Focus on Mindtree
June 2021
Background of the research

While historically, global capital markets firms have been slow in addressing digital disruption, the COVID-19 pandemic has drastically accelerated their plan for organization-wide digital transformation. Muted growth outlook, a complex regulatory landscape, and the need to manage business resiliency during the pandemic were some of the key challenges that capital markets enterprises focused on at the beginning of the year. They addressed these concerns by enabling secure ways for employees to work remotely, digitalizing sales and distribution channels to effectively serve customers, and managing brand and customer trust.

As global markets have started recovering, capital markets firms are focusing on the next normal by investing in data migration, cloud, platform modernization, and machine learning to deliver enhanced customer experience. IT service providers are ramping up service offerings, redesigning their capital markets practice strategies, and leveraging ecosystem talent to respond to the evolving demand themes.

In this research, we present an assessment of 25 Application and Digital Service (ADS) providers featured on the Application and Digital Services in Capital Markets PEAK Matrix®. The assessment is based on Everest Group’s annual RFI process for calendar year 2020, interactions with leading application and digital services providers, client reference checks, and an ongoing analysis of the capital markets application and digital services market.

This report includes the profile of Mindtree as featured on the Application and Digital Services in Capital Markets PEAK Matrix®
Application and digital services in capital markets PEAK Matrix® characteristics

Leaders:
Accenture, Capgemini, Cognizant, HCL Technologies, Infosys, LTI, TCS, and Wipro
- Leaders have focused on strengthening their partnership with cloud hyperscalers, such as AWS, Azure, and GCP and develop joint GTM strategy
- The majority of Leaders continue to invest in building an extensive partnership ecosystem with third-party platform providers in capital markets and developing IPs, frameworks, and accelerators around these platforms to fast-track the transformation journey for their clients
- Leaders are trying to position themselves as an end-to-end partner across the digital services spectrum (i.e., consult, build/design, and manage) across all business segments within capital markets to expand their wallet share with existing clients while enterprises are looking for vendor consolidation

Major Contenders:
Atos, Birlasoft, Coforge, DXC Technology, EPAM, Genpact, GFT, Incedo, Mindtree, Mphasis, NTT DATA, Tech Mahindra, and Virtusa
- Major Contenders cover a wide spectrum of service providers, from large providers with global capabilities to a set of mid-sized players with a regional focus
- Players such as EPAM, Genpact, Incedo, Mindtree, NTT DATA, and Tech Mahindra have been able to achieve a double-digit revenue growth in capital markets ADS practice in 2019
- Major Contenders have invested in building strategic alliances with cross-industry platform providers and technology vendors and built tools/accelerators for reduced time to market; players such as DXC Technology, NTT DATA, Virtusa, and Tech Mahindra have partnered well with industry-specific product/platforms vendors and developed domain-specific solutions
- While Major Contenders have been able to demonstrate their digital services capabilities, they need to drive capital markets-specific thought leaderships and innovations to drive conversations with capital markets clients

Aspirants:
Endava, NSEIT, Quinnox, and Zensar Technologies
- Aspirants have demonstrated niche focus, either on a particular capital markets segment, geography, or functional capability
- Given their limited client portfolio, Aspirants have been able to demonstrate client intimacy and significant attention as well as leadership involvement
- Players such as NSEIT and Zensar Technologies are investing in building automation and data & analytics capabilities, while Endava is focusing on acquisitions to enhance its overall digital services offering
Mindtree positioned as Major Contender

Source: Everest Group (2020)

1 PEAK Matrix specific to application and digital services in capital markets
2 Assessment for Endava and Quinnox excludes service provider inputs on this study and is based on Everest Group’s estimates that leverage Everest Group’s proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers. For these companies, Everest Group’s data for assessment may be less complete
Overview

Vision for ADS in capital markets practice: To build on existing strengths and capabilities in digital technologies to help clients in their transformation journey. The company focuses on building deeper relationships with customers with domain at the core, in collaboration with their digital ecosystem partners, analysts, and advisors.

ADS in capital markets revenue

<table>
<thead>
<tr>
<th>Revenue Range</th>
<th>Number of Active Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;US$200 million</td>
<td>&lt;25</td>
</tr>
<tr>
<td>US$200-500 million</td>
<td>25-100</td>
</tr>
<tr>
<td>US$500 million- US$1 billion</td>
<td>100-150</td>
</tr>
<tr>
<td>&gt;US$1 billion</td>
<td>&gt;150</td>
</tr>
</tbody>
</table>

Application and digital services in capital markets revenue mix

- By lines of business
  - Asset management
  - Custody
  - Investment banking
  - Brokerage
  - Fund administration
  - Others

- By services scope
  - Application development
  - Consulting
  - System integration
  - Application maintenance
  - Testing

- By buyer size
  - Small (annual client revenue < US$1 billion)
  - Medium (annual client revenue US$1-5 billion)
  - Large (annual client revenue US$5-10 billion)
  - Very large (annual client revenue US$10-20 billion)
  - Mega (annual client revenue > US$20 billion)

