

# Infosys shares surge on stronger revenue forecast

January 10 2014, by Kay Johnson

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Leading Indian IT outsourcer Infosys posted higher quarterly profit and raised its revenue projection for the year on Friday after gaining more than 50 international clients.

Shares of the Bangalore-based [company](#) surged by 3 percent after it reported [net profit](#) of \$463 million, up 6.7 percent for the October to December quarter. It raised its revenue growth outlook for the financial year ending March to between 11.5 and 12 percent, up from 9-10 percent.

The robust performance raised hopes that Infosys is regaining its footing under chairman N.R. Narayana Murthy, a founder of the company who was brought back last year and has embarked on a campaign of restructuring and cost cutting.

The company said it added 54 new clients during the quarter. It reported revenue of \$2.1 billion for the three months, up 10 percent over the same period last year.

Infosys was one of many Indian outsourcers that suffered lower spending by foreign clients during the [global downturn](#) but orders have recently picked up from the U.S. and Europe.

"We believe the [global economic environment](#) has improved and our clients are gaining confidence to invest," said managing director S.D. Shibulal.

Several top executives have left Infosys in the past year, including chief financial officer V. Balakrishnan in December. The company this month named two new presidents to beef up the management team.

"The recent changes in organization structure will enable us to strengthen client relationships and increase market share," Shibulal said.

Infosys has also benefited from the weakened rupee, which fell by more than 10 percent in 2013. It pays most of its employees in the Indian currency while collecting much of its contract revenue in dollars and euros.

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