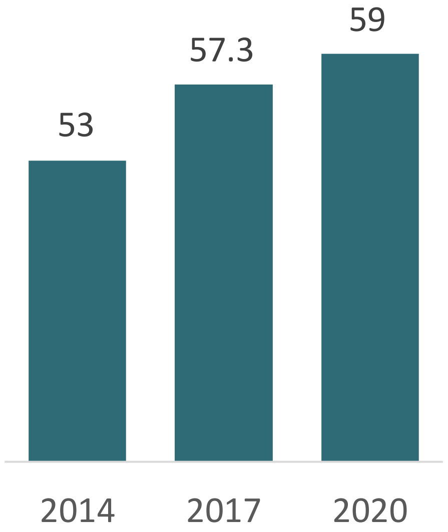
KEY FACTORS DRIVING OUTSOURCING TODAY

Covid 19 resulted in a shift in the labor pool, a dynamic geopolitical environment, and the post-pandemic disruption, presenting challenges as well as opportunities for businesses globally

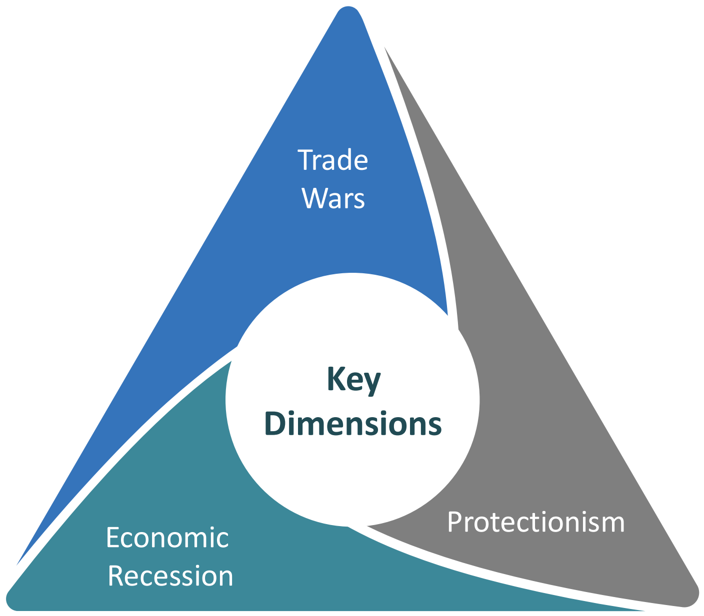
Shifting Workforce Mix

Number of freelancers in the US In millions

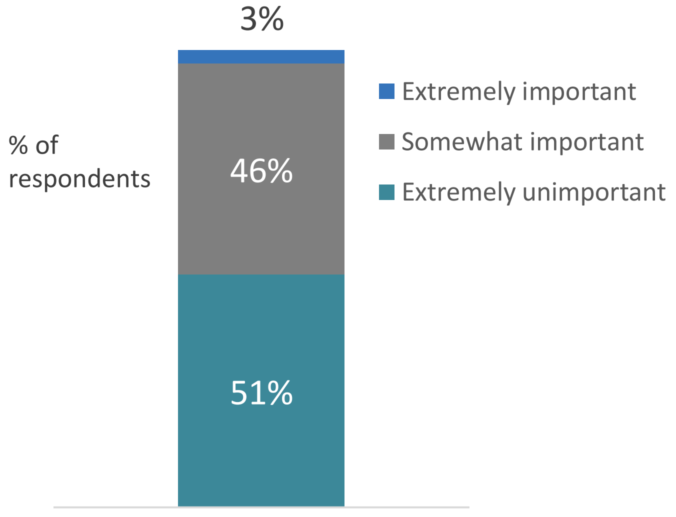


36% of American workers freelance in 2020

The Geopolitical Environmental Flux



Need For Risk Management Post Covid-19



Embedding more robust business continuity plans

ABOUT SPC NXT

SPC NXT is a leading integrated solution and outsourcing partner for Corporates. With a team of 250+ professionals; 70+ years experience; Technology & Information Security investments we continue to empower global businesses by providing high-impact and cost-effective solutions.

