



NIIT Technologies Software Testing

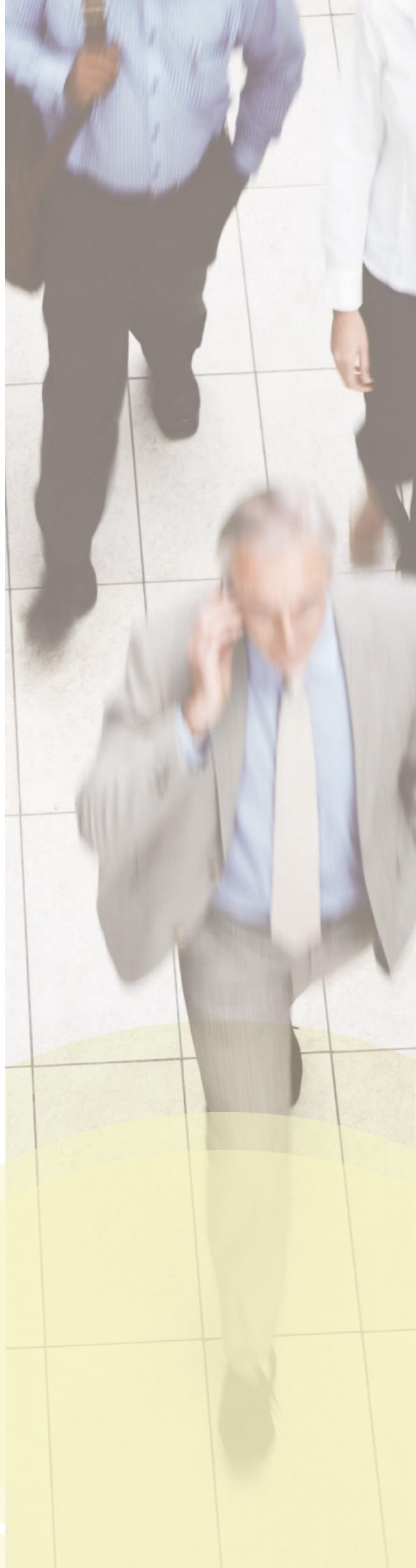
Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Software Testing Vendor Assessment for NIIT Technologies is a comprehensive assessment of NIIT Technologies' software testing offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for software testing services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the software testing sector.

Key Findings & Highlights

NIIT Technologies is an IT services vendor headquartered in Noida (close to New Delhi), India. The company had FY 2015 (ending March 31, 2015) revenues of INR 23,725m (~\$354m) and CY 2015 revenues of INR 26,089m (~\$384m). Headcount was 9,517 at the end of CY 2015. Its market cap is ~\$465m.

Yet, NIIT Tech is a somewhat unusual IOSP: it has a specialization in servicing clients in the transportation & travel sectors (~36% of revenues in Q3 FY 2016). The company is of course active in BFSI (38%); but within BFSI, it is more active in insurance (21% of revenue) than in banking & financial services (17%). Another specificity of NIIT Technologies is that its client base is relatively balanced between Americas (46% of revenues) and EMEA (34%).

Testing is a horizontal line within NIIT's ADM organization, providing personnel, best practices, knowledge of tools, and creation of IPs and accelerators.

NIIT Technologies' Testing Services unit has a headcount of 1.2k and revenues representing 13% of ADM revenues in FY 2015 to a NelsonHall estimated ~\$50m.

Testing Services' client base reflects the background of NIIT Technologies overall: Americas account for 42% of revenues, Europe and APAC (including India) each at 29%.

Also, TS shares the same focus on the transportation & travel industry, and on insurance (both L&P and P&C) sectors, mostly through joint application services and testing contracts. The company has specifically for the airline industry, 14k test scenarios specific for this sector.

The priority of NIIT Technologies' testing practice is to reshape its service portfolio around digital transformation testing. And to success, apparently: NIIT Technologies says that 28% of its testing revenues are related to digital, twice as much as NIIT Technologies overall.

Another priority for Testing Services is to expand its offering towards specialized offerings (non-functional, data warehousing, and test support services), which the company estimates to ~30% of its testing revenue mix.

Scope of the Report

The report provides a comprehensive and objective analysis of NIIT Technologies' software testing offerings, capabilities, and market and financial strength, including:

- Analysis of the company's offerings and key service components
- Revenue estimates
- Identification of the company's strategy, emphasis and new developments
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's strengths, weaknesses and outlook.



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Report Length

Seven pages

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