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Impact of Indian Multinationals: A Case Study of Tata Consultancy Services

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Abstract:

In today's era of globalisation, companies are going global by breaking geographic frontier at an enormous rate. Indian multinationals are also growing in numbers since post liberalisation and having numerous impact on the host and home country. Few examples of Indian Multinationals are Amtek Auto Ltd, Voltas Ltd, Tata Tea Ltd, Bharat Forge Ltd, Mahindra & Mahindra Ltd, Hindalco, Tata Steel, Videocon, Dr. Reddy's Labs, HPCL, Ranbaxy Labs, Sun Pharma, VSNL, etc.

India's internationalization thrust has been led by the software companies, which has put India on the global map. The three decade old information technology-business process outsourcing (IT-BPO) industry has had great impact on the Indian economy and society, more than any other sector within a short span of time. The industry has helped India transform from a rural and agriculture based economy to a knowledge based economy. India is now one of the biggest IT capitals in the modern world and has presence of all major players in the world IT sector. HCL, TCS, Wipro and Infosys are few household names of IT companies in India. Tata Consultancy Services (TCS) is an Information technology (IT) services, consulting and business solution company. The company is the largest software exporter of the country. As per NASSCOM report TCS is the country's top most IT Company continuously from the last seven years.

In this analysis various socio-economic impacts of the Indian MNCs with special reference to Tata Consultancy Services (TCS) is worked out.

Keywords: Employment, Revenue, India, Socio-Economic Impact and TCS.

1. Introduction

Multinational Corporations are business entities that operate in more than one country. The typical multinational corporation (MNC) normally functions with a headquarters that is based in one country, while other facilities are based in location in other countries. In some circles, a multinational corporation is referred to as a multinational enterprise (MBE) or a transnational corporation (TNC).

When the Indian economy liberalised, it was greatly feared that Indian companies would not be able to match up to the marketing and financial prowess of MNCs. More than a decade later, Corporate India has shown that it not only has the capabilities to face up to the might of the MNCs who have entered India, but also challenge their position in international markets. Some examples of Indian Multinationals are Amtek Auto Ltd, Voltas Ltd, Tata Tea Ltd, Bharat Forge Ltd, Mahindra & Mahindra Ltd, Hindalco, Tata Steel, Videocon, Dr. Reddy's Labs, Suzlon Energy, HPCL, Ranbaxy Labs, Sun Pharma, VSNL, Etc.

Indian firms are internationalizing in a very different global context, and can do so on the basis of different competitive advantages. The contribution of Indian Multinational Companies to the economic progress of India has been quite significant and since past many years this contribution is led primarily by the Indian Information Technology industry. The flourishing Indian economy has helped the IT sector to maintain its competitiveness in the global market.

According to the NASSCOM report, the three decade old IT-BPO industry has had great impact on the Indian economy and society, more than any other sector within a short span of time. The industry has helped India transform from a rural and agriculture based economy to a knowledge based economy. The size of this sector has increased at a rate of 35 percent per year during the last ten years. The Indian IT industry has grown almost tenfold in the previous decade. India is now one of the biggest IT capitals in the modern world and has presence of all major players in the world IT sector. HCL, TCS, Wipro and Infosys are few of household names of IT companies in India. A unique industry crafted by Indian IT-BPO's, which has found global recognition and draws huge foreign investment. The sector accounted for over ten percent of India's total FDI in the last decade.

Therefore, the IT sector in India has played a major role in drawing foreign funds into the domestic market. The growth and prosperity of India's IT industry depends on some crucial factors such as:

- India is home to large number of IT professionals, who possess necessary skills and expertise to meet the demands and expectations of the global IT industry.
- The cost of skilled Indian workforce is reasonably low as compared to the developed nations. This makes the Indian IT services highly cost efficient and this is also the reason as to why the IT enabled services like BPO (Business Process Outsourcing) and KPO (Knowledge Process Outsourcing) have expanded significantly in Indian job market.

- Indian has a huge pool of English-speaking IT professional that attracts English speaking countries like the US and UK for outsourcing their business processes.

