

Financial Report Analysis Using GenAI



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Business Problem

Stock Market Investors



Manual data extraction delays investors, causing missed trades and losses.

Financial Advisors



Manual data extraction hinders timely insights from financial reports, impacting advisor service and client satisfaction.

Market Researchers



Manual efforts delay researchers in comparing financial data, trend identification and timely research conclusions.

Problem Overview



People face challenges in extracting and analyzing financial report data.



Manual interpretation of text, graphs, and charts is labor-intensive and time-consuming.



Slow data processing hampers timely decision-making.



Reduced operational efficiency due to extensive manual data handling.

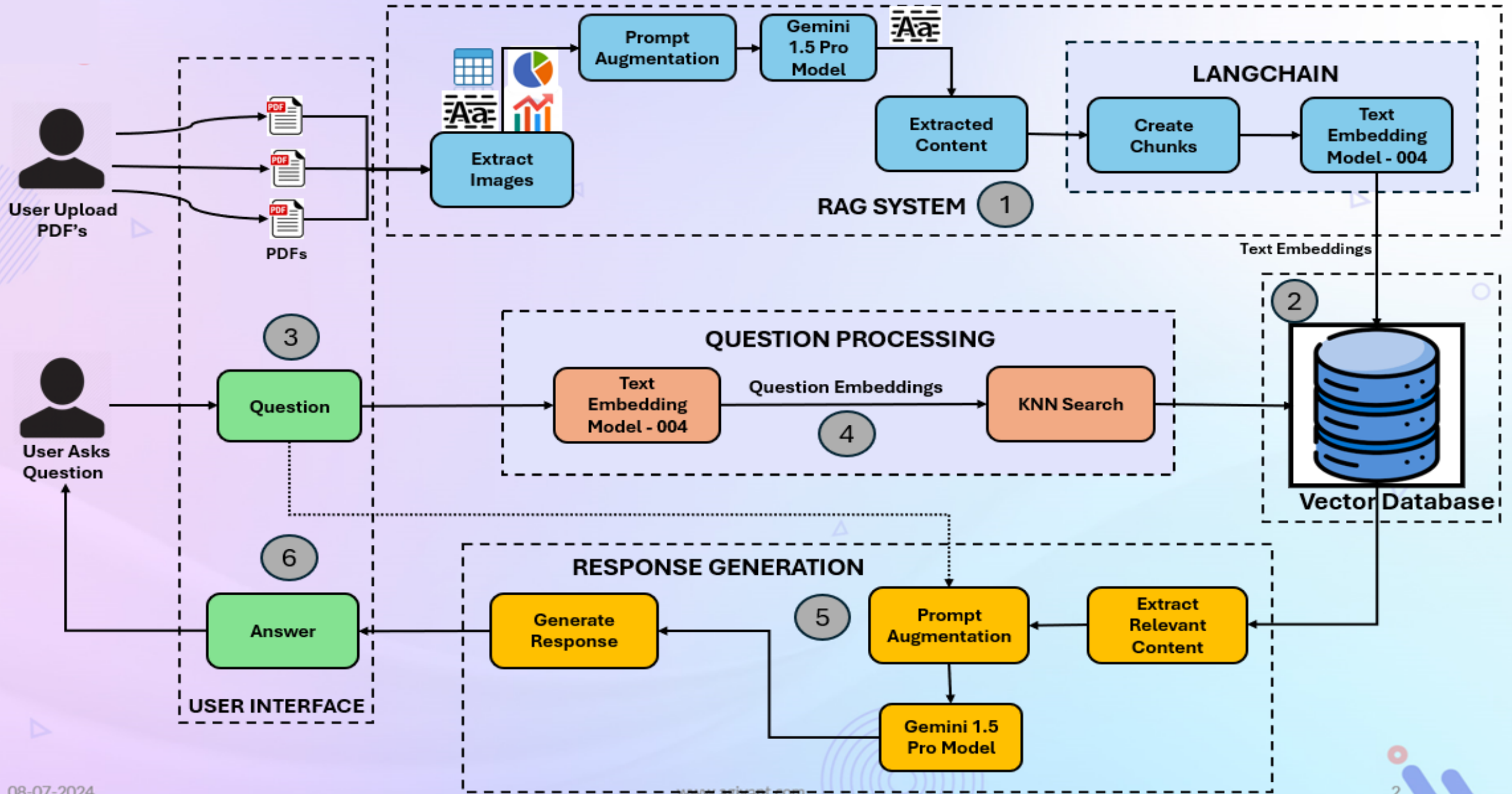


Delays in analysis lead to missed opportunities in fast-paced financial markets.

