

## Business Process Outsourcing Newsletter

SEPTEMBER 2011

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### Editorial

Dear Reader,

The month of September witnessed low M&A activity in the global outsourcing space, as compared to the previous month. Key deals in this month include:

- ACS, a Xerox company, acquired XL World, an Italy based, multi-lingual customer care firm
- Capita acquired the private sector division of Vertex for a consideration of £40.5 Mn on a cash free, debt free basis
- Genpact acquired EmPower Research, an integrated media and business research company
- Capita acquired Insurance Medical Group Limited, a UK based provider of medical reporting, diagnostics and proactive physiotherapy services

September saw a significant number of new contracts as well as contract renewals. Key contracts executed in this month include:

- Capita won a 7 year contract with the Pensions Regulator, UK to support its direct communications with employers regarding automatic enrolment of staff into workplace pension schemes
- WNS won a F&A outsourcing contract with AAA of Northern California, Nevada and Utah, the second largest regional member club of AAA. AAA is a federation of affiliated automobile clubs throughout North America
- McCamish Systems, an Infosys BPO company extended its outsourcing services contract, for 3 more years, with Farmers New World Life Insurance Company which is a leading American insurance company
- Serco was awarded a contract by the US Army to support the Human Resources Command's and Installation Management Command's Army Career and Alumni Program (ACAP)

### Emerging Trends

- In line with the increasing adoption of the *work from home* delivery model in developed countries, TeleTech@Home, Inc., a subsidiary of TeleTech Holdings, Inc. announced its plans to hire over 3,000 new positions across the United States
- A recent study by the Everest Group shows that the global Benefits Administration Outsourcing (BAO) market is growing at a rate of 12.5% in CY11 and has crossed the US\$5 Bn mark. Everest Group estimates the untapped global BAO market at US\$20-22 Bn in annual contract value.

This edition of the newsletter also includes the Avendus BPO Composite Index updated till the 7th of October, 2011. The index indicates a decrease in share prices of BPO companies over the month of September 2011 with a negative 2.1% monthly return, negative 18.9% quarterly return and negative 19.7% annual return.

Regards,

Amit Singh

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## DEAL SUMMARY

### ACS, A XEROX COMPANY, CONTINUES EUROPEAN EXPANSION WITH ACQUISITION OF XL WORLD

XEROX PRESS RELEASE [21 SEPTEMBER 2011]

ACS, A Xerox Company (NYSE: XRX), today announced its intent to acquire the Italian-based, multi-lingual customer care firm, XL World, further expanding its business process outsourcing capabilities across Europe.

Since it was founded in 2000, XL World has developed deep industry expertise in the telecommunications sector while delivering BPO services from offshore operations. By acquiring XL World, ACS will provide clients with more access to cost-competitive European language services to support call center and business process operations. In addition, XL World will broaden its services portfolio to offer ACS' market-leading customer care capabilities, from social media analytics to back-office operations.

"XL World's language capabilities broaden ACS' diverse abilities by offering localized services to clients who require multiple linguistic resources," said Roberto Montandon, managing director of XL World. "Together, we'll be able to develop opportunities in Europe and emerging markets to grow our capabilities and geographical reach."

The acquisition furthers ACS' strategy of creating a global network of BPO centers to serve clients' global operations. The operations and 1,500 employees of XL World will join ACS' recent acquisition of Italian-based Innova Consulting and Netherlands-based Unamic/HCN.

"XL World's expertise in the European market industry bolsters ACS' competitive global position and complements the services we currently provide throughout the United States and Latin America," said Tom Blodgett, chief operating officer of ACS Europe. "The acquisition also expands our industry reach when combined with our recently-acquired

capabilities in the insurance sector."

XL World's Romanian facilities in Oradea and Iasi along with its operations in Shkoder and Vlore, Albania, will join ACS' 150 customer care centers that handle more than 1.5 million interactions daily supporting clients in 40 languages.