The emergence of Indian information technology sector has brought about sea changes in the Indian job market. The IT sector of India offers a host of opportunities of employment. With the major IT companies such as TCS, Infosys, Cognizant, Wipro, Accenture and several other IT firms operating in some of the major Indian cities, there is no dearth of job opportunities for the Indian software professionals. The IT enabled sector of India absorbs a large number of graduates from general stream in the BPO and KPO firms.

In recent times, India's internationalization thrust has been led by the software companies. With the Indian software market still in its infancy, companies like TCS, Infosys and Wipro have felt a compelling need to tap the markets in the West in general and the US in particular. They have built up a strong competitive position, fully capitalizing on their comparative advantage. Orders are obtained from developed countries and executed in India, where development costs are low.

According to the NASSCOM report, the IT-BPO industry accounts for 14 percent of the country's total exports. By 2020 nearly 18-20 percent of India's exports are expected to come from the IT-BPO industry. This industry has created direct employment of 2.2 million and indirect employment of 8 million. By 2020 the figures are expected to go to 10 million and 20 million respectively.

Tata Consultancy Services Limited (TCS) is an Indian IT services, business solutions and outsourcing company its headquarter located in Mumbai. The company provides end-to-end technology related services to corporations all over the world. TCS offers a consulting -led, integrated portfolio of information technology (IT), Assurance Services, Business Intelligence and Performance Management, Business Process Services, Cloud Services, Connected Marketing Solutions, Consulting, Eco-sustainability Services, Engineering and Industrial Services, Enterprise Security and Risk Management, Enterprise Solutions, iON-small and medium businesses, IT infrastructure services, Mobility Products and IT -enabled services this is delivered through its unique Global Network Delivery Model (GNDMTM). It is the largest provider of information technology in Asia and second largest provider of business process outsourcing services in India. TCS has offices in over 42 countries with more than 142 branches across the globe and it is a subsidiary of textile and manufacturing conglomerate Tata Group.

Tata Consultancy Services (TCS) is today Asia's largest independent software and Services Company and the world's second most valuable IT service company after IBM. TCS employs 13,000 consultants in 68 offices and executes projects in more than 50 countries. The company uses 70 high-speed satellite communication links and video conferencing facilities to undertake off shore software development work.

Over the years, TCS has handled several prestigious assignments. One such assignment involved the Swiss Securities Clearing Corporation and the Swiss Corporation for International Securities Settlement. TCS has designed a system that allows a trade to be closed and settled within minutes. This system, which allows clearing in all major currencies, has become a model for other depositories in Europe. TCS has also undertaken prestigious projects for Sun Life Assurance, UK.

1.1. Statement of the Problem

Indian Multinationals (MNCs) are growing in number after liberalisation (1991) first gradually then enormously and played a dramatic role in the transformation of Indian as well as World economy. The study aims at analysing the influence of Indian multinationals on the Indian economy.

1.2. Objectives

1. To study the Socio-economic impacts of TCS on the Indian economy.
2. To find out whether Tata Consultancy Services (TCS) is re-investing in India.

2. Methodology

2.1. Data Collection

The study is conducted on the basis of primary as well as secondary sources of data and information published by various governmental and private institutions such as NASSCOM, IBEF, TCS annual reports, Ministry of commerce etc.

2.2. Data Analysis Techniques

The present study is conducted with the help of different accounting and statistical tools for example percentage, average, time series analysis etc., various cartographic techniques such as line graph, column and bar graph are also used to make graphical representation of the available data on the subject.

2.3. Limitations of the Study

In the present study limited parameters such as revenue, employment, profit and certain social welfare programmes are used to analyse and judge the impact.