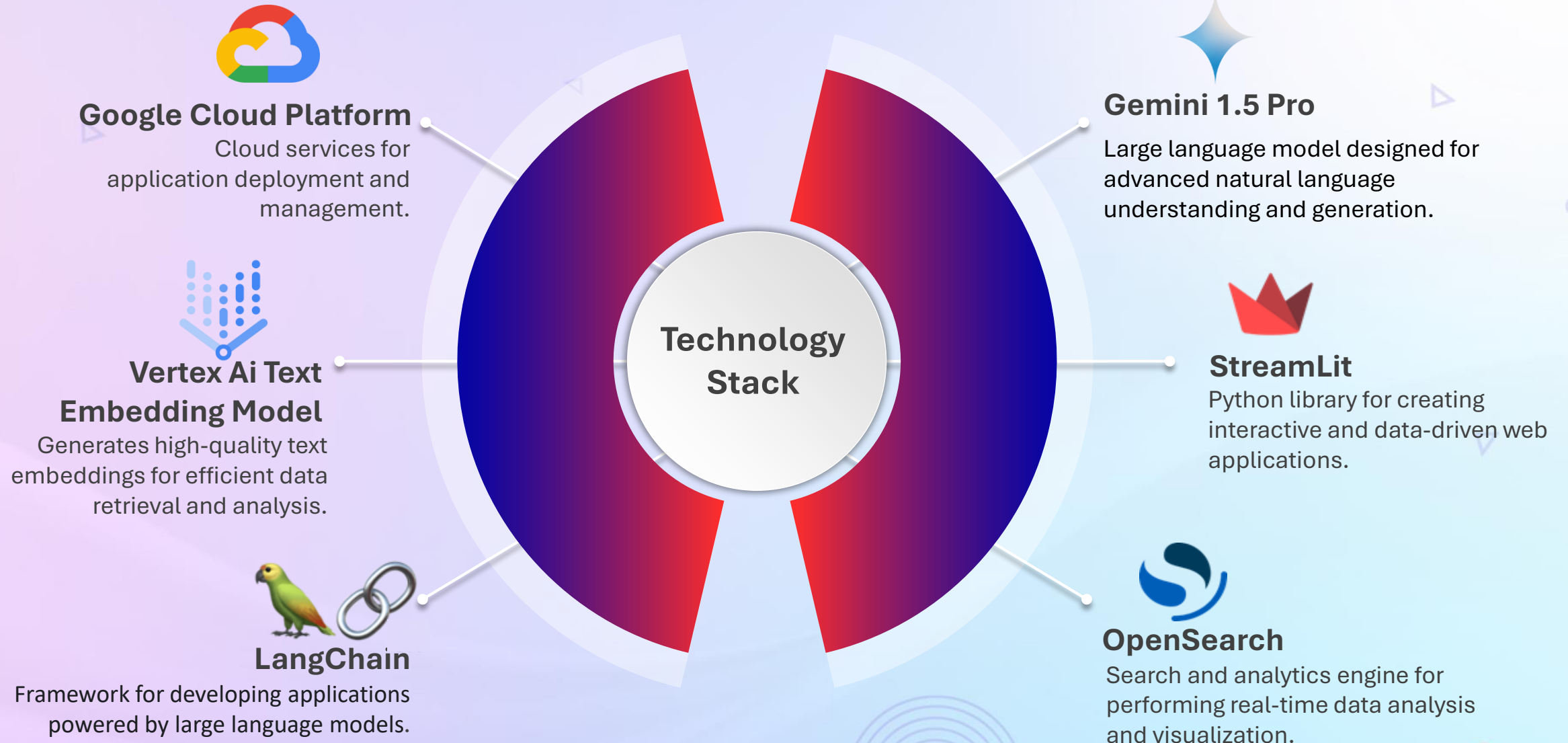
◀ Solution Proposed

- **(Financial Analyst)** Human-like financial statement analysis.
- Extracts data from texts, images, graphs, and diagrams in financial documents.
- Answers specific queries related to report data for user interaction.
- Identifies and isolates graphs and diagrams (bar charts, line graphs, pie charts, etc.).

