IT SERVICES (ABOVE ₹50,000 CRORE)
C. VIJAYAKUMAR, CEO & MD, HCL TECHNOLOGIES LTD

THE AI VISIONARY

WITH FULL-STACK CAPABILITIES ACROSS MODELS, C. VIJAYAKUMAR AIMS TO CONSOLIDATE HCLTECH'S LEADERSHIP IN THE SPACE.

BY **RUKMINI RAO**

IN JANUARY THIS YEAR, the Top 150 delivery and corporate function leaders of HCL Technologies Ltd gathered in Singapore for a three-day session to brainstorm the company's AI-first strategy, ranging from success stories to apprehensions to what it meant to think AI-first. The spotlight was on the mindset change needed to thrive in a future where IT services and consulting businesses would be ruled by a combination of people, AI, and intellectual properties.

CEO and managing director C. Vijayakumar, or C.V.K. as he is known in tech circles, has conducted seven such sessions across the globe with the company's go-to-market teams to ensure that company leaders proactively take HCLTech's AI offering to their clients rather than wait for clients to ask for it.

"I think it's coming together, but it's still early days," C.V.K. says, with the caveat that they must keep at it for the next couple of years to strengthen HCLTech's leadership in AI. Announcing its results for Q2FY26, HCLTech had said it was generating over $100 million a quarter, or about 3% of its total annual revenue, from advanced AI. This includes revenue from technologies such as agentic AI, physical AI, AI engineering and AI Factory, but excludes classical AI, data and analytics services, and the services delivered using GenAI and agentic AI.

Citing the reason for revealing this portion of HCLTech's revenue now, C.V.K. says, "We've been tracking it internally and I felt more confident because there are many line items in these services, and, in each of them, we see there is a good tailwind, which gave us confidence that we've got the pieces in reasonable control."

With AI revenue now being

tracked publicly, he quips, "Anything that you measure automatically gets more attention and focus, right?"

FY25 MARKED NOT only 25 years of HCLTech's going public on India's stock exchanges, but also C.V.K's 30 years of association with the company. For HCLTech, it was also the second consecutive year of delivering leading growth, with revenue increasing 4.8% year-on-year in constant currency terms.

C.V.K. took over as CEO in October 2016 and was then appointed the managing director in July 20, 2021, for a five-year term, after founder Shiv Nadar stepped down. In July 2025, the board appointed him the CEO for the third term.

One important growth vector was its decision to build IPs that enable enterprises to adopt, and scale AI for enterprises. "This has been something we've been working on for a few years to leverage AI in engineering, software development, and IT operations. In the last two years, we have expanded on it to build GenAI capabilities and launched AI Force," C.V.K. says.

Customers have found value in HCLTech's AI Force deployments, he adds. The AI Foundry is an umbrella platform designed to manage the entire lifecycle of AI, right from data ingestion and model development to deployment and governance, while also addressing the core challenges that enterprises face in scaling AI such as fragmented data integration and unclear RoI (return on investment), among others. HCLTech has launched a v2.0 beta version of its AI Force platform, with full rollout planned for January 2026. It has deployed AI Force across 47 accounts. And with AI Force becoming a key driver in winning deals, the IT major aims to take it to its Top 100 clients.

Looking back at what went into chasing growth in the last fiscal and the evolution of emerging technologies, C.V.K. says from a technology standpoint, advanced AI played a big part in providing elbow room to do a lot with its services in a much more orchestrated manner, along with expanding its offerings to tap into opportunities opening up from huge investments being made by Big Tech in AI.

"We went after AI engineering; we went after AI Factory opportunities, and that gave us a huge window to new businesses."

C.V.K. also sees AI delivering better outcomes across value chains in some domains and verticals. "We are just picking those and seeing how to amplify that and all of this with a focus on building IP. On IPs, there's a lot of work happening on LLMs (large language models). That's what we call the intelligence layer," he says. The focus now is to build tools and solutions on this intelligence layer, at scale, for clients.

In partnership with big tech firms such as Nvidia, Dell, and HPE, the company is looking to implement global AI Factories. It has also set up AI Advisory services to help clients make decisions about deploying AI, from use-case prioritisation to business case formulation to proof-of-concept and deployment.

