

## Indian IT wins half of top deals since 2020

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BENGALURU: Indian IT firms have been among the biggest beneficiaries of the IT deal consolidations in the last two years. At least half of the top global deals were snagged by Indian IT players.

HfS Research's data shows that Infosys won a \$3.2 billion deal from Daimler and a \$1.5 billion deal from Vanguard. TCS bagged a \$1.5 billion deal from US retail and wholesale pharmacy major Walgreens Boots Alliance (WBA), and more recently a \$2.3 billion deal from US consumer research firm Nielsen. Wipro won a \$700 million contract from German wholesaler Metro.

# BIGGEST DEALS SINCE 2020

Year	Service Provider	Customer
2021	Ericsson and Verizon	Landmark
2020	Atos	Siemens
2020	Infosys	Daimler
2020	Infosys	Vanguard
2020	TCS	Walgreens
2021	Capita	Major European telecom provider
2020	Wipro	Metro AG
2022	Capita	BBC
2021	T-Systems	Shell
2022	TCS	MetLife

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Phil Fersht, CEO of HfS Research, said consolidation deals are usually contract renewals where services are consolidated under a smaller number of providers. Many customers are moving away from a long tail of service providers to sharpen service

offerings and accountability, besides trusting IT partners who can take out dollars from the run-the-business side, and pour the cost savings to new digital initiatives.

Mega deals are often margin dilutive initially, but Indian IT firms have cost optimisation and operational levers to make it margin accretive over the long tenure of the deal.

TCS is said to have recently further consolidated its business in MetLife, winning a larger pie from other IT players, including some part of the business from Cognizant. When TOI contacted Cognizant, it said, "MetLife continues to be a valued, long-standing Cognizant client."

TCS CEO Rajesh Gopinathan in the June quarter commentary said it had won two \$400 million deals in the quarter and both the deals resulted from a massive consolidation exercise. Both deals have a very strong transformation component, and an equally strong optimisation component. The latter is feeding the investment required for the former, Gopinathan told TOI in a recent interview.

TCS's Walgreens deal is spread over ten years. The company is implementing a new IT operating model that will enable the US retailer to accelerate its digitisation programme. Wipro's five-year Metro deal was CEO Thierry Delaporte's largest, and analysts believe it has the potential to go up to \$1 billion.