Fortnightly reports on management of foreign exchange risks are made available to the members of the RMC.
		Keki Mistry (Chairman)	Independent, Non-Executive	
		Don Callahan	Independent, Non-Executive	
		Rajesh Gopinathan	Non-Independent, Executive	
		N G Subramaniam	Non-Independent, Executive	
		Samir Seksaria	Chief Financial Officer	
Executive Committee[9]	Detailed review of the following matters which form part of terms of Executive Committee, were presented to the Board: • Business and strategy review; • Long-term financial projections and cash flows; • Capital and revenue budgets and capital expenditure programmes; • Acquisitions, divestments and business restructuring proposals; • Senior management succession planning; • Any other item as may be decided by the Board.	**Name**	**Category**	The said matters were discussed in various Board meetings held during the year under review in the presence of the Executive Committee Members with the intent to avail expertise of all Board members.
		N Chandrasekaran (Chairman)	Non-Independent, Non-Executive	
		Rajesh Gopinathan	Non-Independent, Executive	
The terms of reference of these committees are available on the website (https://www.tcs.com/ir-corporate-governance)				

ii. Stakeholders' Relationship Committee-other details

a. Name, designation and address of Compliance Officer:
Pradeep Manohar Gaitonde, Company Secretary
Tata Consultancy Services Limited, 9th Floor, Nirmal Building, Nariman Point,
Mumbai 400 021, India
Telephone: +91 22 6778 9595

b. Details of investor complaints received and resolved during FY 2023 are as follows:

Opening as on April 1, 2022	Received during the year	Resolved during the year	Closing as on March 31, 2023
-	178	174	4

iii. Nomination and Remuneration Committee-other details

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

[9] GRI 2-13

Remuneration Policy[10]

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs.

The remuneration policy supports such mobility through pay models that are compliant to local regulations. In each country where the Company operates, the remuneration structure is tailored to the regulations, practices and benchmarks prevalent in the IT industry.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective April 1, each year.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Executive Director.

The Company pays sitting fees of ₹30,000 per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of committees of the Board. The Company also pays commission to the Non-Executive Directors within the ceiling of 1 percent of the net profits of the Company as computed under the applicable provisions of the Act, with the approval of the Members. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee and distributed amongst the Non-Executive Directors based on the Board evaluation process, considering criteria such as their attendance and contribution at the Board and Committee meetings, as well as the time spent on operational matters other than at meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The Remuneration policy is available on https://on.tcs.com/remuneration-policy.

iv. Details of the Remuneration for the year ended March 31, 2023

a) Non-Executive Directors

(₹ lakh)

Name	Commission	Sitting Fees
N Chandrasekaran, Chairman@	-	4.20
O P Bhatt	275.00	6.00
Aarthi Subramanian@@	-	3.00
Dr Pradeep Kumar Khosla	250.00	3.30
Hanne Sorensen	250.00	4.80
Keki Mistry	275.00	5.10
Don Callahan	250.00	4.20
Total	**1,300.00**	**30.60**

@ As a policy, N Chandrasekaran, Chairman, has abstained from receiving commission from the Company.

@@ In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full time employment with any other Tata Company.

[10] GRI 2-19, TCFD Metrics and Targets A

b) Managing Director and Executive Director

(₹ lakh)

Name of Director	Salary	Benefits, Perquisites and Allowances	Commission	ESPS*
Rajesh Gopinathan Chief Executive Officer and Managing Director	173.00	243.00	2,500.00	-
N G Subramaniam Chief Operating Officer and Executive Director	161.30	248.90	1,950.00	-

*Employee Stock Purchase Scheme

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as actuarial valuation and premium payments are done at the Company level.

Services of the Executive Directors may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

v. Number of committee meetings held and attendance records

Name of the Committee	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
No. of meetings held →	4	4	2	4	3
Date of meetings →	April 11, 2022; July 8, 2022; October 10, 2022 and January 9, 2023	April 11, 2022; October 11, 2022; March 13, 2023 and March 16, 2023	September 6, 2022 and January 11, 2023	April 14, 2022; July 18, 2022; October 11, 2022 and February 13, 2023@	July 5, 2022; October 12, 2022; and January 11, 2023
No. of meetings attended					
Name of Member					
N Chandrasekaran	-	4	-	4	-
Rajesh Gopinathan	-	-	2	-	3
O P Bhatt	4	4	-	4	-
N G Subramaniam	-	-	-	4	3
Aarthi Subramanian	4	-	-	-	-
Dr Pradeep Kumar Khosla	3	-	2	-	-
Hanne Sorensen	4	4	-	-	-
Keki Mistry	4	-	2	-	3
Don Callahan	4	-	-	-	3
Samir Seksaria	-	-	-	-	3
Whether quorum was present for all the meetings	The necessary quorum was present for all the above committee meetings				

@ TCS Foundation, a Section 8 company incorporated in 2015 with sole objective of carrying on CSR activities of the Company, has held four meetings during the FY 2023

IV. General Body Meetings

i. General Meeting

a. Annual General Meeting ("AGM"):

Financial Year	Date	Time	Venue
2020	June 11, 2020	3.30 p.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular
2021	June 10, 2021		
2022	June 9, 2022		

b. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 2023.

c. Special resolution:

Special resolution for change of place of keeping and inspection of the registers and Annual Returns of the Company was passed at the AGM held in 2022 and no special resolution was passed in the previous AGMs held in 2021 and 2020.

ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated January 9, 2023 for appointment of Dr Pradeep Kumar Khosla (DIN 03611983) as a director and re-appointment as an independent director for a second consecutive term of five years which was duly passed and the results of which were announced on February 13, 2023. P N Parikh (Membership No. FCS 327) of Parikh & Associates, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Votes in favour of the resolution			Votes against the resolution			Invalid votes	
Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
10,887	3,34,46,40,571	99.05	569	3,21,56,152	0.95	-	-

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022, 11/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 respectively issued by the Ministry of Corporate Affairs.

iii. Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

V. A certificate has been received from Parikh & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

VI. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W–100022) has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis for FY 2023 is given below:

(₹ lakh)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	1,120.40
Tax audit	70.00
Services for tax matters	24.10
Other matters	402.01
Reimbursement of out-of-pocket expenses	86.20
Total	**1,702.71**

VII. Other Disclosures

Particulars	Statutes	Details	Website link for details/ policy
Related party transactions ("RPT")	Regulation 23 of SEBI Listing Regulations and as defined under the Act	During the year all RPTs entered by the Company were in the ordinary course of business and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis and were approved by the members of Audit Committee including Independent Directors. The Company had sought the approval of shareholders at the 27th AGM held on June 9, 2022 for material RPT as per Regulation 23 of SEBI Listing Regulations. Similarly the Company intends seeking approval of its shareholders for the existing and material related party transactions for FY 2023 at its ensuing annual general meeting to be held on June 29,2023. The Board's approved policy for related party transactions is uploaded on the website of the Company.	https://on.tcs.com/RPT
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three financial years	Schedule V (C) 10(b) to the SEBI Listing Regulations	NIL	
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	https://on.tcs.com/WhistleBP
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	The auditors' report on financial statements of the Company are unmodified. Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.	

Particulars	Statutes	Details	Website link for details/ policy
Subsidiary Companies	Regulation 24 of the SEBI Listing Regulations	The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted subsidiary company. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website.	https://on.tcs.com/Subsidiary
Policy on Determination of Materiality for Disclosures	Regulation 30 of the SEBI Listing Regulations	Policy on Determination of Materiality for Disclosures	https://on.tcs.com/Material
Policy on Archival and Preservation of Documents	Regulations 30 and 9 of the SEBI Listing Regulations	The Company has adopted this policy.	https://on.tcs.com/Archival
Reconciliation of Share Capital Audit Report	Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC/FITTC/Cir-16/2002	A practising Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	https://www.tcs.com/ir-corporate-governance
Code of Conduct	Regulation 17 of the SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. A certificate by the CEO and MD, on the compliance declarations received from the members of the Board and Senior Management forms part of this report.	https://www.tcs.com/tata-code-of-conduct
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	A regular annual dividend generally consists of three interim dividends after each of the first three quarters of the fiscal year, topped up with a final dividend after the fourth quarter. In addition, every second or third year, the accumulated surplus cash has been returned to shareholders through a special dividend.	https://on.tcs.com/Dividend

Particulars	Statutes	Details	Website link for details/ policy
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act	Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.	https://on.tcs.com/ApptID
Familiarization Program	Regulation 25(7) and 46 of SEBI Listing Regulations	Details of familiarization program imparted to Independent Directors are available on the Company's website.	https://on.tcs.com/familiarization-programme
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014	The details have been disclosed in the Business Responsibility and Sustainability Report forming part of the Integrated Annual Report.	

VIII. Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include, The Indian Express, Financial Express, Loksatta, Business Standard, The Hindu Business Line, Hindustan Times and Sandesh. The results are also displayed on the Company's website www.tcs.com.

Statutory notices are published in The Free Press Journal, Business Standard and Navshakti. The Company also issues press releases from time to time. Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website. Frequently Asked Questions (FAQs) giving details about the Company and its shares is uploaded on the Company's website https://www.tcs.com/investor-relations. The Management Discussion and Analysis Report is a part of the Integrated Annual Report.

IX. General shareholder information

i. Annual General Meeting for FY 2023

Date : June 29, 2023

Time : 3.30 p.m. (IST)

Venue : Meeting is being conducted through VC/OAVM pursuant to the MCA General Circulars dated May 5, 2020 read with general circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

ii. Financial Calendar

Year ending : March 31

AGM in : June

iii. Dividend Payment : The final dividend, if approved, shall be paid/credited on Monday, July 3, 2023

iv. Date of Book Closure/ Record Date : As mentioned in the Notice of this AGM

v. Listing on Stock Exchanges : National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

BSE Limited
P. J. Towers, Dalal Street, Mumbai 400 001

vi. Stock Codes/Symbol

NSE : TCS

BSE : 532540

Listing Fees as applicable have been paid.

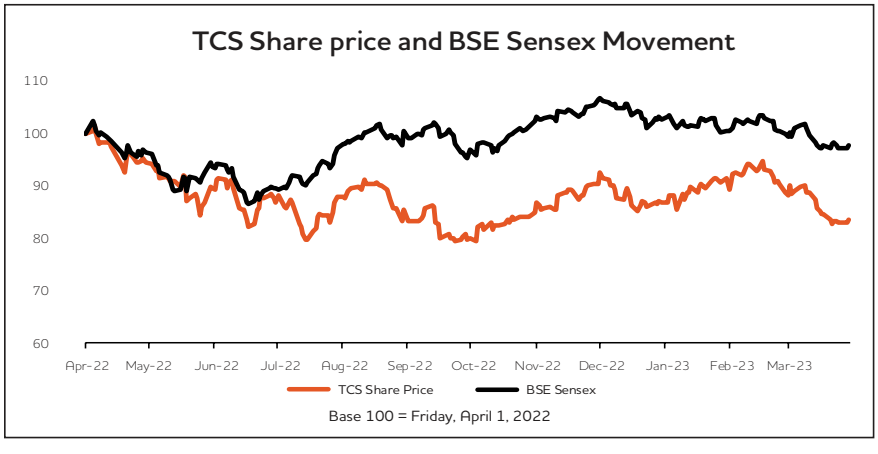
vii. Corporate Identity Number (CIN) of the Company : L22210MH1995PLC084781

viii. Market Price Data

High, Low (based on daily closing prices) and number of equity shares traded during each month in FY 2023 on NSE and BSE:

Month	NSE			BSE		
	High (₹)	Low (₹)	Total number of equity shares traded	High (₹)	Low (₹)	Total number of equity shares traded
Apr-2022	3,814.80	3,471.90	4,32,95,317	3,814.05	3,474.30	25,10,240
May-2022	3,542.40	3,167.65	5,11,24,294	3,542.05	3,166.60	36,60,216
Jun-2022	3,440.15	3,088.90	5,06,89,330	3,438.80	3,089.25	24,67,335
Jul-2022	3,315.10	2,994.60	5,98,47,596	3,316.15	2,993.55	38,61,555
Aug-2022	3,422.50	3,132.55	3,43,42,786	3,422.45	3,133.70	30,20,461
Sep-2022	3,242.95	2,982.05	5,39,36,799	3,241.30	2,982.80	45,03,708
Oct-2022	3,193.15	2,984.95	3,65,59,310	3,193.05	2,985.70	44,09,532
Nov-2022	3,397.35	3,205.65	3,55,04,157	3,397.40	3,206.00	38,39,303
Dec-2022	3,475.65	3,202.05	3,23,69,777	3,475.10	3,201.60	16,43,242
Jan-2023	3,436.30	3,211.55	3,99,21,886	3,435.85	3,212.00	16,15,077
Feb-2023	3,558.05	3,312.85	3,13,42,992	3,553.95	3,314.15	11,07,802
Mar-2023	3,390.40	3,106.10	39,995,219	3,389.70	3,105.90	14,00,734

ix. Performance of the share price of the Company in comparison to the BSE Sensex



x. Registrar and Transfer Agents

Name and Address : TSR Consultants Private Limited (TCPL)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli West, Mumbai 400 083
Telephone: +918108118484
Fax: +91226656 8494
E-mail: csg-unit@tcplindia.co.in
Website: https://www.tcplindia.co.in

xi. Places for acceptance of documents

Documents will be accepted at the above address between 10.00 a.m. and 5.00 p.m. (Monday to Friday except bank holidays).

For the convenience of the shareholders, documents will also be accepted at the following branches of TCPL:

Place	Name and Address	Phone/Email
Mumbai	TSR Consultants Private Limited Building 17/19, Office no. 415 Rex Chambers, Ballard Estate, Walchand Hirachand Marg, Fort, Mumbai-400 001	Tel: +91 7304874606 Email: csg-unit@tcplindia.co.in
Bengaluru	TSR Consultants Private Limited C/o.Mr. D. Nagendra Rao "Vaghdevi" 543/A, 7th Main 3rd Cross, Hanumanthnagar Bengaluru-560 019	Tel: +91 80 26509004 Email: csg-unit@tcplindia.co.in
Kolkata	TSR Consultants Private Limited C/o. Link Intime Private Limited Vaishno Chamber, Flat No. 502 & 503 5th Floor, 6, Brabourne Road, Kolkatta- 700001	Tel: +91 33 40081986 Email: csg-unit@tcplindia.co.in
New Delhi	TSR Consultants Private Limited C/o. Link Intime India Private Limited Noble Heights, 1st Floor Plot No NH-2, C-1 Block, LSC Near Savitri Market, Janakpuri, New Delhi – 110 058	Tel: +91 11 49411030 Email: csg-unit@tcplindia.co.in
Jamshedpur	TSR Consultants Private Limited Qtr. No. L-4/5, Main Road, Bistupur (Beside Chappan-Bhog Sweet Shop) Jamshedpur-831 001	Tel: +91 657 2426937 Email: csg-unit@tcplindia.co.in
Ahmedabad	TSR Consultants Private Limited C/o. Link Intime India Private Limited Amarnath Business Centre-1 (ABC-1) Beside Gala Business Centre, Nr. St. Xavier's College Corner Off. C.G. Road, Ellisbridge, Ahmedabad-380006	Tel: +91 79 26465179 Email: csg-unit@tcplindia.co.in

xii. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

xiii. Shareholding as on March 31, 2023

a) Distribution of equity shareholding

Number of shares	Holding	Percentage to capital	Number of accounts	Percentage to total accounts
1-100	4,94,62,770	1.35	23,14,765	88.31
101-500	5,21,27,240	1.42	2,58,714	9.88
501-1000	1,87,54,401	0.51	26,324	1.00
1001-5000	3,30,46,498	0.90	17,176	0.66
5001-10000	1,08,58,233	0.30	1,539	0.06
10001-20000	1,07,71,057	0.29	767	0.03

Number of shares	Holding	Percentage to capital	Number of accounts	Percentage to total accounts
20001-30000	84,82,523	0.23	346	0.01
30001-40000	61,77,198	0.17	177	0.01
40001- 50000	54,50,619	0.15	120	0.00
50001-100000	2,67,46,395	0.74	371	0.01
100001-above	3,43,71,74,439	93.94	800	0.03
TOTAL	**3,65,90,51,373**	**100.00**	**26,21,099**	**100.00**

b) Categories of equity shareholding

Category	Number of equity shares held	Percentage of holding
Promoter	2,64,43,17,117	72.27
Other Entities of the Promoter Group	10,68,956	0.03
Mutual Funds	12,70,84,071	3.47
Banks, Financial Institutions, State and Central Government	1,96,96,625	0.53
Insurance Companies	20,36,77,391	5.57
Foreign Institutional Investors	46,53,36,259	12.72
NRIs, OBCs, Foreign Nationals	77,22,080	0.21
Corporate Bodies, Trusts	1,10,67,582	0.29
Indian Public and Others	17,63,09,365	4.83
Alternate Investment Fund	21,70,419	0.06
IEPF account	6,01,508	0.02
TOTAL	**3,65,90,51,373**	**100.00**

c) Top ten equity shareholders of the Company

Sr. No.	Name of the shareholders*	Number of equity shares held	Percentage of holding
1	Tata Sons Private Limited	2,64,43,17,117	72.27
2	Life Insurance Corporation of India	16,34,27,223	4.47
3	SBI Mutual Fund	3,65,24,190	1.00
4	Invesco Developing Markets Fund	3,10,72,921	0.85
5	Axis Mutual Fund	1,96,65,244	0.54
6	Government of Singapore	1,64,30,083	0.45
7	NPS Trust	1,58,20,315	0.43
8	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	1,41,75,888	0.39
9	Vanguard Total International Stock Index Fund	1,34,57,122	0.37
10	UTI Mutual Fund	1,26,67,041	0.35

*Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder

xiv. Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 99.98 percent of the Company's equity share capital are dematerialized as on March 31, 2023.
Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE467B01029.

xv. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

xvi. Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

xvii. Loans and advances

The Company has not given any loans and advances to firms/company in which directors are interested.

xviii. Equity shares in the suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2022	26	1,640
Shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Shareholders to whom shares were transferred from the suspense account during the year	-	-
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	26	820
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	26	820

The voting rights on the shares outstanding in the suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

xix. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website https://on.tcs.com/unclaimed-dividend.

In light of the aforesaid provisions, the Company has during the year, transferred to IEPF the unclaimed dividends, outstanding for seven years, of the Company, erstwhile CMC Limited (since amalgamated with the Company). Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY 2023 are as follows:

Financial year	Amount of unclaimed dividend transferred (₹ lakh)	Number of shares transferred
2014-15	214.43*	2,589
2015-16	168.93*	47,643
TOTAL	**383.36**	**50,232**

*Includes dividend and fractional shares entitlement arising out of amalgamation of erstwhile CMC Limited

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 helpkit, which is available on IEPF website (www.iepf.gov.in) to the Company/ Registrar and Transfer Agent (RTA).

2. After verification of the aforesaid documents submitted, Company will issue an entitlement letter.

3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to RTA.

4. On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

Members are requested to note that no claims shall lie against the Company in respect of the dividend/shares transferred to IEPF.

The following table give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's RTA:

Financial Year	Date of declaration	Last date for claiming unpaid dividend
2015-16	June 17, 2016	July 17, 2023
2016-17	July 14, 2016	August 15, 2023
	October 13, 2016	November 16, 2023
	January 12, 2017	February 12, 2024
	June 16, 2017	July 16, 2024
2017-18	July 13, 2017	August 13, 2024
	October 12, 2017	November 12, 2024
	January 11, 2018	February 10, 2025
	June 15, 2018	July 15, 2025
2018-19	July 10, 2018	August 9, 2025
	October 11, 2018	November 10, 2025
	January 10, 2019	February 9, 2026
	June 13, 2019	July 13, 2026
2019-20	July 9, 2019	August 8, 2026
	October 10, 2019	November 9, 2026
	January 17, 2020	February 16, 2027
	March 10, 2020	April 9, 2027
	June 11, 2020	July 11, 2027
2020-21	July 9, 2020	August 8, 2027
	October 7, 2020	November 6, 2027
	January 8, 2021	February 7, 2028
	June 10, 2021	July 10, 2028
2021-22	July 8, 2021	August 7, 2028
	October 8, 2021	November 7, 2028
	January 12, 2022	February 11, 2029
	June 9, 2022	July 9, 2029
2022-23	July 8, 2022	August 7, 2029
	October 10, 2022	November 9, 2029
	January 9, 2023	February 8, 2030

xx. Plant locations

In view of the nature of the Company's business viz. Information Technology (IT) Services and IT Enabled Services, the Company operates from various offices in India and abroad. The Company has a manufacturing facility at 17-B, Tivim Industrial Estate, Karaswada, Mapusa– Bardez, Goa.

xxi. Address for correspondence

Tata Consultancy Services Limited

9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India
Telephone: +91 22 6778 9595
Designated e-mail address for Investor Services: investor.relations@tcs.com
For queries on IEPF related matters: iepf.assist@tcs.com
Website: www.tcs.com

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees, including the Managing Director and Executive Directors.

In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has, in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Global Head-HR, Global Business Unit Heads, Global Head-Legal and the Company Secretary as on March 31, 2023.

Rajesh Gopinathan
Chief Executive Officer and
Managing Director
DIN: 06365813

Mumbai, April 12, 2023

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Tata Consultancy Services Limited

We have examined the compliance of the conditions of Corporate Governance by Tata Consultancy Services Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

P. N. Parikh
FCS: 327 CP: 1228
UDIN: F000327E000066987
PR No.: 1129/2021

Mumbai,
Date: 12.04.2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Tata Consultancy Services Limited
9th Floor, Nirmal Building,
Nariman Point, Mumbai 400 021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tata Consultancy Services Limited** having CIN **L22210MH1995PLC084781** and having registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company *
1.	N Chandrasekaran	00121863	September 6, 2007
2.	Rajesh Gopinathan	06365813	February 21, 2017
3.	N G Subramaniam	07006215	February 21, 2017
4.	O P Bhatt	00548091	April 2, 2012
5.	Aarthi Subramanian	07121802	March 12, 2015
6.	Dr. Pradeep Kumar Khosla	03611983	January 11, 2018
7.	Hanne Sorensen	08035439	December 18, 2018
8.	Keki Mistry	00008886	December 18, 2018
9.	Don Callahan	08326836	January 10, 2019

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

P. N. Parikh
Partner
FCS No. 327 CP No. 1228
UDIN: F000327E000067053
PR No.: 1129/2021

Mumbai Date: 12.04.2023

Corporate Social **Responsibility**

Overview

In keeping with the Tata Group's purpose-driven worldview, TCS' vision is to empower people and communities to build self-reliance through technology while promoting the values of fairness, equity and respect for human rights. Its mission is to connect people to opportunities in the digital economy while building equitable, inclusive pathways for all – especially women, youth, and marginalized groups.

TCS invests in addressing the most pressing needs of the community through various CSR initiatives and programs focused on education, skilling, employment, and entrepreneurship, aligned with the UN Sustainable Development Goals (UN SDGs). With a focus on bridging gaps in access to opportunities, TCS also invests in social innovation and community projects targeted the poorest sections of society, and supports programs addressing basic health and wellness, water sanitation and hygiene, conservation, and disaster relief efforts across the globe.

TCS leverages its intellectual capability, technological expertise, financial capacity and the skills of its employees to support wide-reaching, high-impact programs for social impact. These comprehensive programs are designed to be holistic and adaptable for community empowerment and lasting societal development.

Over **150,000** TCSers served their local communities by volunteering **2.8 million** hours in FY 2023, impacting the lives of over **1.25 million** people.

Overall, TCS empowered **4.5 million** people across the world during the year, creating equitable and inclusive pathways for **1.1 million** women, **581,000** youth and **1.3 million** marginalized people through its strategic CSR programs.

Key highlights:

- Closed the literacy gap for 1.13 million Indians, including a pioneering public-private partnership reaching all 52 districts of Madhya Pradesh with the State Literacy Mission Authority.
- GoIT continues to empower the next generation of innovators in school; 41,971 students across 28 countries are now digital innovators, solving real-world problems.
- Ignite my Future helped 293,697 students across India, US, Canada and ANZ learn computational thinking.
- Nearly half the goIT and IMF beneficiaries are girls and over 70% from minorities and underserved groups.
- Youth Employment Program (YEP) empowered 10,869 rural youth, creating new pathways to 21st century jobs, and now reaches students across every state and union territory in India.
- BridgeIT program is helping marginalized youth turn into digital entrepreneurs and earn well, providing essential last-mile services for 1,736 villages in rural India.
- Supported NGOs across the world through pro-bono projects. Also supported institutions such as, Tata Memorial Center and Cancer Institute in India.
- Engaged 433 customers through the Business with Purpose program, creating 186 purpose partnerships to jointly serve communities in need around the world.
- Engaged 2,368 cross-sector leaders through 13 Digital Empowers thought leadership forums, using their collective wisdom to help advance advocacy and policy efforts globally.
- Supported 77,303 refugees and families and contributed €1.28 million through humanitarian response to the Ukraine war.

Literacy as a Service

Adult non-literacy continues to be a problem holding back India from reaching its full economic potential. Women account for 65% of the illiterate population, and the rest is from marginalized communities. To address the causes of non-literacy, TCS devised the Literacy as a Service Program (LaaS) which augments the Government of India's efforts to improve literacy. LaaS provides an innovative teaching method by combining the power of IT with the theory of cognition and laws of perception. LaaS adopts creative means of delivery to enable functional literacy, such as animated graphic patterns for easy visual and auditory learning.

Modules on the platform include functional literacy (8-10 hours), digital literacy (5-7 hours), and awareness on key citizen entitlements (3-4 hours), available in 12 languages – nine Indian, and three foreign.

Thus far, LaaS has successfully paved the way to self-reliance for over 1.13 million learners (~60% women) and more than 200,000 Preraks through literacy.

In August 2022, TCS launched the 'Each one Empowers one' portal which allows employees of TCS and Tata Group, along with their families, to empower non-literates in their local community, such as security guards, domestic workers and gardeners.

The program has generated transforming impact by promoting social inclusion, financial stability and economic growth. It has also propelled neo-literates to receive better access to government benefit programs, financial systems and empowered them to have a more significant say in family and community decision-making.

LaaS Case Study

Pyari Ben resides in the Bijori hamlet of Puwasa village, in Madhya Pradesh's Alirajpur district, one of the least literate and poorest districts in the country. Due to limited local employment prospects, villagers from Alirajpur travel for work to nearby Gujarat cities; Pyari is not an exception in this regard. She never had the opportunity to attend school, so she never achieved literacy. This became difficult because she couldn't keep track of her hard-earned daily income as a construction worker.

She gained basic literacy skills after joining the Literacy as a Service (LaaS) program, which made her realize that her contractor used to defraud her by not paying her the proper wages. LaaS gave her the awareness she needed to fight for her rights and ultimately get her dues. She can now calculate her working hours and daily pay, create a budget, and save money.

She created a bank account and enrolled in Ayushman Bharat, a health insurance scheme, to obtain medical benefits for herself and her family. As a migrant who travels from her village to distant work locations, she can now read and recognize train numbers to board the correct train. Pyari inspired other women in the village and encouraged them to participate in this program.

Ignite My Future (IMF)

Ignite My Future is a teacher professional development program which introduces the concept of computational thinking into all core subjects. This is a transdisciplinary education program that transforms the way students learn.

IMF has generated a great impact through professional development offerings, special projects as well as volunteer and customer engagements with the partnered schools. IMF's Learning Leaders community supports the growing global community of partnered educators, committed to learnings about the power of computational thinking. This year, IMF India launched Learning Leaders' regional chapters, catering to regional learning requirements of the teachers from the partner districts across India.

One of the IMF's pioneering STEM initiative interventions, Global Innovations Project (GIP) aims to connect students and teachers from around the world as they explore and solve real-world problems using computational thinking.

This year, IMF India has launched its Season 1 of GIP, where students were asked to explore accessible and adaptive tools, identify and problem-solve community level issues that are limiting the accessibility and inclusivity of all the learners. Teachers and students from schools like School of Scholars (Maharashtra), BGS Schools (Karnataka), Podar International School (Maharashtra), Rajya Ashram Paddhati Vidyalaya (Samaj Kalyan Department, Uttar Pradesh), APSWREIS (Andhra Pradesh) in India have collaborated with schools from North America in this experiential journey.

Overall, the participants from India worked on 109 innovation projects, clocking over 560 collaborative learning hours and 268 videos over Microsoft Flip tool. Teachers were very appreciative of the opportunity to learn and collaborate with educators around the world.

In FY 2023, IMF benefited more than 293,000 students and educators across North America, India, UK and Ireland, APAC and ANZ.

IMF Case Study

This year, Ignite My Future made its impact through professional development, volunteer and customer engagement and special projects. One such collaboration was with the Meghe Group of Schools to encourage students for an interest in STEM and computational thinking.

"The purpose of education is best served when students are doing something that would not only improve their competencies but also create positive social impact. Global innovation project is one such opportunity I believe, because students are not only reflecting upon what they have learnt but are also getting step closer towards sustainable development goals. I am glad and proud of all the efforts that students and teachers have put in, also that they have consciously chosen to be a part of this project in identifying how can they improve accessibility not only around them but also pick up global perspectives around it. I am sure that the seeds of efforts that we are putting in most our students today, will give us citizens of tomorrow who would have SDGs as inherent part of their lives. Thankyou TCS!" - **Director, Meghe Group of Schools**

goIT

TCS' flagship program goIT (go Innovate Together) is a Digital Innovation program which prepares students with culturally relevant and context-appropriate learning experiences, coupled with modern technologies.

Across the world, the gap between employers' needs and available skills is growing. The National Science Foundation predicts that 80% of the jobs that will be created in the next decade will require a form of mathematics and science skilling. Insufficient numbers of students pursuing these streams, and lack of focus on innovation, problem-solving and creativity in school curricula, are the big challenges in fulfilling those future jobs.

goIT prepares students with engaging design workshops and custom mentorship to pursue the careers of tomorrow of which involve STEM and computer sciences. It uses a four-pronged model of (1) volunteer-driven engagements, in-person or virtually, (2) seamless year-round connects via goIT Online, (3) SDG-focused monthly challenges and (4) Work experience designed to introduce students to local experts and opportunities. Each prong is layered with school district partnerships and mentoring by industry professionals from TCS which helps students develop core skills and makes goIT a unique program.

After over a decade of success and a footprint across 42 countries, goIT has benefited over 144,000 students who have designed more than 29,000 tech-for-good digital innovation prototypes.

Over **41,000** students and educators have benefited from this program in FY 2023 globally.

goIT Case Study

Speaking about her experience at the first inaugural TCS goIT program in Saudi Arabia, Leah, a Grade 7 student, said, "*I am super happy to have had the opportunity to get involved in the design thinking program. The mobile app training is cool, and I am proud of my project on improving world health by using technology*."

The event was celebrated with more than 100 learners from the Al Sahafa International School, Riyadh. Under the theme of UN SDG, students ideated solutions for good health and wellbeing, affordable and clean energy, and zero hunger.

Grade 7 students prototyped a mobile solution called 'Team Earth' which displays the location of the nearest renewable energy outlets and finds an environmental, social, and governance volunteer. Meanwhile, Grade 5 students pitched a technology solution to solve world hunger by creating an app called 'Free Supermarket' which would help people make and receive donations.

Excited to see the STEM exposure students received through the TCS goIT program, the Academic Coordinator of Al Sahafa International School, Ola Mourad said, "*Programs like this are extremely important in showing students how they can succeed in a range of fields, with a good grounding in IT*."

BridgeIT

BridgeIT is a unique initiative created to bridge the digital divide that places socially and economically underprivileged communities at a disadvantage. The program creates digital entrepreneurs who use IT to help local citizens avail essential digital services in education, adult literacy, unemployment and social discrimination. It attempts to address prevailing social inequities in India by proactively reaching out to women, Scheduled Caste and Scheduled Tribes (SC/ST) communities.

Launched in 2014, BridgeIT has a footprint across 30 districts in 10 states. The program offers budding entrepreneurs the skills, mentoring, technology, tools and resources required to set up a Digital Service Centre from where they can provide services such

as generating and updating documents (such as Aadhar cards, Pan cards, and voters ID), enrolling for different government schemes, filling in online forms and cash withdrawals/deposits from the bank to fellow villagers.

In FY 2023, the program had 347 active digital entrepreneurs providing several of these services in 1,735 villages. 146 of these entrepreneurs were women.

BridgeIT Case Study

Priyanka Kumari, a native of Dihi village, Latehar District, Jharkhand, had never dreamt that one day she would be an entrepreneur and earn an income of more than ₹40,000/-per month. Priyanka always had a desire to have her own identity. When she got married, she was still doing her graduation. She continued her studies after marriage and completed her graduation in 2016. In 2020, when she heard of BridgeIT she grabbed the opportunity to be part of the program.

Gradually, she became a successful digital entrepreneur and is now providing several services such as photocopying, printing, taking and printing passport size photos, paying land taxes, booking railway tickets, Aadhaar, PAN Card and Ration card services, etc. Today, Priyanka not only runs a shop near her residence, she also has taken up the responsibility of another shop at the Panchayat Bhawan of her village, employing two other people from the village.

BridgeIT has inspired her to dream big and is successfully supporting Priyanka in achieving her plans for future. She says, "*My dream is to expand my business further and I want to keep the latest models of mobile phones and other accessories for sale in my shop. Moreover, I also want to open a tent house employing more needy people in the business. Besides, I am planning to buy a new scooty*."

Youth Employment Program (YEP)

YEP tackles one of the biggest challenges in India – unemployment among youth, especially those from marginalized sections of society, due to lack of 21st century skills. YEP provides employability training, imparting skills such as business communication, aptitude, computer programming and domain skills with the help of subject matter experts, domain leaders, and certified trainers from TCS.

The program offers participants a smooth transition from college to careers, building their confidence and enhancing their social and economic status through its unique teach, coach, mentor, and place model. It helps them navigate opportunities available in the Indian job market with career guidance and mentoring, training on interview skills and access to market-facing certifications and hands-on real-time project experience.

Since its inception, the program has:

- Improved the economic and social status of the beneficiaries and their families.
- Encouraged diversity and gender parity within the workforce while creating inclusion and access for marginalized groups across the country.
- Increased the credibility and visibility of the training partner institutions involved with YEP.
- Enabled access for corporates to season-agnostic, industry-ready talent.
- Created specific career paths for students in hospitality, banking, retail and IT (which include cyber security, networking, IT automation, Data Analytics, UX, SFDC to name a few, etc.).

In FY 2023, more than 31,000 students were trained across India, of which 57% were women and 17% from the groups qualifying for affirmative action programs. Over 10,000 students have gained employment in the IT/ITES, banking, retail fields.

YEP Case Study

Preeti Diwakar was born and brought up at Panipat in Haryana, and later her family shifted to Kaushambi in Uttar Pradesh. Her father worked as a helper at local grocery shops while her mother supported with household chores in neighborhood. Their meagre income barely put food on the table for the family of five.

Preeti had to fight hard in her pursuit of education. She funded her own education by taking up tuitions and borrowing course books from senior students in school. While pursuing BCom at University of Allahabad, she discovered a strong desire to learn about the intricacies of stock market, and later taught her classmates. But she had neither the funds to invest nor the confidence to speak about it. She also lacked clarity on career goals or available job prospects.

TCS Youth Employability Program brought a ray of sunshine to her gloomy worldview. During the Covid years, Preeti not only learned math and reasoning skills, she also worked on her overall personality. She learnt from her trainer, the importance of public speaking, projecting confidence in online interviews, and active listening. In the TCS NQT exam later that year, she scored 77.39% and got placed in December '21.

She launched a website and her first YouTube channel "Commerce Stocking" about stock market investment tips. In December'22, she quit her job and became an entrepreneur, launching her dream website for educating people on the financial sector. In her own words, it was TCS' YEP which enabled her to find her own voice and she has been following it all along since then.

Social Innovation

Digital Impact Square (DISQ) is a social innovation platform established in 2015 in Nashik, Maharashtra. The platform encourages innovation among young employees who harness the power of digital technology and engage with the digital ecosystem, to develop solutions for a lasting change in society.

Since its founding, DISQ has worked with 7 cohorts with more than 600 innovators, 35% of who are female. These innovators hail from 22 states and from over 180 colleges across India.

In FY 2023, DISQ encouraged innovation using digital technologies to address the social challenges drawn from the voice of citizens, domain experts, local administration, and the government and has nurtured over 65 changemakers. These are purpose-led innovations in agri-tech, assistive-tech, health and wellness tech and sustainability tech across india.

DISQ offers innovators extensive mentoring, access to ecosystems specific to their challenges, and a seed fund for investment in creating their innovation and start-up, along with physical infrastructure that fosters out-of-the-box thinking and a supportive ecosystem with domain partners for validation.

Modeled around DISQ, Petronas and TCS in Malaysia, recently launched SEEd.Lab- a one-of-its-kind social enterprise innovation hub which targets youth unemployment. It promotes self-sustaining enterprises that forge solutions to the challenges faced in their communities by leveraging technology and innovation.

DISQ Case Study

Vesatogo Innovations is a Nashik-based agritech startup conceptualized in 2019 by DISQ Changemakers who were passionate about reimagining the agrarian landscape.

Their solution, conceptualized and designed at TCS' Digital Impact Square (DISQ), provides mobile and web-based seed to-plate supply chain management tools to reduce operating costs for farmer producer organizations and agribusinesses, and enable small farmers to have better market linkages.

It was awarded the National Startup Award 2021 in the Rural Impact category and was amongst the selected 175 startups across country to interact with the Honourable Prime Minister Narendra Modi.

Other accolades include the Emerging Social Enterprise 2021 award from TiE Hyderabad, winner of TATA Motor's TACNet Initiative and Best Indian Social Enterprise Award by Action for India 2019.

Health and Wellness

Holistic well-being programs offered within TCS promote healthier lifestyles by offering work-life balance and by looking into emotional health. When people are in a state of well-being at work, they are motivated to realize their potential, take on responsibility, build positive workplace relationships, manage their time better, make meaningful contributions, and be productive and creative.

TCS actively promotes healthy and active lifestyles with employee engagement programs like Fit4Life, Purpose4Life and SafetyFirst which help create awareness about health and fitness and enables its employees to engage with the community for a positive impact.

TCS has provided an integrated Hospital Management System and IT infrastructure, which includes a comprehensive and fully integrated web-based solution to The Cancer Institute, Chennai. TCS has also provided support to integrate the Health Insurance Scheme with the National Medical Commission (NMC) dashboard to facilitate daily syncing of patient data and statistics to aid monitoring and auditing. It has also been building new features including compliance with statutory requirements.

TCS continued its support of the Hospital Management System (HMS) at Tata Medical Center (TMC), Kolkata. TMC Kolkata was recently accredited with National Accreditation Board for Hospitals and Healthcare Providers (NABH), which assures quality service to patients. TCS plays a crucial role in by providing IT solutions for various non-conformities raised by NABH Assessors. It works closely with the Bone Marrow Transplant department to provide IT related support for its FACT accreditation and has provided IT support to TMC for their Pharmacy migration to 'TATA 1mg.'

TCS' transformations at Tata Medical Center, Kolkata and Cancer Institute, Chennai facilitated more than 117,600 new patient consultations in FY 2023.

TCS partnered with TMC, Kolkata to successfully establish Tata Translational Cancer Research Centre (TTCRC). The partnership was established to create an interactive environment for clinicians, scientists, and industry to collaborate and translate data driven and discovery-based science for improvements in patient care. It focuses on personalizing therapies, decreasing the cost of treatment, and developing innovative care delivery models for cancer patients in India.

TCS contributes to initiatives at TTCRC through multi-omics and bioinformatics analysis, scientific data management, management of multi-centric clinical studies – such as the large one on Acute Lymphoblastic Leukemia (ALL), clinical decisions automation and the development of innovative digital solutions.

HOPE - Hours of Purpose by Employees

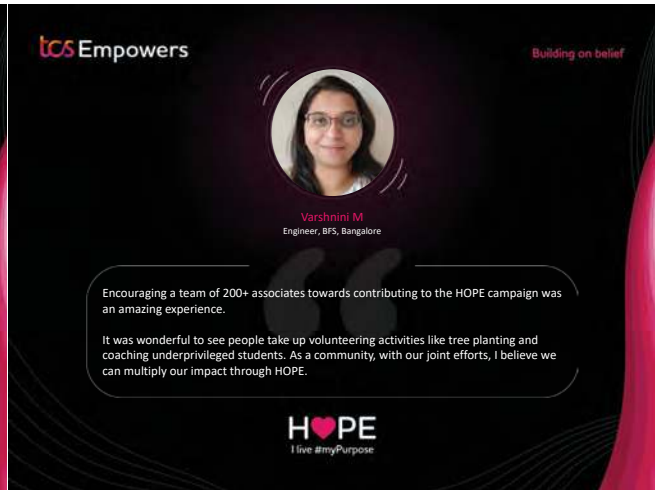
TCS' growing, highly skilled and diverse workforce serves as champions to build organic connects with the community while accelerating social impact. Opportunities for employees to volunteer time include skills-based volunteering, pro bono support to community-based organization and social cause leadership. TCS community investments have been actualized, in a large part, by its large employee base who generously volunteer their time, skills and expertise as last-mile connectors.

In FY 2023, TCS launched the civic movement #millionhoursofpurpose, a collaborative effort by TCSers to volunteer a million hours of purpose in a quarter which celebrates a positive impact for the people, by the people.

The initiative encourages employees to support in different causes, be it an employee's own initiative, a TCS community program, a TATA engagement or one with its customers. Through this, TCSers have created positive impact in myriad ways, addressing the 17 UN SDGs, ranging from planting saplings and trees, making and distributing newspaper bags, raising mental health awareness and educating children in schools, to name a few. TCSers also contribute to the Tata group's volunteering initiatives twice a year, such as Tata Volunteering Week and Pro-Engage (long-term pro bono volunteering).

All the volunteering initiatives are monitored and driven by 'Purpose Councils' which consists of leaders from regions and business units. Omnichannel campaigns have also been launched at unit, branch and account level business groups to raise awareness, drive efforts, generate feedback and collect ideas. This has been supported by corporate-led communication and marketing events which have helped realize the initiative, project themes and recognize star volunteers, events, volunteer stories and journeys. TCSers far exceeded the pledge of a #millionhoursofpurpose, by volunteering over 2 million hours in Q4.

HOPE Case Study



Volunteering for Youth Employment Program (YEP)

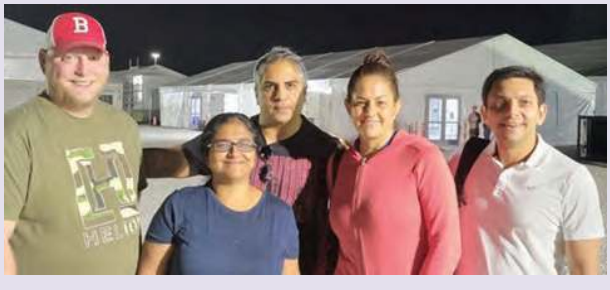
Rahul Pathak's journey of volunteering started six years back, with him travelling to Osmanabad around 280 kms from Pune over weekends to teach the students of Terna College of Engineering.

Rahul did face challenges initially teaching in virtual mode, but he overcame it by using effective online teaching skills like polling, breakout rooms etc. He felt because of the virtual mode now he can contribute to engineering colleges outside Maharashtra. In his sessions, Rahul always gives practical examples which the students can relate to, and understand better. He also helps these youth in developing confidence so that they can succeed in all aspects of their lives.

Rahul quotes "*I felt quite proud as a teacher when my students secured their dream jobs. My life suddenly seemed to have a meaning and purpose. Giving is the greatest feeling in the world, and seeing my students achieve their goals and flourish in their jobs brings me enormous joy. Continue to contribute to this worthy cause; these youngsters desperately need mentoring from TCS YEP Faculties.*"

TCS Volunteers Deploy with Red Cross, NA

In Oct'22, five TCSers deployed to Florida with the Red Cross to volunteer in areas impacted by Hurricane Ian, the deadliest hurricane to have hit Florida in decades. Their reasons were different and reflected their life experiences. Some signed on to a 9-day deployment to give back to the community the help they had received during a natural disaster. Others had served previously with the military or a service organization and wanted to use that experience to help.



During their deployment, Aria Rahimi, Lewis Hunt, Charu Mehndiratta, Patty Sanchez, and Niki Shah packed food supplies and distributed them to affected communities on Pine Island and other areas in Lee County. They assisted in identifying and addressing local needs with respect to shelter, food, health and spiritual services.

Business with Purpose

Business with Purpose is a distinctive framework that enables 'Purpose Partnerships' with like-minded organizations to advance access, equity and inclusion around the world. The function serves as an accelerator for social good and as a catalyst between purpose-driven organizations. Several studies and surveys have revealed that consumers are loyal towards organizations that are "purpose driven" and have an objective of "giving back to the community."

Business with Purpose provides opportunities for business leaders from customers' organizations to meet their commitment to the society. This is enabled with strategic and established programs like goIT, Ignite My Future in School, Youth Employment which addresses pressing issues in countries where TCS and its customers live and work.

Over 185 customer leaders which include 45 senior executives participated in various CSR initiatives globally in FY 2023.

Community Innovation Program

This initiative provides advisory and technology consulting services on pro bono basis, to build capacity and capability for organizations and non-profits that seek to create social and environmental impact.

In this digital age, it is imperative for non-profit organizations to use technology to become sustainable and build trust with a multitude of stakeholders. TCS' leadership and employees provide pro bono technology services to such organizations to generate sustainable impact. TCS works closely with key stakeholders to understand their requirements and build the right software tools that help them establish a digital presence, raise funds more easily, build transparency in their operations and work more efficiently.

This helps those organizations extend their support to more local and global beneficiaries, demonstrating the force multiplier effect that technology can play. Millions of dollars of 'social value' have been generated by this program since its inception.

International Medical Corps (IMC) Case Study

A first responder, International Medical Corps (IMC) provides emergency relief to those struck by conflict, disaster, and disease.

