

India's Infosys posts 9.8% profits rise but cuts forecast

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Indian software giant Infosys on Monday reported a 9.8 percent rise in quarterly net profit, beating expectations, on the back of a weak rupee and robust demand from the United States.

The country's second largest IT services exporter said its profit for July to September increased to 33.98 billion rupees (\$524.79 million) from 30.96 billion rupees a year earlier.

The earnings topped a Bloomberg survey of 14 analysts which forecast a profit of 32.8 billion rupees.

"We had strong all-round growth... driven by recent initiatives around service differentiation, improvement in client mining and higher focus on winning large deals," chief operating officer U.B. Pravin Rao said in a statement.

India has become a back office to the world as companies have subcontracted work to firms such as Infosys, taking advantage of the country's skilled English-speaking workforce.

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But it is now engaged in a tough battle for market share with rivals TCS and Wipro.

Infosys said it added 82 clients during the three-month period.

Total revenue grew 17.2 percent year-on-year to 156.35 billion rupees from 133.42 billion rupees a year earlier.



Private security guards are seen patrolling the Infosys campus in Bangalore

However, the company said it it was pessimistic about the outlook for the global economy, lowering its dollar earnings forecast for the current financial year from 7.2-9.2 percent to 6.4-8.4 percent.

Infosys shares on the Bombay Stock Exchange fell around two percent on the news as it also announced that its chief financial officer Rajiv Bansal was stepping down.

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