3. Analysis

| Financial Year Ending | Profit Before Tax (Rs in crores) | %age Change | Net Profit (Rs in crores) | %age Change | Revenue(Rs in crores) | %age Change |
|-----------------------|----------------------------------|-------------|---------------------------|-------------|-----------------------|-------------|
| Mar 2008 | 5,846 | 18 | 5,026 | 19.3 | 22,620 | 21 |
| Mar 2009 | 6,150 | 5.2 | 5,256 | 4.5 | 27,813 | 22.9 |
| Mar 2010 | 8,290 | 34.7 | 7,001 | 33.2 | 30,029 | 7.9 |
| Mar 2011 | 11,021 | 32.9 | 9,068 | 29.5 | 37,325 | 24.2 |
| Mar 2012 | 13,923 | 26.3 | 10,413 | 14.8 | 48,894 | 30.9 |
| Mar 2013 | 18,089 | 29.9 | 13,917 | 33.6 | 62,989 | 28.8 |
| Mar 2014 | 25,401 | 40.4 | 19,164 | 37.7 | 81,809 | 29.8 |
| Mar2015* | 26,298 | 3.5 | 19,852 | 3.5 | 94,648 | 15.6 |

Table 1: Financial performance at TCS

Source: compiled from TCS Annual Reports.

* As reported aggregated (including one- time adjustment for employee reward).

TCS Performed well even in the adverse environment (2008 financial crisis). The major contributing factors for such all round performance across geographies and industry verticals were the Company's customer-centric approach and its ability to innovate customer specific solutions, focus on pricing, disciplined execution of complex projects and the rigor in following strong internal processes. The Company became the first Indian IT Company to cross the US \$10 billion milestone in terms of annual revenue. After the period of Recession Company's financial performance improved Y-O-Y and in fiscal 2014 company performance was remarkable.

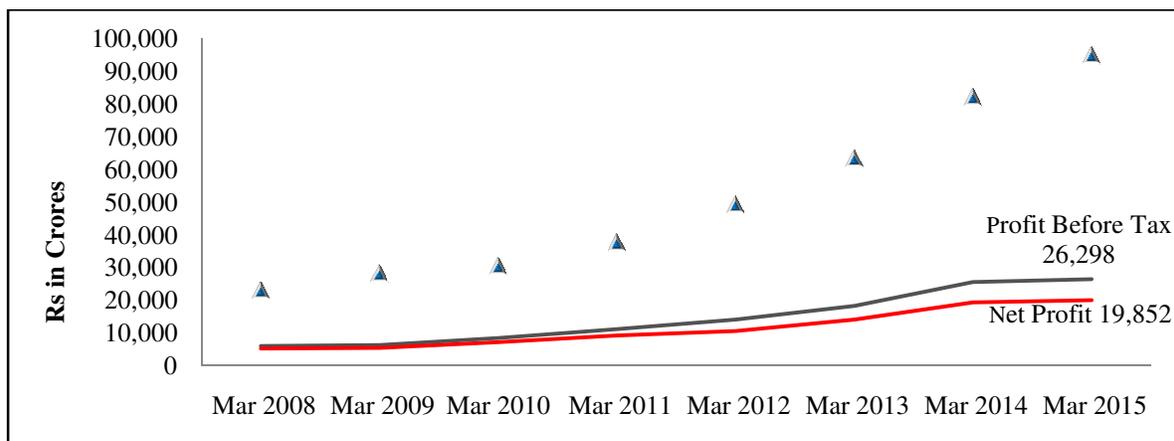


Figure 1: Financial Performance at TCS

Source: TCS Annual Reports.

TCS recorded Rs.5846 crores Profit before tax (PBT) and Rs.5026 crores net profit (profit after tax) in FY 2008. In 2014 PBT reaches to Rs.25,401 crores and net profit also improved and reaches to Rs.19,164 crores. The above graph shows that the profits before tax increased five folds and net profit increase around 4.7 folds in the last six years. But in fiscal 2015, there was a special, one time reward to eligible employees, which increased the employee expenses by 2,627.91 crores because of that profit before tax on consolidated basis recorded 26,298.49 crores and Profit after tax (PAT) recorded 19,852.18 crores.

