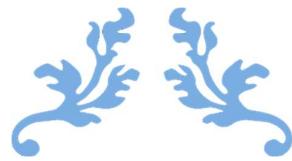


BSE: 532540 | NSE: TCS



FINANCIAL MODELING REPORT

A Comprehensive DCF and Comparable Comps Valuation



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TATA CONSULTANCY SERVICES LTD - One Page Profile



Tata Consultancy Services is the flagship company and a part of Tata group. It is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformation journeys for over 50 years. TCS offers a consulting-led, cognitive powered, integrated portfolio of business, technology and engineering services and solutions.

INR (Crds.)

Key Financial Metrics	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Share Price - 5Y
Total Sales	156,949	164,177	191,754	225,458	240,893	
Sales Growth (y-o-y)	7.16%	4.61%	16.80%	17.58%	6.85%	
Gross Profit Margin (%)	44.02%	43.19%	43.30%	42.60%	40.29%	
EBITDA Margin (%)	26.83%	28.35%	27.67%	26.28%	26.69%	
EBIT Margin (%)	24.58%	25.88%	25.27%	24.06%	24.62%	
Net Profit Margins (%)	20.61%	19.75%	19.99%	18.69%	19.06%	
Earnings per Share (in Rs)	86	88	105	115	127	
EPS Growth (y-o-y)	2.76%	1.72%	19.48%	9.97%	10.16%	
Dividend per Share (in Rs)	73	38	43	115	73	
DPS Growth (y-o-y)	143.33%	-47.90%	13.16%	167.44%	-36.50%	

Key Financial Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Volume - 5Y
Price to Earnings	21.19x	36.25x	35.71x	27.83x	30.55x	
EV/EBITDA	16.24x	25.22x	25.60x	19.74x	21.73x	
EV/Sales	4.36x	7.15x	7.08x	5.19x	5.80x	
Price to Book Value	8.15x	13.60x	15.35x	12.97x	15.50x	
Return on Equity (%)	38.44%	37.52%	43.00%	46.61%	50.73%	
Return on Capital Employed (%)	47.49%	47.60%	54.89%	59.14%	63.85%	

Top Shareholders	Total Shares	% Holdings	Market Value (in Crs.)	Shareholding Pattern
TATA SONS PRIVATE LIMITED	2,595,499,419	71.74%	1,037,680.67	
LIC of India	175,975,338	4.86%	70,354.94	
Sbi Nifty 50 EtF	42,495,223	1.17%	16,989.59	
TATA INVESTMENT CORPORATION LIMITED	1,004,425	0.03%	401.57	
Investor Education and Protection Fund (IEPF)	649,601	0.02%	259.71	
LLP	492,135	0.01%	196.76	
THE TATA POWER COMPANY LIMITED	766	0.00%	0.31	
TATA INDUSTRIES LIMITED	7,220	0.00%	2.89	
TATA STEEL LIMITED	46,798	0.00%	18.71	

Managerial Remuneration	Designation	Remuneration	X of Median Salary	Capital Structure
Mr. K Krishivasan	CEO & ED	25.35	-	
Mr. Natarajan Ganapathy Subramaniam	COO & ED	26.18	346:1	

Recent Updates

TCS Announces New Deal With Xerox to Build a Generative AI-Powered Enterprise Platform, this deal expands the strategic partnership between the two companies and will let TCS build a cloud-native and generative artificial intelligence (AI) led digital platform for Xerox.
In Brazil, TCS is developing projects for all the country's major private banks, Bruno Rocha, country manager for Brazil, told BNamericas.
Interpublic Group (IPG) is in negotiations to sell its digital marketing agency RGA to India's Tata Consultancy Services (TCS), according to a report by The Wall Street Journal.
Tata Consultancy Services (TCS) has restructured its businesses and leadership teams over the past year. This restructuring comes as the \$250 billion software services export industry experiences a slowdown in demand due to technology and market disruptions.
There has been shuffling of global heads as TCS brought in new senior executives in various verticals and geographies.
The company TCS also created the Enterprise CBO (cognitive business practices) unit, which is focused on enterprise functions such as finance and accounting, to be led by Ashok Pai.
TCS stock hit by \$194 penalty in US court, marginally down amid buoyant market.

TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

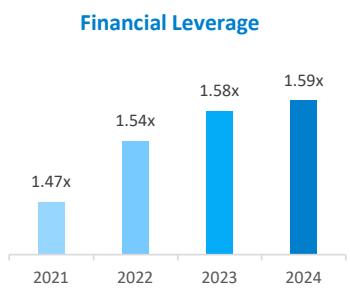
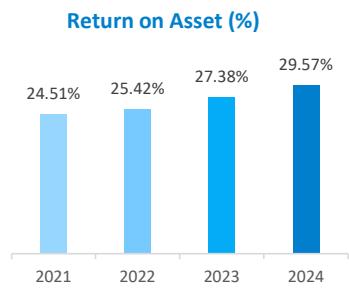
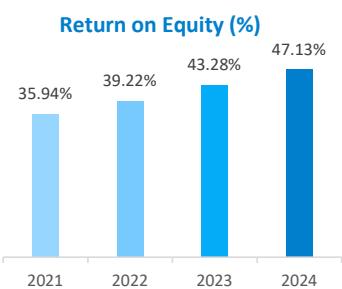
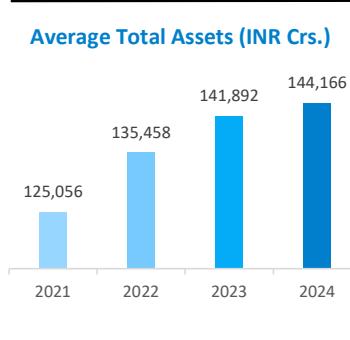
52 Week High - INR 4255 & Low - INR 3214



About the Company

Tata Consultancy Services Limited (TCS) is an Indian multinational information technology (IT) services and consulting company headquartered in Mumbai. It is a part of the Tata Group and operates in 150 locations across 46 countries. In March 2024, it was reported that TCS had more than 601,546 employees worldwide. TCS is the second-largest Indian company by market capitalization, the most valuable IT service brand worldwide, and the top Big Tech (India) company.

Financial Summary



Recent Updates

- Net profit rises 9% to Rs 12,434 cr, firm declares final dividend of Rs 28 per share.
- Tata Consultancy Services (TCS) reported 9 percent rise in consolidated net profit at Rs 12,434 crore (attributable to shareholders) for the fourth quarter of FY24 as against Rs 11,392 crore in the year-ago period.
- Revenue rose 3.5 percent to Rs 61,237 crore in the three months ended March 31, 2024, the IT major said in an exchange filing on April 12.
- The EBIT margin or the operating margin was up at 26 percent for Q4, a 100 bps increased from 25 percent in the previous quarter.
- For the full year of FY24, revenue grew by 6.8 percent YoY to Rs 240,893 crore. Net profit for the year was at Rs 46,585 crore. Operating margin for the year was 24.6%.
- Revenue in North America, which accounts for half of total revenue, slipped 2.3% year-on-year. Revenue from banking, financial services and insurance clients, its biggest vertical, fell 3.2%.
- Still, TCS raked in a record \$13.2 billion worth of orders in the quarter, including a 15-year mega deal with UK insurer Aviva, an existing client.
- TCS board also approved a final dividend of Rs 28 per share.

TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

52 Week High - INR 4255 & Low - INR 3250



TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

52 Week High - INR 4255 & Low - INR 3250



Years	Cash Flow Statement - TATA CONSULTANCY SERVICES LTD									
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Operating Activities										
Profit from operations	₹ 26,103.0	₹ 31,631.0	₹ 33,800.0	₹ 32,885.0	₹ 40,720.0	₹ 42,882.0	₹ 47,031.0	₹ 54,204.0	₹ 59,148.0	₹ 63,709.0
Receivables	(₹ 2,158.0)	(₹ 2,936.0)	₹ 680.0	(₹ 1,833.0)	(₹ 2,883.0)	(₹ 3,295.0)	₹ 1,059.0	(₹ 5,144.0)	(₹ 7,683.0)	(₹ 3,332.0)
Inventory	(₹ 1.0)	-	-	(₹ 5.0)	₹ 16.0	₹ 5.0	(₹ 3.0)	(₹ 12.0)	(₹ 8.0)	-
Payables	-	(₹ 2,039.0)	(₹ 201.0)	(₹ 346.0)	₹ 1,496.0	₹ 446.0	(₹ 93.0)	₹ 186.0	₹ 2,036.0	(₹ 632.0)
Loans Advances	(₹ 712.0)	(₹ 798.0)	-	-	(₹ 499.0)	-	(₹ 17.0)	(₹ 116.0)	₹ 261.0	(₹ 301.0)
Other WC items	₹ 3,618.0	₹ 829.0	(₹ 1,110.0)	₹ 1,975.0	(₹ 299.0)	(₹ 1,823.0)	(₹ 83.0)	₹ 2,317.0	₹ 1,177.0	(₹ 2,617.0)
Change in Working Capital	₹ 747.0	(₹ 4,944.0)	(₹ 631.0)	(₹ 209.0)	(₹ 2,169.0)	(₹ 4,667.0)	₹ 863.0	(₹ 2,769.0)	(₹ 4,217.0)	(₹ 6,882.0)
Direct taxes	(₹ 7,482.0)	(₹ 7,578.0)	(₹ 7,946.0)	(₹ 7,609.0)	(₹ 9,958.0)	(₹ 5,846.0)	(₹ 9,092.0)	(₹ 11,486.0)	(₹ 12,966.0)	(₹ 12,489.0)
Cash from Operating Activity	₹ 19,368.0	₹ 19,109.0	₹ 25,223.0	₹ 25,067.0	₹ 28,593.0	₹ 32,369.0	₹ 38,802.0	₹ 39,949.0	₹ 41,965.0	₹ 44,338.0
Investment Activities										
Fixed assets purchased	(₹ 2,949.0)	(₹ 1,987.0)	(₹ 1,989.0)	(₹ 1,862.0)	(₹ 2,231.0)	(₹ 2,730.0)	(₹ 3,176.0)	(₹ 2,995.0)	(₹ 3,100.0)	(₹ 2,674.0)
Fixed assets sold	₹ 7.0	₹ 22.0	₹ 36.0	₹ 58.0	₹ 99.0	₹ 161.0	₹ 37.0	₹ 31.0	₹ 37.0	₹ 24.0
Investments purchased	(₹ 67,371.0)	(₹ 116,847.0)	(₹ 121,423.0)	(₹ 97,473.0)	(₹ 96,751.0)	(₹ 80,002.0)	(₹ 54,462.0)	(₹ 75,374.0)	(₹ 129,745.0)	(₹ 141,011.0)
Investments sold	₹ 69,361.0	₹ 97,154.0	₹ 102,798.0	₹ 103,482.0	₹ 104,133.0	₹ 84,089.0	₹ 51,630.0	₹ 73,852.0	₹ 122,687.0	₹ 147,204.0
Interest received	₹ 1,994.0	₹ 1,816.0	₹ 1,788.0	₹ 2,623.0	₹ 2,619.0	₹ 3,729.0	₹ 2,730.0	₹ 2,700.0	₹ 3,080.0	₹ 2,990.0
Dividends received	₹ 9.0	₹ 11.0	₹ 1.0	₹ 9.0	₹ 18.0	₹ 8.0	₹ 8.0	₹ 4.0	₹ 13.0	₹ 26.0
Acquisition of companies	(₹ 264.0)	-	-	-	(₹ 50.0)	-	-	-	-	-
Inter corporate deposits	₹ 155.0	(₹ 1,460.0)	₹ 1,619.0	(₹ 2,230.0)	(₹ 2,927.0)	(₹ 473.0)	(₹ 3,058.0)	₹ 4,879.0	₹ 5,361.0	₹ 846.0
Other investing items	(₹ 2,750.0)	₹ 16,281.0	₹ 275.0	(₹ 1,503.0)	(₹ 3,265.0)	₹ 4,186.0	(₹ 1,665.0)	(₹ 3,835.0)	₹ 2,215.0	(₹ 1,314.0)
Cash from Investing Activity	(₹ 1,808.0)	(₹ 5,010.0)	(₹ 16,895.0)	₹ 3,104.0	₹ 1,645.0	₹ 8,968.0	(₹ 7,956.0)	(₹ 738.0)	₹ 548.0	₹ 6,091.0
Financing Activities										
Proceeds from shares	-	₹ 2.0	-	-	-	-	-	-	₹ 18.0	₹ 425.0
Proceeds from borrowings	₹ 43.0	-	₹ 87.0	-	-	-	-	-	-	-
Repayment of borrowings	-	(₹ 73.0)	-	(₹ 19.0)	(₹ 181.0)	-	-	-	-	-
Interest paid fin	(₹ 105.0)	(₹ 20.0)	(₹ 20.0)	(₹ 40.0)	(₹ 186.0)	(₹ 924.0)	(₹ 634.0)	(₹ 698.0)	(₹ 779.0)	(₹ 699.0)
Dividends paid	(₹ 17,106.0)	(₹ 9,515.0)	(₹ 10,973.0)	(₹ 10,760.0)	(₹ 11,472.0)	(₹ 37,702.0)	(₹ 10,907.0)	(₹ 13,375.0)	(₹ 41,410.0)	(₹ 25,218.0)
Financial liabilities	-	(₹ 60.0)	(₹ 66.0)	(₹ 24.0)	(₹ 13.0)	(₹ 1,062.0)	(₹ 1,336.0)	(₹ 1,417.0)	(₹ 1,515.0)	(₹ 1,614.0)
Other financing items	-	-	(₹ 54.0)	(₹ 16,042.0)	(₹ 16,045.0)	(₹ 227.0)	(₹ 19,757.0)	(₹ 18,091.0)	(₹ 4,192.0)	(₹ 21,430.0)
Cash from Financing Activity	(₹ 17,168.0)	(₹ 9,666.0)	(₹ 11,026.0)	(₹ 26,885.0)	(₹ 27,897.0)	(₹ 39,915.0)	(₹ 32,634.0)	(₹ 33,581.0)	(₹ 47,878.0)	(₹ 48,536.0)
Net Cash Flow	₹ 392.0	₹ 4,433.0	(₹ 2,698.0)	₹ 1,286.0	₹ 2,341.0	₹ 1,422.0	(₹ 1,788.0)	₹ 5,630.0	(₹ 5,365.0)	₹ 1,893.0

TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

52 Week High - INR 4255 & Low - INR 3250



Years	Common Size Income Statement - TATA CONSULTANCY SERVICES LTD									
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
COGS	67.37%	53.31%	54.62%	56.13%	54.97%	55.98%	56.81%	56.70%	57.40%	59.71%
Gross Profit	32.63%	46.69%	45.38%	43.87%	45.03%	44.02%	43.19%	43.30%	42.60%	40.29%
Selling & General Expenses	6.77%	18.45%	17.99%	17.46%	18.05%	17.19%	14.83%	15.63%	16.32%	13.60%
EBIDTA	25.87%	28.24%	27.39%	26.41%	26.97%	26.83%	28.35%	27.67%	26.28%	26.69%
Interest	0.11%	0.03%	0.03%	0.04%	0.14%	0.59%	0.39%	0.41%	0.35%	0.32%
Depreciation	1.90%	1.74%	1.68%	1.64%	1.40%	2.25%	2.48%	2.40%	2.23%	2.07%
EBT	23.86%	26.47%	25.68%	24.74%	25.43%	23.99%	25.49%	24.86%	23.71%	24.30%
Tax	6.59%	6.90%	6.91%	6.67%	6.83%	6.24%	6.82%	6.90%	6.48%	6.60%
Net Profit	17.26%	19.56%	18.76%	18.06%	18.61%	17.75%	18.67%	17.96%	17.23%	17.70%

Years	Common Size Balance Sheet - TATA CONSULTANCY SERVICES LTD									
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Liabilities	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Equity Share Capital	0.27%	0.22%	0.19%	0.18%	0.33%	0.31%	0.28%	0.26%	0.26%	0.25%
Reserves	68.79%	80.27%	84.06%	80.80%	78.20%	69.72%	66.21%	62.99%	63.04%	61.95%
Borrowings	0.49%	0.28%	0.28%	0.23%	0.05%	6.80%	6.00%	5.55%	5.38%	5.51%
Other Liabilities	30.45%	19.23%	15.47%	18.79%	21.42%	23.16%	27.51%	31.20%	31.32%	32.28%
Total Assets	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Total Non Current Assets	46.79%	65.03%	73.82%	69.44%	64.70%	66.53%	69.68%	57.39%	57.29%	54.02%
Fixed Assets Net Block	15.87%	13.34%	11.43%	11.39%	10.79%	17.42%	16.17%	15.11%	14.36%	13.48%
Capital Work in Progress	3.77%	1.89%	1.51%	1.22%	0.85%	0.75%	0.71%	0.86%	0.86%	1.08%
Investments	2.27%	25.85%	41.02%	34.25%	25.75%	21.94%	22.60%	21.63%	26.01%	21.83%
Other Assets	24.88%	23.95%	19.86%	22.58%	27.32%	26.41%	30.20%	19.79%	16.05%	17.63%
Total Current Assets	53.21%	34.97%	26.18%	30.56%	35.30%	33.47%	30.32%	42.61%	42.71%	45.98%
Receivables	27.88%	27.27%	22.10%	23.73%	24.01%	25.42%	23.14%	29.67%	34.97%	36.83%
Inventory	0.02%	0.02%	0.02%	0.02%	0.01%	0.00%	0.01%	0.01%	0.02%	0.02%
Cash & Bank	25.31%	7.69%	4.05%	6.81%	11.28%	8.05%	7.18%	12.93%	7.72%	9.13%

TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

52 Week High - INR 4255 & Low - INR 3250



Years	Ratio Analysis - TATA CONSULTANCY SERVICES LTD											Mean	Median
	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Trend		
Sales Growth	14.79%	8.58%	4.36%	18.98%	7.16%	4.61%	16.80%	17.58%	6.85%	11.08%	11.08%	8.58%	8.58%
EBIDTA Growth	25.31%	5.33%	0.63%	21.50%	6.59%	10.54%	13.99%	11.69%	8.50%	11.56%	11.56%	10.54%	10.54%
EBIT Growth	27.36%	5.34%	0.52%	22.34%	1.08%	11.12%	13.92%	12.14%	9.49%	11.48%	11.48%	11.12%	11.12%
Net Profit Growth	30.07%	4.15%	0.46%	22.54%	2.22%	10.02%	12.35%	12.85%	9.73%	11.60%	11.60%	10.02%	10.02%
Dividend Growth	-44.95%	8.05%	6.17%	20.19%	143.33%	-47.90%	13.16%	167.44%	-36.50%	25.44%	25.44%	8.05%	8.05%
Gross Margin	32.63%	46.69%	45.38%	43.87%	45.03%	44.02%	43.19%	43.30%	42.60%	40.29%	42.70%	43.59%	43.59%
EBIDTA Margin	25.87%	28.24%	27.39%	26.41%	26.97%	26.83%	28.35%	27.67%	26.28%	26.69%	27.07%	26.90%	26.90%
EBIT Margin	23.97%	26.50%	25.71%	24.78%	25.57%	24.58%	25.88%	25.27%	24.06%	24.62%	25.09%	25.02%	25.02%
EBT Margin	23.86%	26.47%	25.68%	24.74%	25.43%	23.99%	25.49%	24.86%	23.71%	24.30%	24.85%	24.80%	24.80%
Net Profit Margin	17.26%	19.56%	18.76%	18.06%	18.61%	17.75%	18.67%	17.96%	17.23%	17.70%	18.16%	18.01%	18.01%
Sales Expense % Sales	6.77%	18.45%	17.99%	17.46%	18.05%	17.19%	14.83%	15.63%	16.32%	13.60%	15.63%	16.76%	16.76%
Depreciation % Sales	1.90%	1.74%	1.68%	1.64%	1.40%	2.25%	2.48%	2.40%	2.23%	2.07%	1.98%	1.98%	1.98%
Operating Income % Sales	23.97%	26.50%	25.71%	24.78%	25.57%	24.58%	25.88%	25.27%	24.06%	24.62%	25.09%	25.02%	25.02%
Return on Capital Employed	44.48%	40.37%	35.06%	35.73%	41.84%	41.80%	45.08%	49.97%	55.28%	60.21%	44.98%	43.16%	43.16%
Retained Earnings%	5.30%	59.68%	58.17%	57.06%	58.72%	1.72%	54.12%	54.29%	0.00%	38.02%	38.71%	54.21%	54.21%
Return on Equity%	32.04%	29.80%	25.59%	26.05%	30.45%	30.18%	32.52%	35.51%	39.60%	43.28%	32.50%	31.24%	31.24%
Self Sustained Growth Rate	1.70%	17.79%	14.89%	14.86%	17.88%	0.52%	17.60%	19.28%	0.00%	16.45%	12.10%	15.67%	15.67%
Interest Coverage Ratio	217.71x	872.39x	947.63x	586.58x	189.14x	41.75x	66.69x	61.80x	69.62x	76.24x	312.95x	132.69x	132.69x
Debt Turnover Ratio	4.63x	4.51x	5.22x	4.94x	5.36x	5.14x	5.46x	4.59x	4.51x	4.50x	4.88x	4.78x	4.78x
Creditor Turnover Ratio	4.24x	6.40x	7.45x	6.23x	6.00x	5.64x	4.59x	4.36x	5.04x	5.13x	5.51x	5.39x	5.39x
Inventory Turnover	5889.76x	6790.38x	5617.43x	4734.77x	14646.30x	31389.80x	20522.13x	9587.70x	8052.07x	8603.32x	11583.36x	8327.70x	8327.70x
Fixed Asset Turnover	8.13x	9.23x	10.08x	10.28x	11.92x	7.50x	7.81x	9.00x	10.99x	12.29x	9.72x	9.65x	9.65x
Capital Turnover Ratio	1.87x	1.53x	1.37x	1.45x	1.64x	1.87x	1.90x	2.15x	2.49x	2.66x	1.89x	1.87x	1.87x
Debtor Days	79 Days	81 Days	70 Days	74 Days	68 Days	71 Days	67 Days	80 Days	81 Days	81 Days	75 Days	76 Days	76 Days
Payable Days	86 Days	57 Days	49 Days	59 Days	61 Days	65 Days	80 Days	84 Days	72 Days	71 Days	68 Days	68 Days	68 Days
Inventory Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days	0 Days
Cash Conversion Cycle	-7 Days	24 Days	21 Days	15 Days	7 Days	6 Days	-13 Days	-4 Days	8 Days	10 Days	7 Days	8 Days	8 Days
CFO/Sales	20.46%	17.59%	21.38%	20.36%	19.52%	20.62%	23.63%	20.83%	18.61%	18.41%	20.14%	20.41%	20.41%
CFO/Total Asset	26.42%	21.64%	24.65%	23.84%	25.10%	26.95%	29.85%	28.35%	29.38%	30.48%	26.67%	26.68%	26.68%
CFO/Total Debt	5414.81%	7799.59%	8727.68%	10148.58%	46117.74%	396.00%	497.78%	510.99%	545.85%	552.77%	8071.18%	2983.79%	2983.79%

