

India's TCS Q1 surges 45% on North America deals

July 17 2014

India's biggest outsourcing firm Tata Consultancy Services Thursday reported a 45 percent jump in quarterly net profit from a year ago, led by strong growth in business from North America.

The Mumbai-based company, commonly known as TCS, indicated its outlook was upbeat thanks to a "strong demand pipeline" and expectations of strong growth in markets like the United States, United Kingdom and Europe.

TCS said net profit for the first financial quarter, ended June 30, surged to 55.68 billion rupees (\$928 million rupees) from 38.40 billion rupees a year ago.

"Robust volumes and healthy growth across all industries and key markets helped TCS to start the new financial year on a strong note," TCS chief executive N. Chandrasekaran said in a statement.

The firm inked seven large deals in the April-June quarter and was negotiating eight more big ones, Chandrasekaran told reporters.

TCS's chief financial officer Rajesh Gopinathan said that a "disciplined stance in operations" helped the firm successfully face "multiple headwinds" from the rupee's rise and wage hikes.

"Looking ahead, we will continue to maintain our operating margins in our desired band by operating efficiently," Gopinathan said in a

statement.

The firm said it had hired 15,817 people in the just ended quarter taking its employee base to 305,431 persons.

India has become a back office to the world as companies, especially in developed nations, have subcontracted work to [firms](#) such as TCS, taking advantage of the country's skilled English-speaking workforce.

The flagship industry has made India a top business destination by offering software development and information technology, engineering and design and other services.

Last week, Infosys, India's second-largest software services exporter after TCS, reported that its first-quarter [net profit](#) rose 21 percent to 28.86 billion rupees from a year earlier.

It maintained its forecast of a seven-to-nine percent rise in revenues in the 2014-15 financial year, suggesting that tough times for the firm were ending.

© 2014 AFP

Citation: India's TCS Q1 surges 45% on North America deals (2014, July 17) retrieved 5 February 2023 from <https://phys.org/news/2014-07-india-tcs-q1-surges-north.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.