### CAPITA ACQUIRES VERTEX PRIVATE SECTOR

CAPITA GLOBAL PRESS RELEASE

[19 SEPTEMBER 2011]

The Capita Group Plc ('Capita') has today agreed to acquire the private sector division of Vertex ('Vertex Private Sector') for a cash consideration of £40.5m on a cash free, debt free basis. The acquisition will enhance Capita's existing customer services capabilities, following the acquisition of customer contact centre specialist, Ventura, earlier this year.

Vertex Private Sector is a contact centre focused outsourcing business, which is particularly strong in the retail, utilities and telecommunications markets. Its customers include Marks & Spencer, The National Trust and Scottish Power. The division made a pro forma operating profit for its financial year to 31 March 2011 of £4.6m on turnover of £48.8m.

Commenting on the deal, Paul Pindar, Capita Chief Executive, said: 'Our heritage in delivering first class customer services operations is well-established. Many of our clients adopt a multi-channel approach for both sales and also customer engagement, so it is essential that we have the depth of functions necessary to meet all of these requirements. This acquisition will bring new expertise and capabilities that will not only strengthen our existing proposition, but will also open up new market opportunities in the private sector.'

The business has 1,400 employees across the UK, at sites in Liverpool, Manchester, Forres, Salford and Sheffield. It has additional support from a 200 strong team in India. All employees will transfer to Capita.



## **GENPACT TO ACQUIRE EMPOWER RESEARCH TO FURTHER STRENGTHEN SMART DECISION SERVICES BUSINESS**

GENPACT PRESS RELEASE [14 SEPTEMBER 2011]

Genpact Limited (NYSE: G), a global leader in business process and technology management, has signed a definitive agreement to acquire EmPower Research, an integrated media and business research company with strong capabilities in social media research, media monitoring and measurement. This acquisition will add significant expertise and intellectual property to Genpact's Smart Decision Services business, comprising analytics, research, reengineering and risk management services. Closing is expected by the end of the month subject to satisfaction of certain customary conditions. Terms of the deal are not disclosed.

With the explosion of activity in social media, increasingly companies feel the need to track social media conversations to understand consumer preferences and perceptions towards their products and services. EmPower Research provides a comprehensive range of services including social and traditional media monitoring and measurement, event impact research, brand tracking, and data management. The services of EmPower Research are used by some of the largest pharmaceutical companies, PR agencies, technology firms, and consumer packaged goods (CPG) companies in the world.

"EmPower Research, a front runner in social media with a uniquely process-driven culture, strong domain expertise and high caliber senior management team, is a fantastic fit for our business, with numerous cross-sell opportunities particularly in the pharmaceutical and CPG industries," said Tiger Tyagarajan, President and CEO, Genpact. "We are seeing a significant increase in demand for our Smart Decision Services, and EmPower Research adds tremendous capabilities in extracting insights from social media, a fast emerging source of data about consumer behavior. This aligns very well with our vision of supporting our clients in smarter decision-making and in delivering improved business outcomes."

EmPower Research has approximately 360 employees based in New York, Bangalore, Cincinnati, New Jersey, San Francisco, and London.

"We are incredibly excited to become part of the Genpact team," said Debjani Deb, co-founder and managing partner of EmPower Research. "Genpact's already strong Smart Decision Services business, along with their delivery capabilities in Europe and Asia, provides the scale that our business needs to expand our offerings and help many more companies leverage the power of research, data, and social media channels for maximum business impact."

## **Capita acquires Insurance Medical Group**

CAPITA PRESS RELEASE [6 SEPTEMBER 2011]

The Capita Group Plc announces that it has acquired Insurance Medical Group Limited (IMG) for an undisclosed sum. IMG provides medico-legal reporting, diagnostics, and pro-active physiotherapy and treatment services.

The acquisition, which follows the acquisitions, last year, of Premier Medical Group and First Assist, adds further expertise and capacity to Capita's wellbeing and health business. It also opens up new parts of the medico-legal market, particularly claims management companies and small and medium sized law practices.