TATA CONSULTANCY SERVICES LTD

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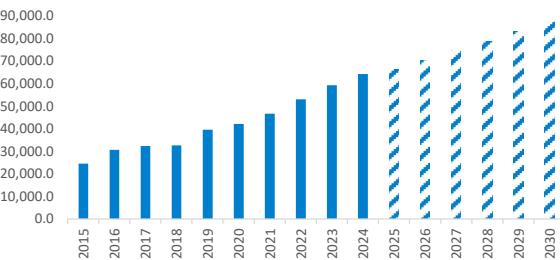
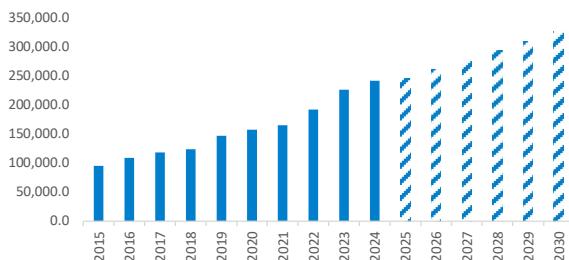
INR 3941

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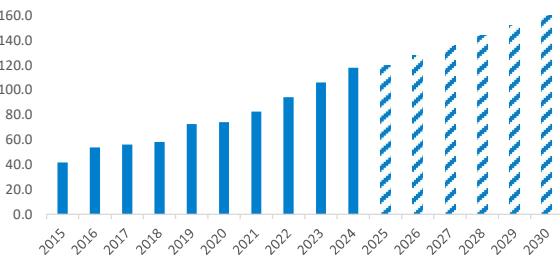
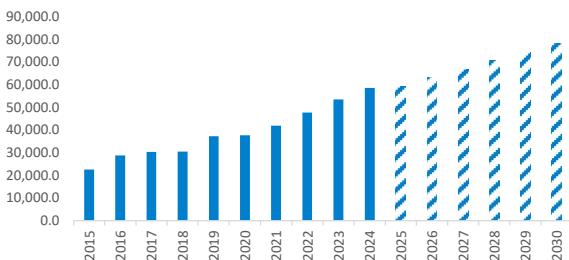


Forecasting

TATA CONSULTANCY SERVICES LTD - Sales Forecasting				TATA CONSULTANCY SERVICES LTD - EBIDTA Forecasting			
Year Weight	Year	Sales	Sales Growth	Year Weight	Year	EBIDTA	EBIDTA Growth
1	2015 A	94,648.4		1	2015A	24,481.7	
2	2016 A	108,646.0	14.79%	2	2016A	30,677.0	25.31%
3	2017 A	117,966.0	8.58%	3	2017A	32,311.0	5.33%
4	2018 A	123,104.0	4.36%	4	2018A	32,516.0	0.63%
5	2019 A	146,463.0	18.98%	5	2019A	39,506.0	21.50%
6	2020 A	156,949.0	7.16%	6	2020A	42,109.0	6.59%
7	2021 A	164,177.0	4.61%	7	2021A	46,546.0	10.54%
8	2022 A	191,754.0	16.80%	8	2022A	53,057.0	13.99%
9	2023 A	225,458.0	17.58%	9	2023A	59,259.0	11.69%
10	2024 A	240,893.0	6.85%	10	2024A	64,296.0	8.50%
11	2025 E	244,890.2	1.66%	11	2025E	66,036.7	2.71%
12	2026 E	260,869.2	6.52%	12	2026E	70,320.5	6.49%
13	2027 E	276,848.1	6.13%	13	2027E	74,604.3	6.09%
14	2028 E	292,827.1	5.77%	14	2028E	78,888.1	5.74%
15	2029 E	308,806.1	5.46%	15	2029E	83,171.9	5.43%
16	2030 E	324,785.0	5.17%	16	2030E	87,455.7	5.15%



TATA CONSULTANCY SERVICES LTD - EBT Forecasting				TATA CONSULTANCY SERVICES LTD - Earnings per share Forecasting			
Year Weight	Year	EBT	EBIDTA Growth	Year Weight	Year	EPS	EPS Growth
1	2015A	22,578.8		1	2015A	41.7	
2	2016A	28,756.0	27.36%	2	2016A	53.9	29.30%
3	2017A	30,292.0	5.34%	3	2017A	56.2	4.15%
4	2018A	30,450.0	0.52%	4	2018A	58.1	3.41%
5	2019A	37,252.0	22.34%	5	2019A	72.6	25.03%
6	2020A	37,656.0	1.08%	6	2020A	74.2	2.22%
7	2021A	41,844.0	11.12%	7	2021A	82.8	11.61%
8	2022A	47,669.0	13.92%	8	2022A	94.1	13.58%
9	2023A	53,458.0	12.14%	9	2023A	106.2	12.85%
10	2024A	58,533.0	9.49%	10	2024A	117.8	10.97%
11	2025E	59,448.0	1.56%	11	2025E	119.7	1.54%
12	2026E	63,193.3	6.30%	12	2026E	127.6	6.67%
13	2027E	66,938.5	5.93%	13	2027E	135.6	6.25%
14	2028E	70,683.8	5.60%	14	2028E	143.6	5.88%
15	2029E	74,429.1	5.30%	15	2029E	151.6	5.56%
16	2030E	78,174.4	5.03%	16	2030E	159.5	5.26%



