

Synthetic CXO Report

Quarterly Business Update – Q1 FY26

Company: TCS

- Revenue: ₹62,300 Cr
- Net Profit: ₹11,200 Cr
- YoY Growth: 6.5%
- Total Contract Value (TCV): USD 12.2 Billion
- Attrition Rate: 13.3%

Highlights:

- BFSI and Cloud continue to drive revenue.
- Costs increased due to higher software licensing and infra spend.
- Attrition remains above target, especially in AI/ML skilled workforce.

Regional Performance

- North America: ₹30,000 Cr (Growth 5.2%) → Strong BFSI demand.
- Europe: ₹18,000 Cr (Flat YoY) → Macro slowdown, pricing pressure.
- APAC: ₹9,500 Cr (Growth 8.3%) → Cloud deals accelerating.
- India: ₹4,800 Cr (Growth 6.9%) → Growth from Government contracts.

Sales Pipeline (as of July 2025)

- GlobalBank (BFSI) – Negotiation – \$350M
- RetailMart (Retail) – Proposal Sent – \$120M
- AutoWorks (Automotive) – Initial Discussion – \$90M
- HealthCo Pharma (Healthcare) – RFP Stage – \$200M

Customer Churn & Retention

- Lost HealthFirst Insurance (\$55M) – Switched to Infosys.
- Lost LogiTrack (\$20M) – In-house IT expansion.
- Retained EduWorld (\$80M renewal, 3 years).
- New Win: AgriTech Ltd (\$65M) – Digital farming solutions.

Competitor Moves

- Infosys acquired NeuroLogic AI (\$750M).
- Cognizant completed Belcan acquisition (\$1.3B).
- IBM announced \$7.5B in Generative AI deals.

Procurement Spend – Q1 FY26

- Microsoft: \$35M
- SAP: \$22M
- Adobe: \$10M
- AWS: \$50M | Azure: \$42M | GCP: \$18M

Note: Potential savings of 12–15% via centralized procurement.

Fleet / Operations

- CityRide Cabs → 1,200 Diesel vehicles, avg age 4 years.
 - QuickLogistics → 800 Petrol trucks, avg age 6 years.
 - FreshMart Delivery → 300 CNG vans, avg age 2 years.
- Potential EV conversion = ~20,000 tons CO2 reduction annually.

Employee Metrics

- Total Employees: 602,000
- Attrition: 13.2%
- Training Hours/Employee: 45
- Skills Mix:
- AI/ML – 12%

- Cloud – 22%
- Cybersecurity – 8%
- Legacy Systems – 35%
- Others – 23%

Gap in AI/ML skills could delay GenAI project delivery.

Internal Projects

- AI Operations Automation – Budget \$120M, Spent \$90M → On Track.
- Smart Grid Collab (Tata Power) – Budget \$200M, Spent \$160M → Delayed.
- EV Fleet Optimization (Tata Motors) – Budget \$85M, Spent \$40M → Ahead of schedule.

R&D / Innovation

- 5 patents filed in AI model compression.
- Prototype launched for AI-powered fraud detection.
- Upcoming: Generative AI lab expansion in Pune (Q3 FY26).

Customer Feedback (NPS)

- GlobalBank → NPS 68 → Positive: Service quality, Negative: Pricing.
- RetailMart → NPS 42 → Neutral: Speed good, Pricing concerns.
- AutoWorks → NPS 55 → Positive: Delivery, Negative: Lack of innovation.