

TCS grew 11% in rupees and under 3% in constant currency. Read the business

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Maxim: *"Behind every stock is a company. Find out what it's doing."* — Peter Lynch, *Beating the Street* (1993)

A ticker tells you what the market thinks today. The company's own filings tell you where the money comes from, and that is the part that decides the next ten years.

Most investors can tell you a stock's price. Far fewer can tell you how the company earns a rupee.

The results season is a good place to see why that matters. On 8 October, Tata Consultancy Services reported revenue of ₹73,188 crore for the July–September quarter, up 11.2% from a year earlier, according to the [company's own fact sheet](#). That sounds healthy. The same page shows that in constant currency, which strips out exchange-rate moves, revenue grew only 2.8%, and North America, its largest market, grew 1.5%.

Most of the headline growth came from a weaker rupee, not from more work for clients. A reader who stopped at the first number would have learned the wrong lesson. A reader who turned the page learned what the business was actually doing, which is exactly what Peter Lynch asked of investors in the fourth of his Golden Rules.

What the IT sell-off was really about

For two decades, Indian IT services stocks were the market's safe compounders. Then, in 2026, they became its biggest worry. By 30 June the Nifty IT index had fallen to a 52-week low, about 42% below its December 2024 peak and down 29% for the year while the Nifty 50 was down about 6%, [Business Standard reported](#). TCS and Infosys each [lost more than 30%](#) between Navratri 2025 and Navratri 2026.

The ticker said "sell". The business explained why. These companies earn most of their money by supplying large teams of engineers to run and change clients' technology. The fear is that generative AI lets clients do more of that work with fewer people, or directly. In May, when an OpenAI-backed venture with more than \$4 billion behind it launched to help enterprises build and run their own AI systems, TCS and Infosys fell to multi-year lows, [IIFL reported](#).

That fear may prove overdone. TCS now says its AI-related work is growing, and it won \$9.6 billion of new contracts in the quarter. But an investor who understood what the company sells could at least frame the right question: will clients need fewer people-hours, and can these firms sell something else instead? Someone who knew only the ticker had nothing to weigh but the price.

Same name, different company

Sometimes the company changes underneath a familiar name. Most people still think of Zomato as Zomato, the food-delivery app. Its April–June 2026 results tell a different story: of revenue of ₹20,211 crore, Blinkit's quick-commerce business contributed ₹15,664 crore, more than three-quarters, [IIFL reported](#). Part of that jump is accounting, because Blinkit moved to owning its inventory and now

books the full value of goods sold; the company itself warned in 2025 that reported growth was “not a like-to-like comparison”, [Inc42 noted](#). An investor who reads only the revenue line sees a rocket. One who reads the segment note sees a different, more capital-hungry business with thinner margins.

And sometimes the story and the company were never the same thing. Gensol Engineering was sold to the market as clean energy and electric mobility. Sebi's interim order in April 2025 found that of loans taken to buy 6,400 electric vehicles, only 4,704 were bought and about ₹262 crore could not be accounted for, [Outlook Business reported](#). The theme was green. The business, it turned out, was something else.

Five questions that tell you what a company does

Everything you need is free. Sebi requires listed companies to report revenue and results [by business segment](#) in their quarterly filings, and earnings-call recordings and transcripts must be posted on their websites soon after each call. The newspaper summary leaves most of this out; the full filing on the NSE or BSE website does not.

1. **Where does the revenue come from?** Read the segment table. Which business brings in most of the money, and which brings in most of the profit? They are often not the same.
2. **Why did it grow?** Separate volume, price, acquisitions, accounting changes and currency. TCS's rupee growth and constant-currency growth told two different stories in the same quarter.
3. **Who are the customers, and how concentrated are they?** One sector, one country or one client can make a company far riskier than its size suggests.
4. **Who competes, and what could change the game?** For IT services, it is AI tools as much as rival firms. For a retailer, it may be a new format or a cash-rich new entrant.
5. **What does management say it is spending on next?** The investor presentation and the call transcript explain the plan in plain language, and the questions analysts ask often reveal the real worries.

The rule to keep: if you cannot describe in two sentences how a company makes money and what would make it make more or less, you do not yet own a business. You own a ticker, and a ticker can only tell you what other people think.

None of this requires predicting whether AI will hollow out Indian IT, or whether quick commerce will make money at scale. It requires knowing that those are the questions. The price will move every day. The answer to “what does this company do?” changes slowly, and it is the one that matters.

Sources

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