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Intrinsic Growth

Calculation of ROIC	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Current Assets					
Inventories	5.0	8.0	20.0	28.0	28.0
Trade receivables	30,532.0	30,079.0	41,810.0	49,954.0	53,577.0
Short term loans	330.0	270.0	402.0	520.0	1,656.0
Other asset items	31,397.0	38,986.0	27,483.0	22,413.0	23,995.0
Total Current Assets	62,264.0	69,343.0	69,715.0	72,915.0	79,256.0
Current Liabilities					
Trade Payables	6,740.0	7,860.0	8,045.0	10,515.0	9,981.0
Advance from Customers	345.0	312.0	468.0	543.0	1,841.0
Other liability items	20,112.0	26,917.0	34,747.0	32,907.0	34,310.0
Total Current Liabilities	27,197.0	35,089.0	43,260.0	43,965.0	46,132.0
Net Working Capital	35,067.0	34,254.0	26,455.0	28,950.0	33,124.0
Non Current Assets					
Land	1,041.0	1,041.0	1,126.0	1,304.0	1,294.0
Building	18,645.0	18,524.0	17,007.0	18,635.0	19,314.0
Plant Machinery	681.0	737.0	770.0	828.0	878.0
Equipments	2,522.0	2,587.0	2,693.0	2,823.0	2,982.0
Computers	8,824.0	10,873.0	12,301.0	13,725.0	14,544.0
Furniture n fittings	3,925.0	3,943.0	3,968.0	4,130.0	4,346.0
Vehicles	68.0	86.0	71.0	93.0	97.0
Intangible Assets	2,158.0	2,538.0	3,484.0	3,750.0	3,836.0
Other fixed assets	120.0	122.0	121.0	126.0	127.0
Gross Block	37,984.0	40,451.0	41,541.0	45,414.0	47,418.0
Accumulated Depreciation	17,056.0	19,430.0	20,243.0	24,899.0	27,814.0
Net Non Current Assets	55,040.0	59,881.0	61,784.0	70,313.0	75,232.0
Invested Capital	90,107.0	94,135.0	88,239.0	99,263.0	108,356.0
EBIT	38,580.0	42,481.0	48,453.0	54,237.0	59,311.0
ROIC	42.82%	45.13%	54.91%	54.64%	54.74%

Calculation of Reinvestment Rate	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Capex	(2,569.0)	(3,139.0)	(2,964.0)	(3,063.0)	(2,650.0)
Change in Working Capital	(813.0)	(7,799.0)	2,495.0	4,174.0	
EBIT	38,580.0	42,481.0	48,453.0	54,237.0	59,311.0
Marginal Tax Rate	0.25	0.25	0.25	0.25	0.25
EBIT(1-T)	28,935.0	31,860.8	36,339.8	40,677.8	44,483.3
Reinvestment		(3,952.0)	(10,763.0)	(568.0)	1,524.0
Reinvestment Rate		-12.40%	-29.62%	-1.40%	3.43%

4 Year Average	-10.00%
4 Year Median	-6.90%

Calculation of Growth Rate	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Reinvestment Rate	-12.40%	-29.62%	-1.40%	3.43%	
ROIC	45.13%	54.91%	54.64%	54.74%	
Intrinsic Growth	-5.60%	-16.26%	-0.76%	1.88%	

4 Year Average	-5.19%
4 Year Median	-3.18%

TATA CONSULTANCY SERVICES LTD

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BETA Regression

Regression Beta - 5 Years Monthly

Tata Consultancy Services Monthly Returns			Nifty Returns		Beta Drifting		Beta 1
Date	Closing Price	Weekly Returns	Closing Price	Weekly Returns	Levered Beta	Beta Weight	0.57
7/1/2019	1,975.7		11,118.0				
8/1/2019	2,028.7	2.68%	11,023.3	-0.85%			
9/1/2019	1,884.8	-7.09%	11,474.5	4.09%			
10/1/2019	2,037.7	8.11%	11,877.5	3.51%			
11/1/2019	1,880.2	-7.73%	12,056.0	1.50%			
12/1/2019	1,979.5	5.28%	12,168.5	0.93%			
1/1/2020	1,903.8	-3.82%	11,962.1	-1.70%			
2/1/2020	1,835.7	-3.58%	11,201.8	-6.36%			
3/1/2020	1,676.0	-8.70%	8,597.8	-23.25%			
4/1/2020	1,862.3	11.12%	9,859.9	14.68%			
5/1/2020	1,823.4	-2.09%	9,580.3	-2.84%			
6/1/2020	1,924.9	5.57%	10,302.1	7.53%			
7/1/2020	2,115.3	9.89%	11,073.5	7.49%			
8/1/2020	2,097.6	-0.84%	11,387.5	2.84%			
9/1/2020	2,316.1	10.41%	11,247.5	-1.23%			
10/1/2020	2,476.4	6.92%	11,642.4	3.51%			
11/1/2020	2,500.8	0.98%	12,969.0	11.39%			
12/1/2020	2,671.7	6.83%	13,981.8	7.81%			
1/1/2021	2,903.7	8.68%	13,634.6	-2.48%			
2/1/2021	2,706.3	-6.80%	14,529.2	6.56%			
3/1/2021	2,971.4	9.80%	14,690.7	1.11%			
4/1/2021	2,838.4	-4.47%	14,631.1	-0.41%			
5/1/2021	2,953.9	4.07%	15,582.8	6.50%			
6/1/2021	3,143.7	6.42%	15,721.5	0.89%			
7/1/2021	2,976.1	-5.33%	15,763.0	0.26%			
8/1/2021	3,565.5	19.80%	17,132.2	8.69%			
9/1/2021	3,555.3	-0.29%	17,618.2	2.84%			
10/1/2021	3,199.5	-10.01%	17,671.7	0.30%			
11/1/2021	3,329.6	4.07%	16,983.2	-3.90%			
12/1/2021	3,527.0	5.93%	17,354.1	2.18%			
1/1/2022	3,525.0	-0.06%	17,339.8	-0.08%			
2/1/2022	3,359.1	-4.71%	16,793.9	-3.15%			
3/1/2022	3,534.7	5.23%	17,464.8	3.99%			
4/1/2022	3,352.1	-5.17%	17,102.6	-2.07%			
5/1/2022	3,179.7	-5.14%	16,584.6	-3.03%			
6/1/2022	3,108.6	-2.24%	15,780.3	-4.85%			
7/1/2022	3,141.7	1.07%	17,158.3	8.73%			
8/1/2022	3,063.4	-2.49%	17,759.3	3.50%			
9/1/2022	2,866.3	-6.43%	17,094.3	-3.74%			
10/1/2022	3,046.3	6.28%	18,012.2	5.37%			
11/1/2022	3,243.2	6.46%	18,758.3	4.14%			
12/1/2022	3,114.9	-3.95%	18,105.3	-3.48%			
1/1/2023	3,212.5	3.13%	17,662.2	-2.45%			
2/1/2023	3,232.8	0.63%	17,303.9	-2.03%			
3/1/2023	3,128.4	-3.23%	17,359.8	0.32%			
4/1/2023	3,141.5	0.42%	18,065.0	4.06%			
5/1/2023	3,210.0	2.18%	18,534.4	2.60%			
6/1/2023	3,222.5	0.39%	19,189.1	3.53%			
7/1/2023	3,363.6	4.38%	19,753.8	2.94%			
8/1/2023	3,308.6	-1.63%	19,253.8	-2.53%			
9/1/2023	3,478.0	5.12%	19,638.3	2.00%			
10/1/2023	3,320.4	-4.53%	19,079.6	-2.84%			
11/1/2023	3,446.5	3.80%	20,133.2	5.52%			
12/1/2023	3,748.7	8.77%	21,731.4	7.94%			
1/1/2024	3,770.9	0.59%	21,725.7	-0.03%			
2/1/2024	4,065.6	7.81%	21,982.8	1.18%			
3/1/2024	3,848.3	-5.34%	22,326.9	1.57%			
4/1/2024	3,793.1	-1.44%	22,604.8	1.24%			
5/1/2024	3,644.5	-3.92%	22,530.7	-0.33%			
6/1/2024	3,934.1	7.95%	24,044.5	6.72%			
6/28/2024	3,924.4	-0.25%	24,141.8	0.40%			

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Weighted Average Cost of Capital

All figures are in INR unless stated otherwise.