Commenting on the deal, Jason Powell, who moved to Capita with the acquisition of Premier Medical Group and now heads up Capita's medical reporting business, said: "IMG produces more than 20, 000 medical reports each year and arranges more than 50,000 physiotherapy appointments through the Physio-link network. This acquisition will add important new expertise to Capita's range of health services, enabling us to provide of a full suite of medical reporting and screening services. The deal also further demonstrates Capita's commitment to, and investment in, the medico-legal market."

IMG has around 70 employees based in Durham.



## CONTRACT TRACKER

### **CAPITA AWARDED CONTRACT BY THE PENSIONS REGULATOR**

CAPITA PRESS RELEASE [29 SEPTEMBER 2011]

The Capita Group Plc (Capita) has signed a contract with The Pensions Regulator to support its direct communications with employers for automatic enrolment of staff into workplace pension schemes which will be phased in from October 2012.

The seven-year contract has an option for the regulator to extend it for a further three years and has an estimated value of £105 million. The contract will commence from October 2011.

The new requirements for employers to automatically enrol staff into workplace pensions will be introduced gradually, on a 'staged' basis from October 2012 to September 2016, depending on employer size. The Pensions Regulator will communicate with over 1 million employers as part of its role to maximise compliance with automatic enrolment. Under its agreement, Capita will take on the responsibility for delivering high-volume employer communications and transactional processes in relation to the new requirements; these include:

- Distributing campaign messages to employers, intermediaries and advisers
- Notifying employers 12 and 3 months ahead of their automatic enrolment duty dates
- Managing the process whereby employers register with the regulator
- Operating a customer contact centre
- Limited enforcement activities including administering compliance notices and, where non-compliance persists, fixed penalties. More complex enforcement activity, strategic communications decisions, and compliance and enforcement policies remain under the control of the regulator.

Chief Executive of The Pensions Regulator Bill Galvin said:

'Helping more than 1m employers to get ready for automatic enrolment over the next five years is a major challenge. We will provide high-quality information to every employer in the country, making it as simple as possible to comply.'

'Working with Capita will enable us to make a rapid transition to providing information to tens of thousands of small and micro businesses each month – as well as supporting them by dealing with their calls and questions – whilst continuing to focus on our role regulating the pensions industry.' Paul Pindar, Chief Executive of Capita commented: 'We are delighted to support The Pensions Regulator to prepare employers for the new requirements to automatically enrol staff into a workplace pension scheme.'

Capita is positioned well with the resources and expertise in delivering complex and high-volume communications to support this major project. Our focus will be on making sure the information, technology and the process for automatic enrolment is clear and simple to assist employers to comply by their duty date.'

### **WNS PARTNERS WITH AAA NCNU IN A FINANCE & ACCOUNTING SERVICES CONTRACT**

WNS PRESS RELEASE [12 SEPTEMBER 2011]

WNS (Holdings) Limited (NYSE: WNS), a leading provider of global Business Process Outsourcing (BPO) services, today announced its partnership with AAA of Northern California, Nevada and Utah (AAA NCNU), the second largest regional member club of AAA, a federation of affiliated automobile clubs throughout North America, for Finance and Accounting (F&A) services.

"We chose WNS as our provider for its proven expertise in finance and accounting outsourcing and its 'outcome-based' approach to solutioning. With this new association, we look forward to leveraging F&A outsourcing as a strategy to consolidate our operating models, achieving excellence in our financial reporting, and expanding the scope of operations within our chosen markets," said Siobhan McFeeney, CFO, AAA NCNU.



"We are delighted to partner with AAA NCNU, a top-notch membership organization from the AAA federation in North America, and are looking forward to helping them realize their goals through our 'outperform' motto. We will support AAA NCNU to increase its process efficiencies, save on costs and enhance recoveries," said Keshav R. Muruges, Group CEO, WNS Global Services. "WNS is committed to making this a long-term and successful partnership," he added.

WNS has over 7000 dedicated F&A team employees delivering the entire spectrum of F&A processes ranging from simple transactions to complex analytical processes, including industry-specific processes.

