

CHAIRMAN'S STATEMENT



L. Krishnakumar
Chairman

The fiscal year 2023-24 was marked by significant achievements, led by a revenue growth of 24%. Domestic revenues accounted for 66%, while international business contributed 34% of the total revenue. We surpassed the ₹ 1,400 crore mark, achieving a consolidated total income of ₹ 1,406 crores.

I am honoured to address you as Chairman of Tata Consulting Engineers in our 2023-24 Annual Report for the first time. It has been a remarkable year for the company, marked by strong financial performance, transformation, and the delivery of pioneering projects that position us well to "Engineer for the Future" and exceed customer expectations.

Financial Performance

The fiscal year 2023-24 was marked by significant achievements, led by a revenue growth of 24%. Domestic revenues accounted for 66%, while international business contributed 34% of the total revenue. We surpassed the ₹ 1,400 Cr mark, achieving a consolidated total income of ₹ 1,406 Cr.

Profit before tax at ₹ 293 Cr increased more than proportionately by 42%, driven by a better mix of orders and benefits from transformation initiatives. Our business acquisitions reached ₹ 2,156 Cr, and we maintain a strong order book going into the next fiscal year.

Transforming Engineering Services

The landscape of engineering services has undergone a significant transformation, and we have been at the forefront of this change. Driven by our customers' demands for quicker project completion at reduced costs and the need for solutions to meet sustainability objectives, we have embraced digital technologies. These technologies, including innovative 3D/4D modelling and simulation processes, have empowered us to exceed customer expectations by offering innovative, custom-built, value-engineered solutions. This transformation is a testament to our adaptability and forward-thinking approach.




In FY 2023-24, our commitment to innovation was not only evident in our work but also recognised by the industry. We were honoured with several prestigious awards, including the CII Industrial Innovation Award for Most Innovative Services Company and for being among India's Top 50 Innovative Companies.

TCE also received the IEI Industry Excellence Award, the Golden Peacock Innovative Services Company Award, the CEAI National Award for Excellence in Engineering Innovation and Design, and the Tata Innovista Honour for Excellence in Innovation for the second consecutive year. These accolades are a testament to our dedication to pushing the boundaries of engineering services.

We are in an era of disruption driven by sustainability, circularity, energy transition, and digital transformation. Businesses need to adopt a holistic approach to assess the impact of these trends, encompassing products, services, supply chains, and waste management.

TCE is at the forefront of this transformation, offering integrated end-to-end solutions across all segments. Our extensive domain experience across sectors has allowed us to develop a robust portfolio of solutions, including green and clean energy generation, energy storage, green technology, rapid transportation, digitisation, and the application of advanced technology in traditional domains.

Our Sustainability Solutions

Infrastructure 	Power 	Resources 
<ul style="list-style-type: none"> • Net Zero Development • ESG Policy & Implementation • Sustainable Building Designs • Green Building Certification • Carbon Reduction Solutions • Smart Cities, Sustainable Transport, Multi-Modal Hubs, Green Ports • Smart Factories with Zero Solid, Liquid, and Gas Discharge • Infrastructure Waste Recycling & Utilisation 	<ul style="list-style-type: none"> • Renewable Power • Clean (Nuclear) Power • Battery Energy, Pumped Storage Energy (PSP), Hydrogen Energy • Waste to Energy • Nuclear Fission (Fleet Mode & Small Modular Reactors) • Plant Retrofits with Carbon Capture & Utilisation 	<ul style="list-style-type: none"> • Green Chemicals: Hydrogen, Ammonia, Methanol, etc. • Green Fuels: Bioethanol, Sustainable Aviation Fuel • Green Cement • Green Metals: Steel, Environmental Services, Waste Management Circularity / Recycling, Carbon Capture and Utilisation (CCU)

Leading Pioneering Projects

TCE spearheads several first-of-its-kind projects, such as green ammonia, green hydrogen, green methanol, energy storage, and bioethanol. Our involvement in solar and wind energy projects and multiple Pumped Hydro Storage projects aligns with India's goal of increasing renewable energy's share in the energy mix. We are also engineering one of India's largest Solar PV Panel manufacturing facilities.

The growth of the electric vehicle market has prompted the consideration of several battery manufacturing plants, with TCE playing a key role in establishing some of the first plants in India. Our presence in the entire value chain of energy transition technologies, including providing sustainable solutions for hard-to-abate industries like steel making, highlights our strategic vision and talented workforce. We are also collaborating with leading global majors to deliver transportation solutions.

As our economy expands, we are increasingly managing much larger-scale projects, even in traditional areas like infrastructure, and managing associated complexities with technology and improved project management solutions. Some marquee projects we helped deliver include Ayodhya Temple, Chandrayaan 3, Central Vista and High-Speed Rail.

Governance and Risk Management

TCE is a leader in good governance practices, supported by robust systems and processes. Our risk management processes are designed to address and mitigate material risks effectively. Recognitions such as Masters of Risk - Real Estate and Infrastructure Sector - Mid-Cap Category, National Award for Excellence in Corporate Governance by ICSI, and being among the top 25 Safest Workplaces in India for the second time in a row reflect our commitment to risk management and safety.

Corporate Social Responsibility (CSR)

TCE's CSR initiative, TCEndeavour, focuses on education, sustainable livelihood, infrastructure development, and healthcare. Our projects aim for holistic development and sustainable social impact, including quality education in STEM fields, skill development, and disaster recovery. Our employees are actively encouraged to create an impact through volunteering. In FY 2023-24, 3,377 volunteers contributed 17,443 person-hours, earning multiple awards for our volunteering efforts.

Our People

TCE's success is intrinsically linked to the success of our employees. Our Employee Value Proposition (EVP) emphasises that our employees are our most valuable asset. Our workforce grew by 19% this year, and we invested over 10 person-hours per employee in training. Recognitions such as HR Excellence awards in Learning and Development and awards for Employee Retention Strategy and Leadership Development underline our commitment to nurturing talent and fostering a supportive work environment.

At Tata Consulting Engineers (TCE), we are dedicated to designing the future by strategically managing our human resources. Our total workforce is 6,039, with 90% of them being billable. The average age of our employees is 34.5 years, and we boast an average of 14 years of experience across our team. Despite an attrition rate of 12.1%, we maintain a dynamic and diverse workforce, with women comprising 17% of our total employee base.

Looking Ahead

The opportunities for services offered by our company are immense, driven by traditional infrastructure needs in India and new investments in alternative energy and emission reduction solutions. Rapid mass transportation upgrades and new capacity creation necessary in the world's fastest-growing economy also augur well for the company's growth prospects. In addition, the country's talent pool of engineers is yet to be fully tapped by the developed world to meet their demands for climate change and modernisation in these markets. This, too, offers multiple opportunities for our company. TCE is poised to deliver on these opportunities and continue its accelerated growth.

Thank you for your unwavering support and dedication to our journey.

Warm regards,

L. Krishnakumar

Chairman

Tata Consulting Engineers