IMC approached TCS seeking help in digitizing their vendor pre-qualification platform, a critical component of the procurement workflow. IMC does not procure supplies from a vendor who has not completed the qualification process or whose qualification has lapsed, which can lead to a shortage of critical supplies that IMC beneficiaries depend on.

The process was arduous and complicated with a high margin for potential error. After in-depth research seeking to gain a comprehensive understanding of IMC's vendor pre-qualification system, TCS redesigned and enhanced the existing system by placing it in a digital platform that is more transparent and accessible for IMC's team. The system offers IMC a structured workflow for maintaining vendor information, tracking critical vendor qualification status, and ensuring the organization has on-demand and concurrent access to vital information throughout the vendor database.

Last year, the organization responded directly to the needs of more than 18 million people in 30 countries on five continents, including more than 1 million people in the United States.

"*Being a first responder organization means our work is fast-paced and vital to vulnerable populations. Working with TCS enabled us to increase the efficiency of our vendor prequalification process, which is critical to our operations*," said Salma Abdelfattah, Pharmaceutical Services Coordinator, International Medical Corps.

Digital Empowers

TCS's Digital Empowers is a thought leadership initiative that raises awareness on how digital tools and innovative technology catalyzes social impact. The program focuses on convening experts from technology, business, non-profit, public policy, and academia to ideate, collaborate, and create digitally driven solutions towards challenges of social impact. TCS has grown the Digital Empowers community by more than 500 individuals and the website provides up-to-date information for forums, events and insight reports.

For FY 2023, TCS Digital Empowers, North America partnered with Chief Executives for Corporate Purpose (CECP) and PYXERA Global to host an eight-part virtual forum series on food security, the future of work, mental health equity, the digital divide and disaster response. The final forum took place in February 2023, and the seven forums in 2022 culminated in an annual 2023 Summit.

The pilot of Digital Empowers Collaborative launched this year, facilitated a 20-person collaboration from across sectors to explore how digital can empower a more equitable and inclusive future of work. The group hosted four expert speakers and spent more than 150 professional hours to develop three partnership solution concepts to improve the future of work:

1) Digital Upskilling- A path to bring down the digital divide for rural residents over the age of 50 for better participation in the digital economy.

2) Generational Workforce Knowledge Retention- A digital wiki concept developed to support institutional knowledge retention and cross-pollination of senior knowledge to juniors enabling the retention of knowledge from a growing retiring population amidst the high turnover rate experienced by many organizations.

3) Equitable Foundation for the Workforce of Tomorrow – An employee resource group idea designed for a large-scale group with high accountability and impact to create a safer and more transparent workplace

Purpose Partnerships

TCS' CSR education programs focus on developing 21st century skills among the underrepresented and socio-economically weaker sections of society. The National Education Policy 2020 also recommends that skills like computational thinking, design thinking, problem-solving, and critical thinking should be included in the curriculum.

The company leverages its industry and social responsibility expertise to builds the capacity of educators and to nurture students from marginalized communities globally. This is achieved through partnerships with the right institutions for disseminating TCS' programs such as IMF and goIT which are in line with nationwide goals.

The partnership with Samagra Shiksha Abhiyan enabled state-wide deployment of these programs throughout India. For example, in Gujarat training of 75,000 middle school teachers from 14,486 schools is expected to benefit 1.8 million students in grades 6, 7 and 8 over a period of 3 years

Major partnerships in FY 2023 include:

- Partnership with the state government departments of social welfare for deployment in residential and day-boarding schools they run. For example, partnerships with UP Samaj Kalyan department (105 schools) and the Andhra Pradesh social welfare department (189 schools).
- Partnership with the education department to integrate 21st-century skills into textbooks and the curriculum.
- Partnering with ACM India to organizing challenges to generate interest and motivate students. For example, the Bebras India CT challenge which reached 65,000 students aged between 8-18, from 20 states in 8 different languages; and goIT monthly challenge for the global innovator.
- Membership of bodies such as the Computer Science Teachers Association.
- Partnership with Tata group companies such as Tata Steel Foundation which brought computational thinking to 5,000 students from schools in tribal areas.
- Partnership with Academia to design and develop a M.A in Education (Ed Tech) course for in-service teachers on Computational teaching from 2023-2024 at Tata Institute of Social Sciences (TISS).
- Partnership with Gujarat Knowledge Society to improve the knowledge and employability of young undergraduate/ graduate students from over 450 government and government aided colleges.
- Partnership with department of higher and technical education, Puducherry, to deploy youth employment program in 11 government aided colleges to enhance the employability of graduate and undergraduate youth.
- Partnership for inclusion of dedicated career paths in IT – Full Stack Web Development, Cloud Computing, Artificial Intelligence, UX design, Project Management, IT Support, IT Automation, Digital Marketing, Data Analytics and domain – hospitality.

Disaster Relief Efforts

Ukraine War

TCS extended its support to the humanitarian tragedy that unfolded in Ukraine through financial contribution of €1 million

to UNICEF, CARE, and the European Food Banks Federation (FEBA). A matched giving campaign for the company's employees and networks was launched to build on the initiatives of its employees across Europe. TCS employees in the region collectively donated €130,000 which was matched by TCS, totalling €260,000. This resulted in a final contribution of €1,260,000.

TCS participated in the 'Sunflower Project', an initiative from the 'Tent Partnership for Refugees'. It provided mentoring, training and upskilling to displaced Ukrainians to support their economic integration in the host countries. It also organized in-kind donations of more than 300 laptops to schools that support refugees in Europe.

TCS launched several mentorship programs in Europe to help refugees enter the labor market. This involves capacity building to strengthen the capabilities of NGOs through participation in TCS's Global Community Innovation program and exploration of the upskilling needs of refugees with TCS Education Business Units. TCS worked with another non-profit organization in Finland that trains refugees from Ukraine as part of a program.

Turkey / Syria Earthquake

The earthquake in Turkey and Syria caused massive destruction and loss of lives. TCSers were quick to respond and extended their support to the humanitarian tragedy. Employees volunteered with local NGOs and launched donation drives across TCS' offices in Europe to collect winter clothes, blankets, food, and hygiene supplies for the affected population.

The company partnered with non-profit partners like UNICEF, CARE and the European Food Banks Federation to address critical needs such as access to safe drinking water and sanitation services, benefiting over 20 million people. Furthermore, short-term relief support such as shelter, food and health and long-term resilience care (child protection, psycho-social protection and temporary learning spaces) were provided.

TCS also made a financial contribution to UNICEF's long-term humanitarian relief efforts in support and solidarity with the people of Turkey and Syria. Additionally, a matched giving campaign was launched for the global workforce across various platforms. Donations made by TCS employees, their families and networks were matched up to €200,000, for a combined contribution of up to €550,000, through this.

Assam Floods

During the Assam flood, TCS aided the relief activities through its branch in Kolkata. Flood responses were carried out in the severely affected areas of Cachar District, including the Kalain, Katigorah, Borkhola and Salchapra blocks.

Over 1,200 household beneficiaries were identified after a thorough door-to-door survey and approximately 850 shelter kits and 800 housing kits were distributed to them. The volunteering efforts included surveying each village to identify beneficiary households, identifying and finalizing potential distribution sites, and meeting stakeholders such as the District Disaster Management Authority, and local security forces to coordinate efforts. TCS also rendered additional support through volunteer mapping, coupon generation and distribution at the village level, as well as relief distribution.

Business Responsibility & Sustainability **Report**

In May 2022, TCS became the first company to publish the Business Responsibility and Sustainability Report (BRSR) to provide investors with enhanced disclosures about its ESG practices. The BRSR framework is based on the National Guidelines for Responsible Business Conduct (NGRBC) and consists of three sections:

Section A provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, CSR and transparency.

Section B covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Section C provides indicator-wise disclosures mapped to the nine principles of NGRBC which are listed at the start of Section B.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity[1]

1. **Corporate Identity Number (CIN) of the Listed Entity**: L22210MH1995PLC084781
2. **Name of the Listed Entity**: Tata Consultancy Services Limited
3. **Year of incorporation**: 1995
4. **Registered office address**: 9th Floor, Nirmal Building, Nariman Point, Mumbai- 400 021, India
5. **Corporate address**: TCS House, Raveline Street, Fort, Mumbai 400 001, Maharashtra, India.
6. **E-mail**: corporate.sustainability@tcs.com
7. **Telephone**: 91 22 6778 9595
8. **Website**: www.tcs.com
9. **Financial year for which reporting is being done**: Financial year 2022-23 (April 1, 2022 to March 31, 2023)

[1] GRI 2-1, GRI 2-3

10. **Name of the Stock Exchange(s) where shares are listed**: National Stock Exchange of India Limited and BSE Limited

11. **Paid-up Capital**: ₹365.91 crore

12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**
Name: Milind Lakkad
Designation: Chief Human Resources Officer
Telephone number: 022 67789999
E-mail id: corporate.sustainability@tcs.com

13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).[2]**

Data	Basis	Exclusions
Financial	TCS' consolidated global operations.	None
Human Resources	Generic topics: TCS' global operations, including wholly owned subsidiaries. Statutory topics: TCS' India operations.	Non wholly owned subsidiaries accounting for < 0.26% of the consolidated headcount. Exclusions pertaining to individual disclosures are mentioned in the respective Notes.
Environmental	TCS' global offices and delivery centers where it has operational control.	Centers where TCS does not have operational control accounting for < 2% headcount.

The data measurement techniques used, and the basis of calculations and estimates have been mentioned in the relevant areas of this report. TCS does not believe there is any substantial divergence from the GRI Indicator Protocols. The scope, boundaries, and methodology for data analysis in this document remain the same as in the prior year and are mentioned above. There has been no restatement[3] of information or changes in the material topics since the prior year. The data is sourced from Ultimatix, TCS' core enterprise platform. Other supporting data is reviewed by relevant third-party assurers as part of ISO and financial audit.

External Assurance[4]: Ernst & Young Associates LLP has assured the data presented under GRI Standards of disclosure as specified in their Assurance Statement. The scope and basis of assurance have been described in their assurance letter. The Board was not involved in seeking this assurance.

II. Products/services[5]

14. **Details of business activities (accounting for 90% of the turnover):**

TCS provides IT services, consulting and business solutions to many of the world's largest businesses in their transformational journeys. Segment revenues, year on year growth, a brief commentary and segment margins are provided in the Financial Performance Overview section of Management Discussion and Analysis, which is a part of this Integrated Annual Report.

15. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Application Development and Maintenance, Consulting and Service Integration, Digital Transformation Services, Cognitive Business Operations and Products and Platforms.

Some of the services broadly map to NIC classes 6201, 6202, 6209 and 6311.

III. Operations[6]

16. **Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices (Delivery offices)	Total
National	NA	Delivery centers – 111, Offices – 9	120
International	NA	Delivery centers – 73, Offices – 112	185

[2] GRI 2-2
[3] GRI 2-4
[4] GRI 2-5
[5] GRI 2-6
[6] GRI 2-6

17. **Markets served by the entity:**

a. **Number of locations**

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	53

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports as a percentage of TCS' Standalone turnover is 94.3%.

c. **A brief on types of customers**

TCS works with leading corporations across the world- typically Fortune 1000 or Global 2000 corporations and the public sector. In India, TCS works with departments of the Government of India, various state governments, systemically important entities and the private sector.

IV. Employees

18. **Details as at the end of Financial Year**: FY 2022-23

a. **Employees (including differently abled)[7]:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	613,194	393,771	64.2	219,423	35.8
2.	Other than Permanent (E)	2,527	1,343	53.1	1,184	46.9
3.	**Total employees (D + E)**	**615,721**	**395,114**	**64.2**	**220,607**	**35.8**

Notes:
- Based on TCS' global headcount; excludes employees of non-wholly owned subsidiaries.
- Other than Permanent category includes individuals on direct TCS contracts / retainers.

b. **Differently abled Employees:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	953	725	76.1	228	23.9
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**953**	**725**	**76.1**	**228**	**23.9**

Note:
- Differently abled includes hearing, visual, locomotor, orthopedic and others.

19. **Participation/Inclusion/Representation of women[8]**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.2
Key Management Personnel	4	0	0.0
Senior Management	29,933	3,981	13.3

Notes:
- Key Management Personnel (KMP) are Chief Executive Officer and Managing Director (CEO & MD), Chief Operating Officer and Executive Director (COO), Chief Financial Officer (CFO) and Company Secretary (CS).
- Senior Management excludes Directors and KMP.

[7] GRI 2-7, GRI 2-8
[8] GRI 405-1

20. **Turnover rate for permanent employees**[9]

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.9%	21.9%	**21.3%**	17.3%	17.8%	**17.5%**	7.5%	7.5%	**7.5%**

Note:

- Turnover rates mentioned above are for TCS' global headcount, excluding non-wholly owned subsidiaries.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. **Names of holding / subsidiary**[10]

S. No.	Name of the holding/ subsidiary/(A)	Indicate whether holding/ Subsidiary	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Tata Sons Private Limited	Holding	N/A	Yes
2	TCS Foundation	Subsidiary	100	Yes
3	APTOnline Limited	Subsidiary	89	Yes
4	MP Online Limited	Subsidiary	89	Yes
5	TCS e-Serve International Limited	Subsidiary	100	Yes
6	C-Edge Technologies Limited	Subsidiary	51	Yes
7	MahaOnline Limited	Subsidiary	74	Yes
8	Tata Consultancy Services (Thailand) Limited	Subsidiary	100	Yes
9	Tata Consultancy Services (Philippines) Inc.	Subsidiary	100	Yes
10	Tata Consultancy Services Asia Pacific Pte Ltd.	Subsidiary	100	Yes
11	Tata Consultancy Services Malaysia Sdn Bhd	Subsidiary	100	Yes
12	Tata Consultancy Services (China) Co., Ltd.	Subsidiary	100	Yes
13	PT Tata Consultancy Services Indonesia	Subsidiary	100	Yes
14	Tata Consultancy Services Japan, Ltd.	Subsidiary	66	Yes
15	TCS FNS Pty Limited	Subsidiary	100	Yes
16	TCS Financial Solutions Australia Pty Limited	Subsidiary	100	Yes
17	TCS Financial Solutions Beijing Co., Ltd.	Subsidiary	100	Yes
18	Tata Consultancy Services (South Africa) (PTY) Ltd.	Subsidiary	100	Yes
19	Tata Consultancy Services (Africa) (PTY) Ltd.	Subsidiary	100	Yes
20	Tata Consultancy Services Saudi Arabia	Subsidiary	100	Yes
21	Tata Consultancy Services Qatar L.L.C.	Subsidiary	100	No
22	Tata Consultancy Services Netherlands BV	Subsidiary	100	Yes
23	Tata Consultancy Services Deutschland GmbH	Subsidiary	100	Yes
24	Tata Consultancy Services Switzerland Ltd.	Subsidiary	100	Yes
25	Tata Consultancy Services France	Subsidiary	100	Yes
26	Tata Consultancy Services Sverige AB	Subsidiary	100	Yes
27	Tata Consultancy Services Belgium	Subsidiary	100	Yes
28	Tata Consultancy Services Italia s.r.l.	Subsidiary	100	Yes
29	Tata Consultancy Services Luxembourg S.A.	Subsidiary	100	No
30	Tata Consultancy Services Osterreich GmbH	Subsidiary	100	No
31	Tata Consultancy Services De Espana S.A.	Subsidiary	100	Yes
32	Tata Consultancy Services (Portugal) Unipessoal, Limitada	Subsidiary	100	Yes
33	Diligenta Limited	Subsidiary	100	Yes

[9] GRI 401-1
[10] GRI 2-2

S. No.	Name of the holding/ subsidiary/(A)	Indicate whether holding/ Subsidiary	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
34	Tata Consultancy Services UK Limited	Subsidiary	100	Yes
35	Tata America International Corporation	Subsidiary	100	Yes
36	Tata Consultancy Services Canada Inc.	Subsidiary	100	Yes
37	TCS Iberoamerica SA	Subsidiary	100	No
38	TCS Solution Center S.A.	Subsidiary	100	No
39	Tata Consultancy Services Do Brasil Ltda	Subsidiary	100	Yes
40	Tata Consultancy Services De Mexico S.A., De C.V.	Subsidiary	100	Yes
41	TCS Uruguay S.A.	Subsidiary	100	Yes
42	Tata Consultancy Services Chile S.A.	Subsidiary	100	No
43	Tata Consultancy Services Argentina S.A.	Subsidiary	100	Yes
44	TATASOLUTION CENTER S.A.	Subsidiary	100	Yes
45	TCS Inversiones Chile Limitada	Subsidiary	100	No
46	MGDC S.C.	Subsidiary	100	No
47	TCS Business Services GmbH	Subsidiary	100	Yes
48	Tata Consultancy Services Ireland Limited	Subsidiary	100	Yes
49	TCS Technology Solutions AG	Subsidiary	100	No
50	Saudi Desert Rose Holding B.V.	Subsidiary	100	No
51	Tata Consultancy Services Bulgaria EOOD	Subsidiary	100	Yes
52	Tata Consultancy Services Guatemala, S.A.	Subsidiary	100	Yes

VI. CSR Details

22. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)** Yes

(ii) **Turnover (in ₹)** ₹225,458 crore

(iii) **Net worth (in ₹)** ₹90,424 crore

VII. Transparency and Disclosures Compliances

23. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint isreceived	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
	(If Yes,then provide web-link for grievance redress policy)[11]	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://on.tcs.com/Global-CSR-Policy	0	0	-	0	0	-
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes As per SEBI Listing Regulations	178	4	-	87	0	-

[11] GRI 2-25

Stakeholder group from whom complaint isreceived	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
	(If Yes,then provide web-link for grievance redress policy)[11]	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees *	Yes	735	11	In Progress	190	14	-
Customers	Yes. Escalation mechanisms are defined in individual client contracts and addressed as per TCS Quality Policy.	80	14	In Progress	65	9	-
Value Chain Partners	https://on.tcs.com/WhistleBP	6	0	Closed	0	0	-

* Note:
- Data specific to India

24. **Overview of the entity's material responsible business conduct issues[12]**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate[13]	Financial implications of the risk or opportunity (Indicate positive or negative implications)[14]
Kindly refer the "Enterprise Risk Management section" in Management Discussion and Analysis					

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section describes the structures, policies and processes aligned to nine principles of business responsibility. These briefly are as follows:

P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 Businesses should promote the wellbeing of all employees

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 Businesses should respect and promote human rights

P6 Business should respect, protect, and make efforts to restore the environment

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

[12]: GRI 3-2
[13] GRI 3-3
[14] GRI 201-2

P8 Businesses should support inclusive growth and equitable development

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)[15]	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)[17]	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available[17]	P1 to P9: Tata Code of Conduct [16](TCoC) P1: Whistleblower Policy[17] P2: Green Procurement Policy[18] P3 and P5: Employees related Policies[19] P4 and P8: CSR Policy[20] P6: Environmental Sustainability Policy[21]								
2. Whether the entity has translated the policy into procedures. (Yes / No)[22]	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)[23]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y[24]	Y[25]	Y[26]	NA	Y[27]	Y[28]	NA	NA	NA
5. Specific commitments, goals and targets set by the entity with defined timelines, if any[29].	N	N	N	N	N	Y[30]	N	N	N
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	Y[31]	NA	NA	NA

[15] GRI 2-23
[16] https://on.tcs.com/Tata-Code-Of-Conduct
[17] https://on.tcs.com/WhistleBP
[18] https://on.tcs.com/GPP
[19] HR policies available to employees on Ultimatix, TCS Intranet
[20] https://on.tcs.com/Global-CSR-Policy
[21] https://on.tcs.com/Environmental-Sustainability
[22] GRI 2-24
[23] GRI 2-23
[24] TATA Code of Conduct
[25] iQMSTM, TCS' Integrated Quality Management System, comprehensively integrates the requirements and best practices of the latest industry models, frameworks and standards such as ISO 9001:2015, ISO 20000:2018, ISO 27001:2013, ISO 22301:2019, ISO 27701:2019, ISO 20017:2015, ISO 27018:2019, CMMI® DEV v 2.0 and CMMI® SVC v2.0; Environmental Management System Standard ISO 14001:2015, Occupational Health and Safety Management System Standard ISO 45001:2018; as well as industry domain specific standards such as AS9100 (Aerospace), TL9000 (Telecom) and ISO 13485 (Medical Devices).
[26] Energy Management System Standard ISO 50001:2018
[27] TCS is aligned with international laws, principles, and norms, including those contained in the Universal Declaration of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, United Nations Guiding Principles on Business and Human Rights and are a signatory to the UN Global Compact (UNGC) since 2006.
[28] ISO 14001:2015, ISO 50001:2018
[29] GRI 3-3
[30] 70% Reduction in absolute Scope 1 + Scope 2 emissions (vs base year 2016), Net zero by 2030
[31] 71% Reduction in Scope 1 and 2 emissions (vs base year 2016) and renewable energy use at 55.2% in FY 2023

Governance, leadership and oversight	
7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the placement of this disclosure)*[32]** N G Subramaniam, COO & Executive Director, TCS[33]: "Our net zero goal underlines our renewed commitment to environmental stewardship. To curb emissions and limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels, all organizations will have to reimagine existing business models and aim for sustainable growth. We are in a unique position to combine our purpose-driven world view with digital innovation to not only drive our own sustainability, but also partner with customers, civil society and governments to lead and shape solutions for a sustainable future," At the core of TCS' strategy to reduce its carbon footprint is increased use of renewable sources of energy, and improved energy efficiency. The company's strategy for the latter includes addition of more green buildings to the company's real estate portfolio, reduction of IT system power usage, and the use of TCS Clever Energy™, which leverages IoT, machine learning and AI to optimize energy consumption across campuses. TCS' Vision 25x25 is a strategic lever that delinks TCS' business growth from campus expansion and brings down emissions related to employee commutes and business travel. Environmental targets and achievements are part of Natural Capital section, which is a part of Integrated Annual Report.	
8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)[34].**	Name: Milind Lakkad Designation: Chief Human Resources Officer Telephone number: 022 67789999 E-mail id: corporate.sustainability@tcs.com
9. **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details[35].**	The Stakeholders' Relationship Committee (SRC) of the Board of Directors is responsible for decision making on sustainability related issues.

DIN	Name	Designation
03611983	Dr Pradeep Kumar Khosla	Chairman
00008886	Keki Mistry	Member
06365813	Rajesh Gopinathan	Member

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by (D)irector / (C)ommittee of the Board / Any (O)ther Committee / (B)oard of Directors									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	C	C	B	C	B	C	C	C	B	Q	H	Q	Q	Q	H	H	Q	Q
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Statutory Compliance Certificate on applicable laws is provided by the CEO to the Board of Directors.									Quarterly								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	Annual where applicable								
11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.[36]**	N	Y[37]	Y[38]	N	N	Y[38]	N	N	N									

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

All the principles are covered by a policy at TCS.

[32] GRI 2-22
[33] https://www.tcs.com/tcs-targets-net-zero-emissions-by-2030
[34] GRI 2-13
[35] GRI 2-9
[36] GRI 2-5
[37] EY has provided a 'limited assurance' on sustainability disclosures based on GRI standards
[38] TUV India Pvt Ltd.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programs on any of the Principles during the financial year[#]:**

Segment	Total number of training and awareness programs held *	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	1	All	100%
Key Managerial Personnel	1	All	100%
Employees other than BoD and KMPs	18,738	All	99%

Notes:

- All nine principles laid down in BRSR are covered by TCS mandatory trainings and Tata Code of Conduct (TCoC), which is adhered to by all employees and Directors.
- Awareness programs covering the applicable principles were held and attended by all respective committee members of the Board and/or the Board of Directors.
- *The count is based on the total number of relevant offering IDs of Virtual / Instructor Led Training programs in the learning management system, conducted in FY 2023, covering any of the nine principles.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)[39]:**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL			
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy[40].**

   Yes. The TCoC contains guidelines on anti-bribery and anti-corruption. TCS is committed to upholding the highest moral and ethical standards, and does not tolerate bribery or corruption in any form. The policy is available on the company website at: https://on.tcs.com/Tata-Code-Of-Conduct

[39] GRI 2-27
[40] GRI 2-23, GRI 205-2
[#] GRI 2-17

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption[41]:**

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	1 (Under fraud)	3 (Under fraud)

Note:

- Data specific to India. Cases pertain to employees in continued employment, where investigation by law enforcement agencies is underway, pending conclusion.

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest**.

Not Applicable

Leadership Indicators

1. **Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

Total number of Awareness programs held	Topics / Principles covered under the training	% of value chain programs partners covered (by value of business done with such partners) under the awareness programs
878	• Principle 3: Awareness on Safe Work at height, Use of Personal Protective equipments, First aid & Medical Emergency, Incident Reporting, Housekeeping Awareness, Slip, trip, Falls, General Briefing on Covid-19, Electrical safety, Material Handling, Chemical Safety, Food Safety, Awareness on Earthing, Lux, Noise and Indoor Air Quality Monitoring, Material Safety Data Sheet, HSE Legal Requirement, Lock-out and Tag-out, Permit to Work • Principle 6: Environmental Awareness – Overview, Noise Pollution, Energy Conservation, Waste Disposal, Green IT, Energy Management System	100% value chain partner were covered by training on various OH&S topics (including induction)

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes. Kindly refer to the section titled "Material aspects and TCS' approach to them" in the Corporate Governance Report within the Integrated Annual Report.

[41] GRI 205-3

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Amount in ₹ crore	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts[42]
R&D	2,500 (1.1% of Turnover)	2,242 (1.2% of Turnover)	TCS' investments in research and innovation have resulted in solutions like Envirozone™, Clever Energy and IP2™. TCS has been using Clever Energy for the last few years to reduce its energy consumption, and is now commercially selling it and the other two solutions to clients to help them achieve their sustainability goals. All of this, along with greater use of renewable energy has helped TCS bring down its carbon footprint by 71% versus base year 2016. [43]
Capex	3,063 (1.4% of Turnover)	2,964 (1.5% of Turnover)	Investments in green buildings across locations.

2. **a. Does the entity have procedures in place for sustainable sourcing[44]? (Yes/No)**

   Yes. TCS' Sustainable Supply Chain policy and Green Procurement policy outline its commitment to making its supply chain more responsible and sustainable. The policies are available on TCS website:

TCS Policy	Web link
Sustainable Supply Chain policy	https://on.tcs.com/SSCP
Green Procurement policy	https://on.tcs.com/GPP

   b. If yes, what percentage of inputs were sourced sustainably?

   100% of the companies' suppliers are covered in the responsible sourcing program.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste[45].**

   TCS does not manufacture any product hence this question is not applicable.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   No. EPR is not applicable to TCS.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   TCS is primarily an IT services organization and products, if any, are software products. Hence the life-cycle approach is not applicable to the company's offerings.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No). If yes, provide the web-link.
Not Applicable					

[42] TCFD Metrics and Targets A
[43] TCS Energy Management Solution – TCS AR FY 2016-17
[44] GRI 308-1
[45] GRI 306-2

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same[46].**

   TCS is a provider of IT consulting services and business solutions. No social or environmental concerns are associated with the use of its offerings. Details of the environmental footprint of TCS' operations and mitigation steps are provided as part of disclosures under Principle 6.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not applicable to TCS.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Not applicable to TCS.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not applicable to TCS.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **Details of measures for the well-being of employees[47]**:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	334,825	334,825	100.0	334,825	100.0	NA	NA	54	0.02	334,044	99.8
Female	189,017	189,017	100.0	189,017	100.0	189,017	100.0	NA	NA	188,796	99.9
Total	**523,842**	**523,842**	**100.0**	**523,842**	**100.0**	**189,017**	**100.0**	**54**	**0.02**	**522,840**	**99.8**
Other than Permanent Employees											
Male	1,256	1,256	100.0	1,256	100.0	NA	NA	NA	NA	NA	NA
Female	1,156	1,156	100.0	1,156	100.0	1,156	100.0	NA	NA	NA	NA
Total	**2,412**	**2,412**	**100.0**	**2,412**	**100.0**	**1,156**	**100.0**	**NA**	**NA**	**NA**	**NA**

Notes:
- Data specific to India.
- Paternity Leave benefit is applicable only to employees of the erstwhile TCS e-Serve Limited.
- TCS does not offer daycare facilities on its premises. TCS has location-wise tie-ups with third-party run day care centers, which employees can avail of.
- TCS monitors and tracks compliance of vendors with regard to statutory benefits and other state-wise labor rules pertaining to individuals on their payrolls working on TCS premises.

[46] GRI 306-2
[47] GRI 401-2

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year[48].**

Benefits	FY 2022-23		FY 2021-22	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	Y	100	Y
Gratuity	100	Y	100	Y
ESI	5	Y	6	Y
SA	6	Y	6	Y
NPS	2	Y	1	Y

Notes:
- Data specific to India.
- All employees are covered under PF and Gratuity from their date of joining.
- TCS monitors and tracks compliance of vendors with regard to statutory benefits and other state-wise labor rules pertaining to individuals on their payrolls working on TCS premises.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016 (RPWD 2016 ACT)? If not, whether any steps are being taken by the entity in this regard.

Yes. All TCS-owned premises have accessibility provided as per the RPWD 2016 ACT.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.** –

Yes. The Tata Code of Conduct can be accessed at: https://www.tcs.com/tata-code-of-conduct. Additionally, there is a Disability Inclusion Policy, governing TCS' India operations mapped to the RPWD 2016 ACT, governing TCS' India operations, available to employees on the company's local intranet.

5. **Return to work and Retention rates of permanent employees that took parental leave[49].**

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	87%
Female	91%	90%
Total	**91%**	**90%**

Notes:
- Data specific to India.
- Return to work: Rate of employees who joined back from their parental leave in FY 2023.
- Retention Rate: Of the employees "Returned to Work", % of employees those who are employed with TCS at the end of FY 2023.
- Parental leave includes maternity leave, paternity leave and adoption leave.

6. **Is there a mechanism available to receive and redress grievances[50] for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes, employees can use the "Employee Concerns" application to log their grievances in TCS internal portal, which is addressed by the respective stakeholders within the stipulated timelines.
Other than Permanent Employees	Yes, Non-permanent employees can raise the grievances via email to the concerned stakeholders.

[48] GRI 201-3
[49] GRI 401-3
[50] GRI 2-25

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity[51]:**

Category	FY 2022-23			FY 2021-22		
	Total employees in respective category (A)	No. of employees in respective category, who are part of association(s)or Union (B)	% (B / A)	Total employees in respective category (C)	No. of employees in respective category, who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	**523,842**	**55**	**0.01**	**508,186**	**55**	**0.01**
-Male	334,825	55	0.02	325,241	55	0.02
-Female	189,017	0	0.00	182,945	0	0.00

Note: Data specific to India.

8. **Details of training given to employees and workers[52]:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	393,771	388,587	98.7	349,717	88.8	379,942	374,645	98.6	367,461	96.7
Female	219,423	213,293	97.2	193,281	88.1	210,720	205,656	97.6	201,314	95.5
Total	**613,194**	**601,880**	**98.2**	**542,998**	**88.6**	**590,662**	**580,301**	**98.2**	**568,775**	**96.3**

Note:
- Data is based on TCS' global headcount of permanent employees, and excludes employees of non-wholly owned subsidiaries.

9. **Details of performance and career development reviews of employees[53]:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	253,389	248,055	97.9	251,176	248,972	99.1
Female	143,140	136,061	95.1	131,896	130,857	99.2
Total	**396,529**	**384,116**	**96.9**	**383,072**	**379,829**	**99.2**

Notes:
- Data specific to India.
- Column A represents employees eligible for annual performance review and excludes new joiners with less than a year in the company.

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system[54]?**

Yes. TCS is certified to ISO 45001:2018 Occupational Health and Safety (OHS) Management System standard across 127 of its facilities worldwide as on 31st March, 2023. These certified locations constitute 81% of office footprint and >94% of people footprint operating from these locations.

[51] GRI 2-30
[52] GRI 403-5, GRI 404-1
[53] GRI 404-3
[54] GRI 403-1

TCS has a well-defined Occupational Health and Safety (OHS) policy and supporting processes to ensure the safety and well-being of its employees. Safety lead and lag indicators are measured across the organization and reported. The board-level Stakeholders' Relationship Committee reviews the company's health and safety performance on a half yearly basis. Over 94% of the workforce is represented in joint management-employee health and safety committees that monitor, advise and drive occupational, health and safety initiatives.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity[55]?**

As a part of its ISO 45001:2018 compliant Occupational Health and Safety Management System, TCS has a documented procedure to carry out assessment of work-related hazards and risks for all routine and non-routine activities carried out at any location. Hazard and risk identification is carried out by the process owners in consultation with the safety experts. The process owners are responsible to ensure adequate controls are identified and implemented to control the identified OHS risks. Mitigation plan and controls are provided to eliminate the identified hazards and risks.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)[56]**

Yes. TCS has a safety incident reporting and management process to ensure that all work-related incidents (which include accidents, near-misses, unsafe conditions and unsafe acts) are reported and closed after taking necessary corrective actions. This is enabled through an online safety incident reporting tool which is accessible to all TCS employees to facilitate transparent reporting. The platform also supports incident investigation and corrective action with the perspective of eliminating hazards and preventing incidents. The awareness to employees on incident reporting is created during induction, mandatory OHS web-based training (WBT) and communication through mailers during monthly theme on incident reporting. The action owners are also sensitized on the importance of taking corrective action within given timelines with the perspective of eliminating hazards and ensuring mitigation plan is implemented

TCSers can also report their health and safety related issues or concerns through an internal administration helpdesk and these issues are resolved by the concerned action owner within prescribed timelines. They can also email their concerns to the Corporate HSE email ID and communicate with local health and safety teams.

d. **Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**[57]

Yes. TCS recognizes that overall physical and mental wellbeing of its employees is integral to its success and growth aspirations. TCS has taken a holistic approach to well-being to cover mental health, ergonomic health, physical health, and safety at home, delivered through digital channels, hospital insurance services, occupational health services and through seamless integration of all stakeholders.

TCS has occupational health centers (OHC) at TCS facilities in India. The employees and contractors at these facilities have access to non-occupational medical and healthcare services as well. During the year, TCS facilitated several virtual specialist consultations with physiotherapists, gynecologists, nutritionists, gastroenterologists with whom employees can book pre-scheduled appointments and avail the services. These consulting services have helped employees to a large extent during their return to the offices after the pandemic.

Beyond the OHCs, TCS provides comprehensive medical and healthcare services to employees through the company-funded medical insurance to employees and their dependents. In overseas geographies, non-occupational medical and healthcare services are provided as per the country regulations.

To enable physical fitness, TCS has recreational facilities and gymnasiums at many of its facilities; it organized yoga programs such as online sessions, sun salutation challenge and personalized yoga training; continued to run the Fit4Life program with daily workout sessions, walking and running challenges.

Mental well being: TCS, through its TCS Cares initiative, instituted programs for employees and their families to help cope with the mental stress and anxiety. Online counselling sessions and self-help resources help employees facing high distress levels through empathetic support by HR, managers, and peers. Emotional well-being (EWB) leaves are available to employees who need it. With many employees returning to work during the year, 'Return to office' transition program included multiple training and sensitization programs for HRs, managers and employees. TCS Cares mental health wellness web-based training (WBT) was completed by many employees during the year. Also, several leaders completed the Cares Leadership Program. Global mental health month was observed in October where two major events on 'Resilience' were carried out through #OneTCS events.

[55] GRI 403-2
[56] GRI 403-2
[57] GRI 403-6

11. **Details of safety related incidents[58], in the following format:**

Typical to any service sector company operating out of office-based premises, most common injuries occur due to slips, trips and falls or being struck by stationary objects, road accidents in company provided transport. TCS ensures capturing all types of incidents including accidents, near-misses and safety observations and ensuring 100% closure of the reported incidents with appropriate corrective and preventive actions.

The safety incident statistics is given below –

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.0160	0.0032
Total recordable work-related injuries	Employees	46	4
No. of fatalities	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy work place[59].**

TCS recognizes that occupational, health and safety (OHS) and overall physical and mental wellbeing of its employees is integral to its success and growth aspirations as spelled out in its OHS Policy. TCS is committed to provide safe workplaces focusing on preventing injuries, illnesses, and continuously strives to eliminate hazards and reduce OHS risks.

There are no major health and safety (H&S) risks associated with TCS' services as the company provides customized software solutions and IT services. Key workplace safety risks include fire safety in buildings, office safety risks such as slips/ trips/ falls and electrical safety (e.g., electric shock) from use of office equipment and road safety risks during commutes in company-provided vehicles. Key occupational health related risks are associated with workplace ergonomics, indoor air quality, workplace illumination and noise. Hazard identification and risk assessment process is conducted to identify each such risk and ensure that proper mitigation measures are put in place to create a healthy and safe work environment.

Some of the mitigation measures to prevent or mitigate significant occupational health & safety impacts include,

- Provision and maintenance of fire detection, alarm and suppression systems.
- Regular site review, inspections and audits to assess safety preparedness.
- Regular mock drills for fire as well as medical emergencies.
- Provision of ergonomically designed chairs and workstations to prevent musculoskeletal disorders (MSD's) and low radiation computer monitors for better visual health.
- Digital monitoring of indoor air quality and periodic cleaning of the HVAC ducts to avoid sick building syndrome.
- Regular training on occupational health & safety training to sensitize employees on OHS aspects to inculcate a culture of safety.
- Employee engagement campaigns on health & safety topics such as fire safety, road safety, emergency evacuation, ergonomics among others.

13. **Number of Complaints on the following made by employees[60]:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health & Safety	581	0	NIL	40	0	NIL

Notes:
- Human rights related complaints disclosed under Principle 5.
- The sharp increase in complaints YoY is due to the increase in number of employees working from office in FY 2023.

[58] GRI 403-9, GRI 403-10
[59] GRI 403-2, GRI 3-3, GRI 403-9, GRI 403-10
[60] GRI 2-25

14. **Assessments for the year[61]:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	TCS has 127 locations globally certified as compliant with ISO 45001:2018, OHS Standards. 100% of TCS offices have been audited during FY 2023 by qualified internal auditors at TCS.
Working Conditions	Every year, one third of TCS locations are identified to be sampled for external/ third party audits. In FY 2023, 41 offices have undergone ISO 45001:2018 audits by TUV Nord for occupational health and safety (external auditor). 99 statutory audits were conducted on health and safety practices (lift, fire, electrical and food safety) in FY 2023 for offices in India. There were 13 third party audits conducted on HSE on behalf of customers.

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions[62].**

    There were a few road/transport, slip, trip and fall related incidents during the year which have been investigated and closed with necessary corrective and preventive actions. Defensive driving focus and behavioral based safety practices have been emphasized as corrective measures.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of Employees (Y/N)**- Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

    TCS monitors and tracks the compliance of value chain partners locally and centrally. Every month administration teams at each center upload the applicable, verified compliance documents in the company's compliance tracking system for central monitoring. TCS ensures that monthly statutory dues are remitted to respective PF / ESI / LWF etc. authority by the contractors and proof of the same is produced to the company on a periodic basis.

3. **Provide the number of employees having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment[63]:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)** - No

61 GRI 3-3
62 GRI 403-10
63 GRI 403-9, GRI 3-3

5. **Details on assessment of value chain partners[64]:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	TCS' supply chain sustainability requirements are integrated with online procurement platform, 'Sourcing module' and 'Risk module'. TCS' HSE policies, procedures, guidelines, and Supplier Code of Conduct (SCoC) are included in sourcing module in RFP template for digital acceptance by all suppliers/ vendors who are considered for evaluation. Some critical suppliers such as regulated waste disposal services (e-waste, hazardous waste, battery wastes), bottled water suppliers, food suppliers for cafeteria and similar suppliers undergo legal due diligence and site inspection before initiating the negotiation process. The procurement team ensures that SCoC acceptance is done by vendors and all compliances are in place for which a tracking system is maintained. TCS also conducts periodic audits/review of processes/documents of on-boarded vendors who have contractual agreement.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners[64].**

The company conducts regular H&S audits for high-risk vendors such as caterers, transport vendors, and bottled water vendors. Any findings during these audits are tracked to closure. For example, if any vehicle provided by a transport vendor is found non-compliant to the TCS safety standards and guidelines, it is immediately removed from the roster.

PRINCIPLE 4: Businesses should respect the interests of, and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity[65].**

TCS engages with a broad spectrum of stakeholders, to deepen its insights into their needs and expectations, and to develop sustainable strategies for the short, medium and long term. Stakeholder engagement also helps to manage risks and opportunities in business operations. The key stakeholders identified in consultation with the company's management are: customers, employees, shareholders, academic institutions, staffing firms, other suppliers, technology partners and collaborators, industry bodies, governments, NGOs, local communities, regulators and society at large.

Some other stakeholders that TCS closely engages with – such as industry analysts, equity analysts, and the news media –are proxies for other named stakeholders – i.e. customers, shareholders, and society at large, respectively.

Stakeholder interactions might be structured (e.g. surveys, account statements) or unstructured (town halls, 1x1 or group meetings). Based on mutual convenience and need, the engagement may be scheduled as needed, or pre-scheduled on a periodic basis, or ongoing (e.g. website, social media).

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group[66]**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	As needed: Project-related calls and meetings; project management reviews; relationship meetings and reviews; executive meetings and briefings; customer visits; responses to RFIs/ RFPs; sponsored events; mailers; newsletters; brochures	• Continuous: TCS website; social media (LinkedIn, Twitter, Facebook, Instagram, YouTube) • Half-yearly: Customer satisfaction surveys • Annual: Customer summits; Innovation days; Executive customer surveys; Sponsored Community events	• Understanding client, industry and business challenges • Identifying opportunities to improve TCS' service and products for cross-selling • Deciding on investments and capabilities required to fulfil demand • Understanding client's data privacy and security requirements

64 GRI 414-2
65 GRI 2-29
66 GRI 2-29

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	As needed: Press releases and press conferences; email advisories; in-person meetings; investor conferences; non-deal roadshows; conference calls	• Quarterly: Financial statements in IndAS and IFRS; earnings call; exchange notifications; press conferences • Continuous: Investors page on the TCS website • Annual: Annual General Meeting; Annual Report	• Educating the investor community about TCS integrated value creation model and business strategy for the long term • Helping investors voice their concerns regarding company policies, reporting, strategy, etc. • Understanding shareholder expectations
Employees	No	As needed: Town halls; roadshows; project or operations reviews; video conferences; audio conference calls; one-on-one counselling	• Monthly: @TCS (in-house magazine) • Continuous: TCS website; Communication via TCS intranet, dipstick surveys; grievance redressal system, OneTCS Newsroom • Annual: PULSE (employee feedback survey); long-service awards; sales meets; Blitz (business planning meet)	• Career Management and Growth Prospects • Learning opportunities • Compensation structure • Building a safety culture and inculcating safe work practices among employees • Improving Diversity, Equity and Inclusion
Partners and Collaborators	No	As needed: Meetings/calls; COIN™ meetings; visits; partner events	• Monthly: Conference calls • Quarterly: Business reviews • Annual: Partner events	• Stronger partnerships • Demand Sustainability • Credit worthiness • Ethical Behavior • Fair Business Practices • Governance
Academic Institutions	No	As needed: Academic Interface Program; Co-Innovation Network (COIN™) meetings	• Continuous: TCS website; academic portal • Annual: Sangam (high-level academic conference); campus recruitment	• Knowledge-exchange collaboration • Advancing the academic's research program / curriculum enhancement • Job creation • Internship opportunities • Faculty development
Recruiters; staffing firms; other suppliers	No	One-time: RFIs/RFPs; empanelment process	• As needed: Transactional meetings; periodic reviews; surveys • Continuous: Tata Code of Conduct , Supplier evaluations	• Diversity hiring initiatives and what are the biggest challenges • Adaptation of procurement processes to environmental, economic and ethical requirements
Industry bodies, Regulators	No	As needed (need basis / usually 1-2 meetings in 3 months' basis): • Conferences and seminars, • working committee meetings, • surveys, • other meetings	• Annual: Conferences; summits	• Ensure 100% compliance to all local laws • Cross-industry sustainability initiatives and knowledge transfer to promote sustainability

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Governments; NGOs; local communities; media, industry analysts, society at large	No	As needed: Governance RFIs/RFPs; presentations; project meetings; reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; calls and meetings; conferences and seminars; surveys; press releases; press conferences; media interviews and quotes; sponsored events, Analyst Days	• Continuous: Annual General Meeting, Quarterly Reports and Annual Report, Earnings Conference Call, Media interaction, Press Releases, TCS website	• Understand areas for sustainable development • Communicate TCS' performance and strategy • Manage TCS' brand and reputation; • Share and contribute to thought leadership and insight into public and business concerns; • Discuss TCS' response to responsible business issues • Work in partnership to develop solutions to global challenges

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   TCS is an IT services, consulting and business solutions organization with a presence across multiple geographies, industries, services and products. TCS consults stakeholders on material topics and also conducts annual materiality assessments to update

   the list on an ongoing basis. Stakeholder interactions result in the identification of a broad funnel of issues important to each of the constituencies. The Company's Sustainability Council uses discussions with internal and external stakeholders, as well as its own judgment, to prioritize and arrive at a list of material topics with significant economic, environmental, or social impacts on TCS' business, reputation, and operations. The TCS management shares feedback with the Board on these issues.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, TCS' ESG strategy on material topics uses inputs gathered during stakeholder consultations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   All of TCS' CSR programs are focused on addressing the most pressing issues and meeting the needs of the most vulnerable populations across the globe especially women, youth, and marginalized groups. TCS ensures assurance across the organization, to operate its business in an ethical, economic, social, and environmentally sustainable manner, while recognizing the needs and interests of its critical stakeholders. TCS' CSR projects evolve in accordance with feedback/concerns received from key stakeholders. TCS views feedback from the field – from implementation partners and from the target communities – as fundamental to ensure CSR Project success. Post program implementation, surveys and questionnaires capture the feedback which is then duly implemented.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format[67]:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Permanent	523,842	519,799	99.2	508,186	504,115	99.2
Other than permanent	2,412	2,396	99.3	2,011	1,982	98.6
Total Employees	**526,254**	**522,195**	**99.2**	**510,197**	**506,097**	**99.2**

Note:

- Data specific to India.