#### **FARMERS NEW WORLD LIFE INSURANCE AND MCCAMISH SYSTEMS EXTEND BPO RELATIONSHIP THROUGH 2014**

INFOSYS PRESS RELEASE [7 SEPTEMBER 2011]

McCamish Systems, an Infosys BPO company, and a leading BPO provider to the U.S. life and annuity industry, today announced a 3 year extension of its services for Farmers New World Life Insurance Company, a leading American insurance company. This marks the second contract extension since the companies began doing business together. Farmers Life has been outsourcing the call center, policy administration and claims processing activities for its variable universal life and annuity products to McCamish since the year 2000.

"Farmers Life is fortunate to have a relationship with a quality BPO service provider like McCamish Systems," said Harris Mortensen, AVP & Head of Insurance Operations at Farmers New World Life. "We were new to the variable business eleven years ago, and McCamish helped us build great products and a strong service platform for our customers. Today, our Variable Universal Life and Variable Annuity products help Farmers Life policy holders in building assets as well as protecting them. The support we receive from McCamish is a big part of the overall product and service offering, and it has even enhanced the Farmers Life brand. We look forward to continuing this favorable relationship with McCamish."

"We are extremely proud of our long-term relationship with Farmers Life. One of our strategic objectives at McCamish is to create partnerships that endure, which is not possible without consistent execution and performance. The fact that Farmers Life has renewed our contract for the second time, demonstrates that we are executing our business model effectively and efficiently," said Gordon Beckham, CEO, McCamish Systems, an Infosys BPO company. "Eleven years ago, Farmers Life took a leap of faith to become our first retail client. Their commitment to us then and now has been extremely beneficial to our success. The latest contract extension validates the excellent work we have been doing for Farmers Life."

#### **SERCO WINS \$52M U.S. ARMY CAREER AND ALUMNI PROGRAM CONTRACT**

SERCO PRESS RELEASE [2 SEPTEMBER 2011]

Serco has been awarded a contract by the US Army to support the Human Resources Command's and US Army's Installation Management Command's Army Career and Alumni Program (ACAP). Under this contract, Serco will provide transition and employment assistance to Soldiers, Army civilians, and family members transitioning out of the military. The contract was competitively re-competed and awarded under the HR solutions Personnel Services & Support ID/IQ contract vehicle. This contract has a one-year base period and two additional option years, and is valued at \$52.2m, if all options are exercised.

Serco's counsellors ensure that participants receive pre-separation counseling and employment assistance. The Company's work will help prepare participants as they move to private sector careers, self-employment, college, or retirement. Serco will manage 53 ACAP locations across the United States, Korea, Italy and Germany.

For the past two decades, Serco has provided face-to-face and help desk support to ACAP. The Company is now incorporating a new virtual counselling environment. This capability will replicate the same experience found in-person at an ACAP centre, and will allow counselling and support to be provided remotely to participants who are unable to visit an



ACAP centre. The new virtual counselling environment will be supplemented by a full-time call center and ACAP clients will be kept informed and engaged through instant messaging, Facebook, and Twitter.

"During our 21 years of support for the Army Career and Alumni Program, we have supported the Army as they have grown and advanced their services for Soldiers, civilians, and their families transitioning out of the Army," said Harry Gatanas, Senior Vice President of Serco's Defence & Intel Group. "We are proud to be involved in this major step as the Army will now make ACAP counselling services available to all eligible participants, no matter where they are located.



## EXPANSION

### INTELENET FORAYS IN THE MIDDLE EAST

INTELENET PRESS RELEASE [28 SEPTEMBER 2011]

Close on the heels of its acquisition by Serco Group plc, a leading FTSE 100 international service company, Intelenet today announced its foray into the Middle East market with the opening of a 200-seat outsourcing facility in Dubai in the United Arab Emirates.

Intelenet's new delivery centre will offer multilingual capabilities in English, Arabic, Hindi, Tagalog and various other languages. The facility, which went live today, will start off by offering services to clients in the telecommunications, and banking and financial services industries amongst others. The new Intelenet facility is located in the Dubai Outsource Zone (DOZ), an economic hub developed with sophisticated infrastructure and an environment specifically conducive for organizations that engage in mid to high-end information technology and business processing outsourcing.