On consolidated basis, revenue from operation for the FY 2014-15 at Rs 94,648 crores was higher by 15.69% over the last year (Rs. 81,809.36 crores in 2013-14) and increase by 4.1 fold in last seven years.

| Geographic Segment | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| North America | 52.43 | 50.77 | 51.38 | 52.80 | 53.87 | 53.31 | 53.75 | 53.03 | 51.86 |
| United Kingdom | 20.29 | 19.78 | 18.99 | 16.18 | 15.46 | 15.24 | 17.08 | 17.42 | 16.68 |
| Europe | 8.19 | 9.21 | 10.53 | 10.49 | 9.32 | 10.08 | 9.61 | 11.22 | 11.57 |
| India | 9.00 | 8.95 | 7.85 | 8.65 | 9.20 | 8.60 | 7.76 | 6.71 | 6.45 |
| Asia Pacific | 4.78 | 5.20 | 4.75 | 5.24 | 6.58 | 7.56 | 7.46 | 7.22 | 9.33 |
| Latin America | 3.85 | 4.40 | 4.71 | 4.72 | 3.62 | 3.08 | 2.21 | 2.29 | 2.08 |
| Middle East and Africa | 1.46 | 1.69 | 1.79 | 1.92 | 1.95 | 2.13 | 2.13 | 2.11 | 2.03 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

Table 2: Percentage of Revenue by Geographic Segments

Source: Compiled From TCS Annual Reports.

North America, United Kingdom and Europe are the major markets that the Company continues to focus on for its growth and these constituted 80.11% of the Company’s revenue in Fiscal 2015. North America has been the highest revenue generating segment from the last decade followed by U.K., Europe and India. This shows that the company is highly skewed towards developed markets but the growth from the emerging markets is also relatively fast in previous years. Asia Pacific recorded highest growth primarily due to TCS’ sustained investment in market development and increasing customer acceptance of global delivery model. The growth was also aided by acquisition of 51% stake in IT frontier corporation (ITF) a subsidiary of Mitsubishi Corporation (Japan) on 1st July 2014.

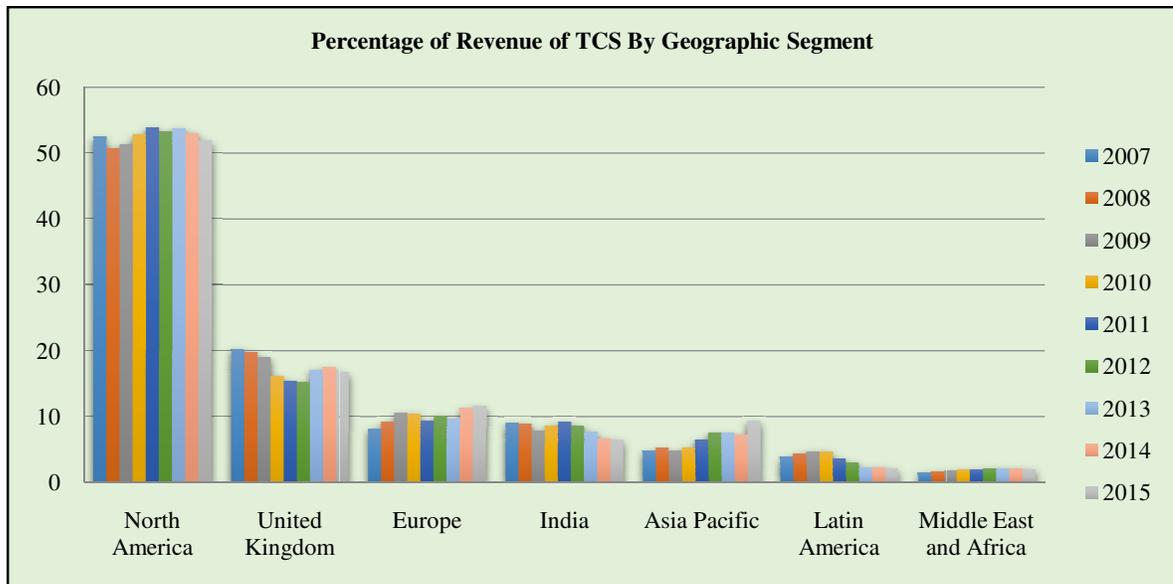


Figure 2: Percentage of Revenue by Geographic Segments
Source: TCS Annual Reports

From the point of view of geographic segment we can see that from the last eight years North America is the highest revenue generating segment and India which were earlier on forth position is now replaced by Asia Pacific in 2014-15.