2. **Details of minimum wages paid to employees, in the following format[68]:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Permanent										
Male	334,827	554	0.2	334,273	99.8	325,241	726	0.2	324,515	99.8
Female	189,015	533	0.3	188,482	99.7	182,945	557	0.3	182,388	99.7
Other than Permanent										
Male	1,256	242	19.3	1,014	80.7	1,070	110	10.3	960	89.7
Female	1,156	332	28.7	824	71.3	941	169	18.0	772	82.0

Note:

- Data specific to India.

3. **Details of remuneration/salary/wages, in the following format[69]:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ Lakh per annum)	Number	Median remuneration/ salary/ wages of respective category (₹ Lakh per annum)
Board of Directors (BoD)	7	280.1	2	128.9
Key Managerial Personnel	4	1,463.4	-	NA
Employees other than BoD and KMP				
(a) Junior	169,358	3.80	118,949	3.85
(b) Middle	146,469	14.23	66,935	11.62
(c) Senior	18,996	35.99	3,131	34.17

Notes:

- At TCS, remuneration is the same for men and women working full-time, in the same grade, in the same role, and at the same location, and with the same level of experience[70]. Where relevant, the company publishes the raw mean and median pay differences between genders (not normalized for part-timers or grade and role differences) on its own website as well as on public sites. Gaps in median salary between genders at middle and senior levels is due to a higher proportion of women at the junior ends of each cohort. TCS' focused diversity and inclusion programs are expected to narrow this gap over time.

67 GRI 2-24
68 GRI 405-2
69 GRI 2-19, GRI 2-21
70 GRI 202-1, GRI 405-2

- Data is specific to India.
- The median remuneration of Non-Executive, Non-Independent Directors is Nil (refer serial no. III(iv)(a) of the Corporate Governance Report)
- Key Managerial Personnel include CEO, COO, CFO and Company Secretary.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business[71]? (Yes/No) -** Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues[72].**

   Reporting avenues have been provided for TCS' employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of the Company Code, policies or law including human rights violations. the Employees can use the "Employee Concerns" application to log their grievances in TCS internal portal, which is addressed by the respective stakeholders within the stipulated timelines. Non-permanent employees can raise the grievances via email to the concerned stakeholders. Additionally, anybody can make protected disclosures under the company's Whistle Blower policy. Representations made in the reporting avenues are reviewed and appropriate action is taken on substantiated violations.

6. **Number of Complaints on the following made by employees[73]:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	49	8	Review in progress	36	16	Review in progress
Discrimination at workplace	3	0	Closed	1	0	Closed
Child Labour	0	0	0	0	0	NIL
Forced Labour/ Involuntary Labour	0	0	0	0	0	NIL
Wages	0	0	0	0	0	NIL
Other human rights related issues	0	0	0	0	0	NIL

   Note:
   - Data specific to India

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases[74].**

   Concerns on discrimination and harassment are dealt with confidentially. TCS does not tolerate any form of retaliation against anyone reporting good faith concerns. Anyone involved in targeting such a person raising such complaints will be subject to disciplinary action.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)[75]** Yes

[71] GRI 2-13
[72] GRI 2-25
[73] GRI 406-1
[74] GRI 2-25
[75] GRI 2-23, GRI 2-24

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	TCS internally monitors compliance for all relevant laws and policies pertaining to these issues at 100% of its offices. There have been no observations by local statutory / third parties in India in FY 2023.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    Not Applicable

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   Human rights are protected and upheld in TCS' core value of 'Respect for the individual' and enshrined in the TCoC that guides how TCS conducts itself in every community that it operates in. TCS has relevant in-house policies and procedures to reinforce human rights, resulting in an impeccable track record of never facing any human rights grievances or complaints. Further, TCS continually gathers feedback and keeps track of developments in the regulatory area to further strengthen existing processes.

2. **Details of the scope and coverage of any human rights due-diligence conducted.**

   TCS adopts a zero-tolerance approach to issues related to human rights. TCS follows all government regulations and regulatory policies and comply to global and local laws in the countries where the company operates and complies to all applicable global and local laws including collective bargaining agreements through its policies and standards. While empaneling suppliers, the company carries out extensive due diligence on various ESG areas, including human rights.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes. TCS believes in accessibility for all.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	All value chain partners are expected to adhere to the TCoC, which does not tolerate any form of harassment, whether sexual, physical, verbal or psychological. However, TCS does not conduct any formal assessment for the same.
Discrimination at workplace	100% of value chain partners were assessed.
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – please specify	Not Applicable

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   There were no significant risks / concerns arising from the assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format[76]:**

Much of the electricity that TCS uses comes from the grid but over the years, TCS has increased the share of renewable electricity (RE) through onsite rooftop solar generation, procurement from third party producers and purchase of Energy Attribute Certificate (EAC) in certain countries. The RE consumption as a % of total energy consumption has increased from 37.2% in FY 2022 to 55.2% in FY 2023. Electricity consumption across TCS operations increased by 33.3% y-o-y due to increased resumption of operations (compared to FY 2022) and inclusion of additional offices.

Other sources of energy include natural gas (mainly used for space heating/cooling), district heating and cooling, fuel used in company owned vehicles, cooking gas used in cafeteria and diesel used in diesel generators (mainly used as a back-up source for power shortages).

Details of total energy consumption (in Joules or multiples) and energy intensity are provided below:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	830,388,643	401,662,127
Total fuel consumption (B)	NIL	NIL
Energy consumption through other sources (C)	154,994	8,482,654
Total energy consumed from renewable sources (A+B+C)	**830,543,637**	**410,144,781**
From non-renewable sources		
Total electricity consumption (D)	602,410,331	672,917,518
Total fuel consumption (E)[77]	72,062,111	41,303,253
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	**674,472,442**	**714,220,770**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.0007	0.0006

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable to TCS.

3. **Provide details of the following disclosures related to water[78], in the following format:**

The sources of freshwater at TCS include third party water (90%), groundwater (7.6%) and rainwater harvested (2.5%). TCS optimizes water consumption through conservation, sewage treatment and reuse, and rainwater harvesting. All new campuses have been designed for higher water efficiencies, 100% treatment and recycling of sewage, and rainwater harvesting. The detailed break up is given below.

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	173,539	121,756
(iii) Third party water	2,058,419	1,243,889
(iv) Seawater / desalinated water	NIL	NIL

76 GRI 302-1, GRI 302-3, TC-SI-130a.1.
77 There was a marginal change of 0.4% in fuel consumption data reported in FY 2022, which has now been corrected in the table above.
78 GRI 303-3, GRI 303-5, TC-SI-130a.2.

Parameter	FY 2022-23	FY 2021-22
(v) Others – Rainwater utilized	56,730	75,314
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,288,688**	**1,440,959**
Total volume of water consumption (in kilolitres)	**2,082,781**	**1,319,696**
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000009	0.0000007

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation[79].**

Yes, TCS has achieved zero liquid discharge across all the campuses. TCS optimizes water consumption through conservation, sewage treatment and reuse, and rainwater harvesting. All new campuses have been designed for 100% treatment and recycling of sewage, and rainwater harvesting.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

TCS being an IT consulting services and business solutions company does not have significant air emissions other than those arising from the operation of diesel generator sets during power outages.

TCS' operations in India have necessary consent under the Air (Prevention & Control of Pollution) Act (1981), for operation of DG sets and ensures compliance to the conditions which includes stack emission parameters like nitrous oxide, non-methane hydrocarbons, carbon monoxide, particulate matter, etc. Stack emission monitoring is conducted as per the frequency required under the Consent To Operate (CTO) the generator sets.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The DG stack emissions are sampled and analyzed by government approved laboratories and the reports are reviewed by the internal team to ensure compliance to the CTO conditions. These stack emission reports are submitted to government authorities (State Pollution Control Boards) as per consent conditions. These reports are also verified during internal and external audits to check compliance.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format[80]:**

The Scope 1 emissions are from direct GHG sources like fuel used in company owned vehicles, diesel generators & cafeteria, fugitive emissions from refrigerants and fuel used for space heating. Scope 1 accounts to about 15.2% of the Scope 1 + Scope 2 carbon footprint in FY 2023. The remaining 84.8% are from indirect emissions, referred to as Scope 2 emissions, associated with purchased electricity. The breakup is provided as required in the table below.

79 GRI 303-1, GRI 303-2

80 GRI 305-1; GRI 305-2, GRI 305-4. Scope 1 emissions have been calculated using the emissions factors published by the DEFRA conversion factors 2022. For Scope 2 emissions – for India, the source is the emission factor is the CO2 Baseline Database for the Indian Power Sector, User Guide, Version 18.0, December 2022, published by the Central Electricity Authority of India. For Australia, Canada, North America, and UK emission factors specific to the region published by local authorities are used. For other countries IEA v4 emission factors 2022 and GHG protocol/ IEA 2022 have been used.

Parameter	Unit	FY 2022-23[81]	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2	**20,972**	**16,684[82]**
- CO2	tCO2e	4,780	2,813
- CH4	tCO2e	2.73	1.38
- N20	tCO2e	39.8	28.3
- HFC	tCO2e	16,150	13,841
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**117,265**	**141,045**
Total Scope 1 and Scope 2 emissions per rupee of Turnover	tCO2e/Million INR	0.05	0.08

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details[83].**

Yes. TCS had set a target to reduce its absolute Scope 1 and Scope 2 emissions by 70% by 2025 and become net zero by 2030. The first part was achieved in FY 2023 through a combination of green infrastructure, green IT, energy efficiency and renewable energy.

Commitment to Science Based Targets initiative (SBTi)

In June 2022, TCS has responded to SBTi's urgent call for corporate climate action by committing to align with 1.5°C and net-zero through the Business Ambition for 1.5°C campaign. This is published on SBTi website and can be viewed at Companies taking action- Science Based Targets. TCS is working on the next steps to developing company targets for validation by SBTi.

Green Infrastructure and IT enabled operational efficiency:

All new campuses owned by TCS are designed according to green building standards for energy and resource efficiency. They have roof-top solar photovoltaic installations to reduce the carbon footprint. Currently, 36 TCS offices, with over 23.68 million sq. ft of office area, are certified green buildings by Indian Green Building Council (IGBC). These make up over 64.6% of TCS' total real estate portfolio in India.

During the year, several initiatives were aligned to achieve the carbon targets which included those in building and IT infrastructure. Initiatives in building infrastructure included energy efficiencies in HVAC systems, Uninterrupted Power Supply (UPS), LEDs, motors, and chillers.

- HVAC system upgradation included deployment of energy efficient fans for Air handling units (AHUs), Variable Refrigerant Flow (VRF) systems for 24X7 on variable load, oilless centrifugal chillers like magnetic or ceramic bearing chillers and chiller plant manager.
- Energy efficient UPS included Insulated Gate Bipolar Transistors (IGBT) based UPS with high efficiency and modular UPS.
- Other energy efficiency initiatives included LED lighting with advanced controls, EFF1/IE3 rated high efficiency motors, 11KV power distribution from sub-station to different buildings, use of 11 kV centrifugal chillers and elevators with energy efficient and gearless motors.

81 There are some inclusions and modifications in estimating carbon emissions during FY 2023 when compared to FY 2022.
Scope 2 emissions: The emission factors for the grid electricity across various geographies have been taken primarily from IEA v5-IEA 2022 (12/2022) database except for US, Canada, Australia, and India where emission factors are available from regional sources. For India geography, the Central Electricity Authority (CEA), user guide 18.0, Dec 2022 emission factor of 0.715 tCO2/ MWh (carbon emission factor of grid electricity, including RE) has been considered for estimating the carbon emissions from procured electricity in FY 2023. Over the years CEA has been publishing the weighted average carbon emission factor (conventional) of the grid which was being used by TCS for Scope 2 emissions until FY 2022 as emission factors (including RE) was not available earlier. However, in Dec 2022, CEA published the carbon emission factor of grid electricity (including RE) for the first time for years 2013-14 to 2021-22. As TCS procures electricity from the India grid, which is mix of conventional and renewable energy, the emission factor of 0.715 tCO2/ MWh is considered more appropriate.

82 Corrected Scope 1 emissions data for FY 2022 due to minor changes in fuel consumption data.

83 GRI 305-5, TC-SI-130a.3. TCFD- Metrics and Targets B

Green IT:

Initiatives in green IT focused on data center and IT device consolidation and optimization to reduce the carbon footprint. The areas covered under green IT initiatives include IT energy optimization in data center and equipment rooms. In addition, green attributes are considered in every asset procurement. TCS' data centers have a weighted average PUE of 1.66.

TCS' IoT-based Real-time Energy Management System (TCS Clever Energy™)[84] initiative involves real time monitoring to optimize the operational energy efficiency across all offices. The smart, scalable, analytics driven IoT solution uses TCS Connected Universe Platform (TCUP) IoT platform, which forms the backbone enabling visualization of data acquired from various locations and facilities' energy meters and sensors.

Renewable Energy:

The roof top solar photo voltaic installations this year remained at 10.2 MWp contributing to 3.4% of total electricity use in FY 2023. The company increased its renewable energy procurement through a) switch over to green tariffs for its operations in Hyderabad, Bengaluru, Indore, Bhubaneshwar, Pune, and Thane, b) 1 MWp open access power purchase agreements (PPA) signed at Siruseri (as an extension to the previous 12 MWp PPA). The renewable energy procurement has resulted in an increase in renewable energy use to 55.2% of total energy use.

Carbon Neutrality:

The company became carbon neutral across Scope 1 and Scope 2 emissions in North America, UK and Ireland (except Diligenta), Europe, Asia Pacific (excluding Japan), Latin America, and Middle East & Africa in FY 2023.

8. **Provide details related to waste management by the entity, in the following format[85]:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	46.7	42.9
E-waste (B)	415	563
Bio-medical waste (C)	0.83	1.61
Construction and demolition waste (D)	194,973	62.4
Battery waste (E)	387	286
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	26.1	27.6
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	3,538	2,351
Quantity of office paper [t]	115	41.5
Quantity of Newspaper / Magazine [t]	3.8	2.3
Quantity of packaging material waste[t]	199	151.2
Quantity of Restroom waste generated [t]	357	98
Quantity of Cafeteria dry waste generated [t]	220	114
Quantity of Other mixed waste generated [t]	592	315.2
Other office scrap waste generated [t]	137	217.2
Garden waste generated [t]	1,261	1,330
Total food waste generated [t]	653	81.9
Total (A+B + C + D + E + F + G + H)	**199,386**	**3,384.5**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled **		
- Battery	422	258
-E-waste	424	583
-Hazardous waste	25	27
-Non-Hazardous waste	1,685	1,077

84 TCFD Metrics and Targets A
85 GRI 306-3; 306-4; 306-5

-Plastic Waste	46	38
-Construction & Demolition waste		61.6
(ii) Re-used	194,316	
(iii) Other recovery operations	-	-
Total	**196,918**	**2,044.6**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
- Biomedical waste	0.8	1.6
- Non-hazardous waste	61.7	36.4
(ii) Landfilling		
- Non-hazardous waste	1,612	1,112
- Construction & demolition waste	519	-
(iii) Other disposal operations	-	
Total	**2,193.5**	**1,150**

** 100% of the regulated waste (hazardous wastes, e-waste, battery waste), plastic wastes, paper & packaging wastes are disposed through recycling. The generated quantities, if remaining at the end of the financial year for disposal, are stored at the facilities and recycled through approved/ authorized vendors.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.[86]**

Not applicable. TCS does not manufacture anything and therefore does not use any hazardous or toxic chemicals in its processes.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format[87]:**

Yes, TCS has its office in Kalinga Park, Bhubaneswar, Odisha which is located near Chandaka Wildlife Sanctuary. TCS office is located in the Special Economic Zone (SEZ) developed by the Odisha Industrial Infrastructure Development Corporation (IDCO). All necessary environmental clearances have been obtained for the campus.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	TCS Kalinga Park, Chandaka Industrial Estate, Bhubanewar, Odisha	Software Consultancy Services	Yes, the conditions of Environmental Clearance have been complied with.

86 GRI 306-2; GRI 3-3
87 GRI 304-1

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year[88]:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expansion of TCS Noida ITSEZ Campus, Uttar Pradesh.	EC23B039UP128426	January 12, 2023	Yes	Yes	https://www.tcs.com/investor-relations/environmental-impact-assessments-details
Proposed Expansion at, Rajarhat Kolkata, West Bengal.	EC22B039WB170289	May 13, 2022	Yes	Yes	

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format[89]:**

Yes, TCS has complied with applicable environmental law/regulations / guidelines applicable in India. No fine/penalty/action was initiated against the entity under any of the applicable environmental laws/regulation/guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

This information has been covered in Principle 6, Q1 of the Essential Indicators[90].

2. **Provide the following details related to water discharged[91]:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) Sent to third-parties		
- No treatment Note: Wastewater sent for municipal treatment	92,510	19,216
- Tertiary treatment	67,180	86,073

88 GRI 413-1, GRI 303-1
89 GRI 2-27
90 GRI 302-1
91 GRI 303-4

Parameter	FY 2022-23	FY 2021-22
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**159,690**	**105,289**

Note: This data pertains to India only.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

3. **Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):**

For each facility / plant located in areas of water stress, provide the following information[92]:

(i) **Name of the area**: Data provided for 12 areas as per CGWB in individual tabs

(ii) **Nature of operations:** Software and IT operations

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	43,320	0
(iii) Third party water	505,970	531,427
(iv) Seawater / desalinated water	0	0
(v) Others (Rain water)	610	0
Total volume of water withdrawal (in kilolitres)	**549,900**	**531,427**
Total volume of water consumption (in kilolitres)	**526,730**	**520,733**
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000023	0.00000027
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment Note: Wastewater sent for municipal treatment	20,150	7,622
- With treatment – please specify level of treatment Note: Tertiary treatment	3,020	3,071

[92] GRI 303-3, GRI 303-4, TC-SI-130a.2

Parameter	FY 2022-23	FY 2021-22
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**23,170**	**10,693**

Note:
This data pertains to India only.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format[93]:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions[94] (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**366,606**	**358,453**
Category 1 – Purchased goods & services	tCO2e	2,515	12,020
Category 2 – Capital goods	tCO2e	18,549	111,290
Category 3 Fuel and energy related activities (not included in Scope 1 or 2)	tCO2e	32,094	52,415
Category 4 – Upstream transportation and distribution	tCO2e	5,107	7,542
Category 5 – Waste generated in operations	tCO2e	1,070	639
Category 6 – Business travel	tCO2e	89,907	35,043
Category 7 – Employee commuting (Work from home (WFH) emission is included in this category as per GHG protocol since both are pandemic years)	tCO2e	217,364	139,504
Total Scope 3 emissions per rupee of turnover	tCO2e/INR	0.00000016	0.00000019

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. This data has been subject to independent assurance by Ernst & Young Associates LLP (EY).

93 GRI 305-3, GRI 305-4; There are some inclusions and modifications in estimating scope 3 carbon emissions during FY 2023 when compared to FY 2022.

94 **Scope 3 emissions:**

- **Category 1 & 2:** Emission factors (spend based) for purchased and capital goods are taken from the latest available US EPA (Supply Chain GHG Emission Factors for US Commodities and Industries v1.1.1) information for computer equipment, electrical equipment, office equipment, vehicles, and furniture items. Until FY 2022, TCS used the DEFRA 2012, spend based emission factors, which are outdated. In view of adopting updated emission factors, there was a reduction in category 1 by 89% and category 2 by 82%.
- **Category 3:** The well to tank (WTT) emissions from the fuel used in stationary and mobile combustion such as diesel in DG sets and owned vehicles, LPG or PNG in cafeteria, natural gas for space heating/ cooling, fuel used in hired vehicles (cabs/ buses) are included in this category in FY 2023. Earlier in FY 2022, only WTT of electricity procured was considered. The increase in scope of reporting contributes to 3.5% of the total emissions under category 3.
- **Category 4:** Until FY 2022, TCS had included only emissions from transportation of IT assets considering its relative significance compared to other supplies. In FY 2023, TCS has also included emissions related to non-IT supplies and waste disposal. The supplies include cafeteria/ canteen supplies, water supplies through tankers, housekeeping material and other stationary supplies and disposal of wastes (e-wastes, hazardous wastes, batteries etc.,). Emission factors are taken from DEFRA 2022 for the transport emissions based on vehicle type and weight. The increase in scope of reporting contributes to 31% of the total emissions under category 4.
- **Category 5:** No change in approach in FY 2023. The emissions are based on disposal mechanisms (e.g., recycling, reuse, landfill) for different categories of waste (plastic, metal, e-waste, batteries, food waste, garden waste etc.,) and have been computed based on emission factors from DEFRA 2022.
- **Category 6:** In FY 2022, business travel included emissions from air and rail. In FY 2023, business travel emissions also include hotel stays at various geographies during business travel. Relevant emission factors are taken from DEFRA 2022. The increase in scope of reporting contributes to 0.5% of the total emissions under category 6.
- **Category 7:** In FY 2023, the employee commute related carbon emission includes those from TCS hired vehicles for transport of employees (global), personal employee commute (only India), public employee commute (only India) and work from home (WFH) emissions (global). In pre-pandemic period, TCS had considered and included private and public commute of India employees in carbon emissions, however during FY 2021 and FY 2022, this was insignificant to be included under this category. The occupancy in overseas offices has been minimum during FY 2023 due to majority of the associates working from home and therefore considered insignificant, and not included in the emissions.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities[95].**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Chandaka Wildlife sanctuary authority has developed the trench followed by 5 feet wall with fencing along the border of the sanctuary so that the possibility of elephants crossing the trench is eliminated hence, any impact of TCS operations on wildlife is not expected. However, TCS has undertaken following initiatives: • Minimizing light pollution around the wildlife sanctuary • Internal initiatives within its campus towards biodiversity conservation and enhancement • Internal initiatives towards water and waste management	• Installation of inward facing low intensity peripheral lights • Plantation of native/ indigenous plants, medicinal and spice garden, butterfly garden • Provision of organic waste technologies- Vermicomposting and organic waste converter • Provision of rainwater harvesting structure and sewage treatment plant (STP)	• Inward direction peripheral lights of low intensity to avoid any impact on wildlife movement. High mast lights in TCS parking area are switched off after 11 pm. • Protection of native/medicinal, plant species as well as butterfly species. • Garden and food waste vermicomposting and organic waste composting technology has been installed to generate organic manure and it is reused for landscaping. • 100% treatment and recycling of wastewater inside the premises. • Groundwater recharging pits for enriching the water table.

As a proactive initiative, TCS has included 'Urban Biodiversity' conservation as an integral part of TCS Environmental Sustainability Policy and its long-term plan for sustainable development. Biodiversity action plan is implemented across 18 TCS campuses in India to conserve and enhance urban biodiversity. Biodiversity mapping for various flora and fauna species is conducted on an annual basis. TCS campuses across India are home to over 590+ flora species and 180+ fauna species. 10 species of IUCN category trees i.e., Endemic, Endangered, Threatened, Vulnerable and Rare species, are protected within TCS campuses.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	HVAC energy efficiency projects	• Energy efficient fans driven AHU's • VRF systems for 24x7 systems on variable load • Oilless Centrifugal Chillers like Magnetic or Ceramic Bearing chillers • Chiller plant manager	505,266 kWh energy savings
2	UPS based energy efficiency projects	• IGBT based UPS with high efficiency and Modular UPS	333,448kWh energy savings
3	Energy Monitoring and Analytics (Clever Energy + Resource Optimization Center)[96]	• Chiller Optimization • AHU Optimization • AC Schedule Change • Elimination of energy wastage in the non-peak hour operations	3.38 Mn kWh energy savings

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The business continuity and disaster management function in TCS supports the strategic objective of the organization, protects business interest, and proactively strengthens the organization's ability to effectively respond to internal and external threats and enable seamless, continued delivery of critical business operations, in the event of any disruption. The end-to-end framework is effectively managed through defined policy, procedures, guidelines and through in-house developed tools that support planning and communication with all stakeholders. The framework is fully compliant and certified to ISO 22301:2019, CMMI-SVC and is integrated with TCS quality management system for consistent deployment across the organization.

[95] GRI 304-2; GRI 304-3

[96] TCFD Metrics and Targets A

TCS has Emergency Preparedness Plans (EPP) for disasters such as earthquake, floods, cyclones etc in its internal portal. The plan outlays the responsibilities of action owners, plan description including precautions to be taken, evacuation procedures and post incident action plan which would need to be followed at locations facing the emergency scenario.

Every customer relationship, region (branch), global delivery center and corporate IS function maintains a BCP plan that is updated once in six months or on a need basis. The framework ensures that respective owners consider all contractual/ regulatory requirements, scope of services, demographics of operations, interdependencies of services and underlying assets, identifies business impact of loss/ interruption or disruption, and determines appropriate continuity strategy for the same. The associated potential risks are identified, assessed and appropriate response is devised to handle respective risks.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard[97].**

   No significant adverse impact envisaged from TCS' value chain.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts[98].**

   TCS assesses 100% of its suppliers' environmental footprint at the time of their respective empanelment. Towards ongoing sustainability assessment, TCS launched its Supplier Sustainability Assessment Platform and initiated on-boarding of its top supply chain partners in FY 2023. Through this platform, TCS plans to support its suppliers with engagement and guidance to help them improve their sustainability performance.

   During FY 2023, TCS has also implemented system-enabled database checks and risk profiling of its top 80% suppliers (by spend) across sectors and geographies. Of the top 80% suppliers by spend, 20% suppliers have already completed sustainability assessment for environment criteria.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations[99]**

   9 in India, and 3 outside India. TCS works with various leading trade bodies/ industry chambers/ associations in India. In addition, TCS collaborates with bilateral/ multilateral international chambers, based out of India, on multiple technology and trade related matters.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to[100]**

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	National Association of Software and Service Companies (NASSCOM)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
5	Public Affairs Forum of India (PAFI)	National
6	The Information Technology Industry Council	International
7	BitKom	International
8	Indo American Chamber of Commerce (IACC)	National
9	Whitehall and Industry Group	International
10	British Business Promotion Association	International

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

97 GRI 308-2
98 GRI 308-1, GRI 308-2
99 GRI 2-28
100 GRI 2-28

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1.	**Special Economic Zones (SEZ) reforms introduced by GOI:** Recommendations for inclusion of hybrid working, ease of compliances and reporting in SEZs	• Industry meetings with Ministry of Electronics and Information and Technology (MeitY), Department of Commerce, Ministry of Finance (MoF). • Participation in round tables discussions and consultations organized by industry associations such as CII, FICCI, NASSCOM. • Recommendations submitted to relevant government departments, trade associations on request.	Yes	As and when required.	https://www.tcs.com/investor-relations/public-policy-positions-details
2.	**GOI's endeavor to facilitate Free Trade Agreements (FTAs) to leverage India's ability to be a key trading partner:** Engagements and recommendations highlighting potential for the services sector arising out of FTAs	• Multiple engagements with governments to share concerns over totalization, mobility of resources, amongst other challenges. • Shared inputs as a part of industry representations with relevant government departments- Department of Commerce, and industry bodies such as CII, FICCI, NASSCOM, highlighting challenges related to non-tariff barriers (NTBs), mobility of STEM talent and other issues related to taxation.	Partially	As and when required.	
3.	**Promoting trade in goods and services:** Recommendations on India's Foreign Trade Policy (FTP) (released on 31st March 2023) by the Ministry of Commerce, GOI	• Engaged through the Board of Trade wherein Rajesh Gopinathan, CEO and MD was appointed as a non-official member by the Ministry of Commerce and Industry. • Provided the Ministry with regular inputs and recommendations on the sectoral opportunities for India.	Yes	As and when required.	
4.	**Data regulation policies by the GOI:** Recommendations on the Digital Personal Data Protection Bill (DPDPB), 2022	• Participated in the consultation process facilitated by MeitY. • Submitted recommendations on applicability, definitions amongst other recommendations.	Yes	As and when required.	
5.	**Ongoing engagements on policies and regulations under consideration by Government of India and maybe important for the technology sector, namely:** A. Telecom- 5G B. Digital India Act C. National Data Governance Policy D. DESH Bill- Cybersecurity	• Engaging with multiple Ministries and relevant working committees. • Participated in policy discussions, consultations, round-tables and/or expert meetings to share insights on critical upcoming policies and regulations such as- Draft Telecommunications Bill, Proposed Digital India Act, National Data Governance Policy, Draft DESH Bill and on topical issues such as cybersecurity.	Yes	As and when required.	

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year[101].**

Name and brief details of project	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
BridgeIT program, Development Focus, Bangalore	Yes	Yes	https://on.tcs.com/BridgeIT-2023

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   Not applicable for TCS.

3. **Describe the mechanisms to receive and redress grievances of the community[102].**

   All agreements between TCS and the stakeholders, contain clauses on handling of grievances, disputes etc. Additionally, TCS Regional Leaders are connected at the ground level and provide feedback for implementation if any. Post program implementation, surveys and questionnaires capture the feedback which is duly implemented.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers[103]**:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / small producers	12.9%	8.4%
Sourced directly from within the district and neighboring districts	91.6%	91.0%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable for TCS.

101 GRI 413-1
102 GRI 2-25, GRI 413-1
103 GRI 204-1

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No.	Program	State	Aspirational District	Amount spent (in ₹ crore)
1	Youth Employment Program	Andaman and Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chandigarh, Chhattisgarh, Dadra and Nagar Haveli, Daman and Diu, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Ladakh, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Punjab, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand and West Bengal	Agra, Alwar, Anuppur, Araria, Aurangabad, Bahraich, Balangir, Ballia, Balrampur, Banas kantha, Banka, Bankura, BaraBanki, Baramula, Bareilly, Bastar, Basti, Belgaum, Bellary, Bhadradri Kothagudem, Bhagalpur, Bharatpur, Bharuch, Bhavnagar, Bhojpur, Beed, Birbhum, Chamba, Chandauli, Chhindwara, Chitradurga, Cuddalore, Dakshin, Darbhanga, Darrang, Deoghar, Deoria, Dewas, Dhalai, Dhanbad, Dhenkanal, Dhule, Dohad, Dumka, Dungarpur, East Champaran, East Khasi Hills, Faizabad, Fatehpur, Firozpur, Gadchiroli, Gajapati, Garhchiroli, Gaya, Goalpara, Gonda, Gopalganj, Hardoi, Haridwar, Hazaribagh, Jabalpur, Jalgaon, Jalpaiguri, Jamtara, Jashpur Kamrup, Metropolitan, Kandhamal, Kannur, Karaikal, Kendujhar, Kheda, Cooch Behar, Kokrajhar, Kupwara, Kurnool, Lakshadweep, Madhubani, Malappuram, Malkangiri, Mau Mayurbhanj, Meerut, Moradabad, Murshidabad, Muzaffarpur, Nagaon, Nagapattinam, Nalanda, Nalgonda, Nandurbar, Nizamabad, North Tripura, Osmanabad, Palakkad, Panchmahal, Paschim Bardhaman, Pashchimi Singhbhum, Patna, Prakasam, Pratapgarh, Purba Bardhaman, Purnia, Puruliya, Rae Bareli, Raichur, Raigarh, Raipur Rajnandgaon, Ramgarh, Ranchi, Rewa, Ri Bhoi, Rohtas, Sabarkantha, Sagar, Sahibganj, Salem, Saraikela-Kharsawan, Satna, Seoni, Shahjahanpur, Sitapur, Sonbhadra, South 24 Parganas, Surguja, Tirunelveli, Tirupur, Tiruvannamalai, Tumakuru, Udham Singh Nagar, Ujjain, Unnao, Vadodara, Vaishali, Valsad, Vidisha, Viluppuram, Virudhunagar, Visakhapatnam, Vizianagaram, Wayanad, West Nimar, YSR Kadapa, Yadgir, Yavatmal	7.63
2	BridgeIT	Mizoram, Karnataka, Odisha, Jharkhand	Aizawl, Raichur, Raichur, Yadgir, Gajapati, Rayagada, Lohardaga and Latehar	1.46
3	LaaS	Bihar, Chandigarh, Delhi, Gujarat, Madhya Pradesh, Maharashtra, Odisha, Punjab, Telangana, Uttar Pradesh, West Bengal	Bhavnagar, Indore, Ujjain, Dhar, Jhabua, West Nimar, Dahod, Alirajpur, Seoni, Palghar, Barwani, Guna, Rajgarh, Damoh, Chhatarpur, Singrauli, Mandla, Anuppur, Balaghat, Betul, Burhanpur, Chhindwara, Dewas, Dindori, Gwalior, Jabalpur, Katni, Morena, Raisen, Ratlam, Rewa, Sagar, Satna, Shahdol, Shivpuri, Sidhi, Umaria, Vidisha	0.92
4	goIT	Kerala, Gujarat, Maharashtra, Andhra Pradesh, Tamil Nadu, Telangana, Karnataka, Uttar Pradesh, Manipur, Madhya Pradesh, Odisha, West Bengal, Ladakh	Yavatmal, Dhule, Palnadu District, Vadodara, Palakkad, Visakhapatnam, Dhenkanal, Kendujhar	0.60
5	Ignite My Future	Tamil Nadu, Kerala, West Bengal, Puducherry, Karnataka, Maharashtra, Uttar Pradesh, Ladakh, Andhra Pradesh, Manipur, Rajasthan, Delhi, Jammu & Kashmir, Gujarat, Madhya Pradesh, Odisha, Jharkhand	Bankura, South 24 Parganas, Tumakuru, Ayodhya, Meerut, Raebareli, Sultanpur, Visakhapatnam, Palakkad, Virudhunagar, Bankura, North 24 Parganas, Virudhunagar	0.59

Note:

- The amount mentioned above is for the entire program across all districts (not only the aspirational ones).

3. a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

While procuring goods/services from MSME vendors, TCS treats MSME vendors at par with non MSME vendors. However, TCS follows more preferential payment norms for MSME vendors.

b) **From which marginalized /vulnerable groups do you procure?**

Please refer to the above answer

c) **What percentage of total procurement (by value) does it constitute?**

Please refer to answer for Q.4 in Principle 8, Essential indicators

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr.No.	Intellectual Property based on traditonal knowledge	Owned / Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating Benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects**:

Sr.No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Literacy as a Service (LaaS)	1,328,976	60%
2	BridgeIT	319,547	77%
3	Youth Employment Program	31,155	17%
4	goIT	41,971	77%
5	Ignite My Future	293,697	70%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback[104]**.

TCS' customers are large enterprises, typically Fortune 1000 or Global 2000 corporations. They are provided with multiple mechanisms to report complaints or feedback.

Each customer concern is addressed with utmost care at all levels. TCS teams acknowledge, analyze the incidents and develop an action plan to resolve it. The team engages with the customer, to validate the action plan and regularly updates customers about the progress of action taken.

TCS has a structured approach to receive feedback from customers periodically. Such feedback is analyzed for improvements and action plans are implemented to ensure utmost customer satisfaction.

For privacy specific complaints, they can also raise incidents with TCS' Data Protection or Privacy Officers. The contact details of the data protection and privacy officers is available in TCS website at https://www.tcs.com/privacy-policy or as otherwise notified to the customers from time to time.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Not Applicable

[104] GRI 2-25

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	19	5	TCS treats Customers as consumers. These complaints pertain to accidental data sharing with unintended recipients	6	2	TCS treats Customers as consumers. These complaints pertain to accidental data sharing with unintended recipients
Advertising	NA	NA	NA	NA	NA	NA
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL

4. **Details of instances of product recalls on account of safety issues:**

   Not applicable.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy[105].**

   TCS has information security policy which covers for cybersecurity and is approved by top management.

   TCS has deployed cybersecurity framework which is aligned with NIST CSF[106].

   TCS' commitment to privacy is espoused in the company's Global Privacy Policy. This is accessible from TCS website.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Please refer to the answer to Q.5 above. All the initiatives explained above has ensured that TCS did not have any incidents leading to regulatory issues / penalties.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   www.tcs.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**.

   Not applicable, as TCS does not have any products/services that can entail safety issues or a usage abuse.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Each customer relationship in TCS has a business continuity mechanism to handle any disruption of services/products and a suitable communication plan.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Not Applicable

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact:** As a data fiduciary, TCS has not had any data breach incidents in FY 2023.

   b. **Percentage of data breaches involving personally identifiable information of customers**: 0%

105 GRI 2-23

106 National Institute of Standards and Technology (NIST) CSF is Cybersecurity framework published by NIST (Standards Institute in USA) which enables organization to improve Cybersecurity for its critical infrastructure.

Consolidated
Financial Statements

Independent Auditor's Report

To the Members of
Tata Consultancy Services Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tata Consultancy Services Limited (hereinafter referred to as the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition– Fixed price contracts where revenue is recognized using percentage of completion method	
See Note 5(a) and Note 12 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group inter alia engages in Fixed-price contracts, wherein, revenue is recognized using the percentage of completion computed as per the input method based on the Group's estimate of contract costs. We identified revenue recognition of fixed price contracts where the percentage of completion is used as a key audit matter since- • there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised considering the customised and complex nature of these contracts and significant inputs of IT systems;	Our audit procedures included the following: • Obtained an understanding of the systems, processes and controls implemented by the Group for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances. • Involvement of our Information technology ('IT') specialists, as required: ➢ Assessed the IT environment in which the business systems operate and tested system controls over computation of revenue recognised; ➢ Tested the IT controls over appropriateness of cost and revenue reports generated by the system;

The key audit matter	How the matter was addressed in our audit
• application of revenue recognition accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves a number of key judgments and estimates in mainly identifying performance obligations, related transaction price and estimating the future cost-to- completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation; • these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Group; and • at year-end, significant amount of work in progress (Contract assets), related to these contracts are recognised on the balance sheet.	➢ Tested the controls pertaining to allocation of resources and budgeting systems which prevent the unauthorized recording/ changes to costs incurred; and ➢ Tested on a random sampling basis the controls relating to the estimation of contract costs required to complete the respective projects. • On selected specific and statistical samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard including – ➢ Evaluated the identification of performance obligations and the ascribed transaction price; ➢ For testing the Group's computation of the estimation of contract costs and onerous obligations, if any. We: • assessed that the estimates of costs to complete were reviewed and approved by appropriate designated management personnel; • performed a retrospective analysis of costs incurred with estimated costs to identify significant variations and challenged whether those variations are required to be considered in estimating the remaining costs to complete the contract; • assessed the appropriateness of work in progress (contract assets) on balance sheet date by evaluating the underlying documentation to identify possible changes in estimated costs to complete the remaining performance obligations; and • inspected underlying documents and performed analytics to determine reasonableness of contract costs.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and auditor's reports thereon. The Holding Company's Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing

the ability of each company 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 financial statements.

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 financial statements, 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 in preparation of consolidated financial statements 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 financial statements 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other companies included in the consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements

have been kept so far as it appears from our examination of those books.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March 2023, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer income tax liabilities disclosed in the consolidated balance sheet along with Note 10(g) and Note 20 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Subsidiary Companies incorporated in India during the year ended 31 March 2023.

d. (i) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 23 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company represented that, to the best of their knowledge and belief, as disclosed in the Note 23 to the consolidated financial statements, no funds have been received by the Holding Company or any of its subsidiary companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as

provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

The final dividend paid by the Holding Company and its subsidiary companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 29 to the financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of its subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The subsidiary companies incorporated in India have not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
ICAI UDIN:23060154BGXCZT4611

Place : Mumbai
Date : 12 April 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Consultancy Services Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks. In respect of the following entities the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the Subsidiaries	CIN
MP Online Limited	U72400MP2006PLC018777
APT Online Limited	U75142TG2002PLC039671
C-Edge Technologies Limited	U72900MH2006PLC159038
Mahaonline Limited	U72900MH2010PLC206026
TCS e-Serve International Limited	U72300MH2007PLC240002

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
ICAI UDIN:23060154BGXCZT4611

Place : Mumbai
Date : 12 April 2023

Annexure B to the Independent Auditor's Report on the Consolidated Financial Statements of Tata Consultancy Services Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Tata Consultancy Services Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013, which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154
ICAI UDIN:23060154BGXCZT4611

Place : Mumbai
Date : 12 April 2023

Consolidated Balance Sheet

(₹ crore)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	10(a)	10,230	10,774
Capital work-in-progress	10(a)	1,234	1,205
Right-of-use assets	9	7,560	7,636
Goodwill	10(b)	1,858	1,787
Other intangible assets	10(c)	867	1,101
Financial assets			
Investments	8(a)	266	223
Trade receivables			
Billed	8(b)	149	145
Unbilled		199	55
Loans	8(e)	173	311
Other financial assets	8(f)	2,149	2,253
Income tax assets (net)		2,583	1,983
Deferred tax assets (net)	17	3,307	3,708
Other assets	10(d)	2,806	2,023
Total non-current assets		**33,381**	**33,204**
Current assets			
Inventories	10(e)	28	20
Financial assets			
Investments	8(a)	36,897	30,262
Trade receivables			
Billed	8(b)	41,049	34,074
Unbilled		8,905	7,736
Cash and cash equivalents	8(c)	7,123	12,488
Other balances with banks	8(d)	3,909	5,733
Loans	8(e)	1,325	6,445
Other financial assets	8(f)	1,319	1,390
Income tax assets (net)		8	11
Other assets	10(d)	9,707	10,151
Total current assets		**1,10,270**	**1,08,310**
TOTAL ASSETS		**1,43,651**	**1,41,514**
EQUITY AND LIABILITIES			
Equity			
Share capital	8(k)	366	366
Other equity		90,058	88,773
Equity attributable to shareholders of the Company		**90,424**	**89,139**
Non-controlling interests		782	707
Total equity		**91,206**	**89,846**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		6,203	6,368
Other financial liabilities	8(g)	353	572
Employee benefit obligations	13	536	677
Deferred tax liabilities (net)	17	792	590
Unearned and deferred revenue		1,003	1,110
Total non-current liabilities		**8,887**	**9,317**
Current liabilities			
Financial liabilities			
Lease liabilities		1,485	1,450
Trade payables		10,515	8,045
Other financial liabilities	8(g)	9,068	7,687
Unearned and deferred revenue		3,843	3,635
Other liabilities	10(f)	4,892	8,392
Provisions	10(g)	345	1,411
Employee benefit obligations	13	4,065	3,810
Income tax liabilities (net)		9,345	7,921
Total current liabilities		**43,558**	**42,351**
TOTAL EQUITY AND LIABILITIES		**1,43,651**	**1,41,514**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Consolidated Statement of Profit and Loss

(₹ crore)

	Note	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	12	2,25,458	1,91,754
Other income	13	3,449	4,018
TOTAL INCOME		**2,28,907**	**1,95,772**
Expenses			
Employee benefit expenses	14	127,522	107,554
Cost of equipment and software licences	15(a)	1,881	1,163
Finance costs	16	779	784
Depreciation and amortisation expense		5,022	4,604
Other expenses	15(b)	36,796	29,980
TOTAL EXPENSES		**1,72,000**	**1,44,085**
PROFIT BEFORE TAX		**56,907**	**51,687**
Tax expense			
Current tax	17	14,757	13,654
Deferred tax	17	(153)	(416)
TOTAL TAX EXPENSE		**14,604**	**13,238**
PROFIT FOR THE YEAR		**42,303**	**38,449**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans		350	261
Net change in fair values of investments in equity shares carried at fair value through OCI		(2)	(4)
Income tax on items that will not be reclassified subsequently to profit or loss		(75)	19
Items that will be reclassified subsequently to profit or loss			
Net change in fair values of investments other than equity shares carried at fair value through OCI		(679)	(516)
Net change in intrinsic value of derivatives designated as cash flow hedges		(25)	(37)
Net change in time value of derivatives designated as cash flow hedges		32	(34)
Exchange differences on translation of financial statements of foreign operations		655	20
Income tax on items that will be reclassified subsequently to profit or loss		236	196
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		**492**	**(95)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**42,795**	**38,354**
Profit for the year attributable to:			
Shareholders of the Company		42,147	38,327
Non-controlling interests		156	122
		42,303	**38,449**
Other comprehensive income for the year attributable to:			
Shareholders of the Company		493	(63)
Non-controlling interests		(1)	(32)
		492	**(95)**
Total comprehensive income for the year attributable to:			
Shareholders of the Company		42,640	38,264
Non-controlling interests		155	90
		42,795	**38,354**
Earnings per equity share:- Basic and diluted (₹)	18	115.19	103.62
Weighted average number of equity shares		365,90,51,373	369,88,32,195

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Consolidated Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ crore)

Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
366	-	366	-	366

(₹ crore)

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
370	-	370	(4)	366

*Refer Note 8(m).