"Our Dubai centre is the next step in our growth strategy, adding a new region that both expands our global footprint and furthers our ability to deliver end-to-end outsourcing solutions around the world," said Mr. Susir Kumar, Chief Executive Officer, Intelenet Global Services. "The facility in the Dubai Outsource Zone will help us establish an onshore presence in an important market, and provide local employment opportunities. Furthermore, our presence in UAE will serve as a hub to cater to other Middle East geographies."

Commenting on the launch of the Dubai facility, Tom Riall, Executive Chairman, Intelenet Global Services said, "Dubai is a key destination for many global businesses, and our entry in the Middle East region is a cornerstone to build growth in new international markets. Our new center here, combined with our superior set of capabilities and domain expertise, allows Intelenet to offer its clients cost-effective and flexible sourcing solutions both on shore and off shore

to support the growth of their own businesses in an ever-changing economic environment. This new capability for Intelenet also expands the broader range of services capabilities that Serco has been successfully delivering in Dubai and the Middle East for a number of years."

Malek Al Malek, Managing Director, Dubai Internet City and Dubai Outsource Zone said: "We are pleased to welcome Intelenet Global Services into our fold. We are confident that the company will establish market leadership and benefit from the host of services in DOZ. Intelenet will also serve a wider market and organically grow its operational footprint in the region."

DOZ provides a purpose-built infrastructure to companies extending outsourcing services in the region. The zone caters to entities specialising in services such as business process outsourcing, knowledge process outsourcing and legal process outsourcing. Additionally, it offers an environment that attracts different elements of the value chain, including banking and finance, insurance, IT, legal and airlines.

Dubai has emerged as a preferred destination due to its prime location offering easy access to the entire Middle East, Africa and Asia (Source: Frost & Sullivan).

### TELETECH@HOME(R) TO HIRE OVER 3,000 WORK-AT-HOME POSITIONS

TELETECH PRESS RELEASE [7 SEPTEMBER 2011]

TeleTech@Home, Inc., a subsidiary of TeleTech Holdings, Inc. one of the largest global providers of strategic and technology-enabled business process outsourcing solutions that drive commerce and lifetime customer value, recently announced its plans to hire over 3,000 new positions across the United States.

TeleTech@Home will hire over 3,000 new seasonal and part-time customer service representative and sales positions by the end of the year. Just in time for the holiday season, these positions offer flexible employment opportunities for those looking to enhance their income with a great short-term opportunity.



Those hired will provide inbound customer support and sales from the comfort of their own homes. A unique delivery platform enables TeleTech@Home associates to access the same proprietary training, workflow, reporting, and quality tools as the company's 44,000 service delivery center associates. The platform also allows secure access, monitoring, and reporting for TeleTech's global client base.

"These are excellent seasonal, part-time opportunities for qualified candidates," said Michael Jossi, executive vice president, Global Human Capital. "With the challenging U.S. job market we are particularly pleased and excited to be able to introduce these positions into the United States job market."

TeleTech@Home will be hiring individuals across the United States. Shifts are available at various start times with varying shift lengths, seven days a week. Potential candidates should have a high school diploma or equivalent, strong computer skills, high speed internet service (cable or DSL only), an analog landline telephone or digital phone service, personal computer and previous customer service experience.



## **MOVERS AND SHAKERS**

### **CAPITA'S HR BUSINESS APPOINTS NEW MANAGING DIRECTOR**

CAPITA PRESS RELEASE [7 SEPTEMBER 2011]

Patricia Taylor has been appointed as managing director for Capita's HR and payroll business. Patricia joins Capita, from Xchanging, where she was managing director, on 15 September.

Patricia will be taking the helm at Capita having already enjoyed a successful 27-year career in HR outsourcing and BPO. She has a wealth of industry knowledge having worked previously for Logica as director for global HRO strategy, and Liberata as managing director, where she sat on the executive board and led the outsourced service business.

Commenting on her new role, Patricia said: "As managing director I hope to drive the business forward, securing Capita as a leader in innovative service delivery in HR, payroll and other workforce advisory services."

