

Home > Business > Information Technology

INFORMATION TECHNOLOGY 15 Jul 2011



High On International Service

NIIT recently bagged two mega deals to provide infra management and IT services in Europe and US

Abhinav Sharma

TEXT SIZE : A | A | A

TOOLS e-mail this story print view view only pictures story in single page share



(BW Pic By Tribhuvan Sharma)

As industry bellwethers — Infosys and TCS — remained busy announcing quarterly results, mid-cap IT firm NIIT Technologies stole the limelight by signing two multi-million dollar deals this week, helping the stock climb about 12 per cent on BSE this week.

The Gurgaon-based firm, which has a strong presence in travel and transportation sector in Europe, first announced a multi-million pound deal with Europe's rail network company Eurostar to provide infrastructure management services for its core business applications. Though the deal reinforces NIIT's established domain skills in transportation, Eurostar believes that NIIT Technologies' extensive experience and comprehensive portfolio of managed services will be benefiting.

"They (Eurostar) have to gear-up to the traffic as they are the official partner for The London Olympics," says Arvind Thakur, Chief Executive, NIIT Technologies while not disclosing the financial terms of the deal. The CEO says managed services is one of the key focus areas for the company and NIIT Technologies' proven track-record in the travel and transportation vertical was critical in bagging this deal. With a strong presence in major European economies including Germany, UK, Netherlands, and Switzerland, NIIT's client list includes German Railways, Deutsche Bank and British Airways.

Delving into the issue of slowdown in the European economies, Thakur believes Western European economies are robust and the demand for IT spending is strong. He however added that the impact of the sovereign debt on the euro is

certainly an area of concern.

For its second deal of the week, NIIT Technologies has tied up with US-based privately held media company, Morris Communications to provide integrated IT and BPO services for an aggregate amount of \$85 million over a period of 5 years.

According to the agreement, Morris will transfer its key assets, including IT infrastructure, people and application landscape to the joint venture, with NIIT holding the controlling stake. "Media is a new vertical for us, and with many US national papers focusing more on digital platform, there will be lot more opportunities," comments Thakur. He sees the low-cost facility in Augusta, Georgia as another area of cost-control and thus feels that the company will be better face competition better through this local, low-cost office. "We'll also run the processes and thus it creates a large, confirmed revenue line," Thakur adds while also mentioning that the company has been cautious with respect to the verticals and geographies it chooses for partnerships. "We have strength in verticals where we have relative penetration, and there's huge headroom for growth," he says.

NIIT Technologies posted a 35 per cent rise in fiscal 2011 with revenue returns of Rs 1232.3 crores. Europe and US contribute 35 per cent each, while the remaining 30 per cent comes from the Asian region.

While travel and transportation along with insurance form the key verticals in Europe, banking, financial services and insurance is big in US. In India, NIIT has a significant presence in government services, with manufacturing and retail being key sectors in Asia-Pacific region. "We are focused and believe in specialisation in specific details. We would like to be best and big enough rather than being biggest and just good enough," states Thakur.

Tags: [exclusive to web](#) | [niit](#) | [eurostar](#) | [morris communications](#) | [infrastructure](#) | [europe](#) | [us](#) | [it](#) | [Abhinav Sharma](#)

1 Page
[Back To Top](#)

Bookmark this story: [Del.ici.ous](#) [Digg](#) [reddit](#) [Stumbleupon](#)

Comments

Latest Comments [View All Comments](#)

Top Stories in Business

- [Focus On Links Between Cameron, News Corp](#)
- [2G: Court Allows CBI To Quiz Raja, 2 Others](#)
- [AI Faces Rs 67,000 Cr Worth Losses, Debt Peguform Deal Valued At 141.5 Mn euros: Motherson](#)
- [Suzuki Signals Rift With VW Over Partnership](#)
- [News Corp Shares Slide As Hacking Scandal Deepens](#)
- [Awaiting The Right Call](#)
- [Work Halted, villagers Claim Police Excess](#)
- [Dow Jones CEO, Murdoch Lieutenant Hinton Quits Professional Philanthropy](#)



Features of Galaxy S2



Visit us on Facebook



Follow on Twitter



More Videos on Youtube



SMS to your friend



Tweet This

Replay Video

Top Stories

2G: Court Allows CBI To Quiz Raja, 2 Others

The three accused will be interrogated for one hour each between 2 pm and 5 pm on Monday



- [Awaiting The Right Call](#)
- [Of Rich Rewards & Returns](#)
- [Web Exclusive: Global Service](#)
- [India's Economic Rise Huge Opportunity For Pak: US](#)

Slideshows



Young, Hot Winners:
The BW Hottest Young Entrepreneurs winners with Captain Gopinath, environment

Most Emailed Most Read Most Commented



[Submit your comment](#)

[Body Massage Deals](#)

Get Up To 90% Off at Best Massage Parlours.
Hurry, Subscribe Now!

snapdeal.com/Massage+Offers

[Railway Ticket 70% Off](#)

Get the Best Travel Deals and Railway Tickets.
Save Today!

www.GROUPON.sosasta.com

[Business School India](#)

Lovely Univ with India's Largest Scholarship
Scheme. Enroll Now!

www.lpu.in/Lovely_Professional_Univ

[LIC के साथ](#)

अब करोड़पति बनना है आसान, Invest With New Plans
www.policybazaar.com/Insurance

AdChoices 