We offer services in domains of Technology, Risk, Transaction Support, Integrity & Forensics, Strategic Consulting, Functional & Manpower Outsourcing.

Our integrated approach is designed to utilize our global talent pool, technology & best practices to serve organizations of sizes from Mid-Size to Multinational Corporations across the globe.

Tools & Technologies We Breathe

SAP S4 HANA | Microsoft Dynamics 365 | ORACLE NETSUITE

okta | CYBERARK | Lakeside

opentext | tenable | ManageEngine

JavaScript | CSS | SQL | Coinfirm

Power BI | SharePoint | Microsoft Teams

tableau

15+ Countries
International Clientele

200+ Clients
Partner-Led Partner Managed Approach

50+ Service Offerings
Experienced and Friendly Team

250+Professionalsin India
Investment in human capital & Training

$10B Assets
Investigated under Forensic & Integrity Practice

50,000 Hours
Off-Shore Service Hours Served

Aerial view of our Corporate Office in Noida

KEY CHALLENGES

While the sector has a long runway for growth, solving the challenges it faces will be critical in achieving its potential

UNCERTAIN POLICY FRAMEWORK

- **Limited incentives** for captives to do more high-value work
- **Uncertainty** on **TP rates** based on varying TP benchmarks from audits causes potentially avoidable **confusion**, **stress**, and **anxiety** amongst captives' leaders and parent organizations regarding the litigations in India
- **Lack** of a **robust framework** and regulations around IP protection prevents investment in developing and IP filling from India

'DEMAND SUPPLY' GAP IN SKILLS

- Considerable gap between skills of **fresh graduates** and **expectations** from these graduates
- **Need** for a globally attuned, **well-rounded**, and **technologically updated** middle management layer trained in problem-solving, critical thinking, organizational navigation, and articulation skills to **create higher-value**

LIMITED VISIBILITY OF INNOVATION ECOSYSTEM

- Limited established models of **impactful** and **outcome-driven collaboration** across the ecosystem
- **Lack of awareness** and **incentives** to encourage captives to collaborate with start-ups and academia and vice versa to facilitate innovation and generate more value through 'captive-start-up-Academia' partnerships and associated linkages