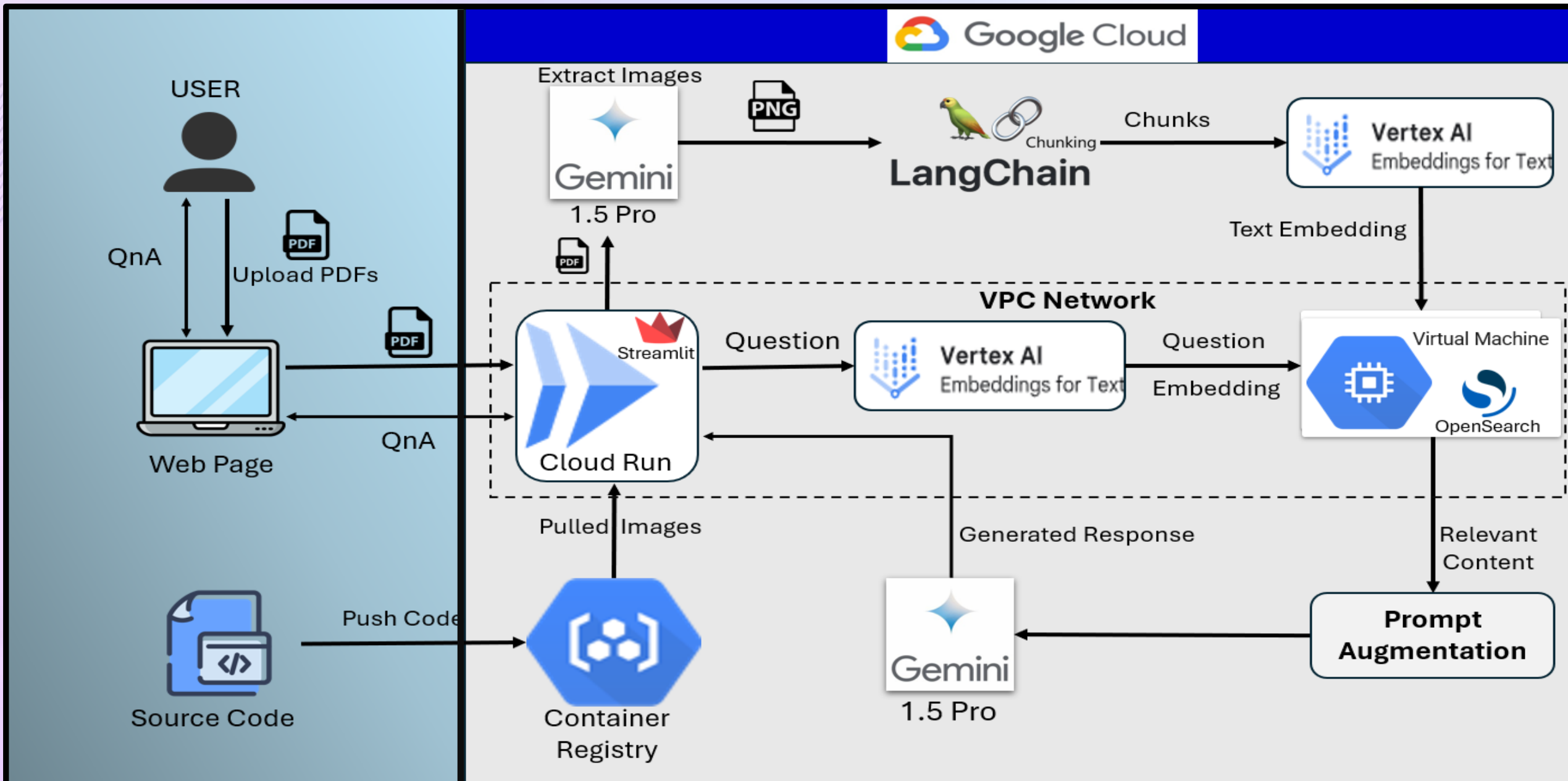
Solution Workflow



Technology Stack



Application Architecture



Financial Report Analyst Application Demo



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Financial Report Analyst

Ask a Question from the PDF Files

Financial Analyst

Ask a Question from the PDF Files

How many new employees joined TCS from Q1 FY23 to Q1 FY24

To calculate the number of new employees that joined TCS from Q1 FY23 to Q1 FY24, we need the total headcount at the beginning of Q1 FY23 and the total headcount at the end of Q1 FY24.

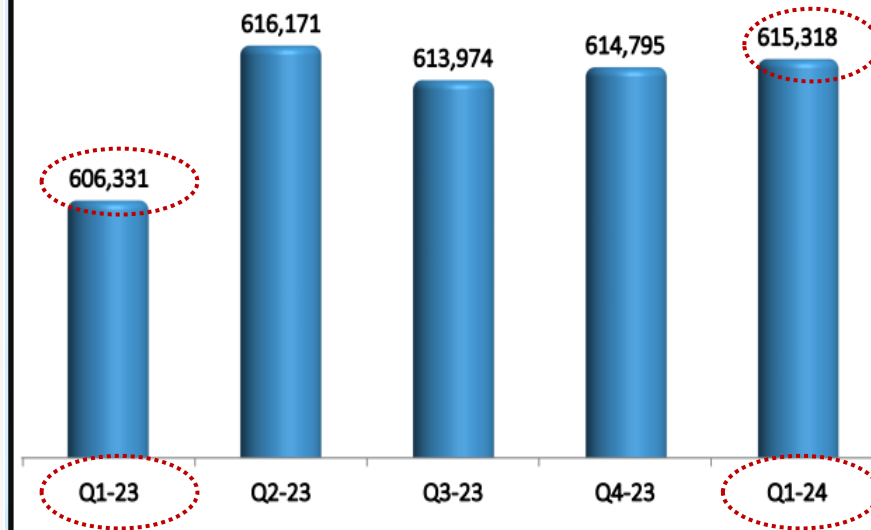
From the provided context:

- **Total Employee Base at the end of Q1 FY23:** 606,331
- **Total Employee Base at the end of Q1 FY24:** 615,318

Therefore, the number of new employees who joined TCS from Q1 FY23 to Q1 FY24 is: $615,318 - 606,331 = 8,987$.

Analysis: TCS added a significant number of employees during FY23, indicating strong business growth and high demand for its services.

Total Employee Base



Financial Report Analyst Application Demo

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Financial Analyst

Ask a Question from the PDF Files

Compare YoY revenue growth of TCS and Infosys for Q1, Q2, Q3, Q3 FY24.

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You are asking for YoY revenue growth of TCS and Infosys for Q1, Q2, Q3, Q3 FY24. I assume it's a typo and you are asking for Q1, Q2, Q3, Q4 FY24.