B. OTHER EQUITY

(₹ crore)

	Reserves and surplus						Items of other comprehensive income				Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Capital reserve	Capital redemption reserve	General reserve	Special Economic Zone re-investment reserve	Retained earnings	Statutory reserve	Investment revaluation reserve	Cash flow hedging reserve		Foreign currency translation reserve			
								Intrinsic value	Time value				
Balance as at April 1, 2022	**75**	**440**	**-**	**7,287**	**78,158**	**162**	**488**	**27**	**(53)**	**2,189**	**88,773**	**707**	**89,480**
Profit for the year	-	-	-	-	42,147	-	-	-	-	-	42,147	156	42,303
Other comprehensive income / (losses)	-	-	-	-	275	-	(447)	(19)	25	659	493	(1)	492
Total comprehensive income	**-**	**-**	**-**	**-**	**42,422**	**-**	**(447)**	**(19)**	**25**	**659**	**42,640**	**155**	**42,795**
Dividend	-	-	-	-	(41,347)	-	-	-	-	-	(41,347)	(63)	(41,410)
Purchase of non-controlling interests	-	-	-	-	(8)	-	-	-	-	-	(8)	(17)	(25)
Transfer to Special Economic Zone re-investment reserve	-	-	-	8,380	(8,380)	-	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	(3,858)	3,858	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	-	-	19	(19)	-	-	-	-	-	-	-
Balance as at March 31, 2023	**75**	**440**	**-**	**11,809**	**74,722**	**143**	**41**	**8**	**(28)**	**2,848**	**90,058**	**782**	**90,840**
Balance as at April 1, 2021	**75**	**436**	**27**	**2,538**	**79,586**	**407**	**828**	**56**	**(27)**	**2,137**	**86,063**	**675**	**86,738**
Profit for the year	-	-	-	-	38,327	-	-	-	-	-	38,327	122	38,449
Other comprehensive income / (losses)	-	-	-	-	280	-	(340)	(29)	(26)	52	(63)	(32)	(95)
Total comprehensive income	**-**	**-**	**-**	**-**	**38,607**	**-**	**(340)**	**(29)**	**(26)**	**52**	**38,264**	**90**	**38,354**
Dividend	-	-	-	-	(13,317)	-	-	-	-	-	(13,317)	(58)	(13,375)
Expenses for buy-back of equity shares	-	-	-	-	(49)	-	-	-	-	-	(49)	-	(49)
Tax on liability towards buy-back of equity shares	-	-	-	-	(4,192)	-	-	-	-	-	(4,192)	-	(4,192)
Buy-back of equity shares	-	4	-	-	(18,000)	-	-	-	-	-	(17,996)	-	(17,996)
Transfer to Special Economic Zone re-investment reserve	-	-	-	9,407	(9,407)	-	-	-	-	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	(4,658)	4,658	-	-	-	-	-	-	-	-
Transfer to reserves	-	-	(27)	-	272	(245)	-	-	-	-	-	-	-
Balance as at March 31, 2022	**75**	**440**	**-**	**7,287**	**78,158**	**162**	**488**	**27**	**(53)**	**2,189**	**88,773**	**707**	**89,480**

Gain of ₹275 crore and ₹280 crore on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2023 and 2022, respectively.

Total equity (primarily retained earnings) includes ₹1,601 crore and ₹1,759 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

Nature and purpose of reserves

(a) Capital reserve

The Group recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(c) General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(d) Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilised by the Group for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

(e) Retained earnings

This reserve represents undistributed accumulated earnings of the Group as on the balance sheet date.

(f) Statutory reserve

Statutory reserves are created to adhere to requirements of applicable laws and will be utilised in accordance with the said laws.

(g) Investment revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

(h) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

(i) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Consolidated Statement of Cash Flows

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	42,303	38,449
Adjustments for:		
Depreciation and amortisation expense	5,022	4,604
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	140	135
Tax expense	14,604	13,238
Net (gain) / loss on lease modification	2	(7)
Net loss on sub-lease	-	9
Unrealised foreign exchange gain	(189)	(120)
Net gain on disposal of property, plant and equipment	(26)	(23)
Net gain on disposal / fair valuation of investments	(224)	(198)
Interest income	(3,248)	(2,663)
Dividend income	(15)	(4)
Finance costs	779	784
Operating profit before working capital changes	**59,148**	**54,204**
Net change in		
Inventories	(8)	(12)
Trade receivables		
Billed	(6,501)	(4,210)
Unbilled	(1,182)	(934)
Loans and other financial assets	261	(116)
Other assets	(25)	807
Trade payables	2,036	186
Unearned and deferred revenue	39	(103)
Other financial liabilities	1,417	1,153
Other liabilities and provisions	(254)	460
Cash generated from operations	**54,931**	**51,435**
Taxes paid (net of refunds)	(12,966)	(11,486)
Net cash generated from operating activities	**41,965**	**39,949**
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank deposits placed	(4,548)	(15,947)
Inter-corporate deposits placed	(8,293)	(14,619)
Purchase of investments#	(1,29,745)	(75,374)
Payment for purchase of property, plant and equipment	(2,532)	(2,483)
Payment including advances for acquiring right-of-use assets	(213)	(15)
Payment for purchase of intangible assets	(355)	(497)
Proceeds from bank deposits	6,252	11,950
Proceeds from inter-corporate deposits	13,654	19,498
Proceeds from disposal / redemption of investments#	1,22,687	73,852
Proceeds from sub-lease receivable	2	3

Consolidated Statement of Cash Flows

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Proceeds from disposal of property, plant and equipment	37	31
Interest received	3,080	2,700
Dividend received	13	4
Net cash generated from / (used in) investing activities	**39**	**(897)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(1,515)	(1,417)
Interest paid	(779)	(698)
Dividend paid	(41,347)	(13,317)
Dividend paid to non-controlling interests	(63)	(58)
Transfer of funds to buy-back escrow account	-	(180)
Transfer of funds from buy-back escrow account	18	162
Expenses for buy-back of equity shares	-	(49)
Tax on buy-back of equity shares	(4,192)	-
Buy-back of equity shares	-	(18,000)
Advance towards purchase of non-controlling interests	-	(24)
Net cash used in financing activities	**(47,878)**	**(33,581)**
Net change in cash and cash equivalents	**(5,874)**	**5,471**
Cash and cash equivalents at the beginning of the year	12,488	6,858
Exchange difference on translation of foreign currency cash and cash equivalents	509	159
Cash and cash equivalents at the end of the year	**7,123**	**12,488**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	2,114	2,211
In deposit accounts	4,999	10,277
Cheques on hand	-*	-*
Cash on hand	-*	-*
Remittances in transit	10	-*
	7,123	**12,488**

*Represents values less than ₹0.50 crore.

#Purchase of investments include ₹165 crore and ₹17 crore for the years ended March 31, 2023 and 2022, respectively, and proceeds from disposal / redemption of investments include ₹161 crore and ₹87 crore for the years ended March 31, 2023 and 2022, respectively, held by trusts and TCS Foundation held for specified purposes.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Notes forming part of Consolidated Financial Statements

1) Corporate information

Tata Consultancy Services Limited ("the Company") and its subsidiaries (collectively together with employee welfare trusts referred to as "the Group") provide IT services, consulting and business solutions and have been partnering with many of the world's largest businesses in their transformation journeys. The Group offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model recognised as a benchmark of excellence in software development.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is TCS House, Raveline Street, Fort, Mumbai- 400001. As at March 31, 2023, Tata Sons Private Limited, the holding company owned 72.27% of the Company's equity share capital.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2023 and authorised for issue on April 12, 2023.

2) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These consolidated financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹). The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the consolidated financial statements have been discussed in the respective notes.

4) Basis of consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group companies are consolidated on a line-by-line basis and all inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average

exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity. When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to statement of profit and loss as part of the gain or loss on disposal.

5) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of consolidated financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Group uses the following critical accounting estimates in preparation of its consolidated financial statements:

(a) Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

(b) Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(c) Impairment of goodwill

The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

(d) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(f) Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(g) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

(h) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease

if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

6) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

7) Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

8) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Cash and cash equivalents
The Group considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost
Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities
Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments
An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received net of direct issue cost.

Derivative accounting

- **Instruments in hedging relationship**

  The Group designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

  The Group uses hedging instruments that are governed by the policies of the Company and its subsidiaries which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries.

  The hedge instruments are designated and documented as hedges at the inception of the contract. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

  The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve.

  The Group separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit and loss.

  Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

- **Instruments not in hedging relationship**

  The Group enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured

through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(a) Investments

Investments consist of the following:

Investments – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Investments designated at fair value through OCI		
Fully paid equity shares (unquoted)		
Mozido LLC	82	76
FCM LLC	62	57
Taj Air Limited	19	19
Philippine Dealing System Holdings Corporation	7	7
Less: Impairment in value of investments	(134)	(123)
Investments carried at amortised cost		
Government bonds and securities (quoted)	188	187
Corporate bonds (quoted)	42	-
	266	**223**

Investments – Non-current includes ₹229 crore and ₹187 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts held for specified purposes.

Investments - Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Investments carried at fair value through profit or loss		
Mutual fund units (quoted)	2,296	1,874
Investments carried at fair value through OCI		
Government bonds and securities (quoted)	26,128	25,667
Corporate bonds (quoted)	3,110	1,242
Investments carried at amortised cost		
Corporate bonds (quoted)	10	10
Certificate of deposits (quoted)	2,955	99
Commercial papers (quoted)	2,398	381
Treasury bills (quoted)	-	989
	36,897	**30,262**

Investments – Current includes ₹68 crore and ₹100 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

Government bonds and securities includes bonds pledged with bank for credit facility and with manager to the buy-back amounting to ₹1,650 crore and ₹3,560 crore as at March 31, 2023 and 2022, respectively.

Aggregate value of quoted and unquoted investments is as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Aggregate value of quoted investments	37,127	30,449
Aggregate value of unquoted investments (net of impairment)	36	36
Aggregate market value of quoted investments	37,121	30,455
Aggregate value of impairment of investments	134	123

Market value of quoted investments carried at amortised cost is as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Government bonds and securities	186	192
Corporate bonds	50	10
Certificate of deposits	2,951	99
Commercial papers	2,400	381
Treasury bills	-	990

Equity instruments designated at fair value through OCI are as follows:

(₹ crore)

In Numbers	Currency	Face value per share	Equity instruments designated at fair value through OCI	As at March 31, 2023	As at March 31, 2022
			Fully paid equity shares (unquoted)		
1,00,00,000	USD	1	Mozido LLC	82	76
15	USD	5,00,000	FCM LLC	62	57
1,90,00,000	INR	10	Taj Air Limited	19	19
5,00,000	PHP	100	Philippine Dealing System Holdings Corporation	7	7
			Less: Impairment in value of investments	(134)	(123)
				36	**36**

The movement in fair value of investments carried / designated at fair value through OCI is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**488**	**828**
Net loss arising on revaluation of financial assets carried at fair value	(2)	(4)
Net loss arising on revaluation of investments other than equities carried at fair value through other comprehensive income	(676)	(516)
Deferred tax relating to net loss arising on revaluation of investments other than equities carried at fair value through other comprehensive income	233	180
Net cumulative gain reclassified to statement of profit and loss on sale of investments other than equities carried at fair value through other comprehensive income	(3)	-
Deferred tax relating to net cumulative gain reclassified to statement of profit and loss on sale of investments other than equities carried at fair value through other comprehensive income	1	-
Balance at the end of the year	**41**	**488**

(b) Trade receivables – Billed

Trade receivables- Billed (unsecured) consist of the following:

Trade receivables - Billed - Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Trade receivables- Billed	824	1,013
Less: Allowance for doubtful trade receivables- Billed	(675)	(868)
Considered good	**149**	**145**

Ageing for trade receivables – non-current outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	-	71	83	638	792
Disputed trade receivables – considered good	-	-	-	-	8	24	32
	-	**-**	**-**	**71**	**91**	**662**	**824**
Less: Allowance for doubtful trade receivables - Billed							**(675)**
							149
Trade receivables - Unbilled							**199**
							348

Ageing for trade receivables – non-current outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	12	123	247	615	997
Disputed trade receivables – considered good	-	-	-	-	-	16	16
	-	**-**	**12**	**123**	**247**	**631**	**1013**
Less: Allowance for doubtful trade receivables- Billed							**(868)**
							145
Trade receivables - Unbilled							**55**
							200

Trade receivables - Billed – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Trade receivables- Billed	41,244	34,253
Less: Allowance for doubtful trade receivables- Billed	(297)	(219)
Considered good	**40,947**	**34,034**
Trade receivables- Billed	343	286
Less: Allowance for doubtful trade receivables- Billed	(241)	(246)
Credit impaired	**102**	**40**
	41,049	**34,074**

Ageing for trade receivables – current outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	36,529	3,360	889	119	53	256	41,206
Undisputed trade receivables – credit impaired	65	42	2	24	36	170	339
Disputed trade receivables – considered good	-	-	12	1	-	25	38
Disputed trade receivables – credit impaired	-	-	-	-	1	3	4
	36,594	**3,402**	**903**	**144**	**90**	**454**	**41,587**
Less: Allowance for doubtful trade receivables- Billed							**(538)**
							41,049
Trade receivables - Unbilled							**8,905**
							49,954

Ageing for trade receivables – current outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	30,102	2,601	582	585	154	205	34,229
Undisputed trade receivables – credit impaired	2	3	7	81	25	152	270
Disputed trade receivables – considered good	-	-	-	-	-	24	24
Disputed trade receivables – credit impaired	-	-	-	9	-	7	16
	30,104	**2,604**	**589**	**675**	**179**	**388**	**34,539**
Less: Allowance for doubtful trade receivables- Billed							**(465)**
							34,074
Trade receivables - Unbilled							**7,736**
							41,810

(c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	2,114	2,211
In deposit accounts	4,999	10,277
Cheques on hand	-*	-*
Cash on hand	-*	-*
Remittances in transit	10	-*
	7,123	**12,488**

*Represents value less than ₹0.50 crore.

Balances with banks in current accounts include ₹8 crore and ₹32 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts held for specified purposes.

(d) Other balances with banks

Other balances with banks consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks	685	226
Short-term bank deposits	3,224	5,507
	3,909	**5,733**

Earmarked balances with banks primarily relate to margin money for purchase of investments, margin money for derivative contracts, unclaimed dividends and liquidity backstop as a part of regulatory requirements.

(e) Loans

Loans (unsecured) consist of the following:

Loans – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Inter-corporate deposits	170	303
Loans and advances to employees	3	8
	173	**311**

Loans – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Inter-corporate deposits	846	6,074
Loans and advances to employees	479	371
Credit impaired		
Loans and advances to employees	32	23
Less: Allowance on loans and advances to employees	(32)	(23)
	1,325	**6,445**

Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them. Inter-corporate deposits include ₹932 crore and ₹978 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

(f) Other financial assets

Other financial assets consist of the following:

Other financial assets – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	614	825
Earmarked balances with banks	192	183
Long-term bank deposits	1,334	1,232
Interest receivable	2	-
Others	7	13
	2,149	**2,253**

Other financial assets - Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	378	178
Fair value of foreign exchange derivative assets	191	388
Interest receivable	720	648
Others	30	176
	1,319	**1,390**

Interest receivable includes ₹66 crore and ₹34 crore as at March 31, 2023 and 2022, respectively, pertaining to trusts and TCS Foundation held for specified purposes.

(g) Trade Payables

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
Others	1,776	1,903	-	9	42	3,730
Disputed dues- Others	-	-	-	-	29	29
	1776	**1903**	**-**	**9**	**71**	**3,759**
Accrued expenses						**6,756**
						10,515

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
Others	1,187	778	22	8	52	2,047
Disputed dues- Others	-	-	-	-	32	32
	1187	**778**	**22**	**8**	**84**	**2,079**
Accrued expenses						**5,966**
						8,045

(h) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Capital creditors	120	339
Others	233	233
	353	**572**

Others include advance taxes paid of ₹226 crore and ₹226 crore as at March 31, 2023 and 2022, respectively, by the seller of TCS e-Serve Limited (merged with the Company) which, on refund by tax authorities, is payable to the seller.

Other financial liabilities – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Accrued payroll	6,847	5,572
Unclaimed dividends	51	46
Fair value of foreign exchange derivative liabilities	141	128
Capital creditors	731	771
Liabilities towards customer contracts	1,137	1,034
Others	161	136
	9,068	**7,687**

(i) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

(₹ crore)

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets						
Cash and cash equivalents	-	-	-	-	7,123	7,123
Bank deposits	-	-	-	-	4,558	4,558
Earmarked balances with banks	-	-	-	-	877	877
Investments	2,296	29,274	-	-	5,593	37,163
Trade receivables						
Billed	-	-	-	-	41,198	41,198
Unbilled	-	-	-	-	9,104	9,104
Loans	-	-	-	-	1,498	1,498
Other financial assets	-	-	37	154	1,751	1,942
	2,296	**29,274**	**37**	**154**	**71,702**	**1,03,463**
Financial liabilities						
Trade payables	-	-	-	-	10,515	10,515
Lease liabilities	-	-	-	-	7,688	7,688
Other financial liabilities	-	-	-	141	9,280	9,421
	-	**-**	**-**	**141**	**27,483**	**27,624**

Loans include inter-corporate deposits of ₹1,016 crore, with original maturity period within 24 months.

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(₹ crore)

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets						
Cash and cash equivalents	-	-	-	-	12,488	12,488
Bank deposits	-	-	-	-	6,739	6,739
Earmarked balances with banks	-	-	-	-	409	409
Investments	1,874	26,945	-	-	1,666	30,485
Trade receivables						
Billed	-	-	-	-	34,219	34,219
Unbilled	-	-	-	-	7,791	7,791
Loans	-	-	-	-	6,756	6,756
Other financial assets	-	-	124	264	1,840	2,228
	1,874	**26,945**	**124**	**264**	**71,908**	**1,01,115**
Financial liabilities						
Trade payables	-	-	-	-	8,045	8,045
Lease liabilities	-	-	-	-	7,818	7,818
Other financial liabilities	-	-	22	106	8,131	8,259
	-	**-**	**22**	**106**	**23,994**	**24,122**

Loans include inter-corporate deposits of ₹6,377 crore, with original maturity period within 36 months.

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at March 31, 2023 and 2022, approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required. Fair value of investments carried at amortised cost is ₹5,587 crore and ₹1,672 crore as at March 31, 2023 and 2022, respectively.

(j) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

(₹ crore)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	2,296	-	-	2,296
Equity shares	-	-	36	36
Government bonds and securities	26,314	-	-	26,314
Corporate bonds	3,160	-	-	3,160
Certificate of deposits	2,951	-	-	2,951
Commercial papers	2,400	-	-	2,400
Fair value of foreign exchange derivative assets	-	191	-	191
	37,121	**191**	**36**	**37,348**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	141	-	141
	-	**141**	**-**	**141**

(₹ crore)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	1,874	-	-	1,874
Equity shares	-	-	36	36
Government bonds and securities	25,859	-	-	25,859
Corporate bonds	1,252	-	-	1,252
Certificate of deposits	99	-	-	99
Commercial papers	381	-	-	381
Treasury bills	990	-	-	990
Fair value of foreign exchange derivative assets	-	388	-	388
	30,455	**388**	**36**	**30,879**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	128	-	128
	-	**128**	**-**	**128**

Reconciliation of Level 3 fair value measurement of financial assets is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**36**	**93**
Impairment in value of investments	(2)	(4)
Other adjustments during the year	-	(55)
Translation exchange difference	2	2
Balance at the end of the year	**36**	**36**

(k) Derivative financial instruments and hedging activity

The Group's revenue is denominated in various foreign currencies. Given the nature of the business, a large portion of the costs are denominated in Indian Rupee. This exposes the Group to currency fluctuations.

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Group which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Group uses various derivative instruments such as foreign exchange forward, currency options and futures contracts in which the counter party is generally a bank.

The following are outstanding currency options contracts, which have been designated as cash flow hedges:

Foreign currency	As at March 31, 2023			As at March 31, 2022		
	No. of contracts	Notional amount of contracts (In million)	Fair value (₹ crore)	No. of contracts	Notional amount of contracts (In million)	Fair value (₹ crore)
US Dollar	8	225	13	63	1,635	44
Great Britain Pound	22	200	14	41	338	55
Euro	22	203	10	53	382	25
Australian Dollar	-	-	-	30	202	(21)
Canadian Dollar	-	-	-	25	137	(1)

*Represents value less than ₹0.50 crore.

The movement in cash flow hedging reserve for derivatives designated as cash flow hedges is as follows:

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Intrinsic value	Time value	Intrinsic value	Time value
Balance at the beginning of the year	**27**	**(53)**	**56**	**(27)**
(Gain) / loss transferred to profit and loss on occurrence of forecasted hedge transactions	(376)	488	(636)	525
Deferred tax on (gain) / loss transferred to profit and loss on occurrence of forecasted hedge transactions	90	(144)	139	(122)
Change in the fair value of effective portion of cash flow hedges	351	(456)	599	(559)
Deferred tax on change in the fair value of effective portion of cash flow hedges	(84)	137	(131)	130
Balance at the end of the year	**8**	**(28)**	**27**	**(53)**

The Group has entered into derivative instruments not in hedging relationship by way of foreign exchange forward, currency options and futures contracts. As at March 31, 2023 and 2022, the notional amount of outstanding contracts aggregated to ₹47,500 crore and ₹46,392 crore, respectively, and the respective fair value of these contracts have a net gain of ₹13 crore and ₹158 crore.

Exchange loss of ₹1,162 crore and gain of ₹645 crore on foreign exchange forward, currency options and futures contracts that do not qualify for hedge accounting have been recognised in the consolidated statement of profit and loss for the years ended March 31, 2023 and 2022, respectively.

Net foreign exchange gain / (loss) include loss of ₹112 crore and gain of ₹111 crore transferred from cash flow hedging reserve for the years ended March 31, 2023 and 2022, respectively.

Net loss on derivative instruments of ₹20 crore recognised in cash flow hedging reserve as at March 31, 2023, is expected to be transferred to the statement of profit and loss by March 31, 2024. The maximum period over which the exposure to cash flow variability has been hedged is through calendar year 2023.

Following table summarises approximate gain / (loss) on Group's other comprehensive income on account of appreciation / depreciation of the underlying foreign currencies:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
10% Appreciation of the underlying foreign currencies	-	(387)
10% Depreciation of the underlying foreign currencies	544	2,034

(I) Financial risk management

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Group.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. Further, any movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenue in international business.

The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currencies of Tata Consultancy Services Limited and its subsidiaries.

The following analysis has been worked out based on the net exposures for each of the subsidiaries and Tata Consultancy Services Limited as of the date of balance sheet which could affect the statement of profit and loss and other comprehensive income and equity. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Group as disclosed in note 8(k).

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2023:

(₹ crore)

	USD	EUR	GBP	Others
Net financial assets	3,869	262	90	2,136
Net financial liabilities	(11,021)	(657)	(1,536)	(270)

10% appreciation / depreciation of the respective functional currency of Tata Consultancy Services Limited and its subsidiaries with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately ₹713 crore for the year ended March 31, 2023.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2022:

(₹ crore)

	USD	EUR	GBP	Others
Net financial assets	2,900	165	84	1,234
Net financial liabilities	(8,589)	(437)	(1,290)	(421)

10% appreciation / depreciation of the respective functional currency of Tata Consultancy Services Limited and its subsidiaries with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately ₹635 crore for the year ended March 31, 2022.

- **Interest rate risk**

  The Group's investments are primarily in fixed rate interest bearing investments. Hence, the Group is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. Inter-corporate deposits of ₹1,016 crore are with a financial institution having a high credit-rating assigned by credit-rating agencies. Bank deposits include an amount of ₹4,273 crore held with three banks having high credit rating which are individually in excess of 10% or more of the Group's total bank deposits as at March 31, 2023. None of the other financial instruments of the Group result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹1,09,258 crore and ₹1,05,498 crore as at March 31, 2023 and 2022, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments, trade receivables, loan, contract assets and other financial assets.

  The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivables and contract assets as at March 31, 2023 and 2022.

- **Geographic concentration of credit risk**

  Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at March 31, 2023		As at March 31, 2022	
	Gross%	Net%	Gross%	Net%
United States of America	43.65	44.31	43.79	44.69
India	15.45	14.06	15.51	13.83
United Kingdom	16.05	16.37	16.47	16.86

Geographical concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31, 2023 and 2022, was ₹126 crore and ₹123 crore respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**1,333**	**1,289**
Change during the year	126	123
Bad debts written off	(253)	(83)
Translation exchange difference	7	4
Balance at the end of the year	**1,213**	**1,333**

Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(₹ crore)

March 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities					
Trade payables	10,515	-	-	-	10,515
Lease liabilities	1,969	1,771	3,185	2,836	9,761
Other financial liabilities	8,948	51	302	9	9,310
	21,432	**1,822**	**3,487**	**2,845**	**29,586**
Derivative financial liabilities	141	-	-	-	141
	21,573	**1,822**	**3,487**	**2,845**	**29,727**

(₹ crore)

March 31, 2022	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities					
Trade payables	8,045	-	-	-	8,045
Lease liabilities	1,850	1,618	3,201	3,150	9,819
Other financial liabilities	7,582	343	231	5	8,161
	17,477	**1,961**	**3,432**	**3,155**	**26,025**
Derivative financial liabilities	128	-	-	-	128
	17,605	**1,961**	**3,432**	**3,155**	**26,153**

(m) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Authorised		
460,05,00,000 equity shares of ₹1 each	460	460
(March 31, 2022: 460,05,00,000 equity shares of ₹1 each)		
105,02,50,000 preference shares of ₹1 each	105	105
(March 31, 2022: 105,02,50,000 preference shares of ₹1 each)		
	565	**565**
Issued, Subscribed and Fully paid up		
365,90,51,373 equity shares of ₹1 each	366	366
(March 31, 2022: 365,90,51,373 equity shares of ₹1 each)		
	366	**366**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Company bought back 4,00,00,000 equity shares for an aggregate amount of ₹18,000 crore being 1.08% of the total paid up equity share capital at ₹4,500 per equity share in the previous year. The equity shares bought back were extinguished on March 29, 2022.

I. Reconciliation of number of shares

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (₹ crore)	Number of shares	Amount (₹ crore)
Equity shares				
Opening balance	**365,90,51,373**	**366**	**369,90,51,373**	**370**
Shares extinguished on buy-back	-	-	(4,00,00,000)	(4)
Closing balance	**365,90,51,373**	**366**	**365,90,51,373**	**366**

II. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹1 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

III. Shares held by Holding company, its Subsidiaries and Associates

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Equity shares		
Holding company		
264,43,17,117 equity shares (March 31, 2022: 264,43,17,117 equity shares) are held by Tata Sons Private Limited	264	264
Subsidiaries and Associates of Holding company		
7,220 equity shares (March 31, 2022: 7,220 equity shares) are held by Tata Industries Limited*	-	-
10,14,172 equity shares (March 31, 2022: 10,14,172 equity shares) are held by Tata Investment Corporation Limited*	-	-
46,798 equity shares (March 31, 2022: 46,798 equity shares) are held by Tata Steel Limited*	-	-
766 equity shares (March 31, 2022: 766 equity shares) are held by The Tata Power Company Limited*	-	-
	264	**264**

*Equity shares having value less than ₹0.50 crore.

IV. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2023	As at March 31, 2022
Equity shares		
Tata Sons Private Limited, the holding company	264,43,17,117	264,43,17,117
% of shareholding	72.27%	72.27%

V. Equity shares movement during 5 years preceding March 31, 2023

- **Equity shares issued as bonus**

  The Company allotted 191,42,87,591 equity shares as fully paid up bonus shares by capitalisation of profits transferred from retained earnings amounting to ₹86 crore and capital redemption reserve amounting to ₹106 crore in the quarter ended June 30, 2018, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

- **Equity shares extinguished on buy-back**

  The Company bought back 4,00,00,000 equity shares for an aggregate amount of ₹18,000 crore being 1.08% of the total paid up equity share capital at ₹4,500 per equity share. The equity shares bought back were extinguished on March 29, 2022.

  The Company bought back 5,33,33,333 equity shares for an aggregate amount of ₹16,000 crore being 1.42% of the total paid up equity share capital at ₹3,000 per equity share. The equity shares bought back were extinguished on January 6, 2021.

  The Company bought back 7,61,90,476 equity shares for an aggregate amount of ₹16,000 crore being 1.99% of the total paid up equity share capital at ₹2,100 per equity share. The equity shares bought back were extinguished on September 26, 2018.

VI. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2023		As at March 31, 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Tata Sons Private Limited	2,64,43,17,117	72.27%	2,64,43,17,117	72.27%	-
Total	**2,64,43,17,117**	**72.27%**	**2,64,43,17,117**	**72.27%**	**-**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2022		As at March 31, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Tata Sons Private Limited	2,64,43,17,117	72.27%	2,66,91,25,829	72.16%	0.11%
Total	**2,64,43,17,117**	**72.27%**	**2,66,91,25,829**	**72.16%**	**0.11%**

9) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease

incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use assets held by the Group is as follows:

(₹ crore)

	Additions for the year ended March 31, 2023	Net carrying amount as at March 31, 2023
Leasehold land	179	940
Buildings	1,236	6,330
Leasehold improvements	14	30
Computer equipment	73	125
Software licences	-	96
Vehicles	17	34
Office equipment	1	5
	1,520	**7,560**

(₹ crore)

	Additions for the year ended March 31, 2022	Net carrying amount as at March 31, 2022
Leasehold land	100	774
Buildings	1,357	6,586
Leasehold improvements	-	23
Computer equipment	4	81
Software licences	145	133
Vehicles	16	32
Office equipment	2	7
	1,624	**7,636**

Depreciation on right-of-use assets is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Leasehold land	10	9
Buildings	1,530	1,465
Leasehold improvements	6	6
Computer equipment	32	23
Software licences	37	38
Vehicles	16	16
Office equipment	3	3
	1,634	**1,560**

Interest on lease liabilities is ₹492 crore and ₹519 crore for for the years ended March 31, 2023 and 2022, respectively.

The Group incurred ₹318 crore and ₹277 crore for the years ended March 31, 2023 and 2022, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is ₹2,538 crore and ₹2,228 crore for the years ended March 31, 2023 and 2022, respectively, including cash outflow for short term and low value leases.

The Group has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods is ₹786 crore and ₹773 crore as at March 31, 2023 and 2022, respectively.

Lease contracts entered by the Group majorly pertain for buildings taken on lease to conduct its business in the ordinary course.

The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

10) Non-financial assets and non-financial liabilities

(a) Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Buildings	20 years
Leasehold improvements	Lease term
Plant and equipment	10 years
Computer equipment	4 years
Vehicles	4 years
Office equipment	2-5 years
Electrical installations	4-10 years
Furniture and fixtures	5 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Property, plant and equipment consist of the following:

(₹ crore)

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2022	**352**	**7,829**	**2,569**	**770**	**12,087**	**39**	**2,686**	**2,062**	**1,906**	**30,300**
Additions	-	234	72	56	1,628	8	180	67	69	2,314
Disposals	-	(5)	(15)	-	(342)	(4)	(69)	(9)	(14)	(458)
Translation exchange difference	2	8	47	2	62	-	18	18	31	188
Cost as at March 31, 2023	**354**	**8,066**	**2,673**	**828**	**13,435**	**43**	**2,815**	**2,138**	**1,992**	**32,344**
Accumulated depreciation as at April 1, 2022	**-**	**(3,343)**	**(1,736)**	**(377)**	**(8,563)**	**(35)**	**(2,315)**	**(1,503)**	**(1,654)**	**(19,526)**
Depreciation	-	(398)	(186)	(80)	(1,755)	(4)	(219)	(140)	(110)	(2,892)
Disposals	-	4	15	-	340	3	62	9	14	447
Translation exchange difference	-	(7)	(38)	(1)	(47)	-	(15)	(12)	(23)	(143)
Accumulated depreciation as at March 31, 2023	**-**	**(3,744)**	**(1,945)**	**(458)**	**(10,025)**	**(36)**	**(2,487)**	**(1,646)**	**(1,773)**	**(22,114)**
Net carrying amount as at March 31, 2023	**354**	**4,322**	**728**	**370**	**3,410**	**7**	**328**	**492**	**219**	**10,230**
Capital work-in-progress*										1,234
Total										**11,464**

*₹2,314 crore has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2023.

(₹ crore)

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2021	**351**	**7,777**	**2,502**	**737**	**10,734**	**40**	**2,574**	**2,058**	**1,885**	**28,658**
Additions	-	51	108	35	1,868	-	187	41	55	2,345
Disposals	-	(2)	(53)	(1)	(515)	(1)	(75)	(44)	(42)	(733)
Translation exchange difference	1	3	12	(1)	-	-	-	7	8	30
Cost as at March 31, 2022	**352**	**7,829**	**2,569**	**770**	**12,087**	**39**	**2,686**	**2,062**	**1,906**	**30,300**
Accumulated depreciation as at April 1, 2021	**-**	**(2,947)**	**(1,575)**	**(302)**	**(7,531)**	**(33)**	**(2,199)**	**(1,393)**	**(1,568)**	**(17,548)**
Depreciation	-	(396)	(205)	(76)	(1,547)	(3)	(191)	(149)	(122)	(2,689)
Disposals	-	2	52	-	510	1	75	43	42	725
Translation exchange difference	-	(2)	(8)	1	5	-	-	(4)	(6)	(14)
Accumulated depreciation as at March 31, 2022	**-**	**(3,343)**	**(1,736)**	**(377)**	**(8,563)**	**(35)**	**(2,315)**	**(1,503)**	**(1,654)**	**(19,526)**
Net carrying amount as at March 31, 2022	**352**	**4,486**	**833**	**393**	**3,524**	**4**	**371**	**559**	**252**	**10,774**
Capital work-in-progress*										1,205
Total										**11,979**

*₹2,345 crore has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2022.

Capital work-in-progress

- **Capital work-in-progress ageing**

  Ageing for capital work-in-progress as at March 31, 2023 is as follows:

(₹ crore)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	658	212	42	322	1,234
	658	**212**	**42**	**322**	**1,234**

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

(₹ crore)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	691	102	39	373	1,205
	691	**102**	**39**	**373**	**1205**

- Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

(b) Goodwill

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. The financial projections basis which the future cash flows have been estimated consider economic uncertainties, reassessment of the discount rates, revisiting the growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill consists of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**1,787**	**1,798**
Translation exchange difference	71	(11)
Balance at the end of the year	**1,858**	**1,787**

Goodwill of ₹685 crore and ₹646 crore as at March 31, 2023 and 2022, respectively, has been allocated to the TCS business in France. The estimated value-in-use of this CGU is based on the future cash flows using a 1.50% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 9.30%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

The remaining amount of goodwill of ₹1,173 crore and ₹1,141 crore as at March 31, 2023 and 2022, respectively, (relating to different CGUs individually immaterial) has been evaluated based on the cash flow forecasts of the related CGUs and the recoverable amounts of these CGUs exceeded their carrying amounts.

(c) Other intangible assets

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences and customer-related intangibles.

Following table summarises the nature of intangibles and their estimated useful lives:

Type of asset	Useful lives
Rights under licensing agreement and software licences	Lower of licence period and 2-5 years
Customer-related intangibles	3 years

Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Intangible assets consist of the following:

(₹ crore)

	Rights under licensing agreement and software licences	Customer-related intangibles	Total
Cost as at April 1, 2022	**1,697**	**121**	**1,818**
Additions	262	-	262
Disposals / Derecognised	(73)	-	(73)
Translation exchange difference	6	5	11
Cost as at March 31, 2023	**1,892**	**126**	**2,018**
Accumulated amortisation as at April 1, 2022	**(596)**	**(121)**	**(717)**
Amortisation	(496)	-	(496)
Disposals / Derecognised	73	-	73
Translation exchange difference	(6)	(5)	(11)
Accumulated amortisation as at March 31, 2023	**(1,025)**	**(126)**	**(1,151)**
Net carrying amount as at March 31, 2023	**867**	**-**	**867**

(₹ crore)

	Rights under licensing agreement and software licences	Customer-related intangibles	Total
Cost as at April 1, 2021	**740**	**122**	**862**
Additions	1,002	-	1,002
Disposals / Derecognised	(42)	-	(42)
Translation exchange difference	(3)	(1)	(4)
Cost as at March 31, 2022	**1,697**	**121**	**1,818**
Accumulated amortisation as at April 1, 2021	**(265)**	**(117)**	**(382)**
Amortisation	(349)	(6)	(355)
Disposals / Derecognised	16	-	16
Translation exchange difference	2	2	4
Accumulated amortisation as at March 31, 2022	**(596)**	**(121)**	**(717)**
Net carrying amount as at March 31, 2022	**1,101**	**-**	**1,101**

The estimated amortisation for the years subsequent to March 31, 2023 is as follows:

(₹ crore)

Year ending March 31,	Amortisation expense
2024	466
2025	274
2026	82
2027	44
2028	1
	867

(d) Other assets

Other assets consist of the following:

Other assets – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Capital advances	68	78
Advances to related parties	63	23
Contract assets	215	171
Prepaid expenses	2,138	1,291
Contract fulfillment costs	114	150
Others	208	310
	2,806	**2,023**
Advances to related parties, considered good, comprise:		
Voltas Limited	-*	-*
Tata Realty and Infrastructure Ltd	-*	-*
Tata Projects Limited	54	23
Titan Engineering and Automation Limited	-	-*
Saankhya Labs Private Limited	8	-
Universal MEP Projects & Engineering Services Limited	1	-

*Represents value less than ₹0.50 crore.

Other assets – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Advance to suppliers	91	202
Advance to related parties	9	8
Contract assets	5,616	4,248
Prepaid expenses	1,494	2,994
Prepaid rent	20	18
Contract fulfillment costs	1,035	1,074
Indirect taxes recoverable	1,049	1,310
Others	393	297

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered doubtful		
Advance to suppliers	2	2
Other advances	4	4
Less: Allowance on doubtful assets	(6)	(6)
	9,707	**10,151**
Advance to related parties, considered good comprise:		
Tata Sons Private Limited	7	7
Tata AIG General Insurance Company Limited	1	1
Titan Company Limited	1	-

*Represents value less than ₹0.50 crore.

Non-current – Others includes advance of ₹177 crore and ₹271 crore towards acquiring right-of-use of leasehold land as at March 31, 2023 and 2022, respectively.

Contract fulfillment costs of ₹967 crore and ₹809 crore for the years ended March 31, 2023 and 2022, respectively, have been amortised in the consolidated statement of profit and loss. Refer note 12 for changes in contract assets.

(e) Inventories

Inventories consists of a) Raw materials, sub-assemblies and components, b) Work-in-progress, c) Stores and spare parts and d) Finished goods. Inventories are carried at lower of cost and net realisable value. The cost of raw materials, sub-assemblies and components is determined on a weighted average basis. Cost of finished goods produced or purchased by the Group includes direct material and labour cost and a proportion of manufacturing overheads.

Inventories consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Raw materials, sub-assemblies and components	23	17
Finished goods and work-in-progress	5	3
	28	**20**

*Represents value less than ₹0.50 crore.

(f) Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Advance received from customers	543	468
Indirect taxes payable and other statutory liabilities	4,119	3,632
Tax liability on buy-back of equity shares	-	4,192
Others	230	100
	4,892	**8,392**

(g) Provisions

Provisions consist of the following:

Provisions – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Provision towards legal claim (Refer note 19)	206	1,249
Provision for foreseeable loss	101	131
Other provisions	38	31
	345	**1,411**

11) Other equity

Other equity consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Capital reserve	**75**	**75**
Capital redemption reserve		
Opening balance	**440**	**436**
Transfer from retained earnings	-	4
	440	**440**
General reserve		
Opening balance	**-**	**27**
Transfer to retained earnings	-	(27)
	-	**-**
Special Economic Zone re-investment reserve		
Opening balance	**7,287**	**2,538**
Transfer from retained earnings	8,380	9,407
Transfer to retained earnings	(3,858)	(4,658)
	11,809	**7,287**
Retained earnings		
Opening balance	**78,158**	**79,586**
Profit for the year	42,147	38,327
Remeasurement of defined employee benefit plans	275	280
Expenses for buy-back of equity shares	-	(49)
Tax on buy-back of equity shares	-	(4,192)
Buy-back of equity shares	-	(17,996)
Transfer from Special Economic Zone re-investment reserve	3,858	4,658
Transfer from general reserve	-	27
Purchase of non-controlling interests	(8)	-
	1,24,430	**1,00,641**
Less: Appropriations		
Dividend on equity shares	41,347	13,317
Transfer to capital redemption reserve	-	4
Transfer to Special Economic Zone re-investment reserve	8,380	9,407
Transfer from statutory reserve	(19)	(245)
	74,722	**78,158**

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Statutory reserve		
Opening balance	**162**	**407**
Transfer to retained earnings	(19)	(245)
	143	**162**
Investment revaluation reserve		
Opening balance	**488**	**828**
Change during the year (net)	(447)	(340)
	41	**488**
Cash flow hedging reserve (Refer note 8(k))		
Opening balance	**(26)**	**29**
Change during the year (net)	6	(55)
	(20)	**(26)**
Foreign currency translation reserve		
Opening balance	**2,189**	**2,137**
Change during the year (net)	659	52
	2,848	**2,189**
	90,058	**88,773**

12) Revenue recognition

The Group earns revenue primarily from providing IT services, consulting and business solutions. The Group offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method .
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract.

Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Consultancy services	2,23,332	1,90,289
Sale of equipment and software licences	2,126	1,465
	2,25,458	**1,91,754**

Revenue disaggregation by industry vertical and geography has been included in segment information (Refer note 19).

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹1,38,231 crore out of which 53.17% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**4,419**	**4,080**
Invoices raised that were included in the contract assets balance at the beginning of the year	(3,305)	(3,150)
Increase due to revenue recognised during the year, excluding amounts billed during the year	4,519	3,457
Translation exchange difference	198	32
Balance at the end of the year	**5,831**	**4,419**

Changes in unearned and deferred revenue are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**4,745**	**4,847**
Revenue recognised that was included in the unearned and deferred revenue balance at the beginning of the year	(3,071)	(3,251)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	3,088	3,094
Translation exchange difference	84	55
Balance at the end of the year	**4,846**	**4,745**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	2,28,932	1,94,777
Reductions towards variable consideration components	(3,474)	(3,023)
Revenue recognised	**2,25,458**	**1,91,754**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

13) Other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Other income consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income	3,248	2,663
Dividend income	15	4
Net gain on disposal / fair valuation of investments carried at fair value through profit or loss	220	198
Net gain on sale of investments other than equity shares carried at fair value through OCI	4	-
Net gain on disposal of property, plant and equipment	26	23
Net gain / (loss) on lease modification	(2)	7
Net loss on sub-lease	-	(9)
Net foreign exchange gain / (loss)	(159)	1,045
Other income	97	87
	3,449	**4,018**
Interest income comprise:		
Interest on bank balances and bank deposits	291	295
Interest on financial assets carried at amortised cost	657	546
Interest on financial assets carried at fair value through OCI	2,131	1,818
Other interest (including interest on tax refunds)	169	4
Dividend income comprise:		
Dividend from mutual fund units and other investments	15	4

14) Employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Group provides benefits such as gratuity, pension and provident fund (Company managed fund) to its employees which are treated as defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Group provides benefits such as superannuation, provident fund (other than Company managed fund) and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

Employee benefit expenses consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, incentives and allowances	1,14,359	96,263
Contributions to provident and other funds	9,644	8,450
Staff welfare expenses	3,519	2,841
	1,27,522	**1,07,554**

Employee benefit obligations consist of the following:

Employee benefit obligations – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Gratuity liability	11	13
Foreign defined benefit plans	383	490
Other employee benefit obligations	142	174
	536	**677**

Employee benefit obligations – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Compensated absences	4,027	3,760
Other employee benefit obligations	38	50
	4,065	**3,810**

Employee benefit plans consist of the following:

Gratuity and pension

In accordance with Indian law, Tata Consultancy Services Limited and its subsidiaries in India operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. Trustees administer contributions made to the trust. Certain overseas subsidiaries of the Company also provide for retirement benefit pension plans in accordance with the local laws.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

(₹ crore)

	Year ended March 31, 2023					Year ended March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Change in benefit obligations										
Benefit obligations, beginning of the year	**4,482**	**3**	**2,294**	**269**	**7,048**	**4,315**	**12**	**2,292**	**237**	**6,856**
Translation exchange difference	-	-	94	29	123	-	-	(17)	4	(13)
Plan participants' contribution	-	-	18	-	18	-	-	15	-	15
Service cost	515	-	37	50	602	539	-	51	47	637
Interest cost	332	-	30	11	373	296	-	19	3	318
Remeasurement of the net defined benefit liability	(158)	-	(627)	(39)	(824)	(188)	1	(34)	(9)	(230)
Past service cost / (credit)	-	-	(7)	-	(7)	-	-	3	-	3
Benefits paid	(504)	-	(6)	(26)	(536)	(489)	(1)	(35)	(13)	(538)
Shift of plan from unfunded to funded position	-	-	-	-	-	9	(9)	-	-	-
Benefit obligations, end of the year	**4,667**	**3**	**1,833**	**294**	**6,797**	**4,482**	**3**	**2,294**	**269**	**7,048**

(₹ crore)

	Year ended March 31, 2023					Year ended March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Change in plan assets										
Fair value of plan assets, beginning of the year	**5,527**	**-**	**2,132**	**-**	**7,659**	**4,706**	**-**	**2,073**	**-**	**6,779**
Translation exchange difference	-	-	111	-	111	-	-	(21)	-	(21)
Interest income	425	-	26	-	451	335	-	16	-	351
Employers' contributions	1,060	-	19	-	1,079	980	-	48	-	1,028

(₹ crore)

	Year ended March 31, 2023					Year ended March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Plan participants' contribution	-	-	18	-	18	-	-	15	-	15
Benefits paid	(504)	-	(6)	-	(510)	(489)	-	(35)	-	(524)
Remeasurement- return on plan assets excluding amount included in interest income	(103)	-	(371)	-	(474)	(5)	-	36	-	31
Fair value of plan assets, end of the year	**6,405**	**-**	**1,929**	**-**	**8,334**	**5,527**	**-**	**2,132**	**-**	**7,659**

(₹ crore)

	As at March 31, 2023					As at March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Funded status										
Deficit of plan assets over obligations	(8)	(3)	(89)	(294)	(394)	(10)	(3)	(221)	(269)	(503)
Surplus of plan assets over obligations	1,746	-	185	-	1,931	1,055	-	59	-	1,114
	1,738	**(3)**	**96**	**(294)**	**1,537**	**1,045**	**(3)**	**(162)**	**(269)**	**611**

(₹ crore)

	As at March 31, 2023					As at March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Category of assets										
Corporate bonds	1,832	-	287	-	2,119	1,697	-	369	-	2,066
Equity instruments	121	-	352	-	473	66	-	543	-	609
Government bonds and securities	2,917	-	-	-	2,917	2,625	-	195	-	2,820
Insurer managed funds	1,390	-	543	-	1,933	983	-	503	-	1,486
Bank balances	16	-	94	-	110	10	-	24	-	34
Others	129	-	653	-	782	146	-	498	-	644
	6,405	**-**	**1,929**	**-**	**8,334**	**5,527**	**-**	**2,132**	**-**	**7,659**

Net periodic gratuity / pension cost, included in employee cost consists of the following components:

(₹ crore)

	Year ended March 31, 2023					Year ended March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Service cost	515	-	37	50	602	539	-	51	47	637
Net interest on net defined benefit (asset) / liability	(93)	-	4	11	(78)	(39)	-	3	3	(33)
Past service cost / (credit)	-	-	(7)	-	(7)	-	-	3	-	3
Net periodic gratuity / pension cost	**422**	**-**	**34**	**61**	**517**	**500**	**-**	**57**	**50**	**607**
Actual return on plan assets	**322**	**-**	**(345)**	**-**	**(23)**	**330**	**-**	**52**	**-**	**382**

Remeasurement of the net defined benefit (asset) / liability:

(₹ crore)

	Year ended March 31, 2023				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Actuarial (gains) and losses arising from changes in demographic assumptions	30	-	-	5	35
Actuarial (gains) and losses arising from changes in financial assumptions	(164)	-	(625)	(47)	(836)
Actuarial (gains) and losses arising from changes in experience adjustments	(24)	-	(2)	3	(23)
Remeasurement of the net defined benefit liability	**(158)**	**-**	**(627)**	**(39)**	**(824)**
Remeasurement- return on plan assets excluding amount included in interest income	103	-	371	-	474
Asset ceiling recognised in OCI	-	-	-	-	-
	(55)	**-**	**(256)**	**(39)**	**(350)**

(₹ crore)

	Year ended March 31, 2022				
	Domestic plans Funded	Domestic plans Unfunded	Foreign plans Funded	Foreign plans Unfunded	Total
Actuarial (gains) and losses arising from changes in demographic assumptions	(20)	-	(13)	(2)	(35)
Actuarial (gains) and losses arising from changes in financial assumptions	(166)	-	(55)	(25)	(246)
Actuarial (gains) and losses arising from changes in experience adjustments	(2)	1	34	18	51
Remeasurement of the net defined benefit liability	**(188)**	**1**	**(34)**	**(9)**	**(230)**
Remeasurement- return on plan assets excluding amount included in interest income	5	-	(36)	-	(31)
	(183)	**1**	**(70)**	**(9)**	**(261)**

The assumptions used in accounting for the defined benefit plan are set out below:

	Year ended March 31, 2023		Year ended March 31, 2022	
	Domestic plans	Foreign plans	Domestic plans	Foreign plans
Discount rate	7.25%- 7.50%	2.16%- 9.40%	4.50%-7.25%	0.77%-8.30%
Rate of increase in compensation levels of covered employees	4.00%- 8.00%	1.50%- 7.00%	4.00%-6.00%	1.50%-7.00%
Rate of return on plan assets	7.25%- 7.50%	2.16%- 9.40%	4.50%-7.25%	0.77%-8.30%
Weighted average duration of defined benefit obligations	2-13 Years	3-28 Years	2-16 years	3-31 years

Future mortality assumptions are taken based on the published statistics by the Insurance Regulatory and Development Authority of India.

