

India's Infosys sees profits grow, announces share buyback

14 April 2021

Indian software giant Infosys announced a \$1.22 billion share buyback Wednesday after reporting a 17-percent jump in quarterly net profits, boosted by growing demand for its digital services.

Infosys shares fell 2 percent in Mumbai a day ahead of the earnings.

© 2021 AFP

The Bangalore-headquartered firm said its [net profit](#) climbed to 50.78 billion rupees (\$677 million) in the January to March quarter, up from 43.35 billion rupees a year earlier.

Quarterly [revenue](#) at India's second-largest IT company climbed to 263.11 billion rupees, a 13 percent increase from a year ago.

"We've had an exceptional year and an exceptional quarter," chief executive Salil Parekh said following the earnings announcement. "Our digital business grew by 34 per cent year-on-year in Q4, now representing 51.5% of our overall revenue."

"We see continued strong demand from our clients, especially in digital, cloud and data, and we have a strong foundation of large deals," he added.

India's software services industry has enjoyed a rebound in recent months, emerging as a rare bright spot for the troubled economy, after coronavirus-led lockdowns last year dampened appetite among Western clients looking to cut spending.

Infosys won new deals worth \$2.1 billion between January and March, while its larger rival TCS secured orders worth a whopping \$9.2 billion during the same period.

Infosys was at the forefront of an outsourcing boom that saw the country become a back office to the world, as Western firms subcontracted work to a skilled English-speaking workforce.

Over 60 percent of the firm's revenue comes from North American markets.

APA citation: India's Infosys sees profits grow, announces share buyback (2021, April 14) retrieved 17 January 2022 from <https://techxplore.com/news/2021-04-india-infosys-profits-buyback.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.