| | Fiscal 2005 | Fiscal 2015 | Change in Fold |
|---------------------------|-------------|-------------|----------------|
| | Rs. Crores | Rs. Crores | |
| North America | 5,708.42 | 49,085.94 | 8.5 |
| UK | 1,588.15 | 15,783.29 | 9.9 |
| Europe | 662.02 | 10,946.34 | 16.5 |
| India | 1,187.57 | 6,107.55 | 5.1 |
| New Growth Markets | 602.31 | 12,725.27 | 21.1 |

Table 3: Change in Revenue by Geographic Segment in Last Decade
Source: Compiled From TCS Annual Reports

The above table demonstrate that there is great change occurred in the last decade, revenue from New Growth Markets increases 21 folds in last decade followed by Europe, UK, North America and India.

TCS continued its strategy to focus on new growth markets (Asia- pacific, Latin America and Middle East and Africa) in order to de-risk geographical concentration and create a significant presence in these growth markets. Contribution of these growth markets to the total revenue almost doubled in the last decade.

| Year | India | %age Change | Overseas | %age Change | Total | %age Change |
|------|----------|-------------|----------|-------------|---------|-------------|
| 2009 | 133,286 | - | 10,475 | - | 143,761 | - |
| 2010 | 149,410 | 12 | 11,019 | 5 | 160,249 | 11.4 |
| 2011 | 184,603 | 23.5 | 14,011 | 27.1 | 198,614 | 23.9 |
| 2012 | 220,835 | 19.6 | 17,749 | 26.1 | 238,583 | 20.1 |
| 2013 | 254,366 | 15 | 21,830 | 22.9 | 276,196 | 15.7 |
| 2014 | 27,2954* | 7.3 | 27,510* | 26 | 300,464 | 8.7 |
| 2015 | 28,6412* | 4.9 | 33,244* | 20.8 | 319,656 | 6.3 |

Table 4: Employees strength at TCS
Source: Compiled From TCS Annual Reports, *(approx)

The global diverse talent base of 319,656 competent people, consisting of 122 nationalities, deployed across 55 countries, 33% women, 81% belonging to Gen Y (Generation Y employees) is the key asset to retain the competitive edge and leadership position in the market.

By going through the above table we can easily conclude that TCS generates a huge amount of employment (more than 90% workforce are from Indian nationals) in India in comparison to the overseas market but more than 93% of revenue came from overseas. This is good a sign for Indian economic growth and development.

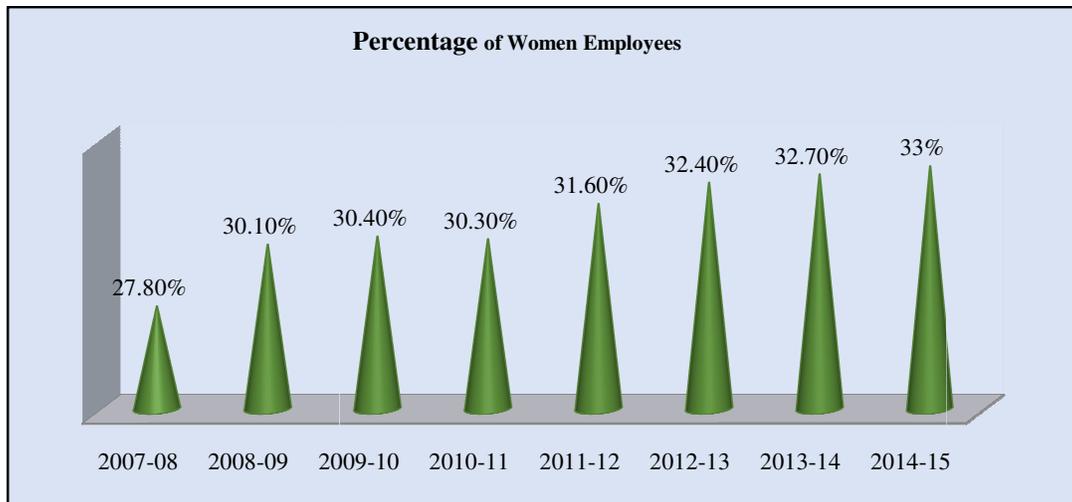


Figure 3: Gender Diversity – Women Employees
Source: TCS Annual Report

The above figure reveal that the percentage of women workforce increasing every year. TCS now became first company in India who have 100,000 plus (33%) women associates.