The expected benefits are based on the same assumptions as are used to measure Group's defined benefit plan obligations as at March 31, 2023. The Group is expected to contribute ₹55 crore to defined benefit plan obligations funds for the year ending March 31, 2024 comprising domestic component of ₹8 crore and foreign component of ₹47 crore.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Increase of 0.50%	(265)	(372)
Decrease of 0.50%	290	422

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Increase of 0.50%	155	200
Decrease of 0.50%	(147)	(188)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The defined benefit obligations shall mature after year ended March 31, 2023 as follows:

(₹ crore)

Year ending March 31,	**Defined benefit obligations**
2024	755
2025	644
2026	617
2027	618
2028	609
2029-2033	2,722

Provident fund

In accordance with Indian law, all eligible employees of Tata Consultancy Services Limited in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in profit and loss under employee benefit expenses. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

All eligible employees of Indian subsidiaries of the Company are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to the Government administered provident fund plan. A part of the company's contribution is transferred to Government administered pension fund. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognised as an expense in profit and loss under employee benefit expenses.

The details of fund and plan assets are given below:

(₹ crore)

	As at March 31, 2023	**As at March 31, 2022**
Fair value of plan assets	25,511	22,814
Present value of defined benefit obligations	(25,511)	(22,814)
Net excess / (shortfall)	-	-

The plan assets have been primarily invested in Government securities and corporate bonds.

The principal assumptions used in determining the present value obligations of interest guarantee under the deterministic approach are as follows:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.50%	7.00%
Average remaining tenure of investment portfolio	7 years	8 years
Guaranteed rate of return	8.15%	8.10%

The Group expensed ₹1,628 crore and ₹1,383 crore for the years ended March 31, 2023 and 2022, respectively, towards provident fund.

Superannuation

All eligible employees on Indian payroll are entitled to benefits under Superannuation, a defined contribution plan. The Group makes monthly contributions until retirement or resignation of the employee. The Group recognises such contributions as an expense when incurred. The Group has no further obligation beyond its monthly contribution.

The Group expensed ₹394 crore and ₹383 crore for the years ended March 31, 2023 and 2022, respectively, towards Employees' Superannuation Fund.

Foreign defined contribution plans

The Group expensed ₹2,109 crore and ₹1,796 crore for the years ended March 31, 2023 and 2022, respectively, towards foreign defined contribution plans.

15) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Group are broadly categorised in employee benefit expenses, cost of equipment and software licences, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses are aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

(a) Cost of equipment and software licences

Cost of equipment and software licences consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Raw materials, sub-assemblies and components consumed	37	29
Equipment and software licences purchased	1,846	1,137
	1,883	**1,166**
Finished goods and work-in-progress		
Opening stock	3	-*
Less: Closing stock	5	3
	(2)	**(3)**
	1,881	**1,163**

*Represents value less than ₹0.50 crore.

(b) Other expenses

Other expenses consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Fees to external consultants	21,337	17,409
Facility expenses	2,655	2,139
Travel expenses	2,675	1,589
Communication expenses	2,246	2,050
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	140	135
Other expenses	7,743	6,658
	36,796	**29,980**

16) Finance costs

Finance costs consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities	492	519
Interest on tax matters	46	218
Other interest costs	241	47
	779	**784**

17) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas. The current tax payable by the Company and its subsidiaries in India is Indian income tax payable after taking credit for tax relief available for export operations in Special Economic Zones (SEZs).

Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The income tax expense consists of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax expense for current year	15,389	14,333
Current tax benefit pertaining to prior years	(632)	(679)
	14,757	**13,654**
Deferred tax		
Deferred tax benefit for current year	(130)	(333)
Deferred tax benefit pertaining to prior years	(23)	(83)
	(153)	**(416)**
	14,604	**13,238**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in consolidated statement of profit and loss is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	56,907	51,687
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	19,887	18,062
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax holidays	(5,112)	(4,792)
Income exempt from tax	(236)	(396)
Undistributed earnings in branches and subsidiaries	276	(47)
Tax on income at different rates	508	980
Tax pertaining to prior years	(655)	(762)
Others (net)	(64)	193
Total income tax expense	**14,604**	**13,238**

Tata Consultancy Services Limited benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005. These tax holidays are available for a period of fifteen years from the date of commencement of operations. Under the SEZ scheme, the unit which begins providing services on or after April 1, 2005 will be eligible for deductions of 100% of profits or gains derived from export of services for the first five years, 50% of such profits or gains for a further period of five years and 50% of such profits or gains for the balance period of five years subject to fulfilment of certain conditions. From April 1, 2011, profits from units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

(₹ crore)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments / Utilisation	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to						
Property, plant and equipment and intangible assets	434	250	-	-	2	686
Provision for employee benefits	1,042	73	(62)	-	3	1,056
Cash flow hedges	7	-	(1)	-	-	6
Receivables, financial assets at amortised cost	471	(46)	-	-	13	438
MAT credit entitlement	975	-	-	(975)	-	-
Branch profit tax	(77)	(58)	-	-	-	(135)
Undistributed earnings of subsidiaries	(355)	(179)	-	-	-	(534)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(320)	(1)	234	-	3	(84)
Lease liabilities	241	5	-	-	4	250
Others	700	109	-	-	23	832
	3,118	**153**	**171**	**(975)**	**48**	**2,515**

Gross deferred tax assets and liabilities are as follows:

(₹ crore)

As at March 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	788	102	686
Provision for employee benefits	1,065	9	1,056
Cash flow hedges	6	-	6
Receivables, financial assets at amortised cost	438	-	438
Branch profit tax	-	135	(135)
Undistributed earnings of subsidiaries	-	534	(534)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(83)	1	(84)
Lease liabilities	250	-	250
Others	843	11	832
	3,307	**792**	**2,515**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(₹ crore)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Ajustments / utilisation	Exchange difference	Closing balance
Deferred tax assets / (liabilities) in relation to						
Property, plant and equipment and intangible assets	309	131	-	-	(6)	434
Provision for employee benefits	897	94	58	(2)	(5)	1,042
Cash flow hedges	(8)	-	16	-	(1)	7
Receivables, financial assets at amortised cost	424	42	-	-	5	471
MAT credit entitlement	1,710	-	-	(735)	-	975
Branch profit tax	(310)	233	-	-	-	(77)
Undistributed earnings of subsidiaries	(198)	(157)	-	-	-	(355)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(500)	-	180	-	-	(320)
Lease liabilities	261	(22)	-	-	2	241
Others	579	95	-	-	26	700
	3,164	**416**	**254**	**(737)**	**21**	**3,118**

Gross deferred tax assets and liabilities are as follows:

(₹ crore)

As at March 31, 2022	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and intangible assets	539	105	434
Provision for employee benefits	1,062	20	1,042
Cash flow hedges	7	-	7
Receivables, financial assets at amortised cost	471	-	471
MAT credit entitlement	975	-	975
Branch profit tax	-	77	(77)
Undistributed earnings of subsidiaries	-	355	(355)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(320)	-	(320)
Lease liabilities	240	(1)	241
Others	734	34	700
	3,708	**590**	**3,118**

Under the Income-tax Act, 1961, unabsorbed business losses expire 8 years after the year in which they originate. In respect of certain foreign subsidiaries, business losses can be carried forward indefinitely unless there is a substantial change in the ownership.

Unrecognised deferred tax assets relate primarily to business losses and tax credit entitlements which do not qualify for recognition as per the applicable accounting standards. These unexpired business losses will expire based on the year of origination as follows:

(₹ crore)

March 31,	Unabsorbed business losses
2028	35
	35

Under the Income-tax Act, 1961, Tata Consultancy Services Limited is liable to pay Minimum Alternate Tax in the tax holiday period. MAT paid can be carried forward for a period of 15 years and can be set off against the future tax liabilities. MAT is recognised as a deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax liability on temporary differences of ₹7,180 crore as at March 31, 2023, associated with investments in subsidiaries, has not been recognised, as it is the intention of Tata Consultancy Services Limited to reinvest the earnings of these subsidiaries for the foreseeable future.

Direct tax contingencies

The Company and its subsidiaries have ongoing disputes with income tax authorities in India and in some of the other jurisdictions where they operate. The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of fees for services received. The Company and its subsidiaries have recognised contingent liability in respect of tax demands received from direct tax authorities in India and other jurisdictions of ₹1,542 crore and ₹1,652 crore as at March 31, 2023 and 2022, respectively. These demand orders are being contested by the Company and its subsidiaries based on the management evaluation and advise of tax consultants. In respect of tax contingencies of ₹318 crore and ₹318 crore as at March 31, 2023 and 2022, respectively, not included above, the Company is entitled to an indemnification from the seller of TCS e-Serve Limited.

The Group periodically receives notices and inquiries from income tax authorities related to the Group's operations in the jurisdictions it operates in. The Group has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

The number of years that are subject to tax assessments varies depending on tax jurisdiction. The major tax jurisdictions of Tata Consultancy Services Limited include India, United States of America and United Kingdom. In India, tax filings from fiscal 2018 are generally subject to examination by the tax authorities. In United States of America, the federal statute of limitation applies to fiscals 2017 and earlier and applicable state statutes of limitation vary by state. In United Kingdom, the statute of limitation generally applies to fiscal 2018 and earlier.

18) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the years presented.

	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year attributable to shareholders of the Company (₹ crore)	42,147	38,327
Weighted average number of equity shares	365,90,51,373	369,88,32,195
Basic and diluted earnings per share (₹)	115.19	103.62
Face value per equity share (₹)	1	1

19) Segment information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chief Executive Officer and Managing Director.

The Group has identified business segments ('industry vertical') as reportable segments. The business segments comprise: 1) Banking, Financial Services and Insurance, 2) Manufacturing, 3) Retail and Consumer Business, 4) Communication, Media and Technology, 5) Life Sciences and Healthcare and 6) Others such as Energy, Resources and Utilities, s-Governance and Products.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated since associated revenue of the segment or manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

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.

Summarised segment information for the years ended March 31,2023 and 2022, is as follows:

Year ended March 31, 2023 (₹ crore)

	Banking, Financial Services and Insurance	Manufacturing	Retail and Consumer Business	Communication, Media and Technology	Life Sciences and Healthcare	Others	Total
Revenue from operations	**86,127**	**21,236**	**37,506**	**37,653**	**24,605**	**18,331**	**2,25,458**
Segment result	**22,345**	**5,842**	**9,636**	**10,667**	**6,894**	**3,875**	**59,259**
Total unallocable expenses							5,801
Operating income							**53,458**
Other income							3,449
Profit before tax							**56,907**
Tax expense							14,604
Profit for the year							**42,303**
Depreciation and amortisation expense (unallocable)							5,021
Significant non-cash items (allocable)	32	6	6	5	25	65	139

Year ended March 31, 2022 (₹ crore)

	Banking, Financial Services and Insurance	Manufacturing	Retail and Consumer Business	Communication, Media and Technology	Life Sciences and Healthcare	Others	Total
Revenue from operations	**75,126**	**18,610**	**30,715**	**31,874**	**20,462**	**14,967**	**1,91,754**
Segment result	**20,174**	**5,602**	**8,534**	**9,518**	**6,139**	**3,090**	**53,057**
Total unallocable expenses							5,388
Operating income							**47,669**
Other income							4,018
Profit before tax							**51,687**
Tax expense							13,238
Profit for the year							**38,449**
Depreciation and amortisation expense (unallocable)							4,604
Significant non-cash items (allocable)	14	(3)	10	2	(1)	113	135

Information regarding geographical revenue is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Americas		
North America	1,20,336	96,865
Latin America	4,000	3,207
Europe		
United Kingdom	33,861	30,399
Continental Europe	33,575	30,743
Asia Pacific	18,132	16,927
India	11,271	9,805
Middle East and Africa	4,283	3,808
	2,25,458	**1,91,754**

Geographical revenue is allocated based on the location of the customers.

Information regarding geographical non-current assets is as follows:

(₹ crore)

Geography	As at March 31, 2023	As at March 31, 2022
Americas		
North America	1,899	1,637
Latin America	1,056	852
Europe		
United Kingdom	1,487	1,470
Continental Europe	2,422	2,164
Asia Pacific	848	743
India	19,254	19,494
Middle East and Africa	178	152
	27,144	**26,512**

Geographical non-current assets (property, plant and equipment, right-of-use assets, goodwill, other intangible assets, income tax assets and other non-current assets) are allocated based on the location of the assets.

Information about major customers

No single customer represents 10% or more of the Group's total revenue for the years ended March 31, 2023 and 2022, respectively.

20) Commitments and contingencies

Capital commitments

The Group has contractually committed (net of advances) ₹1,543 crore and ₹1,439 crore as at March 31, 2023 and 2022, respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer note 17.

- **Indirect tax matters**

  The Company and its subsidiaries have ongoing disputes with tax authorities mainly relating to treatment of characterisation and classification of certain items. The Company and its subsidiaries have demands amounting to ₹568 crore and ₹568 crore as at March 31, 2023 and 2022, respectively, from various indirect tax authorities which are being contested by the Company and its subsidiaries based on the management evaluation and advice of tax consultants.

- **Other claims**

  Claims aggregating ₹277 crore and ₹291 crore as at March 31, 2023 and 2022, respectively, against the Group have not been acknowledged as debts.

  In addition to above, in October 2014, Epic Systems Corporation (referred to as Epic) filed a legal claim against the Company in the Court of Western District Madison, Wisconsin alleging unauthorised access to and download of their confidential information and use thereof in the development of the Company's product MedMantra.

  In April 2016, the Company received an unfavourable jury verdict awarding damages of ₹7,730 crore (US $940 million) to Epic which was thereafter reduced by the Trial Court to ₹3,454 crore (US $420 million). Pursuant to reaffirmation of the District Court Order in March 2019, the Company filed an appeal in the Appeals Court to fully set aside the Order. Epic also filed a cross appeal challenging the reduction by the District Court judge of ₹822 crore (US $100 million) award and ₹1,645 crore (US $200 million) in punitive damages.

  On August 20, 2020, the Appeals Court (a) vacated the award of ₹2,303 crore (US $280 million) in punitive damages considering the award to be constitutionally excessive and remanded the case back to District Court with instructions to reassess and reduce the punitive damages award to at most ₹1,151 crore (US $140 million), (b) affirmed the District Court's decision vacating the jury's award of ₹822 crore (US $100 million) in compensatory damages for alleged use of "other confidential information" by the Company, and, (c) affirmed the District Court's decision upholding the jury's award of ₹1,151 crore (US $140 million) in compensatory damages for use of the comparative analysis by the Company. Considering all the facts and various legal precedence, on a conservative and prudent basis, the Company provided ₹1,218 crore (US $165 million) towards this legal claim in its statement of profit and loss for three month period ended September 30, 2020. This was presented as an "exceptional item" in the consolidated statement of profit and loss. On April 8, 2021, Epic approached the Supreme Court seeking review of the Order of the Appeals Court which was denied by the Supreme Court on March 21, 2022.

  On April 21, 2022, Epic invoked payment of ₹1,151 crore (US $140 million) out of ₹3,618 crore (US $440 million) Letter of Credit provided as security, towards compensatory damages awarded by the District Court and confirmed by the Appeals Court, already provided for in the earlier years.

  On July 1, 2022, the District Court passed an Order affirming the punitive damages at ₹1,151 crore (US $140 million). The Company has filed an appeal on November 16, 2022, in the Appeals Court to reduce the punitive damages awarded by the District Court, which is pending.

  Pursuant to encashment of the Letter of Credit towards compensatory damages, the value of Letter of Credit made available to Epic stands reduced to ₹1,250 crore (US $152 million).

- **Letter of comfort**

  The Company has given letter of comfort to banks for credit facilities availed by its subsidiaries. As per the terms of letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

The amounts assessed as contingent liability do not include interest that could be claimed by counter parties.

21) Statement of net assets, profit and loss and other comprehensive income attributable to owners and non-controlling interests

Name of the entity	Country of incorporation	% of voting power as at March 31, 2023	% of voting power as at March 31, 2022	Net assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ crore)
Tata Consultancy Services Limited	India	-	-	76.39	74,538	87.24	39,106	243.21	(394)	86.67	38,712
Subsidiaries (held directly)											
Indian											
APTOnline Limited	India	89.00	89.00	0.12	116	0.04	16	-	-	0.04	16
MP Online Limited	India	89.00	89.00	0.13	127	0.06	26	-	-	0.06	26
C-Edge Technologies Limited	India	51.00	51.00	0.37	361	0.19	86	-	-	0.19	86
MahaOnline Limited	India	74.00	74.00	0.09	86	0.02	7	-	-	0.02	7
TCS e-Serve International Limited	India	100.00	100.00	0.26	249	0.21	92	-	-	0.21	92
TCS Foundation	India	100.00	100.00	1.34	1,306	(0.36)	(161)	-	-	(0.36)	(161)
Foreign											
Diligenta Limited	U.K.	100.00	100.00	1.56	1,525	0.28	124	23.46	(38)	0.19	86
Tata Consultancy Services Canada Inc.	Canada	100.00	100.00	1.40	1,367	1.86	835	-	-	1.87	835
Tata America International Corporation	U.S.A.	100.00	100.00	1.68	1,642	2.15	962	1.23	(2)	2.15	960
Tata Consultancy Services Asia Pacific Pte Ltd.	Singapore	100.00	100.00	1.04	1,011	0.62	278	-	-	0.62	278
Tata Consultancy Services Belgium	Belgium	100.00	100.00	0.48	465	0.22	97	-	-	0.22	97
Tata Consultancy Services Deutschland GmbH	Germany	100.00	100.00	0.82	804	0.60	269	(17.28)	28	0.66	297
Tata Consultancy Services Netherlands BV	Netherlands	100.00	100.00	3.16	3,080	1.05	469	-	-	1.05	469
Tata Consultancy Services Sverige AB	Sweden	100.00	100.00	0.93	906	0.44	198	-	-	0.44	198
TCS FNS Pty Limited	Australia	100.00	100.00	0.15	143	0.10	43	-	-	0.10	43
TCS Iberoamerica SA	Uruguay	100.00	100.00	1.85	1,806	0.39	174	-	-	0.39	174
Tata Consultancy Services (Africa) (PTY) Ltd.	South Africa	100.00	100.00	0.05	49	0.06	27	-	-	0.06	27
Tata Consultancy Services Qatar L.L.C.	Qatar	100.00	100.00	0.04	35	-	(2)	-	-	-	(2)
Tata Consultancy Services UK Limited	U.K.	100.00	100.00	0.03	29	-	1	-	-	-	1

Name of the entity	Country of incorporation	% of voting power as at March 31, 2023	% of voting power as at March 31, 2022	Net assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ crore)
Tata Consultancy Services Ireland Limited	Ireland	100.00	100.00	0.34	329	0.14	64	-	-	0.14	64
Subsidiaries (held indirectly)											
Foreign											
Tata Consultancy Services (China) Co., Ltd.	China	100.00	93.20	0.32	309	0.10	47	-	-	0.11	47
Tata Consultancy Services Japan, Ltd.	Japan	66.00	66.00	1.72	1,677	0.72	323	-	-	0.72	323
Tata Consultancy Services Malaysia Sdn Bhd	Malaysia	100.00	100.00	0.07	69	0.04	17	-	-	0.04	17
PT Tata Consultancy Services Indonesia	Indonesia	100.00	100.00	0.03	31	0.03	14	-	-	0.03	14
Tata Consultancy Services (Philippines) Inc.	Philippines	100.00	100.00	0.13	127	0.18	80	(1.23)	2	0.18	82
Tata Consultancy Services (Thailand) Limited	Thailand	100.00	100.00	0.01	6	-	1	-	-	-	1
Tata Consultancy Services Italia s.r.l.	Italy	100.00	100.00	0.08	78	-	-	-	-	-	-
Tata Consultancy Services Luxembourg S.A.	Capellen (G.D. de Luxembourg)	100.00	100.00	0.12	118	0.12	53	-	-	0.12	53
Tata Consultancy Services Switzerland Ltd.	Switzerland	100.00	100.00	0.86	844	0.46	207	(16.05)	26	0.52	233
Tata Consultancy Services Osterreich GmbH	Austria	100.00	100.00	-	4	-	-	-	-	-	-
Tata Consultancy Services Danmark ApS	Denmark	-	100.00	-	-	(0.01)	(5)	-	-	(0.01)	(5)
Tata Consultancy Services De Espana S.A.	Spain	100.00	100.00	0.12	121	0.10	43	-	-	0.10	43
Tata Consultancy Services (Portugal) Unipessoal, Limitada	Portugal	100.00	100.00	0.04	35	0.04	19	-	-	0.04	19
Tata Consultancy Services France	France	100.00	100.00	(0.38)	(367)	0.05	24	(9.88)	16	0.09	40
Tata Consultancy Services Saudi Arabia	Saudi Arabia	100.00	100.00	0.14	134	0.02	11	(1.23)	2	0.03	13
TCS Business Services GmbH	Germany	100.00	100.00	0.08	76	0.01	4	(29.01)	47	0.11	51
TCS Technology Solutions AG	Germany	100.00	100.00	0.73	716	0.66	295	(86.43)	140	0.98	435

Name of the entity	Country of incorporation	% of voting power as at March 31, 2023	% of voting power as at March 31, 2022	Net assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ crore)
Saudi Desert Rose Holding B.V.	Netherlands	100.00	100.00	-	2	-	-	-	-	-	-
Tata Consultancy Services (South Africa) (PTY) Ltd.	South Africa	100.00	100.00	0.10	93	0.08	38	-	-	0.09	38
TCS Financial Solutions Beijing Co., Ltd.	China	100.00	100.00	0.04	37	(0.01)	(4)	-	-	(0.01)	(4)
TCS Financial Solutions Australia Pty Limited	Australia	100.00	100.00	0.11	74	0.08	34	-	-	0.08	34
Tata Consultancy Services Bulgaria EOOD	Bulgaria	100.00	100.00	0.03	26	0.04	16	-	-	0.04	16
TCS Solution Center S.A.	Uruguay	100.00	100.00	0.34	329	0.25	117	-	-	0.26	117
TCS Uruguay S.A.	Uruguay	100.00	100.00	0.25	240	0.23	101	-	-	0.23	101
Tata Consultancy Services Argentina S.A.	Argentina	100.00	100.00	0.01	5	0.01	4	-	-	0.01	4
Tata Consultancy Services Do Brasil Ltda	Brazil	100.00	100.00	0.42	406	0.17	85	-	-	0.19	85
Tata Consultancy Services De Mexico S.A., De C.V.	Mexico	100.00	100.00	1.18	1,150	0.83	370	(6.79)	11	0.84	381
MGDC S.C.	Mexico	100.00	100.00	0.06	59	0.01	6	(0.62)	1	0.02	7
TCS Inversiones Chile Limitada	Chile	100.00	100.00	0.33	344	0.15	74	-	-	0.16	74
Tata Consultancy Services Chile S.A.	Chile	100.00	100.00	0.42	428	0.19	83	-	-	0.18	83
Tata Consultancy Services Guatemala, S.A.	Guatemala	100.00	100.00	0.01	20	0.02	7	-	-	0.02	7
TATASOLUTION CENTER S.A.	Ecuador	100.00	100.00	0.11	120	0.11	49	0.62	(1)	0.10	48
Trusts	India	-	-	0.29	295	0.01	3	-	-	0.01	3
TOTAL				**100.00**	**97,580**	**100.00**	**44,827**	**100.00**	**(162)**	**100.00**	**44,665**
a) Adjustments arising out of consolidation					**(6,374)**		**(2,524)**		**654**		**(1,870)**
b) Non-controlling interests											
Indian subsidiaries											
APTOnline Limited					(13)		(2)		-		(2)
MP Online Limited					(14)		(3)		-		(3)

Name of the entity	Country of incorporation	% of voting power as at March 31, 2023	% of voting power as at March 31, 2022	Net assets, i.e. total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
				As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)	As % of consolidated other comprehensive income	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ crore)
C-Edge Technologies Limited					(177)		(42)		-		(42)
MahaOnline Limited					(22)		(2)		-		(2)
Foreign subsidiaries											
Tata Consultancy Services (China) Co., Ltd.					-		-		-		-
Tata Consultancy Services Japan, Ltd.					(557)		(107)		1		(106)
TOTAL					**(782)**		**(156)**		**1**		**(155)**
TOTAL					**90,424**		**42,147**		**493**		**42,640**

Notes:

1. On May 18, 2022, Tata Consultancy Services Asia Pacific Pte Ltd. acquired additional 6.8% ownership interest in Tata Consultancy Services (China) Co., Ltd. for a purchase consideration of ₹25 crore thereby making it a wholly owned subsidiary.

2. Tata Consultancy Services Danmark ApS liquidated w.e.f. July 27, 2022.

22) Related party transactions

The Company's principal related parties consist of its holding company Tata Sons Private Limited and its subsidiaries, its own subsidiaries, affiliates and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business. Refer note 21 for list of subsidiaries of the Company.

Transactions and balances with its own subsidiaries are eliminated on consolidation.

Transactions with related parties are as follows:

(₹ crore)

	Year ended March 31, 2023				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Revenue from operations	38	1,174	3,050	-	4,262
Purchases of goods and services (including reimbursements)	1	610	225	-	836
Brand equity contribution	227	-	-	-	227
Facility expenses	1	25	59	-	85
Lease rental	-	56	47	-	103
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	-	(1)	-	-	(1)
Contribution and advance to post employment benefit plans	-	-	-	2,955	2,955
Purchase of property, plant and equipment	-	13	137	-	150
Advances given	-	1	45	-	46
Advances recovered	-	1	15	-	16
Advances taken	-	25	4	-	29
Dividend paid	29,881	16	6	-	29,903

(₹ crore)

	Year ended March 31, 2022				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Revenue from operations	40	789	2,785	-	3,614
Purchases of goods and services (including reimbursements)	-	571	159	-	730
Brand equity contribution	204	-	-	-	204
Facility expenses	1	20	45	-	66
Lease rental	-	73	24	-	97
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	-	(3)	1	-	(2)
Contribution and advance to post employment benefit plans	-	-	-	2,322	2,322
Purchase of property, plant and equipment	-	15	147	-	162
Advances given	-	3	6	-	9
Advances recovered	-	4	17	-	21
Dividend paid	9,609	5	2	-	9,616
Buy-back of shares	11,164	4	6	-	11,174

Balances receivable from related parties are as follows:

(₹ crore)

	As at March 31, 2023				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade receivables and contract assets	2	434	1,004	-	1,440
Loans, other financial assets and other assets	10	95	85	-	190
	12	**529**	**1,089**	**-**	**1,630**

(₹ crore)

	As at March 31, 2022				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade receivables and contract assets	11	245	925	-	1,181
Loans, other financial assets and other assets	10	53	31	-	94
	21	**298**	**956**	**-**	**1,275**

Balances payable to related parties are as follows:

(₹ crore)

	As at March 31, 2023				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	213	377	322	278	1,190
Commitments and guarantees	-	12	50	-	62

(₹ crore)

	As at March 31, 2022				
	Tata Sons Private Limited	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	189	499	146	-	834
Commitments and guarantees	-	37	201	-	238

Material related party transactions are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations		
Jaguar Land Rover Limited	1,707	1,500
Tata Steel IJmuiden BV	533	558
Tata Digital Private Limited	502	269

Material related party balances are as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Trade receivables and contract assets		
Jaguar Land Rover Limited	482	379

Transactions with key management personnel are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term benefits	58	53
Dividend paid during the year	2	1
	60	**54**

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

23) No funds have been advanced/loaned/invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Group to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Group from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Group shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

24) The sitting fees and commission paid to non-executive directors is ₹13 crore and ₹12 crore as at March 31, 2023 and 2022, respectively.

25) 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 had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its Indian subsidiaries 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.

26) On May 18, 2022, Tata Consultancy Services Asia Pacific Pte Ltd. acquired additional 6.8% ownership interest in Tata Consultancy Services (China) Co., Ltd. for a purchase consideration of ₹25 crore thereby making it a wholly owned subsidiary.

27) On March 16, 2023, Tata Consultancy Services (China) Co., Ltd., acquired control of 100 % equity interest in TCS Financial Solutions Beijing Co., Ltd., from TCS Financial Solutions Australia Pty Limited. The entities are engaged in the business of developing and selling computer software and providing information technology services. The transaction has been accounted as combination of entities under common control. There is no impact in the consolidated financial statements of the Group as the entities are under the same parent.

28) Tata Consultancy Services Danmark ApS liquidated w.e.f. July 27, 2022.

29) Dividends

Dividends paid during the year ended March 31, 2023 include an amount of ₹22.00 per equity share towards final dividend for the year ended March 31,2022 and an amount of ₹91.00 per equity share towards interim dividends for the year ended March 31, 2023. Dividends paid during the year ended March 31, 2022 include an amount of ₹15.00 per equity share towards final dividend for the year ended March 31, 2021 and an amount of ₹21.00 per equity share towards interim dividends for the year ended March 31, 2022.

Dividends declared by the Company are based on profits available for distribution. On April 12, 2023, the Board of Directors of the Company have proposed a final dividend of ₹24.00 per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹8,782 crore.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Standalone **Financial Statements**

Independent Auditor's Report

To the Members of
Tata Consultancy Services Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Tata Consultancy Services Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* 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 standalone 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 financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition– Fixed price contracts where revenue is recognized using percentage of completion method	
Refer Note 4(a) and 10 to the standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company inter alia engages in Fixed-price contracts, wherein, revenue is recognized using the percentage of completion computed as per the input method based on the Company's estimate of contract costs. We identified revenue recognition of fixed price contracts where the percentage of completion is used as a Key Audit Matter since – 1. there is an inherent risk and presumed fraud risk around the accuracy and existence of revenues recognised considering the customised and complex nature of these contracts and significant inputs of IT systems;	Our audit procedures included the following: 1. Obtained an understanding of the systems, processes and controls implemented by the Company for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances. 2. Involvement of our Information technology ('IT') specialists, as required: i. Assessed the IT environment in which the business systems operate and tested system controls over computation of revenue recognised; ii. Tested the IT controls over appropriateness of cost and revenue reports generated by the system;

The key audit matter	How the matter was addressed in our audit
2. application of revenue recognition accounting standard (Ind AS 115, Revenue from Contracts with customers) is complex and involves a number of key judgments and estimates mainly in identifying performance obligations, related transaction price and estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation; 3. these contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Company; and 4. at year-end, significant amount of work in progress (Contract assets), related to these contracts are recognised on the balance sheet.	iii. Tested the controls pertaining to allocation of resources and budgeting systems which prevent the unauthorized recording/ changes to costs incurred; and iv. Tested on a random sampling basis the controls relating to the estimation of contract costs required to complete the respective projects. 3. On selected specific and statistical samples of contracts, we tested that the revenue recognized is in accordance with the revenue recognition accounting standard including– i. Evaluated the identification of performance obligations and the ascribed transaction price; ii. For testing Company's computation of the estimation of contract costs and onerous obligations, if any. We: • assessed that the estimates of costs to complete were reviewed and approved by appropriate designated management personnel; • performed a retrospective analysis of costs incurred with estimated costs to identify significant variations and challenged whether those variations are required to be considered in estimating the remaining costs to complete the contract; • assessed the appropriateness of work in progress (contract assets) on balance sheet date by evaluating the underlying documentation to identify possible changes in estimated costs to complete the remaining performance obligations; and • inspected underlying documents and performed analytics to determine reasonableness of contract costs.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 financial statements.

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 financial statements, 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.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the standalone financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations

received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements- Refer income tax liabilities disclosed in the balance sheet along with Note 8(f) and Note 19 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 21 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 21 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

The final dividend paid by the Company during the year, in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 25 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amit Somani
Partner
Membership No.: 060154
ICAI UDIN: 23060154BGXCZS4294

Place: Mumbai
Date: 12 April 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Tata Consultancy Services Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company. The Company has not been sanctioned any working capital limit from the financial institutions.

(iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments in other parties during the year. The Company has granted unsecured loans to a company and other parties and has granted unsecured advances in the nature of loans to other parties during the year, in respect of which the requisite information is as below. The Company has not made any investments in companies, firms or limited liability partnerships. The Company has not granted any loans, unsecured, to firms or limited liability partnerships and has not granted any advances in the nature of loans, unsecured, to companies, firms or limited liability partnerships during the year. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured, to companies, firms, limited liability partnerships or any other parties during the year.

(a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not given any loans or advances in the nature of loans or stood guarantee or provided security to subsidiaries. The Company does not hold any investment in any joint ventures or associates.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given unsecured loans and unsecured advances in the nature of loans to parties other than subsidiaries as listed below. The Company has not stood guarantee or provided security to parties other than subsidiaries.

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	₹ 7,588.90 Crores	₹ 196.35 Crores
Balance outstanding as at balance sheet date-				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	₹ 12.59 Crores	₹ 262.39 Crores

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given and in case of advances in the nature of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given and advances in the nature of loan given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of any dispute except for the following:

Name of the Statute	Nature of the dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income-tax Act, 1961	Income-tax	4,181	Assessment Year- 2007-08, 2011-12, 2017-18, 2018-19	Commissioner of Income-tax (Appeals)	
		193	Assessment Year- 2006-07	Income-tax Appellate Tribunal	
		39	Assessment Year- 2008-09, 2009-10, 2010-11, 2016-17	Assessing Officer / National Faceless Assessment Centre	
The Central Sales Tax Act, 1956 and Value Added Tax Act	Sales tax and VAT	233	Financial Year- 1994-1995, 2004-2005, 2007-2008, 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018	High Court	
		10	Financial Year- 1990-1991, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2011-2012, 2012-2013	Tribunal	
		2	Financial Year- 1995-1996, 1997-1998, 2004-2005, 2011-2012, 2016-2017, 2017-2018	Assistant Commissioner	
		3	Financial Year- 2008-2009, 2010-2011, 2011-2012, 2012-2013, 2015-2016, 2016-2017	Deputy Commissioner	
		18	Financial Year- 1997-1998, 2005-2006, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018	Joint Commissioner	
The Finance Act, 1994	Service tax	2	Financial Year- 2002-2003, 2003-2004, 2004-2005, 2008-09, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2014-2015, 2015-2016, 2016-2017, 2017-2018	Commissioner Appeals	
		212	Financial Year- 2006-2007, 2007-2008, 2009-2010, 2010-2011, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018	Tribunal	
Goods and Service Tax Act	GST	2	Financial Year – 2020-21	Commissioner Appeals	

** These amounts are net of amount paid/ adjusted under protest ₹ 327 crores.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has six CICs as part of the Group.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Company's annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us and based on an independent legal opinion obtained by the Company, upon irrevocable transfer of funds by the Company to implementing agencies for designated multi-year projects undertaken through them, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to ongoing projects. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amit Somani
Partner
Membership No.: 060154
ICAI UDIN: 23060154BGXCZS4294

Place: Mumbai
Date: 12 April 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of Tata Consultancy Services Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Tata Consultancy Services Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Amit Somani
Partner
Membership No.: 060154
ICAI UDIN: 23060154BGXCZS4294

Place: Mumbai
Date: 12 April 2023

Standalone Balance Sheet

(₹ crore)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	8(a)	9,186	9,669
Capital work-in-progress	8(a)	1,103	1,146
Right-of-use assets	7	5,695	5,837
Intangible assets	8(b)	809	1,018
Financial assets			
Investments	6(a)	2,405	2,405
Trade receivables			
Billed	6(b)	125	90
Unbilled		196	53
Loans	6(e)	3	8
Other financial assets	6(f)	532	626
Income tax assets (net)		2,115	1,643
Deferred tax assets (net)	15	2,464	2,779
Other assets	8(c)	2,410	1,797
Total non-current assets		**27,043**	**27,071**
Current assets			
Inventories	8(d)	27	19
Financial assets			
Investments	6(a)	35,738	29,262
Trade receivables			
Billed	6(b)	35,534	29,852
Unbilled		7,264	6,250
Cash and cash equivalents	6(c)	1,462	8,197
Other balances with banks	6(d)	3,081	5,495
Loans	6(e)	332	5,653
Other financial assets	6(f)	1,557	1,432
Other assets	8(c)	7,789	8,032
Total current assets		**92,784**	**94,192**
TOTAL ASSETS		**1,19,827**	**1,21,263**
EQUITY AND LIABILITIES			
Equity			
Share capital	6(n)	366	366
Other equity	9	74,172	76,807
Total equity		**74,538**	**77,173**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities		4,698	4,879
Other financial liabilities	6(i)	340	518
Employee benefit obligations	12	95	103
Deferred tax liabilities (net)	15	190	129
Unearned and deferred revenue		642	560
Total non-current liabilities		**5,965**	**6,189**
Current liabilities			
Financial liabilities			
Lease liabilities		961	976
Trade payables			
Dues of small enterprises and micro enterprises	6(g)	-	-
Dues of creditors other than small enterprises and micro enterprises	6(h)	13,768	10,082
Other financial liabilities	6(i)	6,948	5,826
Unearned and deferred revenue		2,962	3,013
Other liabilities	8(e)	3,113	7,033
Provisions	8(f)	279	1,377
Employee benefit obligations	12	3,022	2,844
Income tax liabilities (net)		8,271	6,750
Total current liabilities		**39,324**	**37,901**
TOTAL EQUITY AND LIABILITIES		**1,19,827**	**1,21,263**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Standalone Statement of Profit and Loss

(₹ crore)

	Note	Year ended March 31, 2023	Year ended March 31,2022
Revenue from operations	10	1,90,354	1,60,341
Other income	11	5,328	7,486
TOTAL INCOME		**1,95,682**	**1,67,827**
Expenses			
Employee benefit expenses	12	96,218	81,097
Cost of equipment and software licences	13(a)	1,416	1,010
Finance costs	14	695	486
Depreciation and amortisation expense		3,940	3,522
Other expenses	13(b)	41,723	31,989
TOTAL EXPENSES		**1,43,992**	**1,18,104**
PROFIT BEFORE TAX		**51,690**	**49,723**
Tax expense			
Current tax	15	12,946	11,931
Deferred tax	15	(362)	(395)
TOTAL TAX EXPENSE		**12,584**	**11,536**
PROFIT FOR THE YEAR		**39,106**	**38,187**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined employee benefit plans		54	180
Income tax on items that will not be reclassified subsequently to profit or loss		(12)	(39)
Items that will be reclassified subsequently to profit or loss			
Net change in fair values of investments other than equity shares carried at fair value through OCI		(679)	(516)
Net change in intrinsic value of derivatives designated as cash flow hedges		(25)	(37)
Net change in time value of derivatives designated as cash flow hedges		32	(34)
Income tax on items that will be reclassified subsequently to profit or loss		236	196
TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)		**(394)**	**(250)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**38,712**	**37,937**
Earnings per equity share:- Basic and diluted (₹)	16	106.88	103.24
Weighted average number of equity shares		365,90,51,373	369,88,32,195

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Standalone Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

(₹ crore)

Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
366	-	366	-	366

(₹ crore)

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
370	-	370	(4)	366

*Refer note 6(n).

B. OTHER EQUITY

(₹ crore)

	Reserves and surplus				Items of other comprehensive income			Total Equity
	Capital reserve*	Capital redemption reserve	Special Economic Zone re-investment reserve	Retained earnings	Investment revaluation reserve	Cash flow hedging reserve		
						Intrinsic value	Time value	
Balance as at April 1, 2022	**-**	**17**	**7,287**	**68,949**	**580**	**27**	**(53)**	**76,807**
Profit for the year	-	-	-	39,106	-	-	-	39,106
Other comprehensive income / (losses)	-	-	-	42	(442)	(19)	25	(394)
Total comprehensive income	**-**	**-**	**-**	**39,148**	**(442)**	**(19)**	**25**	**38,712**
Dividend	-	-	-	(41,347)	-	-	-	(41,347)
Transfer to Special Economic Zone re-investment reserve	-	-	8,380	(8,380)	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	(3,858)	3,858	-	-	-	-
Balance as at March 31, 2023	**-**	**17**	**11,809**	**62,228**	**138**	**8**	**(28)**	**74,172**
Balance as at April 1, 2021	**-**	**13**	**2,538**	**70,928**	**916**	**56**	**(27)**	**74,424**
Profit for the year	-	-	-	38,187	-	-	-	38,187
Other comprehensive income / (losses)	-	-	-	141	(336)	(29)	(26)	(250)
Total comprehensive income	**-**	**-**	**-**	**38,328**	**(336)**	**(29)**	**(26)**	**37,937**
Dividend	-	-	-	(13,317)	-	-	-	(13,317)
Expenses for buy-back of equity shares	-	-	-	(49)	-	-	-	(49)
Tax on buy-back of equity shares	-	-	-	(4,192)	-	-	-	(4,192)
Buy-back of equity shares	-	4	-	(18,000)	-	-	-	(17,996)
Transfer to Special Economic Zone re-investment reserve	-	-	9,407	(9,407)	-	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	(4,658)	4,658	-	-	-	-
Balance as at March 31, 2022	**-**	**17**	**7,287**	**68,949**	**580**	**27**	**(53)**	**76,807**

*Represents values less than ₹0.50 crore.

Gain of ₹42 crore and ₹141 crore on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2023 and 2022, respectively.

