

India's TCS shares surge on upbeat earnings

April 24 2012

Shares in India's biggest outsourcing firm Tata Consultancy Services jumped more than 10 percent in early trade on Tuesday after it reported better-than-expected quarterly earnings.

The firm rose as much as 10.18 percent to a day's high of 1,167.8 rupees at the [Bombay Stock Exchange](#) as analysts gave a positive outlook for the firm, which is part of the steel-to-tea Tata conglomerate.

The stock later eased slightly to 1,158.8, still up 9.4 percent.

TCS reported late Monday that net profit jumped 23 percent to 29.32 billion rupees (\$558 million) in the three months to March as US and European customers boosted orders.

The results came after rival Infosys disappointed investors by warning of a tough year ahead amid global economic uncertainty and growing anti-outsourcing sentiment in the United States.

India's flagship outsourcing sector derives half of its revenues from the United States and is engaged in an increasingly fierce struggle for business with global rivals such as IBM and Accenture.

"TCS's growth rate is higher than its peers, it has been able to tap the right markets and sectors," Ankita Somani, IT analyst with Mumbai's Angel Broking, told AFP.

The National Association of Software and Services Companies

(NASSCOM) said exports in the sector are expected to increase by up to 14 percent to \$78 billion in the fiscal year that began April 1.

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Citation: India's TCS shares surge on upbeat earnings (2012, April 24) retrieved 26 April 2024 from <https://phys.org/news/2012-04-india-tcs-surge-upbeat.html>

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