The Company’s talent acquisition plan includes an optimal mix of fresh and experienced hires with diverse educational, cultural and national backgrounds. The diversity broadens the talent pool available to the Company and at the same time, enriches the quality of workforce coming from different cultures with different outlook, conducive for innovation and improved productivity. Efforts were also made to integrate differently-abled individuals into the workforce. The Company’s workforce comprises 122 nationalities and average age of an employee is 28 years.

3.1. TCS Employee Benefits

As TCS is a company of Tata Group almost all companies of Tata group provide discount and offers to TCS employees. TCS Employee gets discount of 5-20% on MRP for almost all Tata Products. For instance Discount for TCS Employee in Tanisq, Tata Securities, Croma, Tata Sky, Tata Capital, Tata Motors, Hotels, Voltas and Discount for TCS Employee Credit card and Loan etc.

TCS is the one of the well paid company in India. TCS Package is always lucrative for new Fresher’s and also for experienced professionals. Tata Consultancy Services offer lump sum salary package for all TCSers. Tata Consultancy Services also offer good increment on completion of two years, promotion. TCS offer average 10% average increment every year.

TCS salary will depends on various factors like Educational Qualification, Skill, Experience, Grade, Appraisal Rating etc.

| Rank | Rs. per year |
|---|------------------|
| New Fresher’s (Trainee) | 325000-340000 |
| Assistant System Engineer(1 year of Experience) | 350000 |
| Assistant System Engineer(2 year of Experience) | 380000-400000 |
| System Engineer(3 year of Experience) | 420000- 460000 |
| IT Analyst (4 year of Experience) | 530000- 580000 |
| IT Analyst (5 year of Experience) | 570000- 640000 |
| Assistant Consultant(7-8 years of experience) | 1000000 |
| Consultant | 1200000-1400000 |
| Senior Consultant | 1800000- 2200000 |
| Principle Consultant | 2600000- 3000000 |

Table 6: Description of Salary of Employees at TCS
Source: URL: <http://www.newlatesttips.info/index.php/archive/salary-of-tcs>
TCS MD salary and TCS Vice president has been decided by TCS board.

3.2. Contribution to the Society by TCS

The Company's initiatives in the community aim to create impact through empowerment so that the people in the community can make a better living and lead a better quality of life. The Company has chosen four areas to focus its energies on namely:

- Education and Skill Development;
- Health;
- Environment and
- Affirmative Action.

Programmes undertaken under these four broad areas are aimed at economically backward and other marginalized groups (like women, children and aged) as well as those who are physically or socially disadvantaged.

The Company's community initiatives are delivered using four different approaches:

- i. Leveraging the Company's core competencies in technology;
- ii. Creating conditions for employee participation through volunteering;
- iii. Building synergistic partnerships with clients and other partners like NGOs;
- iv. Financial sponsorships.

3.3. In The Education and Skill Building Area, the Primary Programmes are

1. Computer-based Functional Literacy (CBFL) programme helps teach illiterate adults how to read and write. The literacy software was enhanced to support writing and numeracy in four additional local languages (Bengali, Oriya, Marathi, and Tamil). A total of nine languages are now covered under CBFL.
2. TCS collaborated with Directorate of Adult Education under Saakshar Bharat Scheme to run camps in eight languages in India. More than 11,100 adults were made literate using the CBFL software.
3. Insight, addressing school children to develop their communication skills and giving them an exposure to IT Industry.
4. Advanced Computer Training: Company organises training for visually impaired candidates to improve their employability in IT/ITES industry.
5. Adult Literacy Programme (ALP): A computer based functional literacy programme. Today the software is available in nine Indian languages and three foreign languages, the programme has reached out to 2,31,178 beneficiaries.
6. UDAAN: A programme with the national skill development corporation (NSDC) to promote employability among from Jammu and Kashmir. The company trained 200 candidates FY 2015.
7. Empower: Through empower programme 115,480 beneficiaries received training.
8. Academic Interface Programme (AIP): Through this programme TCS helps various institutes across the country in revamping their curriculum as per the current industry requirement along with that TCS' research scholarship programme currently supporting 188 research scholar pursuing PhD in 33 institutes across India.
9. Advance Computer Training Centre (ACTC): This programme aimed at promoting employment among visually impaired individuals.
10. TCS IT Wiz: It is an inter school IT Quiz programme in India, started in 1999 as a part of the educational initiative. Rural IT quiz, TCS maitree village development programme etc. are few other programmes in this area.