'LOW COST, LOW VALUE' PERCEPTION OF INDIA

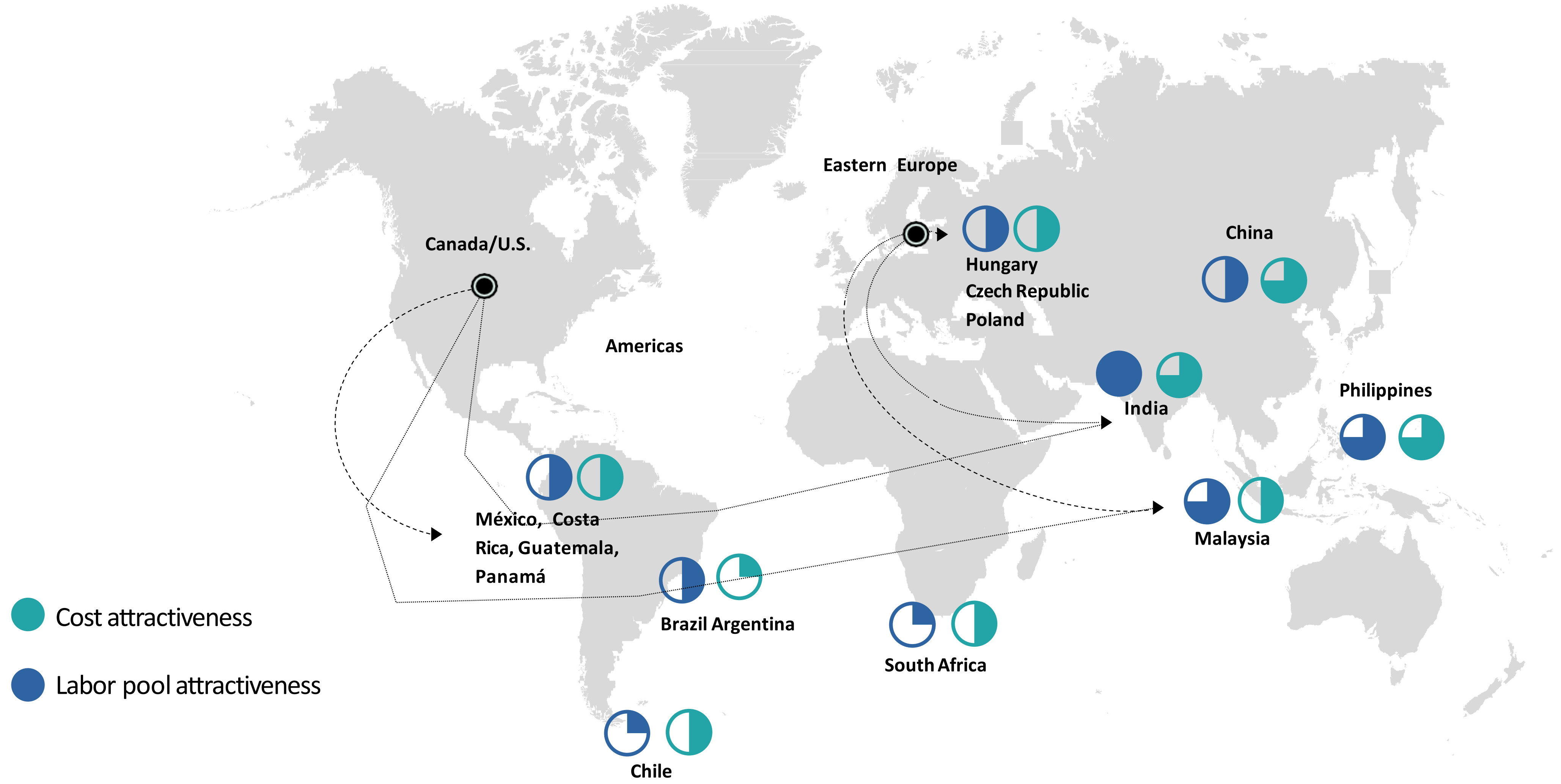
- While several captives have taken strides to deliver more value-added work, India is still perceived as a 'high volume, low cost' location compared with countries such as Singapore, Israel, and Ireland that are actively positioning themselves as 'new age, high value' knowledge economies. There is an opportunity to brand India as a 'Volume + Value' market, that will ease conversations with parent organizations when pitching for higher-value work from India

INFRASTRUCTURE NOT KEEPING PACE WITH SECTOR'S NEEDS

- Need for infrastructure improvement, e.g., roads, electricity, water, and safety to globally accepted standards to enhance the attractiveness of India as the captive destination of choice
- Need for easing the business climate through more sector-focused policy interventions, e.g., make it easier to set up new captives and incentivize employment generation and skill enhancement amongst others

INDIA'S FOOTHOLD (1/4)

