TCS earmarks ₹1,100 cr for flood-hit staff

fe Bureau
Chennai, Dec 10

TATA Consultancy Services (TCS) has decided to make available a sum of upto ₹1,100 crore as interest-free cash advances, to help its employees recover and rebuild themselves in the aftermath of devastating floods in Chennai. The advances, ranging from ₹1 lakh and to a maximum equivalent of three months' gross salary, will be disbursed from the week of December 14, to those who apply, N Chandrasekaran, MD & CEO, on Thursday wrote in a mail to the employees based in Chennai.

The recovery of the advances will start after April 1, 2016 for 12 months. TCS has close to 60,000 employees working in different locations, in and around Chennai. This comes close on the heels of Cognizant's commitment of $40 million (₹260 crore) to help residents, its employees and business partners in Chennai with relief and rehabilitation.

In addition, TCS is setting aside ₹50 crore for direct grants to TCS staff who have suffered extensive damage to their homes, reimbursement of medical or hospitalisation expenses (over and above TCS medical insurance claims) for those employees and their families who have been impacted directly by the floods. TCS bus transportation until December 31 will be free for all employees.

Besides, as part of TCS' assistance for the local community, the IT major has formed a core team, which is working

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on relief measures for the citizens in Chennai. The TCS Foundation will collaborate with partners including the Tata Sustainability Group and NGOs for implementing these projects.

"Many of our colleagues and our support staff have shown the greatest spirit and commitment in these challenging times to display all that is great about this company. We hope these measures will help them and many others get back on their feet quickly and put this traumatic experience behind us," Chandrasekaran said.

MedPlus looks for fresh investors

BV Mahalakshmi

Hyderabad, Dec 10: MedPlus, the Hyderabad-based pharmacy retail chain, is on the look out for fresh investors who can buy part of the stake held by private equity players in the firm.

Its promoter Madhukar Gangadi holds about 20% stake in the group while rest of the stake is held by private equity (PE) investors, friends and family and employees. It is also looking to raise fresh funds in the range of $50-75 million.

"The existing private equity investors, which include Mount Kellett Capital Management, TVS Capital Funds and Piramal group-backed India Venture Advisors, had come on board in March 2011. They are looking for an exit which could be partial or complete depending on the valuation," Madhukar Gangadi, founder and CEO, said.

"We are in the process of looking out for fresh investors and have appointed investment bank Credit Suisse to look for strategic buyers," he said.

'Infosys on track to get back to top'

fe Bureau

Bengaluru, Dec 10: Infosys is on track to get back to industry leading growth in FY17, its CEO Vishal Sikka has said, adding that this was the target set for him when NR Narayana Murthy took over the reins as chairman for a brief period starting June, 2013.

At the Barclays Global TMT Conference in the US, Sikka said that Infosys was on track to achieve higher growth rates on the back of large deal wins. In the past, Infosys also had said that the average large deal size was in the range of $500-550 million but

in the second quarter of FY16, it had risen to $830 million.

The IT major has provided for an annual revenue growth guidance of 10-12% in constant currency terms for FY16. Once the bellwether of the Indian IT industry, Infosys has not managed to meet the

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expectations in the recent past when compared to the industry benchmark set by Nasscom of 12-14%.

According to Sikka, Infosys has now brought in a culture of innovation especially in the delivery side of the business. Infosys will also remain strongly focused on the automation aspect of its business, the CEO said.

Infosys CFO M D Ranganath said that the company hopes to continue with its operating profit margin band of 24-26% in the near to medium term. He said that the per capita revenue improvement of Infosys is expected to rise in a couple of years.

Infosys has set a target of $20 billion in revenues by 2020 with an average revenue per employee of $80,000 from the current level of $55,000. It has also targetted an operating profit margin of 30% by 2020.

Prakash Kumar Singh is new SAIL chairman

Prakash Kumar Singh

fe Bureau

New Delhi, Dec 10: After remaining headless for over three months, state-run Steel Authority of India (SAIL) on Thursday got a new chairman in 57-year-old Prakash Kumar Singh.

The task of the new chairman would be daunting considering the current state of affairs of the industry and the company which has reported a net loss for the first two quarters of the current fiscal and is set to report a net loss after a gap of 13 years.

SAIL has incurred a net loss of ₹1,378 crore in H1, FY16 which includes a net loss of ₹1,056 crore during the second quarter.

The situation of the industry is unlikely to change in the immediate future in the face of galloping imports and subdued consumption. Though the government has tried to rein in inward shipment through various trade barriers, these are yet to beard desired results. From a management trainee appointed in 1980, P K Singh was chosen to become the chairman of the country's largest steelmaker in the public sector by government head-hunter Public Enterprises Selection Board (PESB) recommended in September the name of Singh.

The post of permanent chairman in the company has been lying vacant since incumbent CS Verma was refused an extension by the government in June.