

Indian IT giant TCS's profits soar 24 percent

10 July 2018

India's largest IT services firm Tata Consultancy Services (TCS) reported on Tuesday a 24 percent rise in quarterly earnings thanks to strong growth in its banking and financial services division.

TCS, a subsidiary of the Tata Group conglomerate, gets more than 80 percent of its revenue from the United States and Europe.

Net profit for the three months ending June rose to 73.40 billion rupees (\$1.07 billion) from 59.5 billion rupees for the same period last year, the software giant said in its statement.

"We are starting the new financial year on a strong note, with the growth engine firing on all cylinders," chief executive Rajesh Gopinathan said.

"With a good set of wins during the quarter, a robust deal pipeline and accelerating digital demand, we are positioned well for the future."

Net profit, helped by a weaker rupee, narrowly beat estimates by analysts polled by Bloomberg News.

In January, TCS had announced securing its biggest deal yet valued at more than \$2 billion from a US-based insurance company.

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 visa restrictions.

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

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