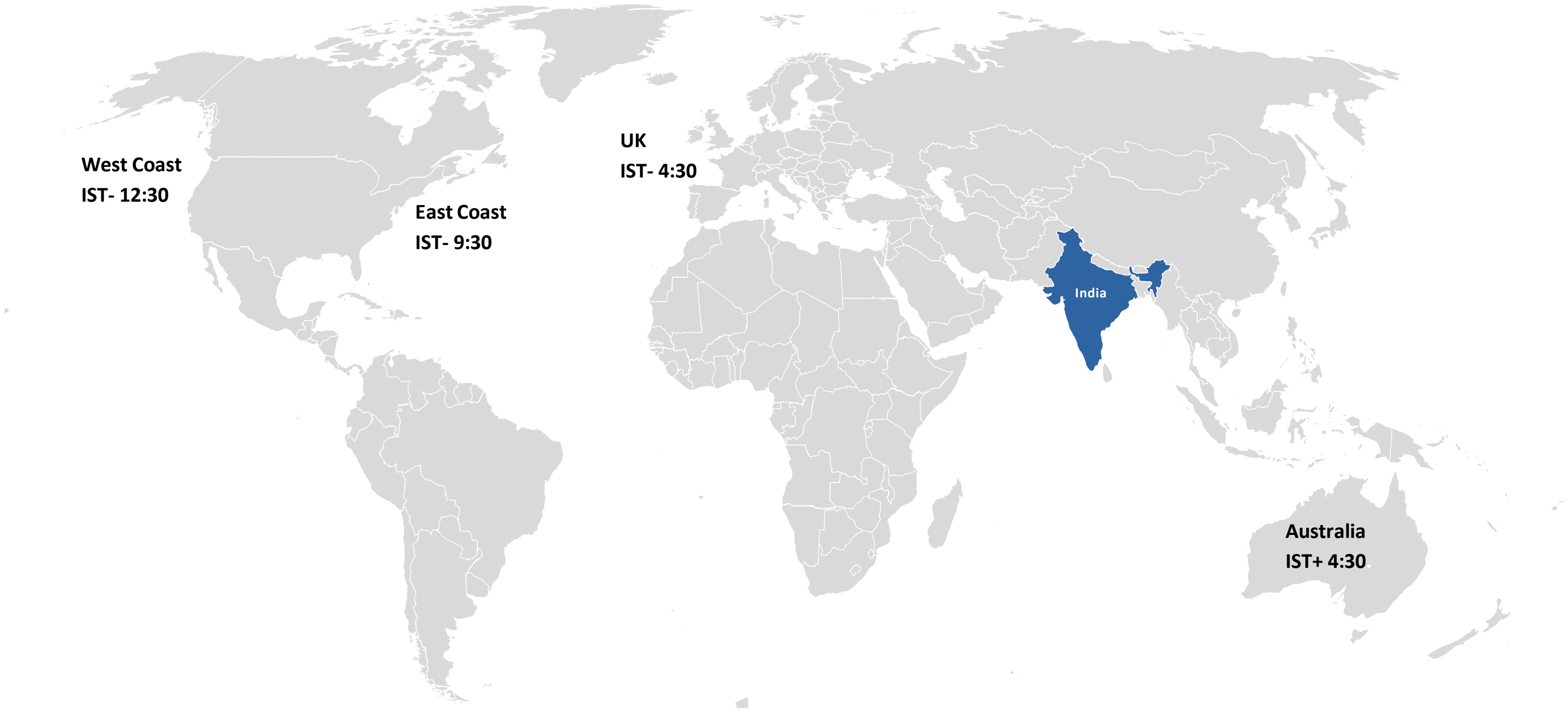
Given its unique mix of an attractive workforce at competitive pricing points, India is the destination of choice to set up an outsourcing center.



INDIA'S FOOTHOLD (2/4)

India, 7th Largest country, located in the tropical region in the Southern Asia | Houses one of the largest English-speaking population in the World.

India has a favorable time zone differential with the US, UK and Australia. Particularly with the US, for outsourcing – India provides a 24-hour parallel hub for processing work.

