

India IT giant TCS sees profits jump on pandemic demand

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India's Tata Consultancy Services CEO and Managing Director Rajesh Gopinathan said growing demand helped the company overcome seasonal headwinds

India's largest software exporter Tata Consultancy Services saw its quarterly profits climb more than seven percent Friday, citing strong demand for its cloud services as the pandemic boosts remote working.

The country's second-most valuable firm by market size said [net profit](#) jumped by 7.2 percent to 87.01 billion rupees (\$1.19 billion) for the October-December quarter compared to a year earlier.

The figures represent a rebound for the company after earlier coronavirus-led lockdowns dampened the appetite for its services among Western clients looking to cut spending.

The turnaround in demand from customers in the key financial and banking sectors helped the firm post one of its strongest third quarter performances.

"Growing demand for core transformation services... have driven a powerful momentum that helped us overcome seasonal headwinds", TCS chief executive Rajesh Gopinathan said in a statement.

"We are entering the new year on an optimistic note, our [market](#) position stronger than ever before, and our confidence reinforced by the continued strength in our order book and deal pipeline," he added.

Quarterly revenues rose by 5.4 percent to over 420 billion rupees, the company said.

TCS was at the forefront of an IT boom that saw India become a back office to the world as firms in developed nations subcontracted work, taking advantage of a skilled English-speaking workforce.

The company earns more than 80 percent of its revenues from Western markets including Britain, the United States and Europe.

Shares of TCS closed almost three percent higher in Mumbai ahead of the results being released.

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