3.4. In The Area of Health, the Primary Programmes are

- i. Developing applications and Portals. During the 2011-12, systems were developed and maintained, where necessary, for Lady Tata Memorial Trust in UK, Impact India, Smile Train, Child line, Mumbai Mobile Crèches, Cancer Institute (Chennai) and Tata Medical Centre.
- ii. Creating awareness – HIV and AIDS awareness programmes were conducted by TCSers who have formed Club RED to drive this initiative.
- iii. Blood donation camps – These camps are organised regularly across the delivery centres in India and a similar drive was organised in Singapore in association with Red Cross.
- iv. Web Health Centre – Providing free medical consulting and advice over the web. To promote wellness and raise money for local charities, TCS supports a number of sporting events, like Mumbai marathon, TCS World 10K race.

3.5. In The Area of Environment, the Primary Programmes are

- a) Enhancing awareness – Organising different events to enhance awareness.
- b) Reduction of carbon footprint and waste within the organisation.

The nature of TCS business does not contain highly polluting processes. However, the industry does have an environmental footprint that is worthy of reducing. Also, it can help other industries and governments with technology-based solutions to tackle sustainability challenges. TCS identifies this as its greatest contribution to the environment in the potential its services and solutions in IT have to offer, in order to help its clients contribute to sustainable development.

TCS has set a target to reduce its carbon footprint through a number of programmes worldwide. Some of the specific targets are:

- Environment-friendly disposal of 100 per cent e-waste according to the Indian policy on e-waste
- Environment-friendly disposal of 100 per cent printer cartridges.
- Ten per cent increase in recycled water.

- Ten per cent increase in rainwater harvesting or ground water recharging.
- Ten per cent increase in solar hot water capacity.
- Five per cent decrease in power consumption.
- Two per cent decrease in paper consumption.
- 25 per cent increase in renewable cooking gas (methane gas) through biodigester plant.
- Two per cent reduction in water consumption.

In its effort to promote innovation in companies with respect to addressing their sustainability impact, TCS sponsors the Marketplace Innovation Award in collaboration with BITC. Previous winners include ScotAsh, a joint venture between Scottish Power and Lafarge for creating sustainable construction products, Barclays Bank for their microfinance initiative in Ghana, Redrow for the development of affordable housing and Enviro-fresh for the creation of SaniSleeve – a water saving invention for men’s urinals. Since winning the Marketplace Innovation Award, Enviro-Fresh has been bought by Rentokil Initial and the SaniSleeve (now known as eco-clear urinal solution) is being taken to the global market.

The TCS Innovation Labs provide an experience centre where new domain solutions can be developed, incubated and piloted using the latest technologies in a cost-effective environment before being used for enterprise wide deployment. They give TCS customers ‘on-demand’ access to innovation and creativity, with a team comprising of domain experts, business process analysts, technology specialists and a R&D (Research and Development) team. It has created the TCS Co-Innovation Network (COIN), to foster a collaborative ecosystem that leverages intellectual capacity across multiple entities to create all new co-innovation standards. These partner entities include global academic institutes, venture capital funds, Silicon Valley start-up companies, TCS alliance partners and TCS innovation labs. This section covers four innovative products that address rural market connectivity, governance and sustainability management.

3.6. Farmer's Application: Project 'mKRISHI'

TCS demonstrated that mKRISHI (Mobile Based Agro Advisory System), winner of Qualcomm Wireless Reach Funding Programme in the Mission 2007, provides up-to-date weather and pricing information through text messaging on cell phones. The application can be prompted by text in farmers’ local languages or via voice functions, which is particularly helpful for those who are not literate in the agricultural community, which is the most important sector of India’s economy.

mKRISHI has been deployed in several Indian villages including Borgaon, Waifad, Ganori (in the western part of Maharashtra) and Bichaula (in the northern part of Uttar Pradesh) for grape, cotton, soybean and potato farmers, respectively. In Borgaon village, the service is fully operational.