Here's a comparison of TCS and Infosys' YoY revenue growth for the first four quarters of FY24, with growth rates rounded to one decimal place:

Quarter	TCS (YoY Growth in INR)	Infosys (YoY Growth in USD)
Q1 FY24	12.6%	4.2%
Q2 FY24	7.9%	4.8%
Q3 FY24	4.0%	-1.0%
Q4 FY24	2.2%	0.0%

Analysis:

- TCS consistently outperformed Infosys in terms of YoY revenue growth throughout FY24.
- Both companies experienced a slowdown in growth as the year progressed. This is likely due to the challenging macroeconomic conditions impacting the IT services industry.
- TCS's stronger performance could be attributed to its broader service portfolio and its strong presence in growth markets such as cloud computing and digital transformation.

Please note: Infosys reports its financials in USD, while TCS reports in INR. This can make direct comparisons challenging due to currency fluctuations.

Financial Report Analyst Application Demo

Financial Report Analyst

Ask a Question from the PDF Files

What are the factors influencing profitability for each company?

The provided context primarily focuses on revenue and operational details, offering limited insights into specific factors influencing profitability for each company. However, based on available information, we can infer some potential influences:

TCS:

- **Cost of Revenue (COR):** TCS's profitability is significantly impacted by its COR, with employee costs being the largest component. Managing these costs effectively is crucial for maintaining healthy margins.
- **SG&A Expenses:** While generally stable, one-time events like legal settlements can significantly impact profitability.
- **Operating Margin:** TCS consistently maintains a high operating margin, indicating efficient operations and cost management.
- **Net Margin:** Similar to operating margin, a consistently high net margin reflects strong overall profitability.
- **Attrition:** High attrition rates can lead to increased recruitment and training costs, potentially

impacting profitability.

Infosys:

- **Gross Profit:** Infosys shows a healthy gross profit, indicating a strong pricing strategy and efficient production or service delivery.
- **Operating Expenses:** Rising operating expenses, particularly selling and marketing, can put pressure on profitability.
- **Other Income:** Fluctuations in other income, which includes finance costs, can influence profitability.
- **Dividend Payouts:** Dividend payments to shareholders directly impact net income and therefore profitability.

Wipro:

- **Revenue Growth:** Declining year-over-year revenue growth suggests potential challenges in attracting new business and maintaining existing contracts, which can impact profitability.
- **Operating Margin:** Wipro's operating margin is lower than TCS, indicating potential areas for improvement in cost management or pricing strategies.
- **Bookings:** Strong bookings, particularly large deals, can contribute to future revenue and profitability.
- **Attrition:** Similar to TCS, attrition rates can influence profitability by affecting recruitment and training costs.
- **Offshore Revenue:** A higher percentage of offshore revenue can contribute to cost savings and potentially improve profitability.

Tech Mahindra:

- **Gross Profit:** A significant decline in gross profit suggests challenges in managing production or service delivery costs or potential pricing pressure.
- **EBITDA:** Similarly, a decline in EBITDA indicates reduced profitability before accounting for depreciation, amortization, and other factors.
- **Other Income:** Fluctuations in other income, including foreign exchange gains/losses, significantly impact profitability.
- **Impairment Charges:** One-time impairment charges, like the one related to goodwill, can substantially impact profitability.

Analysis:

While the provided data lacks detailed financial statements, it highlights some key areas influencing profitability for each company. TCS appears to be performing well with consistent margins and growth. Infosys faces challenges with rising operating expenses and fluctuations in other income. Wipro's declining revenue growth and lower operating margin require attention. Tech Mahindra's profitability is significantly impacted by fluctuations in other income and impairment charges.

Further analysis of detailed financial statements, including balance sheets and cash flow statements, would provide a more comprehensive understanding of the factors driving profitability for each company.



Faster Analysis of Financial Data



Reduces Resource Cost



Time Efficient

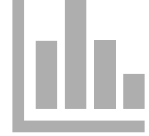


Handles Variety of Financial Reports

Future Enhancement Roadmap

01

Scalability and Performance Optimization



02

Advanced Data Extraction



03

Predictive Analytics



04

Integration with External Data Sources





Thank You!