HCLTech's focus on AI is not just an external or client service proposition, but also part of its internal transformation. Under the internal transformative programme, the company continues to focus on improving operational efficiencies by leveraging advanced technologies such as GenAI to transform delivery processes, automate tasks, and use solution accelerators to streamline processes and enhance efficiency. According to the company's latest annual report, it is also looking to leverage GenAI to optimise its general and administrative spending.

C.V.K. @HCLTECH

1. Joined the company in 1994 as an engineer at HCL Comnet
2. Took over as chief operating officer in July 2016
3. Took over as president and CEO of HCLTech in October 2016
4. Re-designated as CEO and MD in July 2021

WHAT HE DID RIGHT

1. Early focus on artificial intelligence, platform adoption; stress on innovation around AI and GenAI
2. Robust acquisition strategy to acquire capabilities and penetrate newer markets
3. Higher remuneration for in-demand skills to attract and retain top industry talent

HOW THE COMPANY FARED

Net sales (FY25):	**₹1,17,055 crore**
3-YR CAGR:	**11%**
PAT (FY25):	**₹17,390 crore**
3-YR CAGR:	**8.8%**

SOURCE: CAPITALINE, FORTUNE INDIA RESEARCH

> **“As service providers we play a very important role in making this technology [AI] impactful, scalable within enterprises.”**
>
> **C. Vijayakumar**

In FY25, HCLTech launched Project Ascend, an internal transformation programme aimed at improving the profitability to partially also fund its growth plans. The company's dollar Ebit margin, which was 18.6% in Q2FY25, has narrowed by nearly 100 basis points to 17.5% in Q2FY26, including a 55bps restructuring cost. However, this is a recovery from a sequential standpoint, as margins had thinned to 16.3% in Q1FY26. In calendar year 2024, HCLTech spent $225 million to acquire Communications Technology Group (CTG), a division of Hewlett Packard Enterprise (HPE), to bolster its engineering and telecom services along with increasing market penetration, and $26 million to buy French software provider Zeenea to enhance its data engineering offerings.

WITH ARTIFICIAL INTELLIGENCE driving talent recalibration and massive upskilling programmes being rolled out in IT companies, C.V.K. says the creation of the right learning opportunities and the demonstration of value from these new skills are key. “I would say 85-90% want to learn, want to grow. They all know that AI is a significant technology change, and we see both interest and excitement. Now they must be enabled in the right way, and that's what we are doing as an organisation,” he adds.

HCLTECH'S AI OFFERINGS

1. **AI Force:** A GenAI-powered platform focussing on software engineering and IT operations lifecycle of enterprises for improved efficiencies and faster time-to-market.
2. **AI Foundry:** The system integration and managed services offering that provides value stream innovation by bringing together data, AI, and cognitive infrastructure.
3. **AI Labs:** A network of AI and Cloud Native Labs that offers consulting services and experiential spaces for firms to shift from MVP (minimum viable product) to production scale.
4. **AI Engineering:** Delivers robotics, physical AI and AI chip design, and development capabilities along with hardware engineering prowess for building next-gen products and powering AI data centres.

HCLTech has established an AI and GenAI skills academy. For its developers, it has introduced comprehensive training modules focussing on chip design to AI and GenAI modelling, as well as data science and engineering. In FY25, the company trained more than 100,000 users and 4,000 developers in AI and GenAI. For employees using AI as a tool for efficiency, in addition to its own AI and GenAI training modules, HCLTech has partnered with Nvidia, OpenAI and leading hyperscalers to upskill employees in AI.

C.V.K. says there is a misunderstanding in the industry that coding is one of those skills that could become redundant in the GenAI era. “I would strongly disagree. The fundamental programming concepts are going to be absolutely important. Whether you use AI or not, if you're going to be in the software development world, programming concepts are very important”.

C.V.K., who joined the company as a young engineering graduate, says that even as HCLTech continues to emphasise and leverage AI in coding, human validation is an extremely vital part. “Your logic skills need to be strong. You need to have good prompting skills. I think the language, the communication aspect, is very important to get the right prompts developed, and then once you create a big prompt library, you should be able to go and pick and choose the right prompts,” he says.

As big tech companies in the U.S. pour billions of dollars into AI, HCLTech is waiting to tap into the eventual consumption story. With AI use cases taking centre stage in enterprise solutions, C.V.K. says as “service providers we [companies] play a very important role in making this technology impactful and scalable within enterprises. That is the biggest opportunity.” F