3.7. Andhra Pradesh (AP) Online

TCS developed an online portal in partnership with the Government of Andhra Pradesh to provide multiple services through multiple channels to the people, government departments and businesses within the state. AP Online’s innovativeness is its delivery model, through kiosks and other automated devices. AP Online franchisees have been given a hand-held device with internet connectivity to connect to various government departments. With over 600,000 users, the portal provides a range of services to the citizens. Services offered for a nominal fee include payment of utility bills, telephone bills, and requisition for birth certificates and for purchasing pin numbers for pre-paid mobile phone cards.

3.8. National Rural Employment Guarantee Scheme (NREGS) Solution

TCS developed an online system for the Andhra Pradesh Government’s Rural Employment Guarantee Scheme, providing all required data about the rural unemployed, to facilitate a speedy and error free implementation of the scheme.

The solution enables the collection, storing, sorting and search of large volumes of data on people, jobs and wages. It reduces the time taken to generate work estimates from 15-20 days to a few minutes. The system enables crediting of wages directly into banks/postal accounts of wage seekers thus minimising errors and frauds. It benefits rural unemployed in Andhra Pradesh, in 658 *mandals* across 13 districts in the state. It is estimated that nearly 3.5 million rural households will register for wage employment under the scheme. In addition to making the employment scheme transparent and efficient, it reduces scope for corruption.

3.9. In The Area of Affirmative Actions, the Primary Programmes are as follows

Enhancing Employability and Create Employment – The Company initiated a programme to train economically deprived and socially disadvantaged candidates for BPO jobs and absorb some of them based on the Company’s requirements and their performance during training. In the last three years, the programme has trained 56,631 students with cumulative reach of 16,676 SC/ST youth through training programmes in over 106 geographic locations. Over 3,626 of these trained youth have found employment at TCS BPS.

In addition to the above mentioned programmes TCS have many such other voluntary programmes and activities for the welfare of the society but it not possible to explain each one here.

3.10. Findings

- TCS the largest software exporter; has employed a large number of Indian IT professional’s in comparison to overseas and helps in employment generation in home country.

- It has adopted several ways to save the environment, launched various programmes for health and safety, trained huge number of individuals including socially and economically deprived and made them skilled from unskilled for proper growth and development of the society.
- In the total share of employees numbers of women are increasing Y-O-Y this is good sign of equality in society. In other words Company helps in boosting the economies of the countries where it operates by participating in the development of the local ecosystem. (TCS has opened first all-female BPO centre in Riyadh in Saudi Arabia).
- More than 90 percent revenue comes from overseas.
- Revenue comes in the form of different foreign currencies which add to the India's foreign exchange reserve. In this way TCS reinvesting and giving back to the home country.

So it can be said that the growth of Indian MNCs (TCS) has been instrumental in facilitating economic progress of India with the multifold impact on society as well as on the economy, but there is need to focus on the other potential markets to reduce the dependence on markets like US, UK and Europe.

3.11. Conclusion

Information technology (IT) is an important emerging sector of the Indian economy and occupied a vital place in the development of Indian economy because of its competitive edge in the world. According to the NASSCOM report, the Indian IT-BPO industry has undergone a rapid evolution, as it has kept abreast of what the global markets require in terms of products and services. The country has now positioned itself as an IT hub, a sourcing destination for IT-BPO products and services that spell trust, high quality and cost effectiveness. Indian IT-BPO sector is now in the space that was earlier reserved for the big names in global IT sector such as EDS, IBM, and HP etc.

The Indian IT-BPO industry is expected to emerge as a strategic growth engine for the country by 2020, impacting the country's annual GDP and exports, employment regional growth fiscal burden and innovation in future. TCS initiatives in the community aim to create impact through empowerment so that the people in the community can make a better living and lead a better quality of life. TCS contributed and reinvested in the home country in several ways its diversified talent pool, young workforce, technology and quality services provide an edge over its competitors.

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