Peer Comps

Name of the Comp	Country	Total Debt	Total Equity	Tax Rate ¹	Debt/ Equity	Debt/ Capital	Levered Beta ²	Unlevered Beta ³
TCS	India	8,021.0	1,424,626.9	30.00%	0.56%	0.56%	0.68	0.68
Infosys	India	8,359.0	654,194.1	30.00%	1.28%	1.26%	0.81	0.81
HCL Technologies	India	5,756.0	396,118.8	30.00%	1.45%	1.43%	0.92	0.91
Wipro	India	16,464.9	270,045.9	30.00%	6.10%	5.75%	0.74	0.71
LTIMindtree	India	2,070.6	159,902.1	30.00%	1.29%	1.28%	1.03	1.02
		Average		30.00%	2.14%	2.06%	0.84	0.83
		Median		30.00%	1.29%	1.28%	0.81	0.81

Cost of Debt

Pre-Tax Cost of Debt	9.70%
Tax Rate	30.00%
Post-Tax Cost of Debt	6.79%

Cost of Equity

Risk Free Rate	7.01%
Equity Risk Premium	8.60%
Levered Beta ⁴	0.81
Cost of Equity	14.01%

Cost of Debt

	Current	Target
Total Debt	8,021.0	0.56%
Market Capitalization	1,424,626.9	99.44%
Total Capital	1,432,647.9	100.00%

Debt/Equity

0.56%	1.29%
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Levered Beta

Comps Median Unlevered Beta	0.81
Target Debt/Equity	1.29%
Tax Rate	30.00%
Levered Beta	0.81

Notes:

- 1) Tax Rate is considered as Marginal Tax Rate for the country.
- 2) Levered Beta is based on 5 year monthly data.
- 3) Unlevered Beta = Levered Beta/(1+(1-Tax Rate)*Debt/Equity)
- 4) Levered Beta = Unlevered Beta*(1+(1-Tax Rate)*Debt/Equity)

Weighted Average Cost of Capital

Cost of Equity	14.01%
Equity Weight	98.72%
Cost of Debt	6.79%
Debt Weight	1.28%
WACC	13.92%

TATA CONSULTANCY SERVICES LTD

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DCF Valuation

Calculation of PV of FCFF	Mar-24A	Mar-25F	Mar-26F	Mar-27F	Feb-28F	Feb-29F
EBIT	59,311.0	67,531.5	76,891.4	87,548.5	99,682.7	113,498.8
Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT(1-T)	44,483.3	50,648.6	57,668.5	65,661.4	74,762.1	85,124.1
Less: Reinvestment Rate	-6.90%	5.40%	17.70%	30.01%	42.31%	42.31%
Free Cash Flow to Firm (FCFF)	47,552.7	47,912.4	47,458.4	45,958.1	43,130.2	49,108.1
Mid Year Convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		0.937	0.822	0.722	0.634	0.556
PV of FCFF	44,889.5	39,030.5	33,177.8	27,331.4	27,316.6	
Expected Growth	13.86%					
Terminal Growth	6.80%					
WACC	13.92%					
Calculation of Terminal Value	Sensitivity Analysis - Value of Operating Assets					
FCFF(n+1)	55,914.5	608,487.2	WACC	11.00%	13.92%	15.00%
WACC	13.92%	4.00%	616,069.9	485,232.5	454,497.5	410,997.2
Terminal Growth Rate	6.80%	5.00%	690,123.9	520,370.7	482,772.6	430,934.8
Terminal Value	785,146.3	6.80%	912,286.0	608,487.2	551,046.8	476,674.1
		7.00%	949,313.0	621,107.0	560,529.4	482,772.6
		8.00%	1,208,502.0	696,993.0	616,069.9	517,331.2
Calculation of Equity Value Per Share	GROWTH					
PV of FCFF	171,745.8	1,696.3	WACC	11.00%	13.92%	15.00%
PV of Terminal Value	436,741.4	4.00%	1,717.3	1,355.7	1,270.7	1,150.5
Value of Operating Assets	608,487.2	5.00%	1,922.0	1,452.8	1,348.9	1,205.6
Add: Cash	13,286.0	6.80%	2,536.0	1,696.3	1,537.6	1,332.0
Less: Debt	8,021.0	7.00%	2,638.3	1,731.2	1,563.8	1,348.9
Value of Equity	613,752.2	8.00%	3,354.7	1,941.0	1,717.3	1,444.4
No. of Shares	361.8	GROWTH				
Equity Value Per Share	1,696.3					
Share Price	3,958.0					
Discount/Premium	2.33x					

Assumptions:

1. Reinvestment rates and growth rates are taken from the NYU Stern Report on the Indian Sector, updated in January 2024.
2. Terminal Growth Rate is based on India's long term GDP growth rate

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Amount in Crores

Comparable Company Valuation

Company	Ticker	Market Data				Financials			Valuation			
		Shares	Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBIDTA	Income	EV/Revenue	EV/EBIDTA	P/E
TCS	TCS	3,938	361.81	1,424,627	-5,265	1,419,362	240,893	68,701	46,099	5.9x	20.7x	30.9x
Infosys	INFY	1,576	415.19	654,194	-6,427	647,767	153,670	40,843	26,248	4.2x	15.9x	24.9x
HCL Technologies	HCLTECH	1,460	271.37	396,119	-14,394	381,725	109,913	25,688	15,710	3.5x	14.9x	25.2x
Wipro	WIPRO	516	522.99	270,046	6,770	276,815	89,760	19,170	11,112	3.1x	14.4x	24.3x
LTIMindtree	LTIM	5,398	29.62	159,902	-745	159,157	35,517	7,089	4,585	4.5x	22.5x	34.9x
Tech Mahindra	TECHM	1,433	97.79	140,089	-2,199	137,890	51,996	5,433	2,397	2.7x	25.4x	58.4x
Oracle Fin.Serv.	OFSS	9,898	8.67	85,812	-5,495	80,317	6,373	3,124	2,219	12.6x	25.7x	38.7x
Persistent Sys	PERSISTENT	4,213	15.40	64,880	-572	64,308	9,822	1,772	1,093	6.5x	36.3x	59.3x
PB Fintech.	POLICYBZR	1,401	45.60	63,867	-482	63,386	3,438	192	64	18.4x	329.7x	991.6x
L&T Technology	LTTS	4,936	10.58	52,222	-551	51,671	8,679	1,968	1,259	6.0x	26.3x	41.5x
High										18.4x	329.7x	991.6x
75th Percentile										6.4x	26.1x	54.2x
Average										6.7x	53.2x	133.0x
Median										5.2x	23.9x	36.8x
25th Percentile										3.7x	17.1x	26.6x
Low										2.7x	14.4x	24.3x

TCS Comparable Valuation	EV/Revenue	EV/EBIDTA	P/E
Implied Enterprise Value	1,249,419	1,642,984	1,689,873
Net Debt	-5,265	-5,265	-5,265
Implied Market Value	1,254,684	1,648,249	1,695,138
Shares Outstanding	361.81	361.81	361.81
Implied Value per Share	3,468	4,556	4,685

Source: The Valuation School, Screener.in

Overvalued Undervalued Undervalued

TATA CONSULTANCY SERVICES LTD

(TCS | BSE Code: 532540)