Patricia added: "I am also looking forward to meeting and working with the team at Capita, who have an excellent reputation for professionalism and meeting exacting standards."

Dawn Marriott-Sims, who heads up Capita's workplace services division, which comprises Capita's HR, payroll, resourcing, training, and corporate travel businesses said: "Patricia is joining Capita at a very exciting time, as both the private and public sector are looking to outsource functions such as HR as a means to drive innovation and achieve improved value for money. We are all thoroughly delighted to have secured Patricia and are confident that she will play an integral part in developing our business."

### **XCHANGING APPOINTS JIM SADLER AS INSURANCE CIO**

XCHANGING PRESS RELEASE [7 SEPTEMBER 2011]

Xchanging (LSE: XCH), the business process and

technology services provider and integrator announces the appointment of Jim Sadler to the newly-created role of Chief Information Officer for its UK Insurance Sector business.

Jim joins Xchanging with over 20 years of IT experience in the Insurance industry. This includes board-level leadership, large scale business and IT transformation, global offshoring and outsourcing as well as large-scale infrastructure and application delivery. He joins Xchanging from Aviva where he served as IT Director – applications, infrastructure and contracts.

He joins the management team of Xchanging Insurance Sector, which was recently reorganised under Managing Director Max Pell. In the new CIO position Jim will be responsible for overseeing all of Xchanging Insurance Sector's IT functions. Jim's appointment further demonstrates Xchanging's commitment to continually improving service excellence for customers through the unified UK insurance business.

Max Pell said: 'We are delighted to welcome a highly experienced practitioner of Jim's calibre to Xchanging. He has the necessary determination and energy to build on the good work that has already begun in constructing a world class IT platform for our customers'.



## TRENDS AND VIEWPOINTS

### HEALTHCARE REFORM ACCELERATES BENEFITS ADMINISTRATION OUTSOURCING MARKET'S GROWTH

EVEREST PRESS RELEASE [22 SEPTEMBER 2011]

The global Benefits Administration Outsourcing (BAO) market, largely fueled by employers needing help navigating recent healthcare reform measures in the United States, is growing at a rate of 12.5 percent this year and has crossed the US\$5 billion mark, according to Everest Group, an advisory and research firm on global services.

Everest Group's Human Resources Outsourcing (HRO) market report, Benefits Administration Outsourcing Annual Report – The BAO Market: Mature Yet Dynamic, finds that buyers are outsourcing Health & Welfare services at four times the rate they are adopting outsourced pension-related services. Everest Group estimates the global BAO market is about US\$5.4 billion in annual contract value (ACV) and the untapped BAO market at US\$20-22 billion.

"While cost reduction, compliance and improving employee engagement continue to be drivers of BAO adoption, the theme for 2010-2011 was healthcare reform in the United States, which brought increased enrollment, introduction of insurance exchanges along with increased regulation of insured and self-insured insurance plans," said Rajesh Ranjan, research director. "Although these reforms will take a number of years to come into effect, there are several provisions impacting employer benefit plans this year. Consequently, we're seeing buyers looking at outsourcing as an option to understand the reforms, navigate the complexities and identify new savings potential."

In addition to new deal signings, several second- and third-generation deals are also shaping up the overall BAO market. "Instead of auto-renewals, several existing buyers are more deliberate in their end-of-term strategy decisions and often evaluate their next generation option by going out in the market," said Ranjan.

Other insights in the report include:

- North America continues to be the dominant market for BAO, while adoption also continues to increase in Europe where demand is expected to increase, particularly in the United Kingdom and Germany.
- More than 97 percent of BAO contracts are single-country in scope due to buyers seeking cost reductions more quickly.
- Large enterprise buyers increased adoption of BAO in 2010-2011, accounting for 78 percent of the participants managed.
- Global sourcing leverage increased in 2010-2011 with more complex work delivered from low cost locations.
- Manufacturing continues to be at the forefront of BAO adoption, and increased adoption is rising in underpenetrated sectors such as government and services industries.

