

India's TCS beats expectations with \$995 mn profit

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India's biggest IT sourcing firm Tata Consultancy services reported better-than-expected quarterly earnings on Thursday, boosted by demand for its digital services.

The software giant said net profit for the three months to December 31 rose to 67.78 billion rupees (\$995 million) from 61.10 billion rupees for the same period last year.

A Bloomberg survey of analysts had forecasted the Mumbai-based [company](#) to increase its earnings to 64.8 billion rupees.

"Our strengths in Digital, Platforms and Cloud... are driving our ability to play a strategic role and make a holistic impact on the business," TCS chief executive N. Chandrasekaran said in a statement.

He added that its digital business was growing at 30 percent annually.

The expectation-beating quarterly profits came amid reports that Chandrasekaran was set to become the new chief of India's salt-to-steel conglomerate Tata Sons, the holding company of the listed Tata group companies including Tata Steel, Tata Motors and TCS.

The Tata group has been embroiled in a legal tussle with its ex-chairman Cyrus Mistry over his unceremonious ouster in October 2016.

Mistry was sacked as chairman of Tata Sons in October and the group

sought his ouster from all operating companies.

Mistry resigned from the board of six companies including TCS last month but dragged Tata Sons and its interim chairman Ratan Tata to the National Company Law Tribunal (NCLT), saying that he had been unfairly sacked.

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.

TCS competitor Infosys is due to release its quarterly results on Friday.

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