TATA CONSULTANCY SERVICES

“The UK has shown itself a strong market for TCS for more than 30 years, as we have brought the best of our skills and experience to bear in providing business-enhancing value to major UK corporations and institutions”.

- Keith Sharp,
  Marketing Director/UK, TCS

Company Background

Tata Consultancy Services (TCS) is an information technology consulting, solutions and services organisation. The company is a part of one of India’s most respected business conglomerates - the Tata Group. TCS started its operations in 1968, and pioneered the IT services industry out of India. It has been the largest Indian IT services company ever since its inception.

The company offers business process outsourcing (BPO), enterprise systems installation, offshore software development and systems integration services. TCS also provides product and industrial process engineering services as well as strategic consulting and project management services. These services are provided to a spectrum of industries such as banking, financial services, insurance, telecom, manufacturing, media and entertainment, retail and consumer goods, transportation, health care and life sciences, energy and utilities, and s-Governance.

Currently, TCS has over 62,000 employees, and it generated consolidated revenues of US$ 2.97 billion in the year 2005-06.

The company has 169 offices in 35 countries and has 42 software delivery centres in 11 countries.

The North American arm of TCS has more than 50 offices, which approximately generates 60 per cent

Revenue mix by Geography (2005-06)

- Americas: 59%
- Europe: 22%
- India: 13%
- Others: 6%

Source: Company Website
of TCS revenues. TCS was one of the first Indian software companies to enter South Africa. TCS also has a wholly owned subsidiary in China called Tata Information Technology (Shanghai) Limited.

TCS has more than 30 years of experience in European markets. Its services are available in several European countries, including the UK, France, Germany, Italy, Hungary, Spain, Belgium, Netherlands, Sweden, Norway and Finland and TCS is well attuned to the dynamics of the European market.

**Tata Consultancy Services in the UK**

TCS started its operations in the UK in 1975. UK is the second largest market for India after the US. It has two subsidiaries in the UK:

- **Diligenta Limited:** It was acquired from Pearl Group. The deal was announced in October 2005 and operations commenced from April 2006. This TCS subsidiary is an FSA-approved company, conducting life and pensions operations. In this landmark US$ 895 million deal, TCS transferred 950 employees from Pearl to Diligenta and also took over what had been Pearl’s premises in Peterborough (some 80 miles north of London).

- **Financial Network Services (Europe) PLC:** It is a solution provider to the banking and financial services industry. It was acquired by TCS in 2005 and is a 100 per cent subsidiary of TCS.

In addition to the 950 Diligenta staff, TCS (UK) currently has 200 permanent employees, consisting of both local and Indian-expatriates. There are approximately 2000 consultants providing onsite
The company has alliances with major companies such as Microsoft, IBM, Oracle and SAP.

TCS has expanded its capabilities through research and academic relationships with universities in the country, including King’s College, London; The Imperial College and the University of York.

It has over 130 clients in the UK, in both commercial corporations and the public sector.

Some major TCS projects in the UK are provided in detail in the tables below.

TCS is also a member of and involved with organisations such as the Confederation of British Industry, the Intellect, Management Consultancies Association, the European Technology Forum, the

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**Major Clients**

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector</td>
<td>Fujitsu Alliance, UK’s Department of Work and Pensions under Unity</td>
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**Source:** Company Website

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**Major Projects**

<table>
<thead>
<tr>
<th>Clients</th>
<th>Project Briefs</th>
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<tbody>
<tr>
<td>National Grid</td>
<td>TCS created a database with 7-year retention capacity and a response time of a few seconds.</td>
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<tr>
<td>Retek</td>
<td>For the past five years, TCS has been providing product development and support services to Retek.</td>
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<tr>
<td>Ingersoll Rand</td>
<td>TCS helped the company to make business decisions with consolidated global information.</td>
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<tr>
<td>Royal Skandia</td>
<td>TCS created a single investment management system for Royal Skandia.</td>
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<tr>
<td>Somerfield</td>
<td>TCS developed Somerfield’s coding system, integrating multiple applications into one platform.</td>
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**Source:** Company Website
A Global Resource with Local Strength
In the UK, TCS provides various services such as consulting, IT services, BPO, product-based solutions, etc. This has resulted in the company providing customers with an overall business solution, with the flexibility to provide all or part of an overall solution.

Future Plans
TCS envisages further strong growth in the UK marketplace, especially in consulting, BPO, engineering and infrastructure, where it has made major investments.

It also has investment plans for its site in Peterborough, which it has taken over as part of the Pearl/Diligenta deal. A TCS-UK Centre of Excellence is being planned, which will open in late 2006.

Factors for Success

Resource Pool
TCS has developed a strong resource pool providing skilled manpower to clients in the UK. To serve its clients, TCS uses a combination of locally recruited employees and employees from other regions. Locally recruited employees provide an understanding of the local business environment, whereas employees from various regions facilitate in deploying global best practices.

Support from the UK government
Another reason for the success of TCS in the UK has been the support received from the UK government. The UK government has been a good enabler and facilitator in promoting off-shoring of services, which in turn make UK companies more competitive in their own markets. This has facilitated the company to establish and increase its business in the UK.