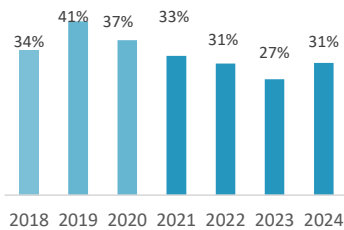


Altman's Z Score Analysis

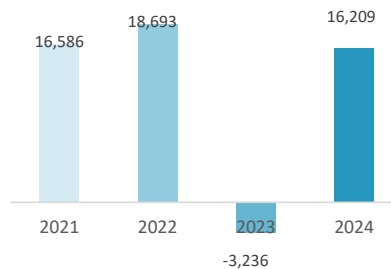
Tata Consultancy Services (TCS) is an Indian multinational technology company specializing in information technology services and consulting. Headquartered in Mumbai, it is a part of the Tata Group and operates in 150 locations across 46 countries. It is the second-largest Indian company by market capitalization. As of 2024, TCS is ranked seventh on the Fortune India 500 list. In September 2021, TCS recorded a market capitalization of US\$200 billion, making it the first Indian IT company to achieve this valuation. In 2012, it was the world's second-largest user of U.S. H-1B visas. In 2024, parent company Tata Sons owned 71.74% of TCS, and close to 80% of Tata Sons' dividend income came from TCS.

Financial Summary

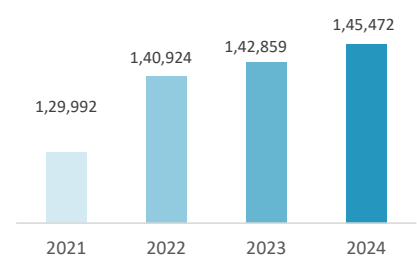
Working Capital to Total Assets (%)



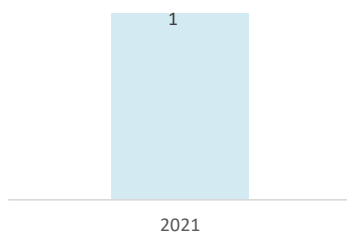
Net Profits (INR Crs.)



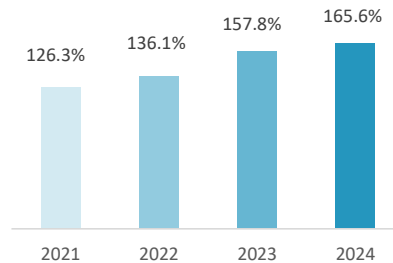
Total Assets (INR Crs.)



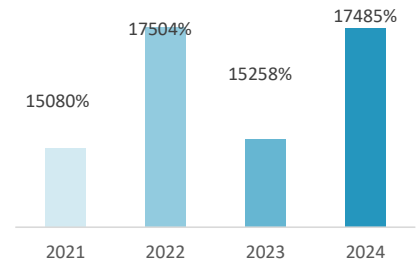
Return on Equity (%)



Return on Asset (%)



Financial Leverage



Recent Updates

- Net profit of Rs 12,380 crore in the quarter ended December 31, 2024, a rise of 12% when compared to Rs 11,058 crore in the year-ago period, thus beating estimates marginally.
- The company's consolidated revenue from operations rose 6% to Rs 63,973 crore in Q3FY25 from Rs 60,583 crore in Q3FY24, thus missing estimates.
- Operating Margin at 24.5% , Net Margin at 19.4%.
- Cash flow from operations at 105.3% of net profit.
- The company declared a third interim dividend of Rs 10 and a special dividend of Rs 66 per equity share of Re 1 each of the company. The record date for the dividend is January 17.
- The company's operating margins for Q3 stood at 24.5 percent, an increase of 40 bps sequentially.
- Clients \$100M+ up by 3, \$10M+ up by 17 & \$5M+ up by 29 YoY.
- Order book TCV at \$10.2 Bn; North America TCV at \$5.9 Bn; BFSI TCV at \$3.2 Bn, Consumer Business TCV at \$1.3 Bn.

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	1,05,126.0	1,13,901.0	1,20,127.0	1,29,992.0	1,40,924.0	1,42,859.0	1,45,472.0
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	12,688.0	16,001.0	480.0	16,586.0	18,693.0	-3,236.0	16,209.0
Total Assets	1,05,126.0	1,13,901.0	1,20,127.0	1,29,992.0	1,40,924.0	1,42,859.0	1,45,472.0
Retained Earnings / Total Assets (B)	12.07%	14.05%	0.40%	12.76%	13.26%	-2.27%	11.14%

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	1,05,126.0	1,13,901.0	1,20,127.0	1,29,992.0	1,40,924.0	1,42,859.0	1,45,472.0
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	2,72,705.6	7,51,096.1	6,85,223.0	11,75,503.0	13,68,466.9	11,73,055.3	14,02,479.3
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%	1211445%	8383%	15080%	17504%	15258%	17485%

Sales / Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	1,23,104.0	1,46,463.0	1,56,949.0	1,64,177.0	1,91,754.0	2,25,458.0	2,40,893.0
Total Assets	1,05,126.0	1,13,901.0	1,20,127.0	1,29,992.0	1,40,924.0	1,42,859.0	1,45,472.0
Return on Assets (E)	117.1%	128.6%	130.7%	126.3%	136.1%	157.8%	165.6%

Altman's Z Score							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Final Score	665.1	7271.7	53.1	93.4	108.0	94.7	108.4
Financial Stability	Strong	Strong	Strong	Strong	Strong	Strong	Strong

Disclaimer : This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to actions taken basis this report. It is advisable to consult SEBI registered research analyst before making any investments