

# Paper on tech mahindra

[Business](#), [Work](#)



The Information technology industry in India has gained a brand identity as a knowledge economy due to its IT and ITES sector.

The IT-ITES industry has two major components: IT Services and business process outsourcing (BPO). The growth in the service sector in India has been led by the ITES sector, contributing substantially to the increase in GDP, employment, and exports. The sector has increased its contribution to India's GDP from 1.2% in FY1998 to 7.5% in FY2012. According to NASSCOM, the IT-BPO sector in India aggregated revenues of US\$100 billion in FY2012, where export and domestic revenue stood at US\$69. billion and US\$31.7 billion respectively, growing by over 9%. The major cities that account for about nearly 90% of this sector exports are Bangalore, Chennai, Delhi, Mumbai, Hyderabad, Pune, Kolkata, and Coimbatore. Export dominates the IT-ITES industry and constitutes about 77% of the total industry revenue. Though the IT-ITES sector is export-driven, the domestic market is also significant with robust revenue growth. [1] The industry's share of total Indian exports (merchandise plus services) increased from less than 4% in FY1998 to about 25% in FY2012.

According to Gartner, the "Top Five Indian IT Services Providers" are Tata Consultancy Services, Infosys, Cognizant, Wipro, and HCL Company details: Tech Mahindra Limited is an Indian provider of networking technology solutions and business process outsourcing (BPO) services to the global telecommunications industry. Headquartered at Pune, India. It is a joint venture between the Mahindra Group and BT Group plc, UK with M; M (Mahindra and Mahindra) holding 44% and BT holding 39% of the equity. On 23 May 2012, Tech Mahindra reported a 3% increase in its revenue for the

year ended March 31, to \$1. 15 Billion. Its activities spread across a broad spectrum, including Business Support Systems (BSS), Operations Support Systems (OSS), Network Design; Engineering, Next Generation Networks, Mobility Solutions, Security consulting, and Testing. The " solutions portfolio" includes Consulting, Application Development; Management, Network Services, Solution Integration, Product Engineering, Infrastructure Managed Services, Remote Infrastructure Management, and BSG (comprises BPO, Services, and Consulting). Tech Mahindra is ranked #6 in India's software services firms behind Tata Consultancy Services, Wipro, Infosys, HCL Technologies, and Satyam Computer Services and overall #161 in Fortune India 500 list for 2011. Tech Mahindra has implemented more than 15 Greenfield Operations globally and has over 128 active customer engagements mostly in the Telecom sector. The company has been involved in about 8 transformation programs of incumbent telecom operators.

Formed a JV with Motorola Inc. under the name canvas.

- 2007 - Acquired policy Networks Private Limited. Launched the Tech M Foundation to address the needs of the underprivileged in our society.
- 2009 - Tech M wins bid for fraud-hit Satyam Computer Services at Rs 58. 90 per share outdoing Larsen & Toubro, the other player in the fray, which bid at Rs 45. 90. Rebrands the company to Mahindra Satyam.
- 2010 - Tech Mahindra expands footprint in Latin America Awards.
- It was Asia's Best Performing Companies 2008 at Business Week award. Tech Mahindra received Growth Excellence Award 2008 by Frost & Sullivan.

- It was acknowledged as the 6th largest Software Services Company in India by NASSCOM in 2008.
- The company is recognized as the winner of the 2011 Microsoft Communications Sector Partner of the Year Award.
- The company is declared as the winner of the 2010 and 2011 AT&T Supplier Award for outstanding performance & service to AT&T and its affiliates Tech Mahindra Offices Tech Mahindra has offices in more than 30 countries. India: Kolkata, Pune, Noida, Chennai, Bangalore, Mumbai, Gurgaon, Chandigarh, Hyderabad.

Tech Mahindra has its BPO presence in Kolkata, Chennai, Chandigarh, Pune, and Noida. It also has overseas office locations in Belfast and Newcastle. Tech Mahindra has operations in more than 30 countries with 17 sales offices and 13 delivery centers. Assessed at SEI CMMi Level 5, Tech Mahindra employs over 42, 000 workers. Acquisition of Satyam Computer Services Ltd. After the Satyam scandal of 2008-09, Tech Mahindra bid for Satyam Computer Services, and emerged as a top bidder with an offer of Rs 59 a share for a 31 percent stake in the company, beating a strong rival Larsen & Toubro. After evaluating the bids, the government-appointed board of Satyam Computer announced on 13 April 2009: " its Board of Directors has selected Venturbay Consultants Private Limited, a subsidiary controlled by Tech Mahindra Limited as the highest bidder to acquire a controlling stake in the Company, subject to the approval of the Hon'ble Company Law Board. " Through a subsidiary, it has emerged victorious in Satyam sell-off, a company probably two times its size in a number of people. Merger with Mahindra Satyam Tech Mahindra will be merged with Mahindra Satyam in

the next half of 2012 to build a 2. -billion \$ IT Company in India. Tech Mahindra announced its merger with Mahindra Satyam on March 21, 2012, after the board of two companies gave the approval. The two firms have received the go-ahead for the merger from the Bombay Stock Exchange and the National Stock Exchange.

