

# India's TCS records 3.6% decline in quarterly profits

January 11 2018

---

India's biggest IT sourcing firm Tata Consultancy Services (TCS) on Thursday reported a 3.6 percent fall in quarterly earnings due to falling demand for its banking and financial services.

The software giant said net profit for the three months to December 31 fell to 65.31 billion rupees (\$1.03 billion) from 67.78 billion rupees a year earlier.

A Bloomberg survey of 19 analysts had forecast the Mumbai-based company would reduce its earnings to 65.52 billion rupees.

However, TCS chief Rajesh Gopinathan said the [software giant](#) was well placed for stronger growth ahead after the company bagged a \$2.25 billion outsourcing contract from television rating measurement firm Nielsen.

India's \$150-billion IT sector has long been one of its flagship industries but is facing upheaval in the face of automation, a failure to keep up with new technologies and US President Donald Trump's threat to clamp down on visas.

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

TCS reported quarterly revenue of 309.04 billion rupees. The firms's

shares fell by nearly one percent in the closing hours of trade.

Rival Infosys is due to release its quarterly results on Friday.

© 2018 AFP

Citation: India's TCS records 3.6% decline in quarterly profits (2018, January 11) retrieved 4 May 2024 from <https://phys.org/news/2018-01-india-tcs-decline-quarterly-profits.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.