Nature and purpose of reserves

(a) Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(c) Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve will be utilised by the Company for acquiring new assets for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

(d) Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

(e) Investment revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of equity and debt instruments on the balance sheet date measured at fair value through other comprehensive income. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

(f) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Standalone Statement of Cash Flows

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	39,106	38,187
Adjustments for:		
Depreciation and amortisation expense	3,940	3,522
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	110	107
Tax expense	12,584	11,536
Net (gain) / loss on lease modification	3	(2)
Net gain on sub-lease	(7)	-
Unrealised foreign exchange gain	(185)	(119)
Net gain on disposal of property, plant and equipment	(27)	(25)
Net gain on disposal / fair valuation of investments	(209)	(186)
Interest income	(3,046)	(2,555)
Dividend income (including exchange impact)	(2,112)	(3,554)
Finance costs	695	486
Operating profit before working capital changes	**50,852**	**47,397**
Net change in		
Inventories	(8)	(12)
Trade receivables		
Billed	(5,817)	(4,761)
Unbilled	(1,157)	(644)
Loans and other financial assets	192	(152)
Other assets	(384)	747
Trade payables	3,686	2,120
Unearned and deferred revenue	31	412
Other financial liabilities	1,222	968
Other liabilities and provisions	(654)	388
Cash generated from operations	**47,963**	**46,463**
Taxes paid (net of refunds)	(10,934)	(10,336)
Net cash generated from operating activities	**37,029**	**36,127**
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank deposits placed	(3,528)	(14,653)
Inter-corporate deposits placed	(7,580)	(13,655)
Purchase of investments	(1,22,721)	(70,826)
Payment for purchase of property, plant and equipment	(2,041)	(2,147)
Payment including advances for acquiring right-of-use assets	(94)	(13)
Payment for purchase of intangible assets	(340)	(457)
Proceeds from bank deposits	5,930	11,201
Proceeds from inter-corporate deposits	12,966	18,560
Proceeds from disposal / redemption of investments	1,15,825	69,451
Proceeds from sub-lease receivable	5	4

Standalone Statement of Cash Flows

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Proceeds from disposal of property, plant and equipment	29	29
Interest received	2,933	2,594
Dividend received from subsidiaries	1,866	3,554
Net cash generated from investing activities	**3,250**	**3,642**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(1,006)	(935)
Interest paid	(697)	(478)
Dividend paid	(41,347)	(13,317)
Transfer of funds to buy-back escrow account	-	(180)
Transfer of funds from buy-back escrow account	18	162
Expenses for buy-back of equity shares	-	(49)
Tax on buy-back of equity shares	(4,192)	-
Buy-back of equity shares	-	(18,000)
Net cash used in financing activities	**(47,224)**	**(32,797)**
Net change in cash and cash equivalents	**(6,945)**	**6,972**
Cash and cash equivalents at the beginning of the year	8,197	1,112
Exchange difference on translation of foreign currency cash and cash equivalents	210	113
Cash and cash equivalents at the end of the year	**1,462**	**8,197**
Components of cash and cash equivalents		
Balances with banks		
In current accounts	776	809
In deposit accounts	686	7,388
Cheques on hand	-*	-*
Cash on hand	-*	-*
Remittances in transit	-*	-*
	1,462	**8,197**

*Represents values less than ₹ 0.50 crore.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Refer note 13(c) for amount spent during the years ended March 31, 2023 and 2022 on construction / acquisition of any asset and other purposes relating to CSR activities.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Notes forming part of Standalone Financial Statements

1) Corporate information

Tata Consultancy Services Limited (referred to as "TCS Limited" or "the Company") provides IT services, consulting and business solutions and has been partnering with many of the world's largest businesses in their transformation journeys. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions. This is delivered through its unique Location-Independent Agile delivery model recognised as a benchmark of excellence in software development.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is TCS House, Raveline Street, Fort, Mumbai- 400001. As at March 31, 2023, Tata Sons Private Limited, the holding company owned 72.27% of the Company's equity share capital.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2023 and authorised for issue on April 12, 2023.

2) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

3) Basis of preparation

These standalone financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

These standalone financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The significant accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

4) Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company uses the following critical accounting estimates in preparation of its standalone financial statements:

(a) Revenue recognition

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

(b) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(c) Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(d) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their

fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(f) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(g) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

(h) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

5) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves

measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

6) Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Derivative accounting

- **Instruments in hedging relationship**

  The Company designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

  The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company.

  The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains in the statement of profit and loss.

  The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve.

  The Company separates the intrinsic value and time value of an option and designates as hedging instruments only the change in intrinsic value of the option. The change in fair value of the intrinsic value

and time value of an option is recognised in the other comprehensive income and accounted as a separate component of equity. Such amounts are reclassified into the statement of profit and loss when the related hedged items affect profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and is recognised in the statement of profit and loss when the forecasted transaction ultimately affects profit and loss. Any gain or loss is recognised immediately in the statement of profit and loss when the hedge becomes ineffective.

- **Instruments not in hedging relationship**

  The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

Impairment of financial assets (other than at fair value)
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(a) Investments

Investments consist of the following:

Investments – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Investment in subsidiaries		
Fully paid equity shares (unquoted)	2,405	2,405
Investments designated at fair value through OCI		
Fully paid equity shares (unquoted)		
Taj Air Limited	19	19
Less: Impairment in value of investments	(19)	(19)
	2,405	**2,405**

Investments - Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Investments carried at fair value through profit or loss		
Mutual fund units (quoted)	1,147	884
Investments carried at fair value through OCI		
Government bonds and securities (quoted)	26,128	25,667
Corporate bonds (quoted)	3,110	1,242
Investments carried at amortised cost		
Certificate of deposits (quoted)	2,955	99
Commercial papers (quoted)	2,398	381
Treasury bills (quoted)	-	989
	35,738	**29,262**

Government bonds and securities includes bonds pledged with bank for credit facility and with manager to the buy-back amounting to ₹1,650 crore and ₹3,560 crore as at March 31, 2023 and 2022, respectively.

Aggregate value of quoted and unquoted investments is as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Aggregate value of quoted investments	35,738	29,262
Aggregate value of unquoted investments (net of impairment)	2,405	2,405
Aggregate market value of quoted investments	35,736	29,263
Aggregate value of impairment of investments	19	19

Market value of quoted investments carried at amortised cost is as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Certificate of deposits	2,951	99
Commercial papers	2,400	381
Treasury bills	-	990

Carrying value of investment in equity instruments is as follows:

(₹ crore)

In Numbers	Currency	Face value per share	Investment in subsidiaries	As at March 31, 2023	As at March 31, 2022
			Fully paid equity shares (unquoted)		
212,27,83,424	UYU	1	TCS Iberoamerica SA	461	461
15,75,300	INR	10	APTOnline Limited	-	-
1,300	EUR	-	Tata Consultancy Services Belgium	1	1
66,000	EUR	1,000	Tata Consultancy Services Netherlands BV	403	403
1,000	SEK	100	Tata Consultancy Services Sverige AB	19	19
1	EUR	-	Tata Consultancy Services Deutschland GmbH	2	2
20,000	USD	10	Tata America International Corporation	453	453
75,82,820	SGD	1	Tata Consultancy Services Asia Pacific Pte Ltd.	19	19
3,72,58,815	AUD	1	TCS FNS Pty Limited	212	212
10,00,001	GBP	1	Diligenta Limited	429	429
1,000	USD	-	Tata Consultancy Services Canada Inc.	-*	-*
100	CAD	70,653.61	Tata Consultancy Services Canada Inc.	31	31
51,00,000	INR	10	C-Edge Technologies Limited	5	5
8,90,000	INR	10	MP Online Limited	1	1
1,40,00,000	ZAR	1	Tata Consultancy Services (Africa) (PTY) Ltd.	66	66
18,89,005	INR	10	MahaOnline Limited	2	2
-	QAR	-	Tata Consultancy Services Qatar L.L.C.	2	2
10,00,000	INR	100	TCS e-Serve International Limited	10	10
1,00,500	GBP	0.00001	Tata Consultancy Services UK Limited	66	66
2,50,00,000	EUR	1	Tata Consultancy Services Ireland Limited	224	224
10,00,000	INR	10	TCS Foundation	-	-
				2,405	**2,405**

(₹ crore)

In Numbers	Currency	Face value per share	Equity instruments designated at fair value through OCI	As at March 31, 2023	As at March 31, 2022
			Fully paid equity shares (unquoted)		
1,90,00,000	INR	10	Taj Air Limited	19	19
			Less : Impairment in value of investments	(19)	(19)
				-	**-**

*Represents value less than ₹0.50 crore.

The movement in fair value of investments carried / designated at fair value through OCI is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**580**	**916**
Net loss arising on revaluation of investments other than equities carried at fair value through other comprehensive income	(675)	(516)
Deferred tax relating to net loss arising on revaluation of investments other than equities carried at fair value through other comprehensive income	236	180
Net cumulative gain reclassified to statement of profit and loss on sale of investments other than equities carried at fair value through other comprehensive income	(4)	-
Deferred tax relating to net cumulative gain reclassified to statement of profit and loss on sale of investments other than equities carried at fair value through other comprehensive income	1	-
Balance at the end of the year	**138**	**580**

(b) Trade receivables - Billed

Trade receivables- Billed (unsecured) consist of the following:

Trade receivables - Billed – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Trade receivables- Billed	771	932
Less: Allowance for doubtful trade receivables- Billed	(646)	(842)
Considered good	**125**	**90**

Ageing for trade receivables- billed – non-current outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	12	39	75	613	739
Disputed trade receivables – considered good	-	-	-	-	8	24	32
	-	**-**	**12**	**39**	**83**	**637**	**771**
Less: Allowance for doubtful trade receivables - Billed							**(646)**
							125
Trade receivables - Unbilled							**196**
							321

Ageing for trade receivables- billed – non-current outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	-	-	12	93	227	584	916
Disputed trade receivables – considered good	-	-	-	-	-	16	16
	-	**-**	**12**	**93**	**227**	**600**	**932**
Less: Allowance for doubtful trade receivables - Billed							**(842)**
							90
Trade receivables - Unbilled							**53**
							143

Trade receivables - Billed – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Trade receivables- Billed	35,731	30,010
Less: Allowance for doubtful trade receivables- Billed	(275)	(173)
Considered good	**35,456**	**29,837**
Trade receivables- Billed	256	137
Less: Allowance for doubtful trade receivables- Billed	(178)	(122)
Credit impaired	**78**	**15**
	35,534	**29,852**

Above balances of trade receivables- billed include balances with related parties (Refer note 20).

Ageing for trade receivables- billed – current outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	28,935	5,292	1,124	135	16	191	35,693
Undisputed trade receivables – credit impaired	66	42	-	11	18	119	256
Disputed trade receivables – considered good	-	-	12	1	-	25	38
	29,001	**5,334**	**1,136**	**147**	**34**	**335**	**35,987**
Less: Allowance for doubtful trade receivables - Billed							**(453)**
							35,534
Trade receivables - Unbilled							**7,264**
							42,798

Ageing for trade receivables- billed – current outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed							
Undisputed trade receivables – considered good	23,985	4,069	903	594	224	211	29,986
Undisputed trade receivables – credit impaired	-	-	-	57	6	67	130
Disputed trade receivables – considered good	-	-	-	-	-	24	24
Disputed trade receivables – credit impaired	-	-	-	-	-	7	7
	23,985	**4,069**	**903**	**651**	**230**	**309**	**30,147**
Less: Allowance for doubtful trade receivables - Billed							**(295)**
							29,852
Trade receivables - Unbilled							**6,250**
							36,102

(c) Cash and cash equivalents

Cash and cash equivalents consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	776	809
In deposit accounts	686	7,388
Cheques on hand	-*	-*
Cash on hand	-*	-*
Remittances in transit	-*	-*
	1,462	**8,197**

*Represents value less than ₹0.50 crore.

(d) Other balances with banks

Other balances with banks consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks	653	195
Short-term bank deposits	2,428	5,300
	3,081	**5,495**

Earmarked balances with banks primarily relate to margin money for purchase of investments, margin money of derivative contracts and unclaimed dividends.

(e) Loans

Loans (unsecured) consist of the following:

Loans – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Loans and advances to employees	3	8
	3	**8**

Loans – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Inter-corporate deposits	-	5,386
Loans and advances to employees	332	267
Credit impaired		
Loans and advances to employees	31	22
Less: Allowance on loans and advances to employees	(31)	(22)
	332	**5,653**

Inter-corporate deposits yield fixed interest rate and are placed with financial institutions, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them.

(f) Other financial assets

Other financial assets consist of the following:

Other financial assets – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	508	613
Others	24	13
	532	**626**

Other financial assets – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Security deposits	296	161
Fair value of foreign exchange derivative assets	190	388
Interest receivable	624	597
Others	447	286
	1,557	**1,432**

(g) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2023 and March 31, 2022 is as under:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Dues remaining unpaid to any supplier		
Principal	-	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	32	33
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-*	-*

*Represents value less than ₹0.50 crore.

(h) Trade Payables

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
Others	3,774	4,715	18	7	42	8,556
Disputed dues- Others	-	-	-	-	29	29
	3,774	**4,715**	**18**	**7**	**71**	**8,585**
Accrued expenses						**5,183**
						13,768

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(₹ crore)

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables						
Others	2,673	2,541	46	27	80	5,367
Disputed dues- Others	-	-	-	-	32	32
	2,673	**2,541**	**46**	**27**	**112**	**5,399**
Accrued expenses						**4,683**
						10,082

(i) Other financial liabilities

Other financial liabilities consist of the following:

Other financial liabilities – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Capital creditors	111	289
Others	229	229
	340	**518**

Others include advance taxes paid of ₹226 crore and ₹226 crore as at March 31, 2023 and 2022, respectively, by the seller of TCS e-Serve Limited (merged with the Company) which, on refund by tax authorities is payable to the seller.

Other financial liabilities – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Accrued payroll	4,970	3,914
Unclaimed dividends	51	46
Fair value of foreign exchange derivative liabilities	141	128
Capital creditors	635	723
Liabilities towards customer contracts	1,075	972
Others	76	43
	6,948	**5,826**

(j) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

(₹ crore)

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets						
Cash and cash equivalents	-	-	-	-	1,462	1,462
Bank deposits	-	-	-	-	2,428	2,428
Earmarked balances with banks	-	-	-	-	653	653
Investments (other than in subsidiary)	1,147	29,238	-	-	5,353	35,738
Trade receivables						
Billed	-	-	-	-	35,659	35,659
Unbilled	-	-	-	-	7,460	7,460
Loans	-	-	-	-	335	335
Other financial assets	-	-	37	153	1,899	2,089
	1,147	**29,238**	**37**	**153**	**55,249**	**85,824**
Financial liabilities						
Trade payables	-	-	-	-	13,768	13,768
Lease liabilities	-	-	-	-	5,659	5,659
Other financial liabilities	-	-	-	141	7,147	7,288
	-	**-**	**-**	**141**	**26,574**	**26,715**

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(₹ crore)

	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value
Financial assets						
Cash and cash equivalents	-	-	-	-	8,197	8,197
Bank deposits	-	-	-	-	5,300	5,300
Earmarked balances with banks	-	-	-	-	195	195
Investments (other than in subsidiary)	884	26,909	-	-	1,469	29,262
Trade receivables						
Billed	-	-	-	-	29,942	29,942
Unbilled	-	-	-	-	6,303	6,303
Loans	-	-	-	-	5,661	5,661
Other financial assets	-	-	124	264	1,670	2,058
	884	**26,909**	**124**	**264**	**58,737**	**86,918**
Financial liabilities						
Trade payables	-	-	-	-	10,082	10,082
Lease liabilities	-	-	-	-	5,855	5,855
Other financial liabilities	-	-	22	106	6,216	6,344
	-	**-**	**22**	**106**	**22,153**	**22,281**

Loans include inter-corporate deposits of ₹5,386 crore, with original maturity period within 10 months.

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at March 31, 2023 and 2022, approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value measurement of lease liabilities is not required. Fair value of investments carried at amortised cost is ₹5,351 crore and ₹1,470 crore as at March 31, 2023 and 2022, respectively

(k) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

(₹ crore)

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	1,147	-	-	1,147
Equity shares	-	-	-	-
Government bonds and securities	26,128	-	-	26,128
Corporate bonds	3,110	-	-	3,110
Certificate of deposits	2,951	-	-	2,951
Commercial papers	2,400	-	-	2,400
Treasury bills	-	-	-	-
Fair value of foreign exchange derivative assets	-	190	-	190
	35,736	**190**	**-**	**35,926**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	141	-	141
	-	**141**	**-**	**141**

(₹ crore)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Mutual fund units	884	-	-	884
Equity shares	-	-	-	-
Government bonds and securities	25,667	-	-	25,667
Corporate bonds	1,242	-	-	1,242
Certificate of deposits	99	-	-	99
Commercial papers	381	-	-	381
Treasury bills	990	-	-	990
Fair value of foreign exchange derivative assets	-	388	-	388
	29,263	**388**	**-**	**29,651**
Financial liabilities				
Fair value of foreign exchange derivative liabilities	-	128	-	128
	-	**128**	**-**	**128**

(I) Derivative financial instruments and hedging activity

The Company's revenue is denominated in various foreign currencies. Given the nature of the business, a large portion of the costs are denominated in Indian Rupee. This exposes the Company to currency fluctuations.

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Company which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Company uses various derivative instruments such as foreign exchange forward, currency options and futures contracts in which the counter party is generally a bank.

The following are outstanding currency options contracts, which have been designated as cash flow hedges:

Foreign currency	As at March 31, 2023			As at March 31, 2022		
	No. of contracts	Notional amount of contracts (In million)	Fair value (₹ crore)	No. of contracts	Notional amount of contracts (In million)	Fair value (₹ crore)
US Dollar	8	225	13	63	1,635	44
Great Britain Pound	22	200	14	41	338	55
Euro	22	203	10	53	382	25
Australian Dollar	-	-	-	30	202	(21)
Canadian Dollar	-	-	-	25	137	(1)

The movement in cash flow hedging reserve for derivatives designated as cash flow hedges is as follows:

(₹ crore)

	Year ended March 31, 2023		Year ended March 31, 2022	
	Intrinsic value	Time value	Intrinsic value	Time value
Balance at the beginning of the year	**27**	**(53)**	**56**	**(27)**
(Gain) / loss transferred to profit or loss on occurence of forecasted hedge transactions	(376)	488	(636)	525
Deferred tax on (gain) / loss transferred to profit or loss on occurrence of forecasted hedge transactions	90	(144)	139	(122)
Change in the fair value of effective portion of cash flow hedges	351	(456)	599	(559)
Deferred tax on change in the fair value of effective portion of cash flow hedges	(84)	137	(131)	130
Balance at the end of the year	**8**	**(28)**	**27**	**(53)**

The Company has entered into derivative instruments not in hedging relationship by way of foreign exchange forward, currency options and futures contracts. As at March 31, 2023 and 2022, the notional amount of outstanding contracts aggregated to ₹46,102 crore and ₹46,392 crore, respectively, and the respective fair value of these contracts have a net gain of ₹12 crore and ₹158 crore.

Exchange loss of ₹1,159 crore and gain of ₹645 crore on foreign exchange forward, currency options and futures contracts that do not qualify for hedge accounting have been recognised in the standalone statement of profit and loss for the years ended March 31, 2023 and 2022, respectively.

Net foreign exchange gain / (loss) include loss of ₹112 crore and gain of ₹111 crore transferred from cash flow hedging reserve for the years ended March 31, 2023 and 2022, respectively.

Net loss on derivative instruments of ₹20 crore recognised in cash flow hedging reserve as at March 31, 2023, is expected to be transferred to the statement of profit and loss by March 31, 2024. The maximum period over which the exposure to cash flow variability has been hedged is through calendar year 2023.

Following table summarises approximate gain / (loss) on the Company's other comprehensive income on account of appreciation / depreciation of the underlying foreign currencies:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
10% Appreciation of the underlying foreign currencies	-	(387)
10% Depreciation of the underlying foreign currencies	544	2,034

(m) Financial risk management

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

- **Foreign currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. Further, any movement in the functional currency of the various operations of the Company against major foreign currencies may impact the Company's revenue in international business.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which could affect the statements of profit and loss and other comprehensive income and equity. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in note 6(l).

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2023:

(₹ crore)

	USD	EUR	GBP	Others
Net financial assets	2,747	91	436	2,736
Net financial liabilities	(12,419)	(723)	(1,923)	(1,108)

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹1,016 crore for the year ended March 31, 2023.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2022:

(₹ crore)

	USD	EUR	GBP	Others
Net financial assets	515	89	147	1,709
Net financial liabilities	(8,981)	(513)	(1,403)	(1,049)

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹949 crore for the year ended March 31, 2022.

- **Interest rate risk**

  The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. Bank deposits include an amount of ₹2,428 crore held with three banks having high credit rating which is individually in excess of 10% or more of the Company's total bank deposits as at March 31, 2023. None of the other financial instruments of the Company result in material concentration of credit risk.

- **Exposure to credit risk**

  The carrying amount of financial assets and contract assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹90,655 crore and ₹90,388 crore as at March 31, 2023 and 2022, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding equity and preference investments, trade receivables, loans, contract assets and other financial assets.

  The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivable and contract assets as at March 31, 2023 and March 31, 2022.

- **Geographic concentration of credit risk**

  Geographic concentration of trade receivables (gross and net of allowances) and contract assets is as follows:

	As at March 31, 2023		As at March 31, 2022	
	Gross%	Net%	Gross%	Net%
United States of America	54.14	55.13	52.43	53.78
India	12.03	10.37	12.73	10.68
United Kingdom	15.48	15.80	16.47	16.84

Geographic concentration of trade receivables (gross and net of allowances) and contract assets is allocated based on the location of the customers.

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31, 2023 and 2022 was ₹98 crore and ₹96 crore, respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**1,137**	**1,082**
Change during the year	98	96
Bad debts written off	(137)	(39)
Translation Exchange difference	1	(2)
Balance at the end of the year	**1,099**	**1,137**

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generated sufficient cash flows from operations to meet its financial obligations including lease liabilities as and when they fall due.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

(₹ crore)

March 31, 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities					
Trade payables	13,768	-	-	-	13,768
Lease liabilities	1,333	1,129	2,430	2,531	7,423
Other financial liabilities	6,828	42	301	9	7,180
	21,929	**1,171**	**2,731**	**2,540**	**28,371**
Derivative financial liabilities	141	-	-	-	141
	22,070	**1,171**	**2,731**	**2,540**	**28,512**

(₹ crore)

March 31, 2022	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Non-derivative financial liabilities					
Trade payables	10,082	-	-	-	10,082
Lease liabilities	1,345	1,186	2,460	2,732	7,723
Other financial liabilities	5,721	294	228	5	6,248
	17,148	**1,480**	**2,688**	**2,737**	**24,053**
Derivative financial liabilities	128	-	-	-	128
	17,276	**1,480**	**2,688**	**2,737**	**24,181**

(n) Equity instruments

The authorised, issued, subscribed and fully paid up share capital consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Authorised		
460,05,00,000 equity shares of ₹1 each	460	460
(March 31, 2022: 460,05,00,000 equity shares of ₹1 each)		
105,02,50,000 preference shares of ₹1 each	105	105
(March 31, 2022: 105,02,50,000 preference shares of ₹1 each)		
	565	**565**
Issued, Subscribed and Fully paid up		
365,90,51,373 equity shares of ₹1 each	366	366
(March 31, 2022: 365,90,51,373 equity shares of ₹1 each)		
	366	**366**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The Company bought back 4,00,00,000 equity shares for an aggregate amount of ₹18,000 crore being 1.08% of the total paid up equity share capital at ₹4,500 per equity share in the previous year. The equity shares bought back were extinguished on March 29, 2022.

I. Reconciliation of number of shares

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (₹ crore)	Number of shares	Amount (₹ crore)
Equity shares				
Opening balance	**365,90,51,373**	**366**	**369,90,51,373**	**370**
Shares extinguished on buy-back	-	-	(4,00,00,000)	(4)
Closing balance	**365,90,51,373**	**366**	**365,90,51,373**	**366**

II. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹1 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

III. Shares held by Holding company, its Subsidiaries and Associates

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Equity shares		
Holding company		
264,43,17,117 equity shares (March 31, 2022: 264,43,17,117 equity shares) are held by Tata Sons Private Limited	264	264
Subsidiaries and Associates of Holding company		
7220 equity shares (March 31, 2022: 7,220 equity shares) are held by Tata Industries Limited*	-	-
10,14,172 equity shares (March 31, 2022: 10,14,172 equity shares) are held by Tata Investment Corporation Limited*	-	-
46,798 equity shares (March 31, 2022: 46,798 equity shares) are held by Tata Steel Limited*	-	-
766 equity shares (March 31, 2022: 766 equity shares) are held by The Tata Power Company Limited*	-	-
	264	**264**

*Equity shares having value less than ₹0.50 crore.

IV. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2023	As at March 31, 2022
Equity shares		
Tata Sons Private Limited, the holding company	264,43,17,117	264,43,17,117
% of shareholding	72.27%	72.27%

V. Equity shares movement during the 5 years preceding March 31, 2023

- **Equity shares issued as bonus**

  The Company allotted 191,42,87,591 equity shares as fully paid up bonus shares by capitalisation of profits transferred from retained earnings amounting to ₹86 crore and capital redemption reserve amounting to ₹106 crore in three month period ended June 30, 2018, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

- **Equity shares extinguished on buy-back**

  The Company bought back 4,00,00,000 equity shares for an aggregate amount of ₹18,000 crore being 1.08% of the total paid up equity share capital at ₹4,500 per equity share. The equity shares bought back were extinguished on March 29, 2022.

  The Company bought back 5,33,33,333 equity shares for an aggregate amount of ₹16,000 crore being 1.42% of the total paid up equity share capital at ₹3,000 per equity share. The equity shares bought back were extinguished on January 6, 2021.

  The Company bought back 7,61,90,476 equity shares for an aggregate amount of ₹16,000 crore being 1.99% of the total paid up equity share capital at ₹2,100 per equity share. The equity shares bought back were extinguished on September 26, 2018.

VI. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2023		As at March 31, 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Tata Sons Private Limited	264,43,17,117	72.27%	264,43,17,117	72.27%	-
Total	**264,43,17,117**	**72.27%**	**264,43,17,117**	**72.27%**	**-**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at March 31, 2022		As at March 31, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Tata Sons Private Limited	264,43,17,117	72.27%	266,91,25,829	72.16%	0.11%
Total	**264,43,17,117**	**72.27%**	**266,91,25,829**	**72.16%**	**0.11%**

7) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

The details of the right-of-use assets held by the Company is as follows:

(₹ crore)

	Additions for the year ended March 31, 2023	Net carrying amount as at March 31, 2023
Leasehold land	179	940
Buildings	799	4,608
Leasehold improvement	-	2
Computer equipment	-	49
Software licences	-	96
Vehicles	-	-*
	978	**5,695**

*Represents value less than ₹0.50 crore.

(₹ crore)

	Additions for the year ended March 31, 2022	Net carrying amount as at March 31, 2022
Leasehold land	100	774
Buildings	779	4,860
Leasehold improvement	-	4
Computer equipment	3	66
Software licences	145	133
Vehicles	-*	-*
	1,027	**5,837**

*Represents value less than ₹0.50 crore.

Depreciation on right-of-use assets is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Leasehold land	10	9
Buildings	1,034	991
Leasehold improvement	2	3
Computer equipment	16	15
Software licences	37	38
Vehicles	-*	1
	1,099	**1,057**

*Represents value less than ₹0.50 crore.

Interest on lease liabilities is ₹421 crore and ₹451 crore for the years ended March 31, 2023 and 2022, respectively.

The Company incurred ₹211 crore and ₹162 crore for the years ended March 31, 2023 and 2022, respectively, towards expenses relating to short-term leases and leases of low-value assets.

The total cash outflow for leases is ₹1,732 crore and ₹1,561 crore for the years ended March 31, 2023 and 2022, respectively, including cash outflow for short term and low value leases.

The Company has lease term extension options that are not reflected in the measurement of lease liabilities. The present value of future cash outflows for such extension periods is ₹786 crore and ₹722 crore as at March 31, 2023 and 2022, respectively.

Lease contracts entered by the Company majorly pertain for buildings taken on lease to conduct its business in the ordinary course.

The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

8) Non-financial assets and non-financial liabilities

(a) Property, plant and equipment

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation is provided for property, plant and equipment on a straight-line basis so as to expense the cost less residual value over their estimated useful lives based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives
Buildings	20 years
Leasehold improvements	Lease term
Plant and equipment	10 years
Computer equipment	4 years
Vehicles	4 years
Office equipment	2-5 years
Electrical installations	4-10 years
Furniture and fixtures	5 years

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Property, plant and equipment consist of the following:

(₹ crore)

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2022	**323**	**7,737**	**1,885**	**752**	**9,925**	**35**	**2,395**	**1,872**	**1,512**	**26,436**
Additions	-	234	48	56	1,291	8	151	63	53	1,904
Disposals	-	(5)	(8)	-	(269)	(3)	(54)	(9)	(12)	(360)
Cost as at March 31, 2023	**323**	**7,966**	**1,925**	**808**	**10,947**	**40**	**2,492**	**1,926**	**1,553**	**27,980**
Accumulated depreciation as at April 1, 2022	**-**	**(3,286)**	**(1,221)**	**(366)**	**(7,061)**	**(33)**	**(2,085)**	**(1,367)**	**(1,348)**	**(16,767)**
Depreciation	-	(393)	(127)	(78)	(1,386)	(4)	(186)	(130)	(81)	(2,385)
Disposals	-	4	8	-	268	3	54	9	12	358
Accumulated depreciation as at March 31, 2023	**-**	**(3,675)**	**(1,340)**	**(444)**	**(8,179)**	**(34)**	**(2,217)**	**(1,488)**	**(1,417)**	**(18,794)**
Net carrying amount as at March 31, 2023	**323**	**4,291**	**585**	**364**	**2,768**	**6**	**275**	**438**	**136**	**9,186**
Capital work-in-progress*										**1,103**
Total										**10,289**

*₹1,904 crore has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2023.

(₹ crore)

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Computer equipment	Vehicles	Office equipment	Electrical installations	Furniture and fixtures	Total
Cost as at April 1, 2021	**323**	**7,688**	**1,817**	**718**	**8,781**	**36**	**2,302**	**1,883**	**1,509**	**25,057**
Additions	-	51	86	35	1,606	-	160	33	41	2,012
Disposals	-	(2)	(18)	(1)	(462)	(1)	(67)	(44)	(38)	(633)
Cost as at March 31, 2022	**323**	**7,737**	**1,885**	**752**	**9,925**	**35**	**2,395**	**1,872**	**1,512**	**26,436**
Accumulated depreciation as at April 1, 2021	**-**	**(2,897)**	**(1,108)**	**(293)**	**(6,349)**	**(31)**	**(2,001)**	**(1,270)**	**(1,287)**	**(15,236)**
Depreciation	-	(391)	(131)	(73)	(1,172)	(3)	(151)	(140)	(99)	(2,160)
Disposals	-	2	18	-	460	1	67	43	38	629
Accumulated depreciation as at March 31, 2022	**-**	**(3,286)**	**(1,221)**	**(366)**	**(7,061)**	**(33)**	**(2,085)**	**(1,367)**	**(1,348)**	**(16,767)**
Net carrying amount as at March 31, 2022	**323**	**4,451**	**664**	**386**	**2,864**	**2**	**310**	**505**	**164**	**9,669**
Capital work-in-progress*										**1,146**
Total										**10,815**

*₹2,012 crore has been capitalised and transferred to property, plant and equipment during the year ended March 31, 2022.

Capital work-in-progress

- **Capital work-in-progress ageing**

  Ageing for capital work-in-progress as at March 31, 2023 is as follows:

(₹ crore)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	543	203	37	320	1,103
	543	**203**	**37**	**320**	**1,103**

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

(₹ crore)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	639	97	37	373	1,146
	639	**97**	**37**	**373**	**1,146**

- Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

(b) Intangible assets

Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over licence period which equates the economic useful life ranging between 2-5 years on a straight-line basis over the period of its economic useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Intangible assets consist of the following:

(₹ crore)

	Rights under licensing agreement and software licences
Cost as at April 1, 2022	**1,530**
Additions	247
Disposals / Derecognised	(50)
Cost as at March 31, 2023	**1,727**
Accumulated amortisation as at April 1, 2022	**(512)**
Amortisation	(456)
Disposals / Derecognised	50
Accumulated amortisation as at March 31, 2023	**(918)**
Net carrying amount as at March 31, 2023	**809**

(₹ crore)

	Rights under licensing agreement and software licences
Cost as at April 1, 2021	**580**
Additions	961
Disposals / Derecognised	(11)
Cost as at March 31, 2022	**1,530**
Accumulated amortisation as at April 1, 2021	**(218)**
Amortisation	(305)
Disposals / Derecognised	11
Accumulated amortisation as at March 31, 2022	**(512)**
Net carrying amount as at March 31, 2022	**1,018**

The estimated amortisation for years subsequent to March 31, 2023 is as follows:

(₹ crore)

Year ending March 31,	Amortisation expense
2024	434
2025	259
2026	76
2027	40
	809

(c) Other assets

Other assets consist of the following:

Other assets – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Capital advances	67	75
Advances to related parties	63	23
Contract assets	153	136
Prepaid expenses	1,907	1,197
Contract fulfillment costs	33	81
Others	187	285
	2,410	**1,797**
Advances to related parties, considered good, comprise:		
Voltas Limited	-*	-*
Tata Realty and Infrastructure Ltd	-*	-*
Tata Projects Limited	54	23
Titan Engineering and Automation Limited	-	-*
Saankhya Labs Private Limited	8	-
Universal MEP Projects & Engineering Services Limited	1	-

*Represents value less than ₹0.50 crore.

Other assets – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Considered good		
Advance to suppliers	48	117
Advance to related parties	18	8
Contract assets	4,678	3,334
Prepaid expenses	1,332	2,735
Prepaid rent	4	7
Contract fulfillment costs	531	616
Indirect taxes recoverable	853	1,001
Others	325	214
Considered doubtful		
Advance to suppliers	2	2
Other advances	2	2
Less: Allowance on doubtful assets	(4)	(4)
	7,789	**8,032**
Advance to related parties, considered good comprise:		
Tata Sons Private Limited	7	7
Tata AIG General Insurance Company Limited	1	1
Tata Consultancy Services Deutschland GmbH	7	-
Tata Consultancy Services De Mexico S.A.,De C.V.	2	-
Titan Company Limited	1	-

Non-current – Others includes advance of ₹177 crore and ₹271 crore towards acquiring right-of-use of leasehold land as at March 31, 2023 and 2022, respectively.

Contract fulfillment costs of ₹631 crore and ₹564 crore for the years ended March 31, 2023 and 2022, respectively, have been amortised in the standalone statement of profit and loss. Refer note 10 for the changes in contract asset.

(d) Inventories

Inventories consists of a) Raw materials, sub-assemblies and components, b) Work-in-progress, c) Stores and spare parts and d) Finished goods. Inventories are carried at lower of cost and net realisable value. The cost of raw materials, sub-assemblies and components is determined on a weighted average basis. Cost of finished goods produced or purchased by the Company includes direct material and labour cost and a proportion of manufacturing overheads.

Inventories consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Raw materials, sub-assemblies and components	22	16
Finished goods and work-in-progress	5	3
	27	**19**

(e) Other liabilities

Other liabilities consist of the following:

Other liabilities – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Advance received from customers	457	473
Indirect taxes payable and other statutory liabilities	2,429	2,271
Tax liability on buy-back of equity shares	-	4,192
Others	227	97
	3,113	**7,033**

(f) Provisions

Provisions consist of the following:

Provisions – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Provision towards legal claim (Refer note 19)	206	1,249
Provision for foreseeable loss	70	125
Other provisions	3	3
	279	**1,377**

9) Other equity

Other equity consist of the following:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Capital reserve*	**-**	**-**
Capital redemption reserve		
Opening balance	**17**	**13**
Transfer from retained earnings	-	4
	17	**17**
Special Economic Zone re-investment reserve		
Opening balance	**7,287**	**2,538**
Transfer from retained earnings	8,380	9,407
Transfer to retained earnings	(3,858)	(4,658)
	11,809	**7,287**
Retained earnings		
Opening balance	**68,949**	**70,928**
Profit for the year	39,106	38,187
Remeasurement of defined employee benefit plans	42	141
Expenses for buy-back of equity shares	-	(49)
Tax on buy-back of equity shares	-	(4,192)
Buy-back of equity shares	-	(17,996)
Transfer from Special Economic Zone re-investment reserve	3,858	4,658
	1,11,955	**91,677**

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Less: Appropriations		
Dividend on equity shares	41,347	13,317
Transfer to capital redemption reserve	-	4
Transfer to Special Economic Zone re-investment reserve	8,380	9,407
	62,228	**68,949**
Investment revaluation reserve		
Opening balance	**580**	**916**
Change during the year (net)	(442)	(336)
	138	**580**
Cash flow hedging reserve (Refer note 6(I))		
Opening balance	**(26)**	**29**
Change during the year (net)	6	(55)
	(20)	**(26)**
	74,172	**76,807**

*Represents value less than ₹0.50 crore.

10) Revenue recognition

The Company earns revenue primarily from providing IT services, consulting and business solutions. The Company offers a consulting-led, cognitive powered, integrated portfolio of IT, business and engineering services and solutions.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence, whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by nature of services, industry verticals and geography.

Revenue disaggregation by nature of services is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Consultancy services	1,88,748	1,59,106
Sale of equipment and software licences	1,606	1,235
	1,90,354	**1,60,341**

Revenue disaggregation by industry vertical is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Banking, Financial Services and Insurance	68,240	58,614
Manufacturing	16,905	14,576
Retail and Consumer Business	33,169	26,966
Communication, Media and Technology	33,606	28,778
Life Sciences and Healthcare	22,398	18,341
Others	16,036	13,066
	1,90,354	**1,60,341**

Revenue disaggregation by geography is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Americas		
North America	1,13,208	90,630
Latin America	382	314
Europe		
United Kingdom	30,676	27,595
Continental Europe	19,209	17,595
Asia Pacific	12,017	11,178
India	10,941	9,547
Middle East and Africa	3,921	3,482
	1,90,354	**1,60,341**

Geographical revenue is allocated based on the location of the customers.

Information about major customers

No single customer represents 10% or more of the Company's total revenue during the years ended March 31, 2023 and March 31, 2022.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹1,13,145 crore out of which 55.41% is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

Changes in contract assets are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**3,470**	**3,051**
Invoices raised that were included in the contract assets balance at the beginning of the year	(2,632)	(2,464)
Increase due to revenue recognised during the year, excluding amounts billed during the year	3,826	2,828
Translation exchange difference	167	55
Balance at the end of the year	**4,831**	**3,470**

Changes in unearned and deferred revenue are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**3,573**	**3,161**
Revenue recognised that was included in the contract liability balance at the beginning of the year	(2,643)	(2,311)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	2,589	2,735
Translation exchange difference	85	(12)
Balance at the end of the year	**3,604**	**3,573**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Contracted price	1,93,451	1,62,898
Reductions towards variable consideration components	(3,097)	(2,557)
Revenue recognised	**1,90,354**	**1,60,341**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

11) Other income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Other income consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income	3,046	2,555
Dividend income	2,106	3,548
Net gain on disposal / fair valuation of investments carried at fair value through profit or loss	205	186
Net gain on sale of investments other than equity shares carried at fair value through OCI	4	-
Net gain on disposal of property, plant and equipment	27	25
Net gain / (loss) on lease modification	(3)	2

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Net gain on sub-lease	7	-
Net foreign exchange gain / (loss)	(173)	1,068
Rent income	22	21
Other income	87	81
	5,328	**7,486**
Interest income comprise:		
Interest on bank balances and bank deposits	173	256
Interest on financial assets carried at amortised cost	574	481
Interest on financial assets carried at fair value through OCI	2,131	1,818
Other interest (including interest on tax refunds)	168	-
Dividend income comprise:		
Dividend from subsidiaries	2,106	3,548

12) Employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides benefits such as gratuity, pension and provident fund (Company managed fund) to its employees which are treated as defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Company provides benefits such as superannuation and foreign defined contribution plans to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

Employee benefit expenses consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, incentives and allowances	87,049	73,115
Contributions to provident and other funds	6,450	5,734
Staff welfare expenses	2,719	2,248
	96,218	**81,097**

Employee benefit obligations consist of the following:

Employee benefit obligations – Non-current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Foreign defined benefit plans	28	25
Other employee benefit obligations	67	78
	95	**103**

Employee benefit obligations – Current

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Compensated absences	2,991	2,802
Other employee benefit obligations	31	42
	3,022	**2,844**

Employee benefit plans consist of the following:

Gratuity and pension

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust. Trustees administer contributions made to the trust. Certain overseas branches of the Company also provide for retirement benefit plans in accordance with the local laws.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

(₹ crore)

	As at March 31, 2023				As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Change in benefit obligations								
Benefit obligations, beginning of the year	**4,464**	**1**	**25**	**4,490**	**4,313**	**1**	**19**	**4,333**
Translation exchange difference	-	-	2	2	-	-	1	1
Changes due to inter-company transfers	(3)	-	-	(3)	(3)	-	-	(3)
Service cost	512	-	5	517	536	-	5	541
Interest cost	330	-	1	331	296	-	-	296
Remeasurement of the net defined benefit liability	(158)	-	1	(157)	(190)	-	5	(185)
Benefits paid	(502)	-	(6)	(508)	(488)	-	(5)	(493)
Benefit obligations, end of the year	**4,643**	**1**	**28**	**4,672**	**4,464**	**1**	**25**	**4,490**

(₹ crore)

	As at March 31, 2023				As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Change in plan assets								
Fair value of plan assets, beginning of the year	**5,517**	**1**	**-**	**5,518**	**4,704**	**1**	**-**	**4,705**
Changes due to inter-company transfers	(3)	-	-	(3)	(3)	-	-	(3)
Interest income	424	-	-	424	334	-	-	334
Employers' contributions	1,056	-	-	1,056	975	-	-	975
Benefits paid	(502)	-	-	(502)	(488)	-	-	(488)
Remeasurement- return on plan assets excluding amount included in interest income	(103)	-	-	(103)	(5)	-	-	(5)
Fair value of plan assets, end of the year	**6,389**	**1**	**-**	**6,390**	**5,517**	**1**	**-**	**5,518**

(₹ crore)

	As at March 31, 2023				As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Funded status								
Deficit of plan assets over obligations	-	-	(28)	(28)	-	-	(25)	(25)
Surplus of plan assets over obligations	1,746	-	-	1,746	1,053	-	-	1,053
	1,746	**-**	**(28)**	**1,718**	**1,053**	**-**	**(25)**	**1,028**

(₹ crore)

	As at March 31, 2023				As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Category of assets								
Corporate bonds	1,832	-	-	1,832	1,696	-	-	1,696
Equity instruments	121	-	-	121	66	-	-	66
Government bonds and securities	2,917	-	-	2,917	2,624	-	-	2,624
Insurer managed funds	1,387	1	-	1,388	981	1	-	982
Bank balances	6	-	-	6	5	-	-	5
Others	126	-	-	126	145	-	-	145
	6,389	**1**	**-**	**6,390**	**5,517**	**1**	**-**	**5,518**

Net periodic gratuity cost, included in employee cost consists of the following components:

(₹ crore)

	As at March 31, 2023				As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Service cost	512	-	5	517	536	-	5	541
Net interest on net defined benefit asset	(94)	-	1	(93)	(38)	-	-	(38)
Net periodic gratuity / pension cost	**418**	**-**	**6**	**424**	**498**	**-**	**5**	**503**
Actual return on plan assets	**321**	**-**	**-**	**321**	**329**	**-**	**-**	**329**

Remeasurement of the net defined benefit (asset) / liability:

(₹ crore)

	As at March 31, 2023			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Actuarial losses arising from changes in demographic assumptions	30	-	1	31
Actuarial gains arising from changes in financial assumptions	(164)	-	(3)	(167)
Actuarial (gains) and losses arising from changes in experience adjustments	(24)	-	3	(21)
Remeasurement of the net defined benefit liability	**(158)**	**-**	**1**	**(157)**
Remeasurement- return on plan assets excluding amount included in interest income	103	-	-	103
	(55)	**-**	**1**	**(54)**

(₹ crore)

	As at March 31, 2022			
	Domestic plans Funded	Foreign plans Funded	Foreign plans Unfunded	Total
Actuarial (gains) and losses arising from changes in demographic assumptions	(20)	-	2	(18)
Actuarial gains arising from changes in financial assumptions	(165)	-	(1)	(166)
Actuarial (gains) and losses arising from changes in experience adjustments	(5)	-	4	(1)
Remeasurement of the net defined benefit liability	**(190)**	**-**	**5**	**(185)**
Remeasurement- return on plan assets excluding amount included in interest income	5	-	-	5
	(185)	**-**	**5**	**(180)**

The assumptions used in accounting for the defined benefit plan are set out below:

	As at March 31, 2023		As at March 31, 2022	
	Domestic plans	Foreign plans	Domestic plans	Foreign plans
Discount rate	7.50%	3.90%-4.80%	7.00%	1.50%-2.70%
Rate of increase in compensation levels of covered employees	6.00%	1.95%-3.62%	6.00%	2.24%-3.80%
Rate of return on plan assets	7.50%	3.90%-4.80%	7.00%	1.50%-2.70%
Weighted average duration of defined benefit obligations	7 Years	3-8 Years	8 years	3-6.4 years

Future mortality assumptions are taken based on the published statistics by the Insurance Regulatory and Development Authority of India.

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2023. The Company does not expect to contribute to defined benefit plan obligations funds for year ending March 31, 2024 in view of adequate surplus plan assets as at March 31, 2023.

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Increase of 0.50%	(121)	(159)
Decrease of 0.50%	127	170

If the expected salary growth increases / decreases by 0.50%, the defined benefit obligations would increase / (decrease) as follows:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Increase of 0.50%	129	171
Decrease of 0.50%	(123)	(161)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Each year an Asset- Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The defined benefit obligations shall mature after the year ended March 31, 2023 as follows:

(₹ crore)

Year ending March 31,	Defined benefit obligations
2024	636
2025	556
2026	534
2027	523
2028	508
2029-2033	2,106

Provident fund

In accordance with Indian law, all eligible employees of the Company in India are entitled to receive benefits under the provident fund plan in which both the employee and employer (at a determined rate) contribute monthly to a trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by Government administered provident fund. A part of the Company's contribution is transferred to Government administered pension fund. The contributions made by the Company and the shortfall of interest, if any, are recognised as an expense in statement of profit and loss under employee benefit expenses. In accordance with an actuarial valuation of provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the assumptions as mentioned below, there is no deficiency in the interest cost as the present value of the expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of Government administered provident fund.

The details of fund and plan assets are given below:

(₹ crore)

	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets	25,511	22,814
Present value of defined benefit obligations	(25,511)	(22,814)
Net excess / (shortfall)	-	-

The plan assets have been primarily invested in Government securities and corporate bonds.

The principal assumptions used in determining the present value obligation of interest guarantee under the deterministic approach are as follows:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.50%	7.00%
Average remaining tenure of investment portfolio	7 Years	8 years
Guaranteed rate of return	8.15%	8.10%

The Company expensed ₹1,614 crore and ₹1,372 crore for the years ended March 31, 2023 and 2022, respectively, towards provident fund.

Superannuation

All eligible employees on Indian payroll are entitled to benefits under Superannuation, a defined contribution plan. The Company makes monthly contributions until retirement or resignation of the employee. The Company recognises such contributions as an expense when incurred. The Company has no further obligation beyond its monthly contribution.