INR 3941

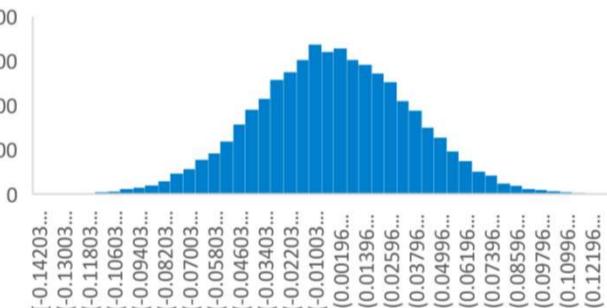


52 Week High - INR 4255 & Low - INR 3250

Value At Risk (VAR) - Monte Carlo Simulation

Date	Adj Close	Returns	Sorted Returns	Replication	Simulated Returns	Calculation of Value at Risk - TCS (Simulation)
5/6/2004	81.5	-0.642371319	2.018518519	1	0.00692465	
7/28/2005	227.89	0.643872178	0.999912242	2	0.036339574	Historical Approach
5/18/2009	138.63	-0.261742465	0.15496126	3	-0.006502321	Mean 0.14%
7/20/2009	187.78	0.823992229	0.153085662	4	0.000467322	Standard Deviation 3.67%
10/21/2008	102.95	-0.780026068	0.137946281	5	-0.064128913	Min -50.61%
4/24/2012	468.01	6.428730159	0.122083963	6	0.010622512	Max 201.85%
5/24/2004	63	0.890756303	0.10895969	7	0.030179518	CMP 3904.15
12/2/2002	33.32	-0.979948608	0.106976744	8	0.034664372	
3/20/2020	1,661.73	15.5874426	0.098446589	9	0.037589723	
10/29/2008	100.18	-0.370372698	0.095222477	10	0.048283504	
1/23/2008	159.11	0.508437619	0.093689854	11	-0.000690325	Monte Carlo Simulation
10/13/2008	105.48	0.719315403	0.091586464	12	0.021195439	Mean 0.15%
6/10/2004	61.35	-0.593304607	0.091442804	13	0.063985357	Standard Deviation 3.68%
6/16/2006	150.85	3.988425926	0.089877899	14	-0.010807078	Min -14.20%
11/21/2002	30.24	-0.189710611	0.086597197	15	0.072095928	Max 13.12%
12/19/2002	37.32	-0.587487565	0.084568439	16	0.03537523	CMP 3904.15
10/20/2008	90.47	0.117051488	0.082565514	17	-0.01672365	
8/24/2004	80.99	1.206811989	0.07627907	18	-0.002862964	
2/3/2003	36.7	-0.744624591	0.076246334	19	0.029389403	Percentile Confidence VAR Stock Price VAR (INR)
7/17/2008	143.71	-0.638356233	0.075754173	20	0.021407459	5.00% 95.00% -5.97% 4137.07 -232.92
8/29/2011	397.38	6.059513235	0.075016908	21	-0.021370455	1.00% 99.00% -8.51% 4236.45 -4236.45
5/18/2004	56.29	-0.540714752	0.073826784	22	-0.014866812	0.50% 99.50% -9.45% 4273.07 -4273.07
9/30/2008	122.56	-0.925321114	0.073580939	23	0.028866887	
4/7/2020	1,641.16	8.261102647	0.073144576	24	-0.043123882	
5/14/2008	177.21	1.691933769	0.073024523	25	-0.020355849	
6/11/2004	65.83	-0.629669217	0.073023635	26	0.064026337	
4/15/2008	177.76	-0.929305463	0.072846883	27	9.50919E-05	
10/5/2020	2,514.48	27.95532013	0.072263776	28	-0.056829579	
8/25/2004	86.84	-0.300805153	0.07223114	29	0.055994934	
5/4/2009	124.2	3.009038089	0.071243747	30	-0.0031708	
8/30/2002	30.98	-0.669793221	0.070860698	31	-0.015704846	
11/21/2008	93.82	1.648785997	0.0707601	32	0.001698155	
1/28/2003	35.42	-0.62546262	0.070090634	33	0.013223455	
12/18/2008	94.57	-0.752803409	0.069554399	34	-0.006530106	
8/23/2011	382.57	5.359208777	0.069228619	35	0.004225468	
5/19/2004	60.16	-0.644507475	0.06875111	36	0.045070899	
7/12/2006	169.23	-0.157305049	0.067966679	37	0.029734248	
7/30/2009	200.82	-0.865199764	0.066602932	38	0.00843715	
4/20/2018	1,489.76	3.65608201	0.066216255	39	-0.059471217	
7/16/2010	319.96	1.000500188	0.065929307	40	-0.004267713	
3/25/2008	159.94	-0.057013148	0.064067594	41	0.002179822	
2/1/2008	169.61	0.705137227	0.06378575	42	0.011519243	
1/9/2009	99.47	1.956017831	0.063736499	43	-0.019114068	
2/17/2003	33.65	-0.761685552	0.063527181	44	0.029685505	
9/19/2008	141.2	0.309104395	0.063333082	45	-0.021834467	
4/2/2009	107.86	-0.178647578	0.062869531	46	-0.081261071	
5/29/2009	131.32	0.261721752	0.062459547	47	0.040415338	
3/26/2009	104.08	0.10184205	0.061715801	48	0.063034233	
3/13/2009	94.46	-0.53177357	0.061706193	49	0.070841343	
12/24/2007	201.74	-0.8838191	0.061565986	50	0.056260971	
4/23/2020	1,736.43	9.202890887	0.0614589	51	-0.01928752	
4/17/2006	170.19	0.642285053	0.060902631	52	-0.018095181	
11/28/2008	103.63	2.483361345	0.060587453	53	0.045110619	
8/23/2002	29.75	-0.746355188	0.060228083	54	0.053663466	
7/18/2005	117.29	-0.422415916	0.059051919	55	-0.041697492	
8/10/2009	203.07	4.05274944	0.058869538	56	-0.043524673	
12/30/2002	40.19	0.1407891	0.05818852	57	-0.005146461	
12/3/2002	35.23	-0.92399137	0.057322929	58	0.028731589	
1/18/2011	463.5	-0.751120896	0.057277766	59	-0.022943324	
4/30/2020	1,862.35	0.979033835	0.057096313	60	-0.028113362	
1/20/2014	941.04	4.850055949	0.056552932	61	-0.002199147	
7/9/2008	160.86	-0.907986409	0.056066176	62	0.001271792	
7/11/2018	1,748.22	0.281207173	0.055886066	63	-0.003650436	
1/22/2018	1,364.51	3.879872684	0.055583061	64	0.056834062	
5/26/2010	279.62	-0.30124697	0.05497076	65	0.005688925	
10/22/2010	400.17	1.230850708	0.054772134	66	-0.045389873	
4/18/2006	179.38	0.230568704	0.053998472	67	-0.06366283	
6/9/2009	145.77	-0.961794908	0.053936809	68	0.012906247	
12/15/2023	3,815.46	1.284952869	0.052831126	69	-0.014928101	
4/17/2020	1,669.82	-0.516729614	0.05253139	70	-0.024202287	

