

Indian software provider TCS sees strong earnings, record orders

April 11 2022



Chief executive and managing director Rajesh Gopinathan said it had been a strong year for TCS.

India's largest software exporter Tata Consultancy Services reported strong quarterly earnings on Monday as demand for digital services

brought in orders worth a record \$11.3 billion.

Net profit at the IT giant rose to 99.26 billion rupees (\$1.3 billion) in the three months ending March 31, which was 7.4 percent higher than in the same period last year.

Sustained demand across business segments pushed revenues 15.8 percent higher year-on-year to 505.91 billion rupees, crossing 500 billion for the first time.

"It's been a very strong year and we are quite happy about the way we have executed this rebound post-pandemic," [chief executive](#) and managing director Rajesh Gopinathan said in a media briefing.

"One of the biggest positives in this quarter has been the total volume of deals signed," Gopinathan added.

The Mumbai-headquartered company said the value of its order book stood at \$11.3 billion at the end of March, its highest ever.

This includes two large deals worth more than \$1 billion each, Gopinathan told reporters.

The company—one of India's largest private employers—hired more than 35,000 employees in the quarter to help meet demand and combat high attrition.

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

The company earns more than 80 percent of its revenues from Western markets.

Its overseas growth in the quarter was led by North America, which contributed half of its business and saw revenue growth of 18.7 percent year-on-year.

"North America is the big story of the year," Gopinathan said, adding that Britain, continental Europe and Latin America also clocked double-digit revenue growth.

TCS, India's second-most valuable firm by market size, announced a final dividend of 22 rupees per share.

Shares in the firm closed 0.26 percent higher in Mumbai ahead of the release of the results.

© 2022 AFP

Citation: Indian software provider TCS sees strong earnings, record orders (2022, April 11) retrieved 5 May 2024 from <https://techxplore.com/news/2022-04-indian-software-tcs-strong.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.