



**TATA CONSULTANCY SERVICES**

# Services Exports – Beyond selling Promises

Consulting • IT Services • Engineering & Industrial Services • Asset Based Solutions • BPO • IT Infrastructure

# AGENDA

- **An Introduction of Tata / TCS**
- **Areas of Services Exports : IT Services**
- **Principal Factors for Services Exports**
- **TCS Experience in IT Services Exports**
- **Other Areas of Services Exports**
- **Role of Government in Services Exports**

# INTRODUCTION - THE TATA GROUP

India's largest private business conglomerate

- 91 operating companies across 7 sectors
- 220,000 employees, 2.2m shareholders
- Turnover of over \$17 billion in FY 04-05
- Accounts for 2.6% of India's GDP
- Integrity, pioneering spirit and focus on values



- IT & Communications
- Engineering
- Energy
- Materials
- Consumer Goods
- Services
- Chemicals

# TCS - AN INTRODUCTION

## Leading Global IT Consultancy and Services Firm

- Ranked 12 among Global Top 20 IT Services Companies
- Established in 1968
- Over 48,000 employees, serving over 620 clients
- Operations in 47 countries across 6 continents
- Revenues of \$2.24 Billion in FY 04-05
- 60% of revenues from the US; 23% from Europe
- World's first Enterprise wide CMMi level 5 & PCMM Level 5 company (Quality)

A very successful Business Model  
Focused on providing superior Economic Value  
AND  
Superior Quality

“Quality methodologies of TCS...are years ahead of domestic (US) firms.”

*META GROUP: TOP IT OUTSOURCING VENDORS, NORTH AMERICA, FY 2004-05*

# LEADING IT AND CONSULTANCY FIRM IN EUROPE



"Blending the best of British and Indian know-how and technology, TCS has developed innovative, world-beating techniques to develop high quality services that add value to business plans and efficiency to Government service delivery alike."

*RT HON TONY BLAIR MP*

**Rt Hon Tony Blair MP presenting S. Ramadorai, TCS CEO with a Special Recognition Award for TCS' Outstanding Contribution to the UK Knowledge Economy (Sept 2005)**

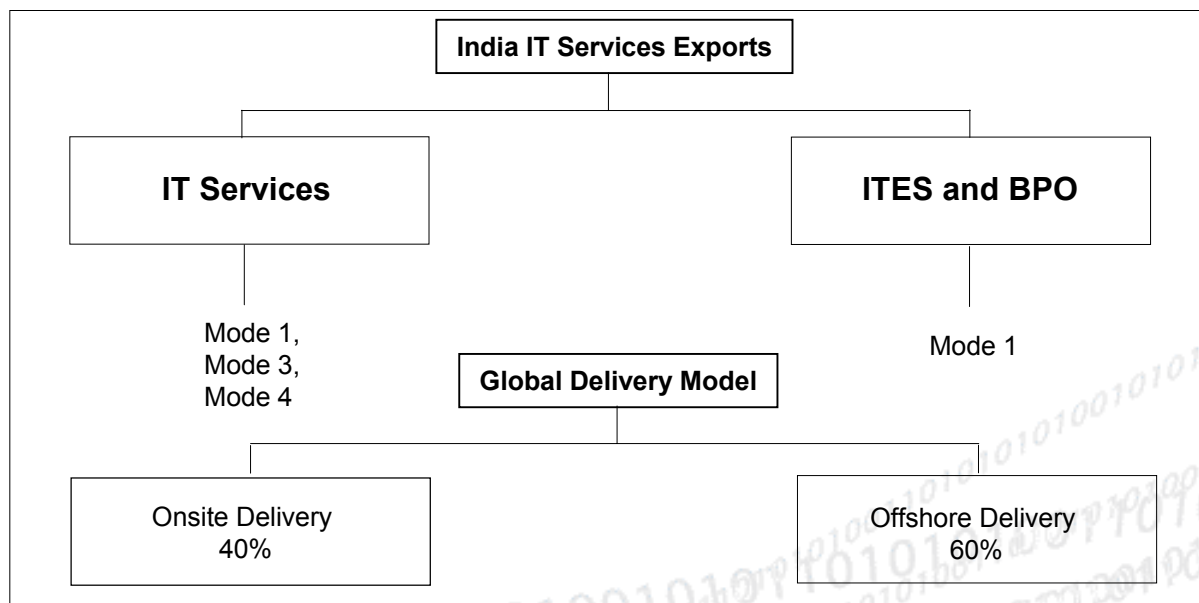


## Areas of Services Exports: IT Services

Global demand for IT services and BPO was estimated at US\$ 847 billion in 2004 and is expected to reach US\$ 1,082 billion by 2007

India's Software exports grew to US\$ 17.9 Billion and accounts for about 37 per cent of total service exports

Services sector has major effect on the productivity and competitiveness of other sectors like manufacturing