Daily Returns Distribution



Dupont Analysis - Return on Equity & Return on Asset

	Return on Equity (ROE)						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	22,238.0	27,251.0	27,855.0	30,646.0	34,431.0	38,854.0	42,635.0
Average Shareholder's Equity	85,671.0	87,287.0	86,786.0	85,279.5	87,786.0	89,781.5	90,456.5
Return on Equity	25.96%	31.22%	32.10%	35.94%	39.22%	43.28%	47.13%
	ROE - Dupont Equation						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	22,238.0	27,251.0	27,855.0	30,646.0	34,431.0	38,854.0	42,635.0
Revenue	123,104.0	146,463.0	156,949.0	164,177.0	191,754.0	225,458.0	240,893.0
Net Profit Margin (A)	18.06%	18.61%	17.75%	18.67%	17.96%	17.23%	17.70%
Revenue	123,104.0	146,463.0	156,949.0	164,177.0	191,754.0	225,458.0	240,893.0
Average Total Asset	103,729.5	109,513.5	117,010.5	125,056.0	135,458.0	141,891.5	144,165.5
Asset Turnover Ratio (B)	1.19x	1.34x	1.34x	1.31x	1.42x	1.59x	1.67x
Average Total Asset	103,729.5	109,513.5	117,010.5	125,056.0	135,458.0	141,891.5	144,165.5
Average Shareholder's Equity	85,671.0	87,287.0	86,786.0	85,279.5	87,786.0	89,781.5	90,456.5
Equity Multiplier (C)	1.21x	1.25x	1.35x	1.47x	1.54x	1.58x	1.59x
Return on Equity (A*B*C)	25.96%	31.22%	32.10%	35.94%	39.22%	43.28%	47.13%
	Return on Asset (ROA)						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	22,238.0	27,251.0	27,855.0	30,646.0	34,431.0	38,854.0	42,635.0
Average Total Asset	103,729.5	109,513.5	117,010.5	125,056.0	135,458.0	141,891.5	144,165.5
Return on Asset	21.44%	24.88%	23.81%	24.51%	25.42%	27.38%	29.57%
	ROA - Dupont Equation						
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	22,238.0	27,251.0	27,855.0	30,646.0	34,431.0	38,854.0	42,635.0
Revenue	123,104.0	146,463.0	156,949.0	164,177.0	191,754.0	225,458.0	240,893.0
Net Profit Margin (A)	18.06%	18.61%	17.75%	18.67%	17.96%	17.23%	17.70%
Revenue	123,104.0	146,463.0	156,949.0	164,177.0	191,754.0	225,458.0	240,893.0
Average Total Asset	103,729.5	109,513.5	117,010.5	125,056.0	135,458.0	141,891.5	144,165.5
Asset Turnover Ratio (B)	1.19x	1.34x	1.34x	1.31x	1.42x	1.59x	1.67x
Return on Asset (A*B)	21.44%	24.88%	23.81%	24.51%	25.42%	27.38%	29.57%

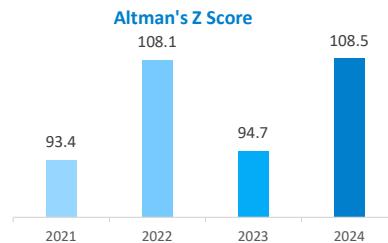
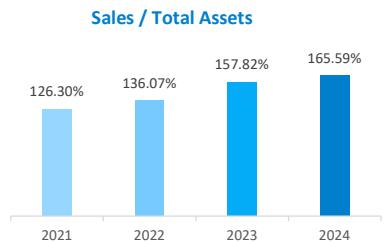
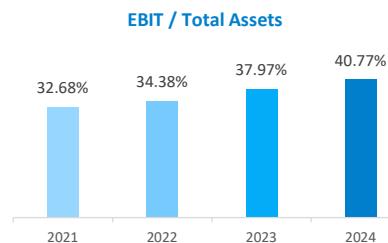
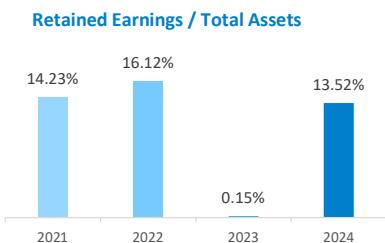
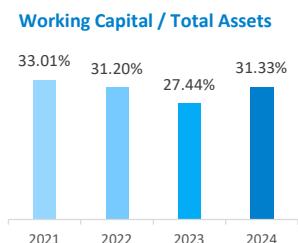
Dupont Summary

- ROE of Tata Consultancy Services (TCS) has increased significantly in past 7 years from 25.96% to 47.13%. While the net margin has been decreased from 18.06% at FY2018 to 17.70% at FY2024.
- Net Profit Margins of TCS has been decreased to 17.75% during COVID which has been constantly fluctuating ever since, currently being at 17.70% as of 31 March 2024.
- Asset Efficiency of the company has increased significantly over the past 7 years from 1.19x at FY2018 to 1.67x at FY2024, the company has increased its financial leverage from 1.21x at FY2018 to 1.59x at FY2024, these two are the reasons for the increase in the company's ROE.
- ROA of Tata Consultancy Services (TCS) has marginally increased in past 7 years from 21.44% in FY2018 to 29.57% in FY2024. While the net margin has been decreased from 18.06% at FY2018 to 17.70% at FY2024.
- The reason for the increase in company's ROA is contributed by the increase in Asset Efficiency of the company.

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Altman's Z Score Analysis Calculation

Working Capital / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Working Capital	36,116.0	46,925.0	44,110.0	42,908.0	43,969.0	39,200.0	45,580.0
Total Assets	105,126.0	113,901.0	120,120.0	129,992.0	140,924.0	142,859.0	145,472.0
Working Capital / Total Assets (A)	34.35%	41.20%	36.72%	33.01%	31.20%	27.44%	31.33%
Retained Earnings / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Retained Earnings	16,330.0	20,312.0	5,072.0	18,502.0	22,711.0	213.0	19,673.0
Total Assets	105,126.0	113,901.0	120,120.0	129,992.0	140,924.0	142,859.0	145,472.0
Retained Earnings / Total Assets (B)	15.53%	17.83%	4.22%	14.23%	16.12%	0.15%	13.52%
EBIT / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
EBIT	30,502.0	37,450.0	38,580.0	42,481.0	48,453.0	54,237.0	59,311.0
Total Assets	105,126.0	113,901.0	120,120.0	129,992.0	140,924.0	142,859.0	145,472.0
EBIT / Total Assets (C)	29.01%	32.88%	32.12%	32.68%	34.38%	37.97%	40.77%
Market Cap / Long Term Liabilities							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Market Cap	272,705.6	751,096.1	685,223.0	1,175,503.0	1,368,466.9	1,173,055.3	1,402,479.3
Long term Liabilities	247.0	62.0	8,174.0	7,795.0	7,818.0	7,688.0	8,021.0
Market Cap / Long Term Liabilities (D)	110407.12%	1211445.30%	8382.96%	15080.22%	17504.05%	15258.26%	17485.09%
Sales / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	123,104.0	146,463.0	156,949.0	164,177.0	191,754.0	225,458.0	240,893.0
Total Assets	105,126.0	113,901.0	120,120.0	129,992.0	140,924.0	142,859.0	145,472.0
Sales / Total Assets	117.10%	128.59%	130.66%	126.30%	136.07%	157.82%	165.59%
Altman's Z Score							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Final Score	665.2	7271.8	53.2	93.4	108.1	94.7	108.5
Financial Health	Strong	Strong	Strong	Strong	Strong	Strong	Strong



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