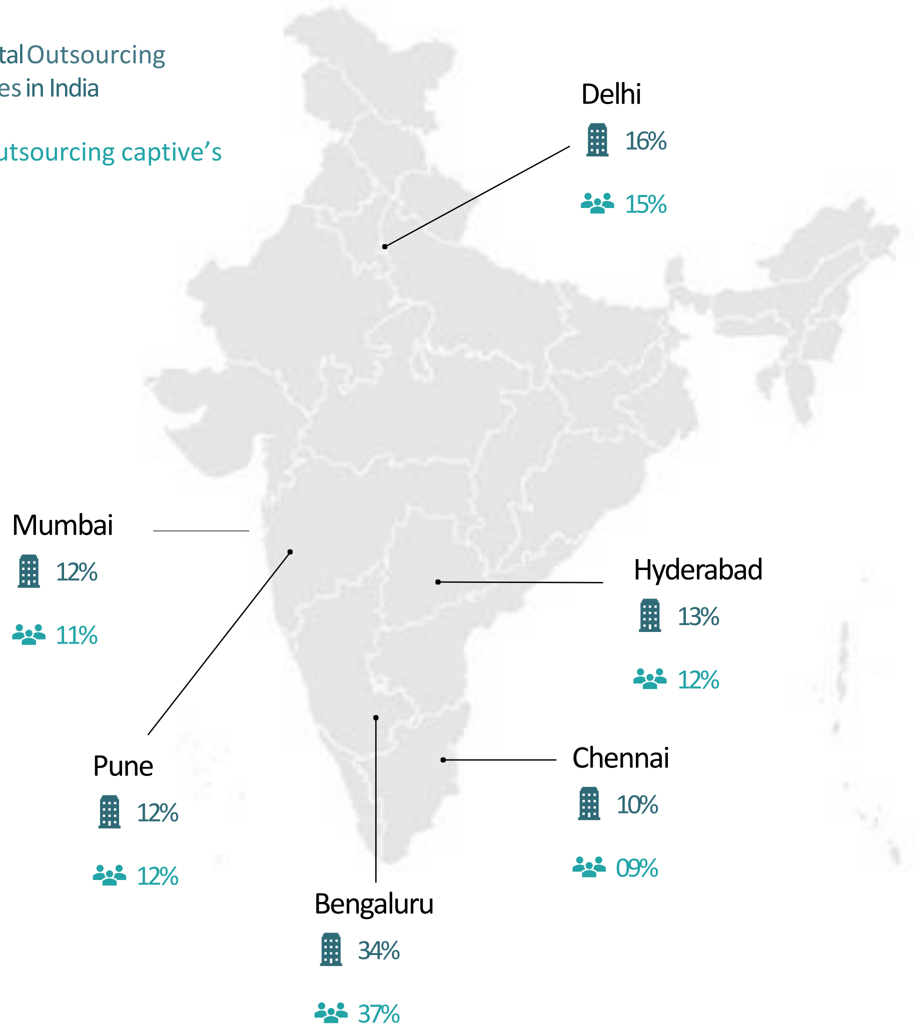


INDIA’S FOOTHOLD (3/4)

Outsourcing captives are primarily present in six cities, but they are also expanding their geographic footprint to include tier-2 cities.

%of total Outsourcing captives in India

%of Outsourcing captive’s talent



1. **Bengaluru (34%)** has the highest share of Outsourcing captives and is the destination of choice for platform engineering; however, it is showing signs of decline with the city overburdened with infra pressures and talent crunch

2. **Mumbai and Delhi (28%)** are gaining ground with a rich talent pool and geographical expansion into city outskirts

3. Increasing movement to Tier-2 cities such as **Trivandrum, Coimbatore, Ahmedabad, Vadodara, and Jaipur** with a focus on niche capability centers

4. **Pune and Chennai (22%)** are dominated by automotive Outsourcing captives, With the rise in IT hubs in the city, Hyderabad (13%) is emerging as the key contender to Bengaluru in South

INDIA'S FOOTHOLD (4/4)

WHY INDIA CONTINUES TO LEAD THE GLOBAL OUTSOURCING INDUSTRY

01
Geographical Setting

02
Population & Demography

03
Cost Arbitrage

04
Knowledge of Services, Industry & Technology

05
Technology Hub

06
Legislative Landscape

TOUCH POINTS

31–F,
Connaught Place, **New Delhi**-110 001

1505, Astralis Supernova, sec-94, Noida,
Uttar Pradesh 201301

Zion Prime, Near Copper Stone, Thaltej-Shilaj Main Road,
Thaltej,Ahmedabad, **Gujarat** 380059

503, Dalamal Chambers, 29,
New Marine Lines, **Mumbai**-400020

S2, Navnit Vaiurya, II Main, Sarvabhouma Nagar
Bannerghatta Road, **Bangalore** 560076,

5824, Greensboro Drive, Mississauga,
Ontario, L5M 5T1, Ontario, **Canada**

240 OConnor Ridge Blvd, Suite 100, Irving,
Texas, **USA** 75038

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