Vision: To be the leading global software solutions provider to the telecom industry. Mission: To be the global leader in outsourcing services to the telecom industry, building on our technologies, competencies, and customer interests, and creating value for our shareholders and customers.

#### Objectives:

- Business Continuity and Disaster Recovery
- Business continuity assessment services
- Business Continuity Assessment Services
- Business Continuity Lifecycle Consulting and Implementation
- BusinessEnvironmentAnalysis
- Business Recovery Strategy Design and Plan Development
- IT Disaster Recovery Training, Failover Testing, and Exercising
- Business Continuity Plan Training, Testing, and Exercising
- IT Disaster Recovery Strategy Design and Plan Development
- IT Environment Analysis
- IT Disaster Recovery Strategy Design and Plan Development

#### Products:

Telecom Equipment Manufacturers, Independent Software Vendors

Communications Service Providers

Competitors: TCS, Infosys, Wipro, HCL Tech, Mahindra Satyam, etc..

Core competency:

- Managed Services
- Application Management Services.

Rivalry among Firms:

- Commoditized offerings
- Low-cost, little differentiation positioning.

High industry growth Michael porters 5 force model: Swot analysis:

Strengths: Tech Mahindra, while not the first name in the TVS arena, claims an impressive roster of telecom operator customers, and Tech Mahindra's integration with sister company, Mahindra Satyam, matches Tech Mahindra's telecom industry expertise with Satyam's established enterprise IT expertise serving vertical industries in BSS and BPO. Tech Mahindra boasts a full range of telecom network optimization services. It has been assessed and awarded a CMMI Level 5 (v1. ) and System Security processes SSECMM Level 3 rating. Tech Mahindra is a large, global operation and the largest software exporter in India.

Weaknesses: Despite Tech Mahindra's ability to serve customers from an “art to part” perspective. Whereas rival IT giants, such as IBM, HP, etc. , often partner alongside network equipment providers in services engagements, Tech Mahindra is less of a partner with equipment vendors and more of a direct competitor and threat in areas such as network optimizations, and increasingly software design and integrations. While the lines of competition

between Tech Mahindra and traditional telecom network vendors are still relatively distinct, this line will continue to blur over time as concepts such as OSS/BSS integrations, network optimizations, and BPOs within vertical markets take on increasing importance. Despite Tech Mahindra's overt focus on the telecom industry, it is not the only market that the company deals with. Going forward, as it is integrated with Mahindra Satyam, the telecom focus runs the risk of being obscured within a larger set of businesses. While Tech Mahindra's revenue stream seems well balanced based upon the geographic distribution of 50% Europe, 30% North America, and 20% ROW, its revenue based upon clients tells a different story.

**Opportunities:** Tech Mahindra needs to consider being more vocal about its success with telecom operator engagements. Further on the traction demonstration front, Tech Mahindra should detail any and all success that it is having with telecom network optimization projects – particularly on an end-to-end basis. Tech Mahindra should take care to highlight instances where it cooperates with traditional network infrastructure players – in outsourced R&D for example. As soon as possible, Tech Mahindra should publicize instances of how its integration with Mahindra Satyam has resulted in a broadening of telecom-focused engagements in vertical markets. Tech Mahindra should make it a strategic imperative to broaden the key customer base to reduce the revenue reliance on these key customers.

**Threats:** IBM should play up its informal partnership with Asia/Info to send the message that while it has broad and deep. Smaller, yet still important, pure plays like Wipro need to respond to Mahindra's integration of its telecom and enterprise practice so as to let the market know where they

stand with respect to Mahindra's new value proposition. Network integrators such as Alcatel-Lucent, Ericsson, and NSN need to provide as much evidence as possible that will demonstrate their strengths in areas such as OSS integration and business transformation services. Network equipment vendors such as Alcatel-Lucent, Ericsson, NSN, etc. need to also play up the value that developing telecom products bring to the professional services arena. Telecom network vendors need to be careful when tackling vertical market network opportunities. Share Value of Tech Mahindra at NSE.

Conclusion: Through the analysis, Tech Mahindra is a global leading company in the IT sector. It has been maintaining certain strategies to be a leader in the IT industry. Its revenue in 2011 is at INR 1, 261. 5 crore.

## Reference

1. Techmahindra. com