The Company expensed ₹278 crore and ₹271 crore for the years ended March 31, 2023 and 2022, respectively, towards Employees' Superannuation Fund.

Foreign defined contribution plan

The Company expensed ₹1,070 crore and ₹885 crore for the years ended March 31, 2023 and 2022, respectively, towards foreign defined contribution plans.

13) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of equipment and software licences, depreciation and amortisation expense and other expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses, bad debts and advances written off, allowance for doubtful trade receivables and advances (net) and other expenses. Other expenses are aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment, etc.

(a) Cost of equipment and software licences

Cost of equipment and software licences consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Raw materials, sub-assemblies and components consumed	37	29
Equipment and software licences purchased	1,381	984
	1,418	**1,013**
Finished goods and work-in-progress		
Opening stock	3	-*
Less: Closing stock	5	3
	(2)	**(3)**
	1,416	**1,010**

*Represents value less than ₹0.50 crore.

(b) Other expenses

Other expenses consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Fees to external consultants	25,539	19,338
Facility expenses	2,178	1,707
Travel expenses	2,100	1,361
Communication expenses	1,588	1,303
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	110	107
Other expenses	10,208	8,173
	41,723	**31,989**

Other expenses include ₹4,777 crore and ₹3,733 crore for the years ended March 31, 2023 and 2022, respectively, towards sales, marketing and advertisement expenses and ₹2,544 crore and ₹1,708 crore for the years ended March 31, 2023 and 2022, respectively, towards project expenses.

(c) Corporate Social Responsibility (CSR) expenditure

(₹ crore)

		Year ended March 31, 2023	Year ended March 31, 2022
1	Amount required to be spent by the company during the year	773	716
2	Amount of expenditure incurred on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	783	727
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard: Contribution to TCS Foundation in relation to CSR expenditure	543	680

14) Finance costs

Finance costs consist of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities	421	451
Interest on tax matters	49	7
Other interest costs	225	28
	695	**486**

15) Income taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

The current income tax expense includes income taxes payable by the Company having its branches in India and overseas where it operates. The current tax payable by the Company in India is Indian income tax payable on income after taking credit for tax relief available for export operations in Special Economic Zones (SEZs).

Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The income tax expense consists of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax expense for current year	13,623	12,912
Current tax benefit pertaining to prior years	(677)	(981)
	12,946	**11,931**
Deferred tax		
Deferred tax benefit for current year	(362)	(395)
Deferred tax benefit pertaining to prior years	-	-
	(362)	**(395)**
	12,584	**11,536**

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before taxes	51,690	49,723
Indian statutory income tax rate	34.94%	34.94%
Expected income tax expense	18,063	17,375
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax holidays	(5,097)	(4,604)
Income exempt from tax	(736)	(1,240)
Undistributed earnings in branches	58	(232)
Tax on income at different rates	963	1,107
Tax pertaining to prior years	(677)	(981)
Others (net)	10	111
Total income tax expense	**12,584**	**11,536**

The Company benefits from the tax holiday available for units set up under the Special Economic Zone Act, 2005. These tax holidays are available for a period of fifteen years from the date of commencement of operations. Under the SEZ scheme, the unit which begins providing services on or after April 1, 2005 will be eligible for deductions of 100% of profits or gains derived from export of services for the first five years, 50% of such profit or gains for a further period of five years and 50% of such profits or gains for the balance period of five years subject to fulfillment of certain conditions. From April 1, 2011 profits from units set up under SEZ scheme are subject to Minimum Alternate Tax (MAT).

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

(₹ crore)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments / utilisation	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	374	223	-	-	597
Provision for employee benefit obligations	733	53	-	-	786
Cash flow hedges	8	-	(1)	-	7
Receivables, financial assets at amortised cost	372	31	-	-	403
MAT credit entitlement	974	-	-	(974)	-
Branch profit tax	(77)	(58)	-	-	(135)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(320)	-	237	-	(83)
Lease liabilities	181	7	-	-	188
Others	405	106	-	-	511
	2,650	**362**	**236**	**(974)**	**2,274**

Gross deferred tax assets and liabilities are as follows:

(₹ crore)

As at March 31, 2023	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and Intangible assets	651	54	597
Provision for employee benefit obligations	786	-	786
Cash flow hedges	7	-	7
Receivables, financial assets at amortised cost	403	-	403
Branch profit tax	-	135	(135)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(83)	-	(83)
Lease liabilities	188	-	188
Others	512	1	511
	2,464	**190**	**2,274**

Significant components of net deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(₹ crore)

	Opening balance	Recognised in profit and loss	Recognised in / reclassified from other comprehensive income	Adjustments / utilisation	Closing balance
Deferred tax assets / (liabilities) in relation to					
Property, plant and equipment and intangible assets	290	84	-	-	374
Provision for employee benefit obligations	639	94	-	-	733
Cash flow hedges	(8)	-	16	-	8
Receivables, financial assets at amortised cost	336	36	-	-	372
MAT credit entitlement	1,710	-	-	(736)	974
Branch profit tax	(310)	233	-	-	(77)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(500)	-	180	-	(320)
Lease liabilities	210	(29)	-	-	181
Others	428	(23)	-	-	405
	2,795	**395**	**196**	**(736)**	**2,650**

Gross deferred tax assets and liabilities are as follows:

(₹ crore)

As at March 31, 2022	Assets	Liabilities	Net
Deferred tax assets / (liabilities) in relation to			
Property, plant and equipment and Intangible assets	426	52	374
Provision for employee benefit obligations	733	-	733
Cash flow hedges	8	-	8
Receivables, financial assets at amortised cost	372	-	372
MAT credit entitlement	974	-	974
Branch profit tax	-	77	(77)
Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	(320)	-	(320)
Lease liabilities	181	-	181
Others	405	-	405
	2,779	**129**	**2,650**

Under the Income-tax Act, 1961, the Company is liable to pay Minimum Alternate Tax in the tax holiday period. MAT paid can be carried forward for a period of 15 years and can be set off against the future tax liabilities. MAT is recognised as a deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Direct tax contingencies

The Company has ongoing disputes with income tax authorities in India and in some of the other jurisdictions where it operates. The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of fees for services received. The Company has recognised contingent liability in respect of tax demands received from direct tax authorities in India and other jurisdictions of ₹1,471 crore and ₹1,616 crore as at March 31, 2023 and 2022, respectively. These demand orders are being contested by the Company based on the management evaluation and advise of tax consultants. In respect of tax contingencies of ₹318 crore and ₹318 crore as at March 31, 2023 and 2022,

respectively, not included above, the Company is entitled to an indemnification from the seller of TCS e-Serve Limited.

The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

The number of years that are subject to tax assessments varies depending on tax jurisdiction. The major tax jurisdictions of Tata Consultancy Services Limited include India, United States of America and United Kingdom. In India, tax filings from fiscal 2020 are generally subject to examination by the tax authorities. In United States of America, the federal statute of limitation applies to fiscals 2019 and earlier and applicable state statutes of limitation vary by state. In United Kingdom, the statute of limitation generally applies to fiscal 2019 and earlier.

16) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year (₹ crore)	39,106	38,187
Weighted average number of equity shares	365,90,51,373	369,88,32,195
Basic and diluted earnings per share (₹)	106.88	103.24
Face value per equity share (₹)	1	1

17) Auditor's remuneration

Auditor's remuneration consists of the following:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Auditor	11	9
For taxation matters	1	1
For other services	4	4
For reimbursement of expenses	1	1

18) Segment information

The Company publishes the standalone financial statements of the Company along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

19) Commitments and contingencies

Capital commitments

The Company has contractually committed (net of advances) ₹1,454 crore and ₹1,315 crore as at March 31, 2023 and 2022, respectively, for purchase of property, plant and equipment.

Contingencies

- **Direct tax matters**

  Refer note 15.

- **Indirect tax matters**

  The Company has ongoing disputes with tax authorities mainly relating to treatment of characterisation and classification of certain items. The Company has demands amounting to ₹498 crore and ₹500 crore as at March 31, 2023 and 2022, respectively, from various indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

- **Other claims**

  Claims aggregating ₹218 crore and ₹235 crore as at March 31, 2023 and 2022, respectively, against the Company have not been acknowledged as debts.

  In addition to above, in October 2014, Epic Systems Corporation (referred to as Epic) filed a legal claim against the Company in the Court of Western District Madison, Wisconsin alleging unauthorised access to and download of their confidential information and use thereof in the development of the Company's product MedMantra.

  In April 2016, the Company received an unfavourable jury verdict awarding damages of ₹7,730 crore (US $940 million) to Epic which was thereafter reduced by the Trial Court to ₹3,454 crore (US $420 million). Pursuant to reaffirmation of the District Court Order in March 2019, the Company filed an appeal in the Appeals Court to fully set aside the Order. Epic also filed a cross appeal challenging the reduction by the District Court judge of ₹822 crore (US $100 million) award and ₹1,645 crore (US $200 million) in punitive damages.

  On August 20, 2020, the Appeals Court (a) vacated the award of ₹2,303 crore (US $280 million) in punitive damages considering the award to be constitutionally excessive and remanded the case back to District Court with instructions to reassess and reduce the punitive damages award to at most ₹1,151 crore (US $140 million), (b) affirmed the District Court's decision vacating the jury's award of ₹822 crore (US $100 million) in compensatory damages for alleged use of "other confidential information" by the Company, and, (c) affirmed the District Court's decision upholding the jury's award of ₹1,151 crore (US $140 million) in compensatory damages for use of the comparative analysis by the Company. Considering all the facts and various legal precedence, on a conservative and prudent basis, the Company provided ₹1,218 crore (US $165 million) towards this legal claim in its statement of profit and loss for three month period ended September 30, 2020. This was presented as an "exceptional item" in the standalone statement of profit and loss. On April 8, 2021, Epic approached the Supreme Court seeking review of the Order of the Appeals Court which was denied by the Supreme Court on March 21, 2022.

  On April 21, 2022, Epic invoked payment of ₹1,151 crore (US $140 million) out of ₹3,618 crore (US $440 million) Letter of Credit provided as security, towards compensatory damages awarded by the District Court and confirmed by the Appeals Court, already provided for in the earlier years.

  On July 1, 2022, the District Court passed an Order affirming the punitive damages at ₹1,151 crore (US $140 million). The Company has filed an appeal on November 16, 2022, in the Appeals Court to reduce the punitive damages awarded by the District Court, which is pending.

  Pursuant to encashment of the Letter of Credit towards compensatory damages, the value of Letter of Credit made available to Epic stands reduced to ₹1,250 crore (US $152 million).

- **Guarantees and letter of comfort**

  The Company has given letter of comfort to banks for credit facilities availed by its subsidiaries. As per the terms of letter of comfort, the Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary and provide such managerial, technical and financial assistance to ensure continued successful operations of the subsidiary.

  The Company has provided guarantees to third parties on behalf of its subsidiaries. The Company does not expect any outflow of resources in respect of the above.

The amounts assessed as contingent liability do not include interest that could be claimed by counter parties.

20) Related party transactions

The Company's principal related parties consist of its holding company, Tata Sons Private Limited and its subsidiaries, its own subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business. Refer note 21 of consolidated financial statement for list of subsidiaries of the Company.

Transactions with related parties are as follows:

(₹ crore)

	Year ended March 31, 2023					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Revenue from operations	38	23,753	1,152	2,506	-	27,449
Dividend income	-	2,106	-	-	-	2,106
Rent income	-	33	-	-	-	33
Other income	-	36	-	-	-	36
Purchases of goods and services (including reimbursements)	-	15,069	564	226	-	15,859
Brand equity contribution	99	-	-	-	-	99
Facility expenses	1	109	23	59	-	192
Lease rental	-	-	56	47	-	103
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	-	-	(1)	1	-	-
Contribution and advance to post employment benefit plans	-	-	-	-	2,955	2,955
Purchase of property, plant and equipment	-	1	13	137	-	151
Advances given	-	-	1	45	-	46
Advances recovered	-	-	1	15	-	16
Advances taken	-	2	25	5	-	32
Dividend paid	29,881	-	16	6	-	29,903
Guarantees given	-	237	-	-	-	237
Cost recovery	-	3,591	-	-	-	3,591
Transfer out of employee benefit obligations	-	6	-	-	-	6
Transfer in of employee benefit obligations	-	1	-	-	-	1

(₹ crore)

	Year ended March 31, 2022					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Revenue from operations	40	21,358	770	2,233	-	24,401
Dividend income	-	3,548	-	-	-	3,548
Rent income	-	26	-	-	-	26
Other income	-	44	-	-	-	44
Purchases of goods and services (including reimbursements)	-	11,045	534	159	-	11,738
Brand equity contribution	100	-	-	-	-	100
Facility expenses	1	101	19	45	-	166
Lease rental	-	-	73	24	-	97

(₹ crore)

	Year ended March 31, 2022					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Bad debts and advances written off, allowance for doubtful trade receivables and advances (net)	-	-	(3)	1	-	(2)
Contribution and advance to post employment benefit plans	-	-	-	-	2,322	2,322
Purchase of property, plant and equipment	-	-	15	147	-	162
Advances given	-	2	3	6	-	11
Advances recovered	-	1	3	17	-	21
Advances taken	-	158	-	1	-	159
Dividend paid	9,609	-	5	2	-	9,616
Guarantees given	-	29	-	-	-	29
Buy-back of shares	11,164	-	4	6	-	11,174
Cost recovery	-	2,799	-	-	-	2,799
Sale of property, plant and equipment	-	1	-	-	-	1

Balances receivable from related parties are as follows:

(₹ crore)

	As at March 31, 2023					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade receivables and contract assets	2	7,279	429	794	-	8,504
Loans, other financial assets and other assets	10	458	95	85	-	648
	12	**7,737**	**524**	**879**	**-**	**9,152**

(₹ crore)

	As at March 31, 2022					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade receivables and contract assets	11	6,704	242	673	-	7,630
Loans, other financial assets and other assets	10	157	52	30	-	249
	21	**6,861**	**294**	**703**	**-**	**7,879**

Balances payable to related parties are as follows:

(₹ crore)

	As at March 31, 2023					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	90	6,771	364	314	278	7,817
Commitments and guarantees	-	4,427	12	50	-	4,489

(₹ crore)

	As at March 31, 2022					
	Tata Sons Private Limited	Subsidiaries of the Company	Subsidiaries of Tata Sons Private Limited	Associates / joint ventures of Tata Sons Private Limited and their subsidiaries	Other related parties	Total
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities	92	5,067	499	111	-	5,769
Commitments and guarantees	-	4,610	37	201	-	4,848

Material related party transactions are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations		
Tata Consultancy Services Deutschland GmbH	3,221	3,038
Tata Consultancy Services Netherlands BV	3,402	3,006
Tata Consultancy Services Canada Inc.	3,544	2,804
Tata Consultancy Services Switzerland Ltd.	2,699	2,285
Tata Consultancy Services Sverige AB	2,274	2,172
Jaguar Land Rover Limited	1,706	1,500
Tata Digital Private Limited	502	269
Purchases of goods and services (including reimbursements) and net of cost recovery		
Tata America International Corporation	3,824	3,156
Tata Consultancy Services De Mexico S.A., De C.V.	2,946	2,130
TCS Foundation	542	679
Tata Consultancy Services Canada Inc.	1,280	495
Dividend income		
Tata America International Corporation	643	707
TCS Iberoamerica SA	190	682
Tata Consultancy Services Canada Inc.	304	649
Tata Consultancy Services Netherlands BV	211	646

Material related party balances are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Trade receivables and contract assets		
Tata America International Corporation	1,366	1,291
Tata Consultancy Services France	1,227	1,063
Diligenta Limited	463	745
Tata Consultancy Services Netherlands BV	634	594
Tata Consultancy Services Asia Pacific Pte Ltd.	474	345
Tata Consultancy Services Sverige AB	185	88
Jaguar Land Rover Limited	482	379
Trade payables, unearned and deferred revenue, other financial liabilities and other liabilities		
Tata America International Corporation	2,688	2,044
Tata Consultancy Services De Mexico S.A., De C.V.	933	433

Transactions with key management personnel are as follows:

(₹ crore)

	Year ended March 31, 2023	Year ended March 31, 2022
Short-term benefits	58	53
Dividend paid during the year	2	1
	60	**54**

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

21) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

22) The sitting fees and commission paid to non-executive directors is ₹13 crore and ₹12 crore as at March 31, 2023 and 2022, respectively.

23) 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 had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company 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.

24) Additional Regulatory Information

- **Ratios**

Ratio	Numerator	Denominator	Current year	Previous year
Current ratio (in times)	Total current assets	Total current liabilities	2.4	2.5
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.1	0.1
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	23.4	23.2
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	51.6%	50.3%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.8	4.8
Trade payables turnover ratio (in times)	Cost of equipment and software licences + Other expenses	Average trade payables	3.6	3.7
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.5	2.9
Net profit ratio (in %)	Profit for the year	Revenue from operations	20.5%	23.8%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	65.2%	60.4%
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	7.4%	6.1%

25) Dividend

Dividends paid during the year ended March 31, 2023 include an amount of ₹22.00 per equity share towards final dividend for the year ended March 31, 2022 and an amount of ₹91.00 per equity share towards interim dividends (including special dividend) for the year ended March 31, 2023. Dividends paid during the year ended March 31, 2022 include an amount of ₹15.00 per equity share towards final dividend for the year ended March 31, 2021 and an amount of ₹21.00 per equity share towards interim dividends for the year ended March 31, 2022.

Dividends declared by the Company are based on the profit available for distribution. On April 12, 2023, the Board of Directors of the Company have proposed a final dividend of ₹24.00 per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹8,782 crore.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's registration no: 101248W/W-100022

Amit Somani
Partner
Membership No: 060154

Mumbai, April 12, 2023

For and on behalf of the Board

Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013,read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
							₹ crore											
1	APTOnline Limited	August 9, 2004	April 1, 2022	March 31, 2023	INR	1.000000	2	114	179	63	25	134	22	6	16	-	89%	India
2	MP Online Limited	September 8, 2006	April 1, 2022	March 31, 2023	INR	1.000000	1	126	181	54	47	92	35	9	26	-	89%	India
3	C-Edge Technologies Limited	January 19, 2006	April 1, 2022	March 31, 2023	INR	1.000000	10	351	441	80	-	356	115	29	86	-	51%	India
4	MahaOnline Limited	September 23, 2010	April 1, 2022	March 31, 2023	INR	1.000000	3	83	149	63	33	1	9	2	7	-	74%	India
5	TCS e-Serve International Limited	December 31, 2008	April 1, 2022	March 31, 2023	INR	1.000000	10	239	1,087	838	155	2,046	128	35	93	-	100%	India
6	Diligenta Limited	August 23, 2005	January 1, 2022	December 31, 2022	GBP	101.647598	10	1,515	2,838	1,313	391	4,258	153	23	130	-	100%	U.K.
7	Tata Consultancy Services Canada Inc.	October 1, 2009	April 1, 2022	March 31, 2023	CAD	60.661331	43	1,324	3,241	1,874	-	10,217	1,133	299	834	-	100%	Canada
8	Tata America International Corporation	August 9, 2004	April 1, 2022	March 31, 2023	USD	82.232500	2	1,640	5,000	3,358	412	5,017	1,314	337	977	-	100%	U.S.A.
9	Tata Consultancy Services Asia Pacific Pte Ltd.	August 9, 2004	April 1, 2022	March 31, 2023	USD	82.232500	36	975	2,099	1,088	916	2,798	321	38	283	-	100%	Singapore
10	Tata Consultancy Services (China) Co., Ltd.	November 16, 2006	January 1, 2022	December 31, 2022	CNY	11.965790	242	67	468	159	41	1,050	73	24	49	-	100%	China
11	Tata Consultancy Services Japan, Ltd.	July 1, 2014	April 1, 2022	March 31, 2023	JPY	0.616829	267	1,410	2,996	1,319	-	5,260	488	154	334	-	66%	Japan
12	Tata Consultancy Services Malaysia Sdn Bhd	August 9, 2004	April 1, 2022	March 31, 2023	MYR	18.634149	4	65	272	203	-	518	28	11	17	-	100%	Malaysia

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
							₹ crore											
13	PT Tata Consultancy Services Indonesia	October 5, 2006	April 1, 2022	March 31, 2023	IDR	0.005484	1	30	100	69	-	105	21	6	15	-	100%	Indonesia
14	Tata Consultancy Services (Philippines) Inc.	September 19, 2008	April 1, 2022	March 31, 2023	PHP	1.512530	(42)	169	542	415	-	991	94	10	84	-	100%	Philippines
15	Tata Consultancy Services (Thailand) Limited	May 12, 2008	April 1, 2022	March 31, 2023	THB	2.405866	2	4	40	34	-	90	1	-	1	-	100%	Thailand
16	Tata Consultancy Services Belgium	August 9, 2004	April 1, 2022	March 31, 2023	EUR	89.444305	2	463	998	533	-	2,626	140	37	103	-	100%	Belgium
17	Tata Consultancy Services Deutschland GmbH	August 9, 2004	April 1, 2022	March 31, 2023	EUR	89.444305	1	803	2,309	1,505	-	6,812	415	132	283	-	100%	Germany
18	Tata Consultancy Services Sverige AB	August 9, 2004	April 1, 2022	March 31, 2023	SEK	7.933748	-	906	1,528	622	-	4,258	258	55	203	-	100%	Sweden
19	Tata Consultancy Services Netherlands BV	August 9, 2004	April 1, 2022	March 31, 2023	EUR	89.444305	590	2,490	5,030	1,950	1,744	7,625	611	104	507	-	100%	Netherlands
20	Tata Consultancy Services Italia s.r.l.	August 9, 2004	April 1, 2022	March 31, 2023	EUR	89.444305	20	58	211	133	-	400	9	9	-	-	100%	Italy
21	Tata Consultancy Services Luxembourg S.A.	October 28, 2005	April 1, 2022	March 31, 2023	EUR	89.444305	50	68	313	195	-	798	80	23	57	-	100%	Capellen (G.D. de Luxembourg)
22	Tata Consultancy Services Switzerland Ltd.	October 31, 2006	April 1, 2022	March 31, 2023	CHF	89.881408	13	831	1,757	913	-	4,708	272	51	221	-	100%	Switzerland

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
							₹ crore											
23	Tata Consultancy Services Osterreich GmbH	March 9, 2012	April 1, 2022	March 31, 2023	EUR	89.444305	-	4	65	61	-	78	-	-	-	-	100%	Austria
24	Tata Consultancy Services Danmark ApS	March 16, 2012	April 1, 2022	March 31, 2023	DKK	12.007023	-	-	-	-	-	(2)	(5)	-	(5)	-	0%	Denmark
25	Tata Consultancy Services De Espana S.A.	August 9, 2004	April 1, 2022	March 31, 2023	EUR	89.444305	1	120	244	123	-	567	53	6	47	-	100%	Spain
26	Tata Consultancy Services (Portugal) Unipessoal, Limitada	July 4, 2005	April 1, 2022	March 31, 2023	EUR	89.444305	-	35	73	38	-	107	26	5	21	-	100%	Portugal
27	Tata Consultancy Services France	June 28, 2013	April 1, 2022	March 31, 2023	EUR	89.444305	4	(371)	1,674	2,041	-	2,849	34	8	26	-	100%	France
28	Tata Consultancy Services Saudi Arabia	July 2, 2015	January 1, 2022	December 31, 2022	SAR	21.907052	8	126	290	156	-	597	14	3	11	-	100%	Saudi Arabia
29	Tata Consultancy Services (Africa) (PTY) Ltd.	October 23, 2007	January 1, 2022	December 31, 2022	ZAR	4.616432	6	43	49	-	49	-	26	-	26	-	100%	South Africa
30	Tata Consultancy Services (South Africa) (PTY) Ltd.	October 31, 2007	January 1, 2022	December 31, 2022	ZAR	4.616432	8	85	498	405	-	994	52	15	37	-	100%	South Africa
31	TCS FNS Pty Limited	October 17, 2005	April 1, 2022	March 31, 2023	AUD	54.914864	205	(62)	143	-	2	-	44	-	44	-	100%	Australia
32	TCS Financial Solutions Beijing Co., Ltd.	December 29, 2006	January 1, 2022	December 31, 2022	CNY	11.965790	44	(7)	52	15	-	55	(3)	-	(3)	-	100%	China
33	TCS Financial Solutions Australia Pty Limited	October 19, 2005	April 1, 2022	March 31, 2023	AUD	54.914864	-	74	121	47	-	60	49	16	33	-	100%	Australia

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
							₹ crore											
34	TCS Iberoamerica SA	August 9, 2004	January 1, 2022	December 31, 2022	USD	82.232500	809	997	1,806	-	1,787	-	188	7	181	-	100%	Uruguay
35	TCS Solution Center S.A.	August 9, 2004	January 1, 2022	December 31, 2022	UYU	2.120487	76	253	481	152	-	893	159	40	119	-	100%	Uruguay
36	Tata Consultancy Services Argentina S.A.	August 9, 2004	January 1, 2022	December 31, 2022	ARS	0.394254	2	3	43	38	-	43	3	-	3	-	100%	Argentina
37	Tata Consultancy Services Do Brasil Ltda	August 9, 2004	January 1, 2022	December 31, 2022	BRL	16.140477	284	122	724	318	-	1,495	142	53	89	-	100%	Brazil
38	Tata Consultancy Services De Mexico S.A., De C.V.	August 9, 2004	January 1, 2022	December 31, 2022	MXN	4.544387	1	1,149	2,275	1,125	-	4,697	597	182	415	-	100%	Mexico
39	Tata Consultancy Services Chile S.A.	August 9, 2004	January 1, 2022	December 31, 2022	CLP	0.104115	177	251	611	183	58	851	106	14	92	-	100%	Chile
40	TCS Inversiones Chile Limitada	August 9, 2004	January 1, 2022	December 31, 2022	CLP	0.104115	159	185	362	18	334	36	87	2	85	-	100%	Chile
41	TATASOLUTION CENTER S.A.	December 28, 2006	January 1, 2022	December 31, 2022	USD	82.232500	25	95	252	132	-	459	65	15	50	-	100%	Ecuador
42	TCS Uruguay S.A.	January 1, 2010	January 1, 2022	December 31, 2022	UYU	2.120487	-	240	401	161	75	731	109	4	105	-	100%	Uruguay
43	MGDC S.C.	January 1, 2010	January 1, 2022	December 31, 2022	MXN	4.544387	77	(18)	90	31	-	68	3	(5)	8	-	100%	Mexico
44	Tata Consultancy Services Qatar L.L.C.	December 20, 2011	January 1, 2022	December 31, 2022	QAR	22.580800	5	30	55	20	-	42	(2)	-	(2)	-	100%	Qatar
45	Tata Consultancy Services UK Limited	October 31, 2018	January 1, 2022	December 31, 2022	GBP	101.647598	-	29	29	-	-	-	-	(1)	1	-	100%	U.K.
46	TCS Business Services GmbH	March 9, 2020	April 1, 2022	March 31, 2023	EUR	89.444305	-	76	156	80	56	138	5	2	3	-	100%	Germany
47	Tata Consultancy Services Ireland Limited	December 02, 2020	January 1, 2022	December 31, 2022	EUR	89.444305	224	105	529	200	-	1,315	78	9	69	-	100%	Ireland

Sr. No.	Name of the Subsidiary Company	Date of becoming subsidiary	Start date of accounting period of subsidiary	End date of accounting period of subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend	% of Shareholding	Country
							₹ crore											
48	TCS Technology Solutions AG	January 01, 2021	January 1, 2022	December 31, 2022	EUR	89.444305	29	687	1,767	1,051	-	1,907	385	70	315	-	100%	Germany
49	Saudi Desert Rose Holding B.V.	May 26,2021	January 1, 2022	December 31, 2022	EUR	89.444305	-	2	2	-	-	-	-	-	-	-	100%	Netherlands
50	Tata Consultancy Services Bulgaria EOOD	August 31, 2021	January 1, 2022	December 31, 2022	BGN	45.763537	-	26	62	36	-	72	19	2	17	-	100%	Bulgaria
51	Tata Consultancy Services Guatemala, S.A.	September 01, 2021	January 1, 2022	December 31, 2022	GTQ	10.543439	8	12	46	26	-	59	10	3	7	-	100%	Guatemala
52	TCS Foundation	March 25, 2015	April 1, 2022	March 31, 2023	INR	1.000000	1	1,305	1,857	551	33	-	(100)	61	(161)	-	100%	India

Notes:

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2023.
2. On May 18, 2022, Tata Consultancy Services Asia Pacific Pte Ltd. acquired additional 6.8% ownership interest in Tata Consultancy Services (China) Co., Ltd. for a purchase consideration of ₹25 crore thereby making it a wholly owned subsidiary.
3. Tata Consultancy Services Danmark ApS liquidated w.e.f. July 27, 2022.

For and on behalf of the Board

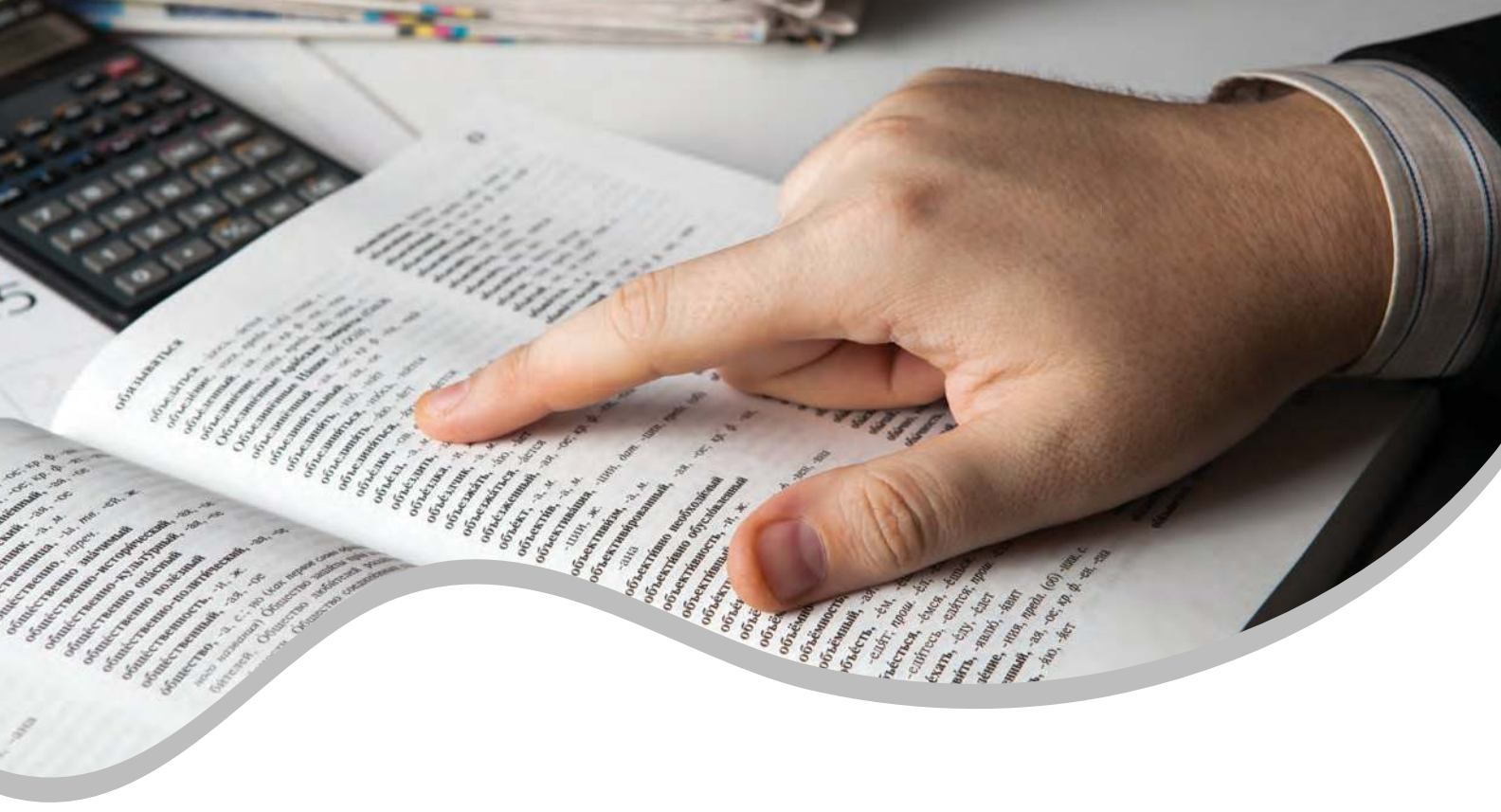
Rajesh Gopinathan
CEO and Managing Director

N Ganapathy Subramaniam
COO and Executive Director

Samir Seksaria
CFO

Pradeep Manohar Gaitonde
Company Secretary

Mumbai, April 12, 2023



Glossary

5G	Fifth generation wireless technology for digital cellular networks. 5G is expected to be much faster and enable much higher volumes of data sharing than earlier generations of cellular networks. Its massive capacity and ultra-low latency are expected to usher in an era of hyper-connectivity, enabling newer use cases such as autonomous cars, and accelerating the adoption of IoT.
ADM	See Application Development and Maintenance
Agile	A collaborative approach for IT and business teams to develop software incrementally and faster. TCS has pioneered the Location Independent Agile™ model that allows for deployment at scale, and helps globally distributed organization execute large transformational programs quickly, while ensuring stability and quality.
AgilityDebt™	AgilityDebt™ is a simple index developed by TCS, which uniquely indicates the burden carried by an organization that restricts its Agility. The index is arrived at based on a holistic Agile maturity assessment framework that measures the gap against required Agile talent, roles, team composition, delivery practices, Agile culture, Agile technology and DevOps enablers. TCS uses AgilityDebt™ to assess where the customer's teams are in the Agile journey, find the bottlenecks, and accelerate their Agile transformations.
Agile Workspaces	These are key enablers of TCS' Location Independent Agile model, and represent the next generation work environment that facilitate greater collaboration among teams. It is characterized by partition-less open offices, informal seating, interactive surfaces for information capture, and modern collaboration devices for increased productivity.
AI	See Artificial Intelligence
Algo Retail™	TCS' proprietary approach and suite of intellectual property that enables retailers to seamlessly integrate and orchestrate data flows across the retail value chain, harnessing the power of analytics, AI and machine learning in the areas of personalization, pricing optimization, marketing, online search and commerce to unlock exponential business value.
Amortization	Systematic allocation of the depreciable amount of an intangible asset over its useful life.
Analytics	In the enterprise context, this is the discovery, interpretation, and communication of meaningful patterns in business data to predict and improve business performance.
Annuity Contracts	A long-term contract which can guarantee regular payments.
APAC	Acronym for Asia Pacific
API	See Application Programming Interface

APIfication	The process of exposing a discrete business function or data within an enterprise's systems through APIs.
Application Development and Maintenance	Design, development, and deployment of custom software; ongoing support, upkeep, and enhancement of such software over its lifetime.
Application Programming Interface	A set of easily accessible protocols for communication among various software components.
AR	See Augmented Reality
Artificial Intelligence	Technology that emulates human performance by learning, coming to its own conclusions, understanding complex content, engaging in natural dialogs with people, augmenting human effort or replacing people on execution of non-routine tasks. Also known as Cognitive Computing.
ASEAN	Acronym for Association of Southeast Asian Nations
Assets Under Custody	A measure of the total assets for which a financial institution, typically a custodian bank, provides custodian services.
Attrition	Measures what portion of the workforce left the organization (voluntarily and involuntarily) over the last 12 months (LTM). Attrition (LTM) = Total number of departures in the LTM / closing headcount
AUC	See Assets Under Custody
Augmented Reality	Technology that superimposes a computer-generated image on a user's view of the real world to enrich the interaction.
Automation	The execution of work by machines in accordance with rules that have either been explicitly coded by a human or 'learned' by the machine through pattern recognition of data. Popular types include Robotic Process Automation and Cognitive Automation.
Avatar	An avatar is a digital representation of yourself, whether it's in a video game, the metaverse, or wherever else it might be applicable.
Basis Point	One hundredth of a percentage point, that is, 0.01 percent.
BFSI	Acronym for Banking, Financial Services and Insurance
Big Data	A high volume, high velocity, and/or high variety information asset that require new forms of processing to enable enhanced decision making, insight discovery, and process optimization.
Blockchain	A distributed database that maintains a continuously growing list of records, called blocks, secured from tampering and revision.
Bp	See Basis Point
BPaaS	See Business Process as a Service
BPS	See Business Process Services
Business 4.0	TCS' thought leadership framework that helps enterprises leverage technology to further their growth and transformation agenda. Successful Business 4.0 enterprises use technology to deliver mass personalization, leverage ecosystems, embrace risk and create exponential value. Such enterprises are agile, intelligent, automated and on the cloud.
Business Process as a Service	Refers to the delivery of BPS over a cloud computing model. Whereas traditional BPS relies on labor arbitrage to reduce costs, BPaaS aggregates demand using the cloud, servicing multiple customers with a single instance, multi-tenant platform and shared services, thereby delivering significant operating efficiencies. The pricing model is usually outcome based.
Business Process Services	Designing, enabling, and executing business operations including data management, analytics, interactions and experience management.
Buyback	A corporate action in which a company returns excess cash to shareholders by buying back its shares from them and usually extinguishing those shares thereafter. The company's equity share capital and the number of shares outstanding in the market correspondingly reduced.
CAGR	See Compounded Annual Growth Rate
Capital Expenditure (CapEx)	Funds used by a company to acquire, upgrade, and maintain physical assets such as property, buildings, an industrial plant, technology, or equipment.
Carbon Neutral	Not adding new greenhouse gas (GHG) emissions to the atmosphere through reduction initiatives and where emissions continue, they are compensated by absorbing an equivalent amount from the atmosphere through carbon offset.

Carbon Offset	Market-based instrument used to compensate for the emission of greenhouse gases into the atmosphere because of the organization's activity by reducing them somewhere else. Certified Emission Reductions (CERs) and Verified Emission Reductions (VERs) are some of the popular carbon offsets.
Cash and Cash Equivalents	Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.
Cash Flow	Inflows and outflows of cash and cash equivalents.
Cash Flow from Operating Activities	Primarily derived from the principal revenue producing activities. Therefore, they generally result from the transactions and other events that enter into the determination of profit or loss.
CBO	See Cognitive Business Operations
CC	See Constant Currency
Chatbots	Computer programs designed to simulate conversation with human users, especially over the internet. They are typically used in dialog systems for various practical purposes like customer service or information acquisition.
Cloud	See Cloud Computing
Cloud Computing	The delivery of easily provisionable computing resources – servers, storage, databases, networking, software, analytics and more – over the internet, consumed on a pay-as-you-go basis.
Cloud Native	A cloud native application consists of discrete, reusable components known as microservices that are designed to integrate into any cloud environment.
CMT	Acronym for Communication, Media and Technology
CMMI-SVC	Acronym for Capability Maturity Model® Integration For Services
Cognitive Automation	The use of AI and machine learning to automate relatively more complex tasks that require reasoning capability and contextual awareness. TCS' ignio™ a leading cognitive automation software product in the market today.
Cognitive Business Operations (CBO)	An integrated offering where TCS takes responsibility for the outcome of an entire slice of the customers' operations including the business processes and the underlying IT infrastructure, and uses cognitive automation to transform that operational stack.
Cognitive Computing	See Artificial Intelligence
COIN	See Co-Innovation Network
Co-Innovation Network	This is an extended, global innovation ecosystem curated by TCS, to harness the innovation efforts of start-ups and academia, and incorporate them into transformational solutions built by TCS for its customers.
Compounded Annual Growth Rate (CAGR)	The annual growth rate between any two points in time, assuming that it has been compounding during that period.
Connected Clinical Trials (CCT) Platform	Part of the TCS ADD suite, CCT is an innovative software-as-a-service platform that enables life sciences companies to significantly transform patient engagement in clinical trials and improve adherence to protocols, as well as the efficiency and accountability of clinical trials.
Constant Currency	The basis for restating the current period's growth after eliminating the impact of movements in exchange rates during the period.
Contextual Knowledge	This is tacit knowledge pertaining to, and specific to, the granular nuances of a customer's business and IT landscape, acquired on the job over a period of time. TCS teams use their contextual knowledge to design technology solutions that are uniquely tailored for that customer, and therefore, a potential source of competitive differentiation.
Conversational AI	Conversational artificial intelligence (AI) refers to technologies, like chatbots or virtual agents, which users can talk to. They use large volumes of data, machine learning, and natural language processing to help imitate human interactions, recognizing speech and text inputs and translating their meanings across various languages.
CO2e	Acronym for "Carbon dioxide equivalent". It is a standard unit for accounting greenhouse gas (GHG) emissions from carbon dioxide or another greenhouse gases, such as SOX, NOX, methane, etc.
CPG	Acronym for Consumer Packaged Goods
Core Banking System	A back-end system that processes daily banking transactions and posts updates to accounts and other financial records; typically includes deposit, loan and credit processing capabilities, with interfaces to general ledger systems and reporting tools.

Core Transformation	Modernization initiatives that target the one or more elements of the organization's operations stack consisting of business processes, software systems and underlying infrastructure, usually to enable greater agility, scalability, resilience and a superior customer experience. These are typically large in scale and scope, and entail the integrated delivery of multiple capabilities.
Cyber Security	Technologies, processes and practices designed to protect networks, computers, programs and data from attack, damage or unauthorized access.
Days' Sales Outstanding (DSO)	A popular way of depicting the Trade Receivable relative to the company's Revenue. DSO = Trade Receivable * 365 / LTM Revenue
DSO Data Mining	Data mining is the practice of obtaining valuable information from data sets. The data can be in any form, such as text, audio, or video data. Data mining aims to find actionable insights in the data that can improve business decisions or solve problems. For instance, data mining can discover customer buying patterns and target ads towards people who would likely purchase a product.
Depreciation	Systematic allocation of the depreciable amount of an asset over its useful life.
DevOps	Represents a new way of working to rapidly deploy new releases of a software in production using high levels of automation and tooling. TCS recommends adoption of DevOps, along with Agile for speed to market.
Digital	Represents new age technologies such as Social Media, Mobility, Analytics, Big Data, Cloud, Artificial Intelligence and Internet of Things. Increasingly, with these technologies becoming mainstream, this word is becoming redundant.
Digital Divide	Digital Divide refers to the unequal spread of technology and the opportunities it affords between different socioeconomic groups in a society.
Digital Twin	A digital replica of a physical entity. For instance, a digital twin of a factory is a virtual model of the factory built using its data, process, people information. Impact of any change in a process in the real factory can be studied by simulating the change in the digital twin.
Discretionary Spend	Also known as Change the Business (CTB) spend, it is that portion of the IT budget which is used to fund projects that are not, strictly speaking, essential for day to day operations, but are more transformational in nature. In uncertain economic times, when businesses are forced to cut spends in response to decline in income, discretionary spend is often the first to be scrutinized. However, what is considered discretionary is subjective and may differ considerably amongst businesses even within the same sector.
Distributed Ledger Technology	See Blockchain
Dividend	One form of distribution of profits earned by the Company and is usually declared as an amount per equity share held by the Shareholders. TCS has a policy of declaring quarterly interim dividends and the final dividend is approved by the shareholders in the Annual General Meeting.
DLT	See Distributed Ledger Technology
EACs	Energy Attribute Certificates (EACs) are market-based instruments that can be used by the bearer to claim renewable energy consumption. Each EAC is equivalent to 1 MWh of electricity.
Earnings Per Share (EPS)	The amount of that period's Net Income attributable to a single share after deducting any preference dividend and related taxes. EPS = [Net profit attributable to Shareholders of the Company – Preference dividend, if any] / Weighted average number of equity shares outstanding during the period.
Edge Computing	Computing and storage that is located on servers on the edge of the network, in close proximity to the users, but not through an on-premise data center; usually reserved for low latency use cases.
EFF1	European Efficiency Classification standard, Level 1
Effective Tax Rate (ETR)	The proportion of the Profit Before Tax that is provided towards income taxes. ETR = Tax expense / Profit Before Tax
EIA	Acronym for Environmental Impact Assessment. It is an environmental impact study which needs to be conducted as per Ministry of Environment and Forest (MoEF) requirements for new construction/ expansion projects.
Engineering and Industrial Services	Consists of next generation product engineering, manufacturing operations transformation, services transformation, embedded software and Internet of Things.

