

India's Wipro Q2 profit up 29%, beats forecasts

October 22 2013

India's third-largest software firm Wipro on Tuesday reported quarterly net profit climbed 29 percent year-on-year, led by a jump in outsourcing orders as global business conditions improved.

Net profit for the three months to September jumped to 19.32 billion rupees (\$309 million) from 15.04 billion rupees a year earlier, exceeding market forecasts of 18 billion rupees.

"We have seen broad-based revenue growth" while "discretionary spending continues to show a steady pick-up", Wipro chief executive T.K. Kurien told a news conference.

Wipro reported IT services revenues of \$1.63 billion for the quarter ending in September, a near six percent gain year-on-year.

For the current quarter which ends in December, it forecast a rise of between 1.8 to 3.6 percent in IT revenues to between \$1.66 and 1.69 billion, as global business conditions start to pick up.

"There are positive indicators for the global economy. Client confidence is on the uptick and we see it reflected in our results," said Wipro chairman Azim Premji.

Wipro added 45 new clients and won at least three large multi-year contracts with leading banks in the United States, the firm said, without giving details.

Wipro's rivals Tata Consultancy Services and Infosys, which lead India's flagship IT [outsourcing](#) industry, have also reported strong earnings this month.

TCS, which does not give a revenue forecast, said the global environment was improving, while Infosys raised its full-year revenue guidance.

India's outsourcing industry carries out a wide range of jobs for Western firms such as answering calls from bank customers, processing insurance claims and developing software.

India, with its large English-speaking workforce, accounts for at least 50 percent of the global outsourcing market.

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