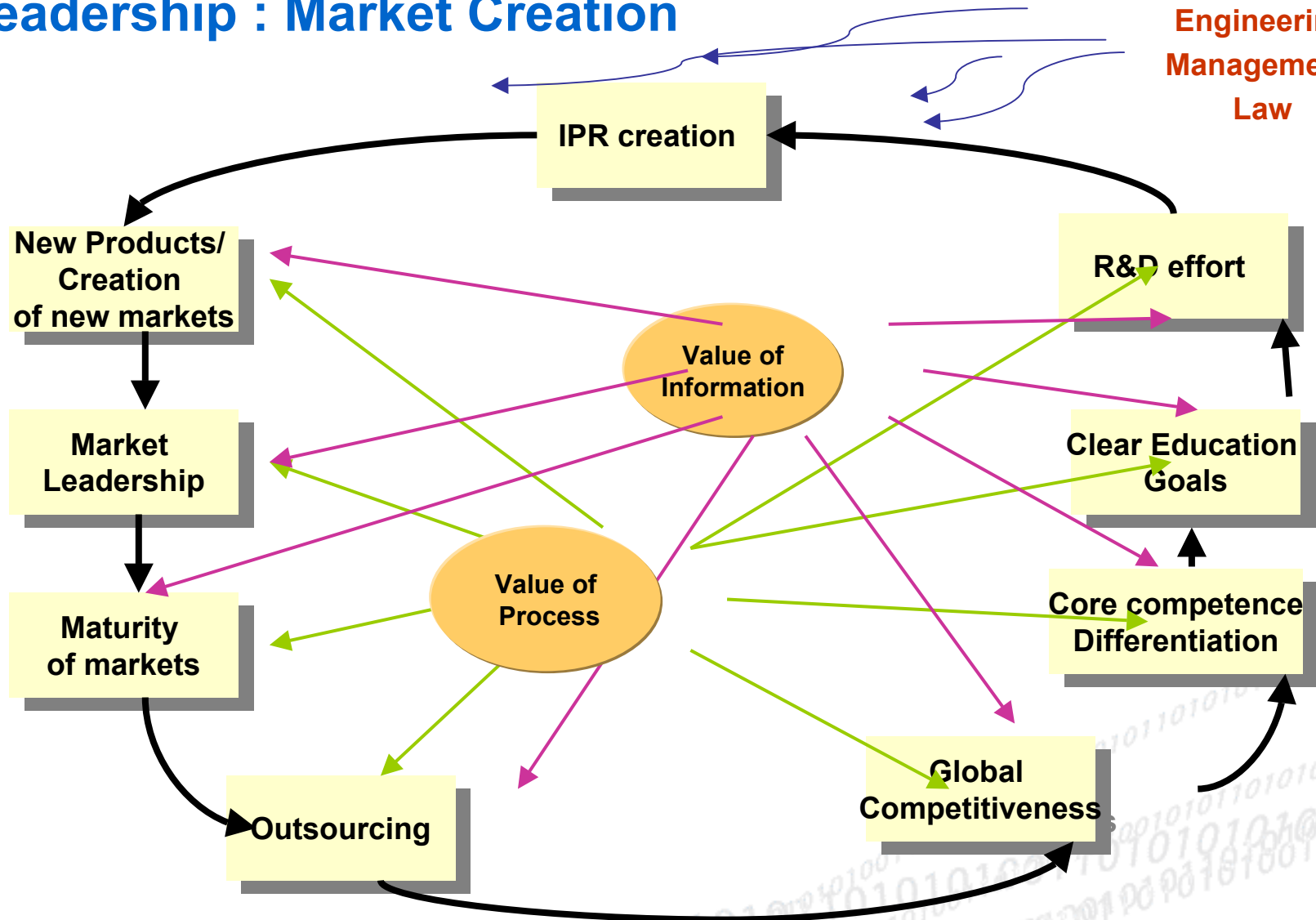


# Principal Factors for Exports of Services

- The fundamental reasons for a surge in Export of Services are
  - Existence of abundant supply of low cost and skilled manpower at Low wages Countries.
  - Dramatic improvement in computer and telecommunications technology, leading to computerization and digitization of various business services.

# Leadership : Market Creation

Science  
Engineering  
Management  
Law



## TCS' experience in IT Services Exports

- **Phase-1: Beginning of IT Services Exports and Creation of the Offshore Development model (1968-1990)**
  - Formed in 1968, TCS entered into a marketing collaboration with Burroughs Corp in 1973, and won first large US software project 1974.
- **Phase-2: Consolidation of Offshore Development Model (1990-2000)**
  - TCS established 17 centres, along with 10 centers devoted to specific hardware platforms or technical competencies.
- **Phase-3: Creation of Global Development Model (2000 Onwards)**
  - TCS now has 33 Global Delivery Centres worldwide, undertaking technically complex projects, supporting multiple client sites.

# GLOBAL DELIVERY MODEL

The Global Delivery Model provides **business value** to clients using multiple offshore delivery centres in various countries.

This ensures that services can be provided from the **most appropriate destinations** to you at the **fastest possible speed**, the **lowest possible risk** and with the **best expertise** available globally.

With 33 Global Delivery Centres in 6 continents, including Budapest, Hungary, TCS has one of the strongest delivery networks in the world

## Other Areas of Services Exports

- Business Services and Professional Services
  - BPO
- Financial Services
- Healthcare Services
- Telecommunication Services
- Engineering & Industrial Services
- Consulting

# Role of Government in Services Exports

- **Create reliable and inexpensive infrastructure**
- **Creation of Talent pool**
  - **Invest in creating a high quality education system which will ensure rich talent pool.**
- **Creation of Formal and Informal Networks and Institutions for Services Exports**
  - **Create Institutional and Trade Bodies for individual Services categories which will work as a catalyst for the growth of the services industries.**
- **Ensuring easy access of various services markets with minimum trade barriers.**

**Consistency in Policies is paramount**