Enterprise Agile	The adoption of Agile methods across all the business functions of the enterprise, designed to empower employees, foster collaboration and drive a culture of continuous innovation at scale.
Environmental, Social and Governance	Environmental, social and governance (ESG) is a system for how to measure the sustainability of a company in three specific categories: environmental, social and governance.
EPEAT	Acronym for Electronic Product Environmental Assessment Tool
EPS	See Earnings Per Share
ESG	See Environmental, Social and Governance
ETR	See Effective Tax rate
Fair Value	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
Fintech	Businesses that use technology to make financial services more efficient. Some fintech developments have improved traditional services, for example mobile banking apps, while others have revolutionized services such as pay per mile car insurance, or created new products, such as Bitcoin.
Fixed Price Contracts	A form of services contracts where the vendor takes a turnkey responsibility for delivering a solution for a certain price and within a mutually agreed timeframe. The customer is billed on completion of key project milestones and related deliverables. This arrangement gives the vendor considerable flexibility in the staffing and execution of the project. On the other hand, it also means bearing the project risk.
Framework	A kind of intellectual property, consisting of software which provides generic functionality for a certain business use case, and which is customized for a specific customer's needs with additional code. Use of such pre-built code reduces time to market and results in more stable, reliable solutions.
Free Cash Flow	Represents the cash a company generates through its operations, less the capital expenditure. Free cash flow = Cash flow from operating activities – Capital expenditure
FTE	Acronym Full Time Equivalent
Function Point	A function point is a granular building block of a software, based on a functional view of that system, represented by a code snippet whose logic helps the user accomplish something. The concept is used while estimating the effort for building a new application, by decomposing it into its constituent function points of varying levels of complexity.
Furlough	A temporary cessation of work without pay for the employees, usually implemented by organizations facing under difficult economic conditions, and in lieu of laying off employees.
Gamification	The process of adding games or game-like elements to any activity in order to enrich experiences and encourage user participation.
GDPR	Acronym for General Data Protection Regulation, a European Union regulation for data protection and privacy.
Generative AI	Generative AI describes any type of artificial intelligence (AI) that is is capable of generating new content, including text, images, video, audio, simulations, code or synthetic data. The most popular example is ChatGPT, a large language model that uses deep learning to produce text that looks like it is written by humans.
GHGs	Acronym for Greenhouse Gas. These are gases that trap heat in the atmosphere leading to global warming and climate change.
Global Capability Centers (GCC) / Captive units	Captive units include both MNC-owned units that undertake work for the parents' global operations and the company owned units of domestic firms, set up in offshore locations offering cheaper labor pool, helping the parent to reduce its operational costs.
Growth and Transformation	Initiatives launched to improve the enterprise's revenues, leveraging technology to adopt new business models, drive new revenue streams, enhance customer experience or target new customer segments. This is in contrast to traditional outsourcing engagements where the focus is on improving efficiency and saving costs.
G&T	See Growth and Transformation
HVAC	Acronym for Heating Ventilation and Air Conditioning System
Hybrid Cloud	An enterprise IT infrastructure model that combines private clouds, public clouds and on premise data centers, to meet the compute and storage needs of the business.
IE3	International Electrotechnical Commission (IEC) standards, Level 3
IGBT	Acronym for Insulated Gate Bipolar Transistors
Innovation Days	Focused workshops with a TCS customer where researchers and business leaders from both organizations participate to explore emerging technologies for specific customer problems.

Innovation Forum	TCS' thought leadership event that is held in North America, UK, Latin America and Japan. It brings together researchers from academia, innovators from the start-up ecosystem, technology watchers, futurists and customers to brainstorm around emerging technologies.
Inorganic Growth	Growth in revenue due to mergers, acquisitions or takeovers, rather than due to an increase in the company's own business activity.
ISO	Acronym for International Organization for Standardization
Internet of Things	A network of interconnected machines or devices embedded with sensors, software, network connectivity, and necessary electronics to generate and share run-time data that can be studied and used to monitor or control remotely, predict failure, and optimize the design of those machines / devices.
Intellectual Property	An asset that is the result of a creative design or idea, such as patents, copyrights, reusable code, software products and platforms, and gives the owner exclusive rights over its usage, such that no one can copy or reuse the creation without the owner's permission.
Interactive Technology	Allows for a two-way flow of information through an interface between the user and the technology; the user usually communicates a request for data or action to the technology with the technology returning the requested data or result of the action back to the user.
Invested Funds	Funds that are highly liquid in nature and can be readily converted into cash. Invested funds = Cash and Cash Equivalents + Investments + Deposits with banks + Inter-corporate deposits
Involuntary Attrition	A reduction in the workforce due to the employer's decision to terminate employment, instead of the employees' decision to leave.
IoT	See Internet of Things
IP	See Intellectual Property
Key Managerial Personnel	At TCS, this refers to the Chief Executive Officer, Managing Director, Chief Operating Officer, Chief Financial Officer, and the Company Secretary. Please refer to the Company's policy on KMP: http://www.tcs.com/ir-corporate-governance
kL	Acronym for the unit kilo-liters used to measure volume. It is a unit used to measure and report water usage in TCS' offices.
KMP	See Key Managerial Personnel
kWh	Acronym for kilowatt hours used as a unit of measurement of electricity
Large Language Models	This is a language model used to train generative AI, and consists of a neural network with many parameters (typically billions of weights), trained on large volumes of unlabeled text. By tracking words in sequences, it learns both context and meaning in language, enabling it to generate text artifacts that look they were written by humans.
LatAm	Acronym for Latin America
Location Independent Agile	A method to orchestrate globally distributed stakeholders and talent into Agile teams for improved speed to market in large transformational programs. It comprises processes, structure, and the technology that allows enterprises to overcome location constraints and embrace Agile methods on a global scale.
Low-Code, No Code	New software development platforms that offer a drag and drop user interface to allow business users to build custom web or mobile applications without actually having to write the code. The difference between the two is related the extent of programming ability needed. The former might still require some amount of programming, while the latter is entirely drag and drop. In addition to boosting innovation within the enterprise, these platforms also drive up productivity of programmers.
Machine First™ Delivery Model	A model that integrates analytics, AI and automation deep within the enterprise to redefine how humans and machines work together and to effectively deliver superior outcomes.
Machine Learning	A type of artificial intelligence that provides computers with the ability to learn behaviors without being explicitly programmed.
Managed Services	This is the practice of outsourcing to one service provider, also knowns as the Managed Services Provider (MSP), the end-to-end responsibility for providing, or orchestrating the provision through third party providers of, services around a range of processes and functions, in order to improve efficiency, service quality, agility and scalability.
Managed Services Provider	Service providers with the sole, end-to-end responsibility of providing Managed Services.
Market Capitalization	The total market value of a company's total outstanding equity shares at a point in time. Market Capitalization = Last Trading Price * Total number of outstanding shares
MEA	Acronym for Middle East and Africa

Metaverse	A virtual 3D environment that a user can experience explore on a computer or VR headset. Users can interact with each other in several ways, including social networking, gaming, and shopping.
MFDM™	Acronym for Machine First Delivery Model
Minimum Viable Product	The most basic version of a new product built in an agile development cycle, with the bare minimum functionality, made available to users at the earliest to get user feedback and validate product value with minimum investment. Once validated, its features and functionalities are continually augmented in subsequent iterative cycles.
MJ	Acronym for Mega Joule used as a unit of measurement of energy (electricity as well as fuel use)
Mobility	Information, convenience, and social media all combined together, and made available across a variety of screen sizes and hand-held devices.
Moonlighting	Working more than one job at a time, taking on assignments from third parties in addition to a regular employment, usually without the employer's knowledge.
MSP	See Managed Services Provider
MVP	See Minimum Viable Product
MWh	Acronym for megawatt hours used as a unit of measurement of electricity. 1 MWh=1000kWh
Net Zero	Greenhouse gases emitted into the atmosphere due the company's activity are minimized through a series of initiatives and the residual emission is compensated by removal of equivalent amount of GHG emissions elsewhere through carbon offsets.
Non-Controlling Interests	The share of the net worth attributable to non-controlling shareholders of the subsidiaries.
Non-discretionary Spend	Also known as Run the Business (RTB) spend, is that portion of the IT budget that covers the basic IT activities required to keep a business running. Even in tough economic times, non-discretionary spend remains relatively unaffected.
Operating Model	The manner in which processes are defined and activities are organized to create and deliver value to a target audience. An IT operating model covers activities around new system development, application and infrastructure support whereas business operating models address execution of actions specific to a business function.
Operating Model Transformation	Redefining individual processes by embedding AI, machine learning and other forms of automation to reduce the need for human intervention, resulting in a leaner operating model that is faster, more agile and more resilient. Such transformations – whether in IT or business – can be significantly accelerated by the use of TCS Cognix.
Options Contract	A hedging instrument that offers the buyer the right to buy or sell the underlying asset (such as stocks or currency) on a future date, at a specified price, for small upfront fee called options premium. Eg: TCS purchases an options contract to sell USD 1million @ ₹ 87/$ after 3 months, paying an option premium of ₹ 1 million. With this, TCS will have the right to sell USD 1million at an exchange rate of ₹ 87, even if the prevailing market rate at the end of three months is, say ₹ 85. On the other hand, if the market rate is higher, say ₹ 89, then TCS can choose to let the options contract lapse and instead sell at the market rate.
Order Book	See Total Contract Value
Organic Growth	The revenue growth a company can achieve by increasing its existing business activity. This does not include growth attributable to takeovers, acquisitions or mergers.
PAS 2060	It is an internationally recognized standard by the British Standards Institution to verify and substantiate an organization' claim of carbon neutrality.
PaaS	See Platform as a Service
Personalization	Segmentation and responding to individual transactions, customized for a single customer in a single instance.
Platforms	A group of technologies that are used as a base upon which other applications, processes or technologies are developed. Useful for optimizing costs and efforts, and eliminating iterative tasks to drive strategic business initiatives.
Platform as a Service (PaaS)	A category of cloud computing that provides a platform and environment to allow developers to build applications and services over the internet. PaaS services are hosted in the cloud and accessed by users simply via their web browser.
Power Usage Effectiveness	It is the ratio of total amount of electricity used by a data center facility to the electricity used by the computing equipment in the data center.

Pricing	The price charged to the customer for a billable effort, turnkey project or a certain process outcome, depending on the nature of the contract. Some use this term interchangeably (and somewhat inaccurately) with the average revenue realized by the company per utilized effort on an aggregate basis. See Realization.
Private Cloud	Refers to a model of cloud computing where IT infrastructure, in terms of compute and storage resources, are provisioned for the dedicated use of a single organization.
Product	In the technology context, refers to a packaged software program that is made available to multiple customers either on a license basis, or on a subscription basis, to enable the execution of certain common tasks or processes or business functions in a standardized way. This is the opposite of bespoke or custom software which is built to specifications to meet a customer's unique needs.
Public Cloud	A computing service model used for the provisioning of storage and computational services to the general public over the internet. Public cloud facilitates access to IT resources on a 'pay as you go' billing model.
PUE	See Power Usage Effectiveness
R&I	Acronym for Research & Innovation
Realization	The revenue received by the company per utilized effort. Pricing varies by service and by market. Consequently, there can be changes in realization compared to a prior period, due to changes in the underlying business or geographic mix during the period. This does not necessarily mean that like-to-like pricing has changed. Also, realization doesn't take into account the costs and therefore, higher realization is not necessarily more profitable.
RECs/ GOs	Renewable Energy Certificates / Guarantees of Origin are EACs used in different markets.
Related Party Transactions	Any transaction between a company and its related party involving transfer of services, resources or any obligation, regardless of whether a price is charged. Please refer to the Company's policy on Related Party Transactions: http://www.tcs.com/ir-corporate-governance.
Revenue	The income earned by the Company from operations by providing IT and consulting services, software licenses, and hardware equipment to customers.
RFP	Acronym for Request for Proposal, meaning a document that solicits proposal, often made through a bidding process, by an entity interested in procurement of IT services, to potential service providers to submit business proposals. An RFP is floated early in the procurement cycle and requested information may include basic corporate information and history, financial information, technical capability and estimated completion period, and customer references.
Robotic Process Automation	The use of software tools to automate high-volume, repeatable tasks that previously required humans to perform. RPA is best suited for relatively simple and stable processes. Dynamic changes in the environment require ongoing upkeep of the robots, diluting the economic benefit of the automation. Increasingly, customers are preferring cognitive automation over RPA.
RPA	See Robotic Process Automation
SBWS™	See Secure Borderless Workspaces
Scope 1, Scope 2, Scope 3 emissions	Green house gas emission accounting categories as per the Greenhouse Gas Protocol.
Secure Borderless Workspaces™	TCS' innovative operating model rolled out in response to the COVID-19 disruption. It is a fully location agnostic extension of the Location Independent Agile model, enabling employees to work remotely, while retaining the same high rigor in project management, governance and security. The fully distributed nature of this model is better suited to ensure business continuity. It leverages TCS' prior investments and incorporates the learnings and best practices around network management, standard service delivery environment, digitized governance processes, heavy use of collaborative and cloud based technologies and an internal SOC benchmarked to the best in the industry.
Security Operations Center	A Security Operations Center is responsible for protecting an organization against cyber threats. SOC analysts perform round-the-clock monitoring of an organization's network and investigate any potential security incidents.
SEZ	See Special Economic Zone
Shareholder Payout Ratio	The proportion of earnings paid to shareholders as compared to the Company's earnings, i.e. Net Income attributable to Shareholders of the Company. Payout can be in the form of dividend and share buyback, including taxes thereon.
Simplification	The rationalization of IT architectures through consolidation of systems and elimination of redundant systems and layers. The primary purpose is to shrink the IT footprint and make operations leaner and more efficient.
SOC	See Security Operations Center

Sole Sourced Contract	Non-competitive agreements that allow a single vendor to fulfill the needs of the contractual requirements. These types of contracts can be won when the competitor set narrows down significantly and comes down to a single vendor discussion, given the nature of the client's solution requirements.
Special Economic Zone	In India, these are designated areas in which business and trade laws are different from the rest of the country, with various benefits and tax breaks to promote exports, attract investments, and create local jobs.
STEM	An acronym for education in the fields of science, technology, engineering and math.
T&M	See Time and Materials Contract
TCFD	Acronym for Task Force on Climate-related Financial Disclosures
tCO2e	Acronym for tonnes of carbon dioxide equivalent
TCS Pace™	A brand promise that represents the way TCS channels its domain knowledge and organizational units – business and technology services, industry solutions units, and the research and innovation organization – into internal and external co-innovation programs.
TCS Pace Port™	Physical spaces where TCS Pace can be experienced. These spaces are close to academic and start-up hubs, and enclose innovation showcases, Agile workspaces and think spaces. They encourage brainstorming, design thinking and collaborative innovation with internal and external partners.
TCV	See Total Contract Value
Time and Materials Contract	A form of services contract where the customer is billed for the effort (in hours, days, weeks, etc.) logged by the project team members. Project risk is borne by the customer. This contrasts with Fixed Price Contracts.
Total Contract Value	An aggregation of the value of all the contracts signed during a period and a useful indicator of demand, and near term business visibility.
Turnkey Contracts	See Fixed Price Contracts
Unearned and Deferred Revenue	For invoices raised in line with agreed milestones for services yet to be delivered. In other words, it is the amount that has been invoiced although the underlying effort is yet to be expended.
Vendor Consolidation	A strategy to reduce costs and the overheads of managing a large number of vendors. Usually entails aggregating work currently outsourced to a large number of small providers, and transferring it to a smaller, select set of winning bidders. Besides cost reduction, clients use this to reduce complexity and accelerate their cloud transformation journeys. Selecting a single strategic partner with end to end capabilities to maintain the legacy estate and support the modernization drives efficiency, accountability and speed.
Virtual Reality	Artificial, computer-generated simulation or recreation of a real-life environment or situation. It engages users by offering simulated reality experiences firsthand, primarily by stimulating their vision and hearing.
Virtualization	The abstraction of IT resources – like a server, client, storage or network – that masks the physical nature and boundaries of those resources from the users of those resources.
Voluntary Attrition	Refers to reduction in workforce resulting from employees willingly leaving the organization to pursue other opportunities, spend time with family, or for some other personal reason.
VR	See Virtual Reality
XR	Extended reality, an umbrella term that covers augmented reality, virtual reality and mixed reality.
Y-o-Y	Year-on-Year

Disclaimer: This glossary is intended to help understand commonly used terms and phrases in this report. The explanations are not intended to be technical definitions. If explanations provided here are found to be different from what is described in the Company's periodic financial statements (not limited to Notes to Accounts), then the definition provided in the certified financial statements will prevail.

Sustainability **Disclosures**

Identification of Material Topics[1]

TCS conducts annual materiality assessments to update the list of material topics. The key elements of that assessment include:

Key Elements of Annual Materiality Assessments:

Engagement with stakeholders

Stakeholder interactions result in the identification of a broad funnel of issues important to each of the constituencies. TCS' Sustainability Council uses discussions with internal and external stakeholders, as well as its own judgment, to prioritize and arrive at a list of material topics with significant economic, environmental, or social impacts on TCS' business, reputation, and operations.

Sustainability context and value chain

The company looks at the role of TCS in wider sustainability issues, the impact the company has through its customer engagements and its operations, and the role that the company experts play in professional associations, industry forums and other thought leadership activities to address important issues raised by stakeholders.

1 GRI 3-1

Key Material Topics[2], Key Concerns, Boundary of impact and TCS approach[3] to them are listed below:

Material Topics	Why this is material	Key Concerns	TCS Approach (Page Reference Number)*	Boundary of impact	GRI Indicators
Corporate Governance	Strong corporate governance that considers- stakeholder concerns, engenders trust, oversees business strategies, and ensures fiscal accountability, ethical corporate behavior, and fairness to all stakeholders is core to achieving the organization's longer-term mission.	• Governance Structure and composition	• CG>> Pg 113	Internal	2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-19
		• Independence of the Board and Minority Interest	• CG>> Pg 113, 114		
		• Avoidance of conflict of interest	• CG>> Pg 114		
		• Board oversight	• CG>> Pg 115		
		• Disclosure and Transparency	• CG>>Disclosures >> Pgs 125 to 127 • MDA >> Internal financial control systems and their adequacy >> Pg 105		
		• Value, ethics and compliance	• CG>> Pg 114		
		• Enterprise Risk Management	• MDA>> Pgs 95 to 104		
		• Succession Planning	• CG>> Pg 115		
		• Remuneration Policy	• CG>> Pg 122		
Business Sustainability	A financially strong, viable business that is able to adapt to changing technology landscapes to remain relevant to customers and profitably grow its revenues year-on-year is essential to meet longer term expectations of stakeholders.	• Economic performance	• Financial Capital >> Pg 16,17 • Letter to Shareholders >> Pgs 8 to 11	Internal	2-22, 201-1
		• Demand sustainability	• MDA >> Strategy for sustainable growth >> Pgs 86 to 88 • MDA >> Business outlook >> Pg 94,95		
		• Investments in capability development	• MDA >> Enabling investments >> Pg 87 • Intellectual Capital >> Pg 20,21		
Talent Management	The company's ability to attract, develop, motivate, and retain talent is critical to business success.	• Talent acquisition	• MDA >> Pg 89	Internal	401-1, 401-2, 401-3, 403-1, 403-2, 403-5, 403-6, 403-9, 403-10, 404-1, 405-1, 405-2, 406-1
		• Talent development	• MDA >> Pg 90		
		• Culture and Diversity	• MDA >> Pg 89, 90		
		• Employee retention	• MDA >> Pg 91		
		• Employee Enagagement	• MDA >> Pg 91		
		• Competitive Compensation	• MDA >> Pg 91		
		• Occupational Health and safety	• MDA >> Pg 91		

[2] GRI 3-2

[3] GRI 3-3

* MDA: Management Discussion and Analysis, CG: Corporate Governance Report, BRSR: Business Responsibility and Sustainability Report

Material Topics	Why this is material	Key Concerns	TCS Approach (Page Reference Number)*	Boundary of impact	GRI Indicators
Social Responsibility	The business must be rooted in community and be aligned with the community's larger interests. Any adversarial relationship can hurt the company's ability to create longer term value.	• Local communities	• Social Capital >> Pg 23	External	204-1, 207-1, 207-2, 207-3 308-1, 308-2, 413-1, 414-2
		• Supplier Social and Environmental Assessment	• BRSR >> Pg 162, 177		
		• Education and skill development	• Social Capital >> Pg 23		
		• Job creation	• Social Capital >> Pg 23		
		• Taxes payable in different regions	• CG >> Tax strategy >> Pg 115 • Consolidated Financial Statements >> Income taxes >> Pgs 235 to 239 • Country-wise subsidiary income taxes >> Pgs 316 to 320		
		• Environmental stewardship	• Natural Capital >> Pg 24, 25		
Environmental Footprint	Business sustainability is linked to the planet's sustainability. Moreover, good environmental practices result in greater operational efficiency, adding to financial sustainability.	• Energy consumption	• Natural Capital >> Pg 24, 25 • BRSR >> Pg 168	Internal	302-1, 302-3, 303-1, 303-2, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 306-2, 306-3, 306-4, 306-5
		• GHG emissions	• BRSR >> Pgs 169, 170, 175		
		• Water management	• BRSR >> Pg 173, 174		
		• Waste management	• BRSR >> Pg 171, 172		

Climate change risk and opportunities assessment and management

Aligned with Taskforce on Climate-related Financial Disclosures (TCFD) Framework

Governance[4]

A) Describe the board's oversight of climate-related risks & opportunities.

Different Board committees oversee different aspects of climate-related risks and opportunities.

Stakeholder Relationship Committee (SRC)

- The SRC is chaired by an independent director and comprises of 3 members including the CEO. It reviews the climate change strategy, approach, and performance of the organization.
- The SRC formally meets twice every year to review policies and sustainability performance, including climate change and carbon performance. The board oversight helps drive the program effectively with greater accountability.
- The CEO as a part of the SRC, is directly responsible for the efficient operations of the facility and hence is better able to review performance and drive improvement. The quarterly updates go from the Chief Human Resources Officer (CHRO) and is supported by the Head- Environmental Sustainability, Health and Safety.
- TCS' carbon reduction goal to reduce its absolute greenhouse gas emissions across Scope 1 and Scope 2 by 70% by 2025 (over 2016 base year), and to achieve net zero emissions by 2030, was reviewed and approved by the committee.

Risk Management Committee (RMC)

- The RMC is chaired by an independent director and comprises of 5 members including one additional independent director, 2 executive directors, i.e..CEO, COO, and one company executive, CFO.
- The RMC formulates, monitors, and reviews the company's risk management policy.
- Climate change risks and opportunities are covered under the strategic and operational risks for the Company and are reviewed in the RMC committee meetings.

Corporate Social Responsibility Committee (CSRC)

- The CSRC is chaired by the Company's Chairman and additionally comprises one independent director and one executive director. The committee formulates, monitors, and reviews the company's CSR policy and outcomes, including climate action related projects.
- The Board members meet on a quarterly basis and review their activities.

B) Describe management's role in assessing & managing climate-related risks & opportunities[5].

- The Chief Operating Officer is responsible for overall ESG related challenges, targets and achievements.
- Responsibility for driving and tracking climate change mitigation initiatives lies with the Chief Human Resources Officer. He reports to the Board sub-committee on sustainability related matters. Head, Environmental Sustainability Health and Safety (ESHS) reports to the CHRO. The ESHS team comprises of environmental sustainability professionals who monitor various climate change related data points including emissions and support the implementation of emission reduction initiatives across TCS locations in collaboration with action owners within the organization. Location level targets are monitored by the location level operations and ESHS teams.
- For environmental risk assessment, mitigation, and adaptation, TCS has a well-defined structure with an Enterprise Risk Management Unit which is headed by a Chief Risk Officer. This unit reviews all risks associated with the company operations. ERM categorizes risks and opportunities into Strategic, Operational, Financial, Compliance and Catastrophic.
- The risk identification process is carried out for the entire organization and its value chain to assess all risks including the physical, compliance, operational and reputational risks due to climate change and the business opportunities associated with it. Unit level risk assessments are done to assess the physical risks of climate change. These are then rolled up to the enterprise-level risk portfolio register and suitably included. These risks are reviewed on a half yearly basis or as required.
- As TCS' customers respond to climate change actions, the company is seeing opportunities to provide technology-led solutions to help them achieve their sustainability goals. Recent events have accelerated digital adoption, put the spotlight on supply chain resilience and added urgency to the sustainability imperative. TCS leveraged its deep expertise in IoT, advanced analytics,

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4 TCFD Governance A and B

5 GRI 2-13

and machine learning to come up with a suite of offerings in this space, including intellectual property such as Clever Energy™, IP2™, and TCS Envirozone™. Clients across industries such as retail, manufacturing, utilities and consumer goods are engaging the company to develop innovative technology led solutions to reduce energy consumption, or to measure and track green-house gas emissions across their end-to-end supply chain, reduce their carbon footprint, reduce waste and promote recycling.

Strategy [6]

A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Current regulation	TCS is required to follow all the environmental regulations around emissions, water discharge, waste recycling etc. Compliance to these regulations is monitored as part of the company's risk management function and integrated into its mitigation plans. TCS discloses its performance against various environmental parameters as per the Securities and Exchange Board of India (SEBI) mandated Business Responsibility & Sustainability Reporting (BRSR) framework, which is a part of this Integrated Annual Report.
Emerging regulation	Emerging regulations including carbon taxes (coal or fossil fuel taxes leading to escalation in the electricity tariff), mandatory energy audits are examples which impact TCS. Regulations around procurement of renewable energy, which is a key driver of the company's climate change mitigation plan, is also ever evolving in all major geographies. TCS keeps a close watch on the emerging regulations and plans its organizational sustainability strategy and roadmap to adapt to those changes.
Technology	With more energy efficient and eco-friendly building and IT equipment coming in the market, keeping TCS offices eco-efficient is an ongoing process wherein the company evaluates the technology and suitability and works on a phaseout plan to move to the new more efficient technology. These are considered as operational risks and opportunities which drive the company to make its infrastructure more climate resilient. Additionally, TCS is one of the market leaders in the cloud migration opportunity, helping clients migrate their workloads from owned data centers to hyperscaler clouds, significantly reducing the carbon footprint associated with those workloads.
Legal	TCS tracks environmental legal compliance (air emissions, water discharges, waste management and others) on a periodic basis and has a robust internal compliance management system to identify and comply with all legal requirements of current, amended and new regulations.
Market	Climate change is driving a lot of changes in TCS' customer behaviour, thus creating new markets and new opportunities, giving the company an opportunity to partner with them in their climate change mitigation journey by providing solutions, services, and process automation which helps in emission reduction.
Reputation	Reputational risk is relevant to the company as the investor and customer community is becoming increasingly aware of climate change related issues. It is important to demonstrate leadership in climate action to maintain TCS' reputation.
Acute physical	Acute physical risks associated with extreme weather events is relevant as TCS has substantial operations in coastal cities in India which are exposed to potential extreme weather events like heavy precipitation, flood, and cyclones. E.g., The company offices located in coastal cities like Chennai, Bhubaneshwar, Kolkata, Kochi are exposed to physical risks from cyclonic events and therefore adequate mitigation plans are in place.
Chronic physical	Having presence in many major cities across the world, TCS is subject to climate change related chronic physical impacts like change in precipitation pattern, with resultant effects like drought or flood. Also, with TCS's presence in coastal cities like Chennai, Mumbai, Kochi, Trivandrum, Kolkata, rise in sea level and related impacts like land submergence, salt water intrusion, disruption to network and communication systems are more likely. These risks are long term and included from perspective of planning appropriate infrastructure.

[6] TCFD Strategy A, B and C. The time horizon considered by TCS during the current year for its assessment of short, medium and long term are 0 to 5 years, 5 to 10 years and 10 to 20 years respectively.

B) Describe where and how climate-related risks and opportunities have influenced the organization business, strategy and financial planning.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	As TCS' customers respond to climate change actions, the company is seeing opportunities to provide technology-led solutions to help them achieve their sustainability goals. The change in technology consumption reflects the prevailing trends in the economy. Recent events have accelerated digital adoption, put the spotlight on supply chain resilience and added urgency to the sustainability imperative. Each of these represents an opportunity that can contribute towards the growth of not just as one company, but of the ecosystem as a whole. TCS leveraged its deep expertise in IoT, advanced analytics, and machine learning to come up with a suite of offerings in this space, including intellectual property such as Clever Energy™, IP2™, and TCS Envirozone™. Clients across industries such as retail, manufacturing, utilities and consumer goods are engaging TCS to develop innovative technology led solutions to reduce energy consumption, or to measure and track green-house gas emissions across their end-to-end supply chain, reduce their carbon footprint, reduce waste and promote recycling.
Supply chain and/or value chain	Yes	Supply Chain sustainability through responsible sourcing is one of the risk mitigations identified by the Company under its sustainability risk. TCS's Green Procurement policy outlines its commitment to making its supply chain more responsible and sustainable. Energy efficiency is one of the major procurement considerations in all the company's IT and other infrastructure assets procurement as this is directly correlated with TCS' emission profile. Climate related risks play a very important role in the company's supply chain engagements, and TCS is working with its suppliers to bring in improvements in carbon performance along with other ESG elements.
Investment in R&D	Yes	TCS' investments in research and innovation have resulted in solutions like Envirozone™, Clever Energy and IP2™. TCS has been using Clever Energy for the last few years to reduce its energy consumption and is now offering these to clients to help them achieve their sustainability goals. Additionally, TCS has been investing in building green campuses (IGBC certified).
Operations	Yes	Climate Change risks play an important consideration in TCS' operations. The company has created an environmentally sustainable approach by creating green policies, processes, frameworks, and infrastructure. TCS' campuses are designed to withstand extreme weather events and the business continuity plans are tested periodically to ensure continued operations without any disruption. Green buildings, efficient operations, green IT, the use of renewable energy to reduce carbon footprint; adoption of newer technologies and methods to manage waste in line with circular economy principles are integral to the company operations. All these initiatives are helping TCS achieve its Net Zero target by 2030.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Direct costs, Capital expenditures, Capital allocation, Assets	Yes	TCS has aligned its current systems of internal financial control with the requirement of Companies Act 2013, on the lines of the globally accepted risk-based framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The company has successfully laid down the framework and ensured its effectiveness. Climate risks and opportunities are the key factors while making financial considerations especially while making investments in offices, equipment, and renewable energy. Investment in these areas constitutes a substantial share of the company's overall capital investment. Major investments are in green buildings, roof top solar and other energy efficiency initiatives. In FY 2023 TCS has invested ₹3,063 crore in projects to improve environmental and social impacts. These investments, along with other mitigation steps, helped the company reduce its Scope 1 and 2 emissions by 71% from base year 2016. These initiatives also help the company to position itself as a leader in the climate domain contributing to TCS' market value.

C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree Celsius or lower scenario

Climate related scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA B2DS	The climate change scenario analysis conducted for TCS takes a multi-level approach to identify climate risk and opportunity hot spots, interdependencies, and interaction with global macro trends. The top-down analysis of the macro environmental trends that will impact the company at global level included a) nature loss and ecological degradation, b) resource scarcity and driving value chain innovation, c) changing customer and workforce preferences, d) the rise of extreme weather, e) increasing regulations, pricing and disclosure of externalities, f) digitalization and prevalence of infectious diseases and g) rising incomes. Detailed analysis was conducted of material climate change transition risks and opportunities across value chain and assessment of interdependencies between climate risks and opportunities including identification of areas of potential magnification and hedge opportunities. The key value drivers analysis assesses climate risks and opportunities across 3 stages of the value chain including a) Supply Chain (input supplies costs, disruption and access to supplies) b) Operations (carbon costs, operating costs, insurance/ damage costs due to disruption of operation) and c) End markets (demand for low carbon services/ products, market share and competition). In the transition scenario, the IEA B2DS approach has been selected as its more conservative scenario. The inputs included IPCC reports, the NDCs, the SDGs and Government of India plan on energy efficiency and solar energy. The assumptions used in the analysis also considered the anticipated growth of TCS over the years and increased energy demand. Changing customer behavior and carbon costs are assessed as a transition risk to TCS with a growing number of jurisdictions at regional and national level planning to implement a carbon tax or emission trading scheme.

Physical climate scenarios RCP 8.5	The climate change scenario analysis conducted for TCS had a multi-level approach to identify climate risk and opportunity hot spots, interdependencies, and interaction with global macro trends. The top-down analysis of the macro environmental trends that will impact the company at global level included a) nature loss and ecological degradation, b) resource scarcity and driving value chain innovation, c) changing customer and workforce preferences, d) the rise of extreme weather, e) increasing regulations, pricing and disclosure of externalities, f) digitalization and prevalence of infectious diseases and g) rising incomes. Detailed analysis was conducted on a) material climate change physical risks and opportunities across value chain, and b)assessment of interdependencies between climate risks and opportunities including identification of areas of potential magnification and hedge opportunities. The key value drivers' analysis assesses climate risks and opportunities across 3 stages of the value chain including a) Supply Chain (input supplies costs, disruption and access to supplies) b) Operations (carbon costs, operating costs, insurance/ damage costs due to disruption of operation) & c) End Markets (demand for low carbon services/ products, market share and competition). The physical risk is assessed using the RCP 8.5 scenario. The RCP 8.5 scenario takes a global warming between 3-4 degrees above pre-industrial levels which is a conservative scenario and helps us understand the worst-case climate impacts on our operations. Inputs for the assessment included IPCC reports, the NDCs, the SDGs and Government of India plan on energy efficiency and solar energy. The assumptions used in the analysis also considered the anticipated growth of TCS over the years and increased energy demand. Few strategies to mitigate physical risks of climate change include- 1) A robust Business Continuity Plan (BCP) to respond to climate events. 2) Investments in climate resilient infrastructure (for cyclone, floods).

Risk Management[7]

A)	Describe the organization's processes for identifying and assessing climate related risks	Kindly refer to the 'Enterprise Risk Management' section in Management Discussion and Analysis (Pages 95 to 104), which is a part of this Integrated Annual Report.
B)	Describe the organization's processes for managing climate-related risks	
C)	Describe how processes for identifying, assessing, and managing climate- related risks are integrated into the organization's overall risk management	

Metrics and Targets[8]

A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

a)	Greenhouse Gas (GHG) Emissions. Absolute Scope 1, Scope 2, and Scope 3; emissions intensity	Please refer to the 'Natural Capital' section (Page 24) and BRSR section >> Principle 6 (Pages 168, 169, 170, 175), which is a part of this Integrated Annual Report.
b)	Climate-related Opportunities-. Proportion of revenue, assets, or other business activities aligned with climate-related opportunities.	Please refer to the BRSR section >> (Pages 152, 155), which is a part of this Integrated Annual Report.
c)	Remuneration- Proportion of executive management remuneration linked to climate considerations	Please refer to the Corporate Governance Report >> Remuneration Policy (Page 122), which is a part of this Integrated Annual Report. For executive directors, the variable component i.e., commission is based on the company's performance- which includes sustainability- and their individual performance.

7 TCFD Risk Management A, B and C

8 TCFD Metrics and Targets A, B and C

B. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.

Please refer to the 'Natural Capital' section (Page 24) and BRSR section >> Principle 6 (Pages 168, 169, 170, 175), which is a part of this Integrated Annual Report for disclosures on GHG emissions.

Please refer to the 'Enterprise Risk Management' section in Management Discussion and Analysis (Pages 95 to 104), which is a part of this Integrated Annual Report for emissions related risks.

C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Please refer to the 'Natural Capital' section (Page 24, 25), which is a part of this Integrated Annual Report.

GRI Content Index[9]

TCS' Integrated Annual Report 2022-23, which includes the financial disclosures and the Business Responsibility and Sustainability Report, is aligned with the Global Reporting Initiative (GRI) Standard, UN Sustainable Development Goals (SDG) and TCFD framework. The Report also conforms to the United Nations Global Compact (UNGC) principles and forms the basis of the company's Communication on Progress (CoP) with the UNGC.

The following table provides the mapping of disclosures for FY 2023 against the GRI standard (Comprehensive) requirements and TCFD recommendations mapping. TCS is on a continuous journey to advance its' ESG initiatives and reporting and will continue to evaluate and enhance ESG disclosures as the company makes progress.

GRI Standard Disclosure and Description	TCFD Disclosure	Section *	Page No.
GRI 2: General Disclosures 2021			
1. The organization and its reporting practices			
2-1 Organizational details		• BRSR	145
2-2 Entities included in the organization's sustainability reporting		• BRSR	146, 148
2-3 Reporting period, frequency and contact point		• BRSR	145
2-4 Restatements of information		• BRSR	146
2-5 External assurance		• BRSR	146, 152
2. Activities and workers			
2-6 Activities, value chain and other business relationships		• BRSR	146
2-7 Employees		• BRSR	147
2-8 Workers who are not employees		• BRSR	147
3. Governance			
2-9 Governance structure and composition		• CG • BRSR	113 152
2-10 Nomination and selection of the highest governance body		• CG	113
2-11 Chair of the highest governance body		• CG	114
2-12 Role of the highest governance body in overseeing the management of impacts	• Governance A & B	• CG	114, 115
2-13 Delegation of responsibility for managing impacts	• Governance A & B	• BRSR • CG • TCFD Disclosures	166 152 333
2-14 Role of the highest governance body in sustainability reporting	• Governance A & B	• CG	115
2-15 Conflicts of interest		• CG	114
2-17 Collective knowledge of the highest governance body		• BRSR	153
2-19 Remuneration policies	• Metrics and Targets A	• CG • BRSR	122 165
2-21 Annual total compensation ratio		• BRSR	165
4. Strategy, policies and practices			
2-22 Statement on sustainable development strategy		• MDA • BRSR • Letter to Shareholders	86 152 8
2-23 Policy commitments		• BRSR	151, 153, 166, 182
2-24 Embedding policy commitments		• BRSR	151, 165, 166
2-25 Processes to remediate negative impacts		• BRSR	149, 157, 160, 166, 179, 181
2-27 Compliance with laws and regulations		• BRSR	153, 173
2-28 Membership associations		• BRSR	177
5. Stakeholder engagement			
2-29 Approach to stakeholder engagement		• BRSR	162
2-30 Collective bargaining agreements		• BRSR	158

[9] Requirement 7: Publish a GRI content index

* MDA: Management Discussion and Analysis, CG: Corporate Governance Report, BRSR: Business Responsibility and Sustainability Report

GRI Standard Disclosure and Description	TCFD Disclosure	Section *	Page No.
GRI 3: Material Topics 2021			
3-1 Process to determine material topics		• Sustainability Disclosures: Identification of Material Topics	330
3-2 List of material topics		• BRSR • Sustainability Disclosures: Identification of Material Topics	150 331
3-3 Management of material topics		• MDA • BRSR • Sustainability Disclosures: Identification of Material Topics	95, 150, 151, 160, 161, 172 331
GRI 200: Economic Performance			
GRI 201: Economic Performance 2016			
201-1 Direct economic value generated and distributed		• Financial Capital	16
201-2 Financial implications and other risks and opportunities due to climate change	• Risk Management A, B and C	• MDA • BRSR	95 to 104, 150
201-3 Defined benefit plan obligations and other retirement plans		• BRSR	156
GRI 202: Market Presence			
202-1 Ratios of standard entry level wage by gender compared to local minimum wage		• BRSR	165
GRI 204: Procurement Practices 2016			
204-1 Proportion of spending on local suppliers		• BRSR	179
GRI 205: Anti-corruption 2016			
205-2 Communication and training about anti-corruption policies and procedures		• BRSR	153
205-3 Confirmed incidents of corruption and actions taken		• BRSR	154
GRI 207: Tax 2019			
207-1 Approach to tax		• CG	115
207-2 Tax governance, control, and risk management		• CG	115
207-3 Stakeholder engagement and management of concerns related to tax		• CG	115
GRI 300: Environmental Performance			
GRI 302: Energy 2016			
302-1 Energy consumption within the organization	• TC-SI-130a.1	• BRSR	168, 173
302-3 Energy intensity	• TC-SI-130a.1	• BRSR	168
Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process	• Metrics and Targets A	• BRSR • Natural Capital • CG Report	155, 171, 176 24 122
GRI 303: Water and Effluents 2018			
303-1 Interactions with water as a shared resource		• BRSR	169, 172
303-2 Management of water discharge-related impacts		• BRSR	169
303-3 Water withdrawal	• TC-SI-130a.2	• BRSR	168
303-4 Water discharge	• TC-SI-130a.2	• BRSR	173, 174
303-5 Water consumption	• TC-SI-130a.2	• BRSR	168
GRI 304: Biodiversity 2016			
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		• BRSR	172
304-2 Significant impacts of activities, products and services on biodiversity		• BRSR	176
304-3 Habitats protected or restored		• BRSR	176
GRI 305: Emissions 2016			
305-1 Direct (Scope 1) GHG emissions	• Metrics and Targets B	• BRSR	169

GRI Standard Disclosure and Description	TCFD Disclosure	Section *	Page No.
305-2 Energy indirect (Scope 2) GHG emissions	• Metrics and Targets B	• BRSR	169
305-3 Other indirect (Scope 3) GHG emissions		• BRSR	175
305-4 GHG emissions intensity		• BRSR	169, 175
305-5 Reduction of GHG emissions	• TC-SI-130a.3 • Metrics and Targets B	• BRSR • Natural Capital	170 24
Risks related to GHG Emissions	• Metrics and Targets B	• MDA	95 to 104
Metrics and targets used to assess and manage relevant climate related risks and opportunities	• Metrics and Targets C	• Natural Capital	24
GRI 306: Waste 2020			
306-2 Management of significant waste-related impacts		• BRSR	155, 156, 172
306-3 Waste generated		• BRSR	171
306-4 Waste diverted from disposal		• BRSR	171
306-5 Waste directed to disposal		• BRSR	171
GRI 308: Supplier Environmental Assessment 2016			
308-1 New suppliers that were screened using environmental criteria		• BRSR	155, 177
308-2 Negative environmental impacts in the supply chain and actions taken		• BRSR	177
GRI 400: Social Dimension			
GRI 401: Employment 2016			
401-1 New employee hires and employee turnover		• Human Capital • BRSR	18 148
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		• BRSR	156
401-3 Parental leave		• BRSR	157
GRI 402: Labor/Management Relations 2016			
402-1 Minimum notice periods regarding operational changes		• MDA	91
GRI 403: Occupational Health and Safety 2018			
403-1 Occupational health and safety management system		• BRSR	158
403-2 Hazard identification, risk assessment, and incident investigation		• BRSR	159, 160
403-5 Worker training on occupational health and safety		• BRSR	158
403-6 Promotion of worker health		• BRSR	159
403-9 Work-related injuries		• BRSR	160, 161
403-10 Work-related ill health		• BRSR	160, 161
GRI 404: Training and Education 2016			
404-1 Average hours of training per year per employee		• BRSR • Human Capital	158 19
404-3 Details of performance and career development reviews of employees		• BRSR	158
GRI 405: Diversity and Equal Opportunity 2016			
405-1 Diversity of governance bodies and employees		• Human Capital • BRSR	18 147
405-2 Ratio of basic salary and remuneration of women to men		• BRSR	165
GRI 406: Non-discrimination 2016			
406-1 Incidents of discrimination and corrective actions taken		• BRSR	166
GRI 413: Local Communities 2016			
413-1 Operations with local community engagement, impact assessments, and development programs		• BRSR	172, 179
GRI 414: Supplier Social Assessment 2016			
414-2 Negative social impacts in the supply chain and actions taken		• BRSR	162

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Building a better working world

Independent Assurance Statement

The Management and Board of Directors
Tata Consultancy Services Limited,
Mumbai, India

Scope

We have been engaged by Tata Consultancy Services Limited to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Tata Consultancy Services Limited Integrated Annual Report FY 23 (the "Subject Matter") for the period from 01st April 2022 to 31st March 2023.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Tata Consultancy Services Limited

In preparing the integrated report, Tata Consultancy Services Limited applied, The International Integrated Reporting Council (IIRC framework), and Global Reporting Initiative (GRI) Standards. GRI Standards were specifically designed for the Integrated Annual Report FY 23; As a result, the subject matter information may not be suitable for another purpose.

TCS's responsibilities

Tata Consultancy Services Limited management is responsible for selecting the Criteria, and for presenting the integrated report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

> We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with Tata Consultancy Services Limited. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement

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Regd. Office : 6th Floor, Worldmark – 1, Asset Area 11, Hospitality District, Indira Gandhi International Airport, New Delhi – 110037, India.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the integrated report and related information and applying analytical and other appropriate procedures

Our procedures included:

- Conducted interviews with select personnel at sites and corporate teams to understand the process for collecting, collating and reporting the subject matter as per Global Reporting Initiative (GRI) Standards;
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria;
- Undertook analytical review procedures to support the reasonableness of the data
- Verification of data, on a selective test basis, for the following sites, through consultations with the site team and sustainability team;
    - Siruseri, Chennai
    - Gitanjali Park, Newtown, Kolkata
    - Mihan, Nagpur
    - Pampanga, Philippines
    - Guadalajara, Mexico
    - Corporate office, Mumbai
- Execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting;
- Review of the Company's approach towards materiality assessment disclosed in the Report to identify relevant issues
- Review of selected qualitative statements in various sections of the integrated report

We also performed such other procedures as we considered necessary in the circumstances

Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2022 to 31st March 2023)
- Data and information on economic and financial performance of the Company

- Data, statements and claims already available in the public domain through Integrated Annual Report, or other sources available in the public domain
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention provided by the Company
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters

Conclusion

- Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Integrated Annual Report FY 23 for the period from 01st April 2022 to 31st March 2023, in order for it to be in accordance with the Criteria.

For and on behalf of Ernst & Young Associates LLP

Chaitanya Kalia
09 June 2023
Mumbai, India

TCS was ranked amongst the second most Valuable IT Services Brand

Brand Finance Awards

Jaguar TCS
Racing 2022

TCS London
Marathon 2022

TCS Summit
North America 2022

Awards & Recognition

top EMPLOYER UNITED STATES OF AMERICA 2023
top EMPLOYER NORTH AMERICA 2023
2023 Brand Finance® Awards TOP 2 MOST VALUABLE IT SERVICES BRAND
GOLD 2023 STEVIE® WINNER FOR SALES & CUSTOMER SERVICE
FutureBrand THE STEVIE® AWARDS FOR GREAT EMPLOYERS
KANTAR BRANDZ 2022 MOST VALUABLE INDIAN BRANDS
WORLD'S BEST MANAGEMENT CONSULTING FIRMS Forbes 2022
top EMPLOYER GLOBAL 2023
mea MARKETING EXCELLENCE 2022 AWARDS
DIGITAL IMPACT AWARDS WINNER
STEVIES 2022
CDP DISCLOSURE INSIGHT ACTION
500 INDIA 2022 HURUN
LinkedIn
HURUN INDIA burgundy
bt500
#1 IN CUSTOMER SATISFACTION 2021/22 EUROPE Whitelane Research
Tech Market View UK DEPTH GLOBAL TRENDS
The Drum
FinanceAsia ASIA'S BEST COMPANIES 2022
THE CIVIC 50
FTSE4Good
Superbrands BRITAIN'S CHOICE
atd BEST
Brandon Hall Group GOLD 2022

TATA CONSULTANCY SERVICES

TATA

TCS Safe Harbor Clause

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 global IT services companies, various factors which may affect our profitability, 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 cross-border movement of skilled personnel, 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, cyber attacks or security breaches, pandemics, natural disasters 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.

IT Services
Business Solutions
Consulting

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www.tcs.com

Building on belief