Overall, Aon Hewitt and Fidelity lead the BAO market with a combined market share of nearly 50 percent in terms of ACV. Other BAO service providers covered in detail in the analysis are ACS- Xerox, ADP, Ceridian, iGate, Infosys, ING, Mercer, Secova and Towers Watson.

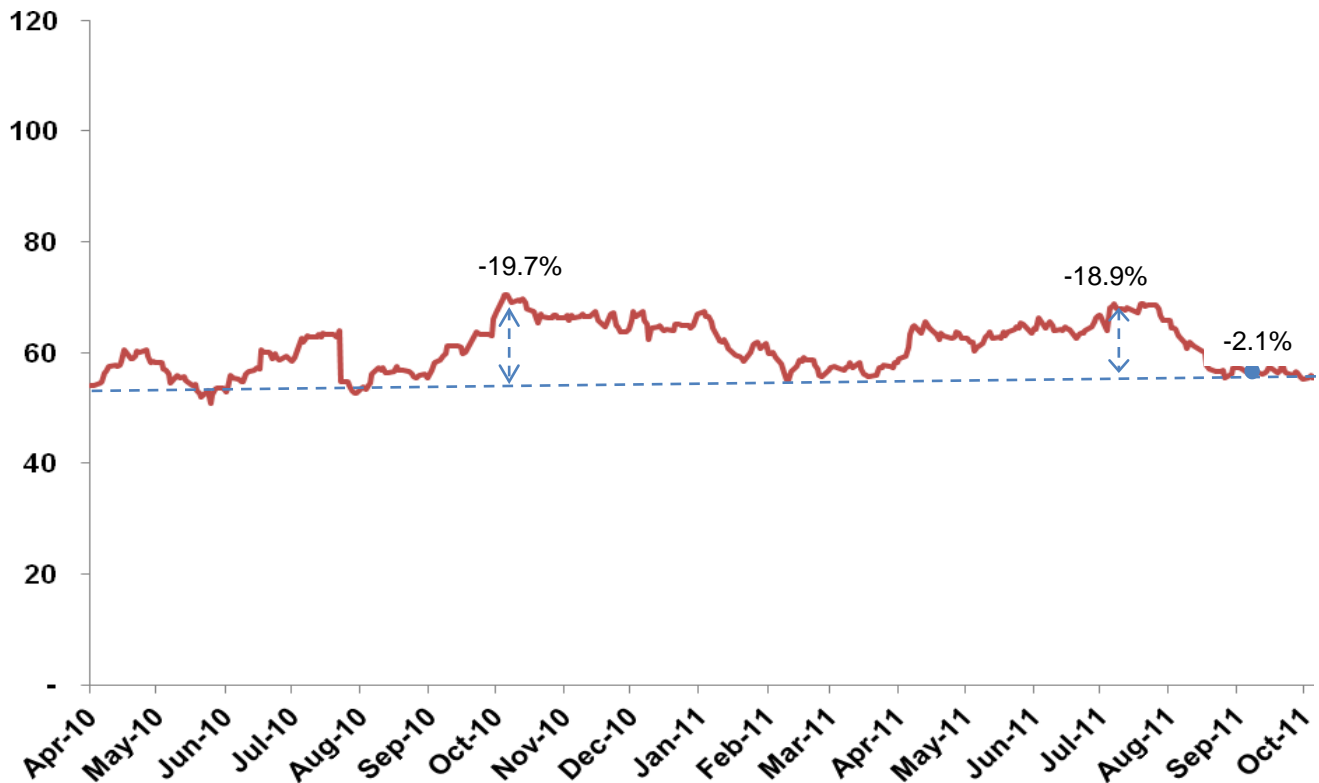
"We've seen the highly competitive BAO service provider landscape evolve as the result of mergers and acquisitions," said Ranjan. "The BAO market also saw significant activity by some service providers that built up additional capabilities across technology, processes and delivery models. Additionally, many service providers are differentiating themselves through specialization by focusing on geography or process scope."

The scope of the analysis includes all BAO contracts comprised of at least one of the following service segments: Health & Welfare, Defined Benefits and Defined Contribution; contract length of at least two years; buyer employee size of 3,000 employees or more; and service providers that offer benefits as a stand-alone outsourcing service.

## AVENDUS BPO COMPOSITE INDEX

The Avendus BPO Composite Index is designed to indicate the performance of listed BPO companies in India. While there are a plethora of indices which highlight the performance of the Technology sector in India, we felt that there is a need to create a separate BPO Index, given the marked differences in the nature of both the sectors.

### Avendus BPO Composite Index



### Key Highlights

- 1 month return: -2.1%
- 1 quarter return: -18.9%
- 1 year return: -19.7%

### Methodology

We have used the stock price date of Allsec, eClerx, EXL, Firstsource, Genpact, HOV Services and WNS weighted by their trailing twelve month revenues (for year ending 30<sup>th</sup> September 2009 or 31<sup>st</sup> December 2009). The series begins at a base value of 100 on 3<sup>rd</sup> January 2007 with just Allsec, EXL and WNS. As more BPO companies got listed, we have added them to the index after appropriate scaling. The index is updated for the closing price on the first Friday of every month. We have used closing price as on Friday (07/10/11) for this edition of the newsletter.



## ABOUT AVENDUS CAPITAL

Avendus Capital is a leading financial services firm which provides customized solutions in the areas of financial advisory, equity capital markets and wealth management. The firm relies on its extensive track record, in-depth domain understanding and knowledge of the economic and regulatory environment, to offer research based solutions to its clients that include institutional investors, corporates and high net worth families. Avendus Capital has consistently been ranked among the top-five corporate finance advisors in India and has emerged as the advisor of choice for cross-border M&A deals and has closed 35 cross-border transactions in the past 4 years. Avendus Securities through its Institutional Equities practice is able to offer clients best-in-class research-driven advice to help them take investment decisions, while Avendus PE Investment Advisors manages funds raised from its investors by investing in public markets and private equity. Headquartered in Mumbai, the firm has offices in New Delhi and Bangalore. Avendus Capital, Inc (US) and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions.

Some of the recent deals closed by us include

Title	Month - Year Of Announcement	Deal Value	Industry
Avendus advises Eris Lifesciences on its private equity transaction with ChrysCapital	September, 2011	Undisclosed	Lifescience
Avendus Capital advises Value & Budget Housing Corporation on its equity raise from The Carlyle Group	August, 2011	USD 26 mn	Infrastructure & Real Estate
Avendus Capital advises Sara Sae on its fund raising from Multiples	August, 2011	Undisclosed	Industrials
Avendus Capital advises AGS Transact Technologies on its equity raise from TPG	June, 2011	USD 32 mn	Consumer
Avendus Capital advised SYSTIME on its 50% stake sale to KPIT Cummins Infosystems Limited	May, 2011	USD 23 mn	Technology & Outsourcing
Avendus Capital advises on Serco's acquisition of Intelenet Global Services	May, 2011	USD 536 mn	Technology & Outsourcing
Avendus Capital advises Diligent Power on its equity raise from Warburg Pincus	May, 2011	Undisclosed	Infrastructure & Real Estate
Avendus Capital advises Tega Industries on its USD 35 Mn equity raise from TA Associates	May, 2011	USD 35 mn	Industrials
Avendus Capital, Inc. advises Outsource Partners International (OPI) on its transaction with ExlService Holdings, Inc.	May, 2011	USD 91 mn	Technology & Outsourcing
Avendus advises KPIT Cummins Infosystems Limited on its preferential allotment of equity shares to Chrys Capital	March, 2011	USD 25 mn	Technology & Outsourcing
Avendus advises the shareholders of Devidayal Sales in a strategic transaction with Arysta LifeScience	March, 2011	Undisclosed	Lifescience
Avendus advises Tega Industries on its acquisition of Acotec S.A., Chile	February, 2011	Undisclosed	Industrials



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## OUR OFFICES

### **Aventus Capital Pvt. Ltd.**

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### **Aventus Capital (UK) Pvt. Ltd.**

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*Aventus Capital (UK) Private Limited is authorized and regulated by the FSA*

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