Number of active clients for ADS in capital markets

<table>
<thead>
<tr>
<th>Region</th>
<th>Key cities</th>
<th>No. of FTEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>New York, Atlanta, Phoenix, and New Jersey</td>
<td>250-750</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>London and Edinburgh</td>
<td>250-750</td>
</tr>
<tr>
<td>Europe (excluding UK)</td>
<td>Frankfurt and Munich</td>
<td>&lt;250</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>Bangalore, Chennai, Hyderabad, Pune, Singapore, and Sydney</td>
<td>&gt;1,500</td>
</tr>
<tr>
<td>Latin America</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Middle East &amp; Africa</td>
<td>Dubai</td>
<td>&lt;250</td>
</tr>
</tbody>
</table>

1. System integration includes package implementation
2. AR/VR, business intelligence and data warehouse, IoT, etc.
3. Capital markets ADS FTEs
Mindtree | application and digital services in capital markets profile (page 2 of 4)

Client success stories

**Case study 1**

**Large scale business innovation and modernization for a superannuation fund administrator**

**Business challenge**
The client wanted to significantly scale and enhance capabilities in providing superannuation and pension administration services to over nine million subscribers. It was looking for a partner in the IT transformation journey and needed scalable, cross-platform, and cost-effective key business applications.

**Solution**
Mindtree consolidated 57 applications and transitioned in three months with no overrun and zero escalations. Helped with service models for transformation in order to keep pace with evolving business demand and acquisitions. The company then implemented CAPE™ on over 75% of applications for automation of CI pipeline.

**Impact**
- Achieved 10% YoY savings in maintenance cost for five consecutive years
- Estimated TCO reduction of about 35% in 15 months via continuous improvement
- Reduced operational costs by 30-40% by reducing the number of calls to the call center
- Cloud CRM solution architecture and easy fund customization resulted in 50% reduction in infrastructure cost

**Case study 2**

**Enabling a digital ecosystem for a global investment firm**

**Business challenge**
The client was aiming to provide a modern digital platform with enhanced capabilities to support the growing needs of financial advisors and investors and to drive new business from next-generation investors. High TCO and maintainability issues were the other challenges.

**Solution**
Mindtree revamped the account portal for the US and the EU regions and designed a next-generation UX. Conducted design thinking workshops that led to rapid prototyping and early visualization of features such as omnichannel experience and enhanced self-service capabilities for financial advisors and investors. They also ensured seamless integration with the customer’s marketing portals and core transaction systems.

**Impact**
- Digital platform scaled to support 80,000 investors and 3,000 financial advisors
- Feature-rich product enabled advisors with self-service capabilities to manage individual portfolio size of nearly US$100 million
- Significant reduction in TCO with 30% cost benefit
- Enhanced customer experience resulted in increased user base

**Case study 3**

**Markit Enterprise Data Management (EDM) implementation for a leading asset management firm**

**Business challenge**
The client had recently undergone a merger and was in the middle of an integration program to consolidate applications and platforms across legacy organizations; multiple instances of Markit EDM due to past acquisitions needed to be consolidated into a single strategic platform.

**Solution**
Mindtree implemented the Markit EDM platform for master instruments, market, pricing, position, and reference data covering various asset classes. The process involved sourcing data from multiple market data providers as well as internal systems to produce a final copy. The platform was delivered in a co-managed model using a distributed agile framework.

**Impact**
- First phase of the platform with fund data for a heritage organization has already gone live
- Multi-slotting implemented to support a global operating model across Asia, EMEA, and the US
- Acceleration of the integration program enabled the client to retire legacy systems, resulting in 30% savings in maintenance and infrastructure costs
Mindtree | application and digital services in capital markets profile

Key offerings and investments

### Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver application and digital services in capital markets

<table>
<thead>
<tr>
<th>Name</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlas</td>
<td>Proprietary BOT-led managed services framework that is designed to take complete life cycle ownership of enterprise applications, aimed to transform the outdated ticket-in and ticket-out managed application services model into one that focuses on optimizing and delivering business value</td>
</tr>
<tr>
<td>Blockchain solution for derivatives trading</td>
<td>A reference implementation tool for contract management for derivatives trading by using smart contracts and leveraging the benefits of document sharing and tracking during OTC derivatives trading using a blockchain network</td>
</tr>
<tr>
<td>Composable Automated Platform for Enterprises (CAPE)</td>
<td>A composable automated meta-platform, incorporating tools and frameworks to support the entire IT ecosystem in development, testing, application, maintenance, and infrastructure operations; the platform also offers modular solutions tailored to customers’ needs, leveraging their existing tools and assets</td>
</tr>
<tr>
<td>Decision Moments</td>
<td>A data analytics platform that applies continuous learning algorithms to large data pools, allowing businesses to derive actionable insights. It is a diagnostic, predictive, and prescriptive analytics tool that over time improves insights, customer attributes, cross-sell and upsell, and customer lifetime value</td>
</tr>
<tr>
<td>Murex Digital Solution</td>
<td>Proprietary solution providing a unified digital interface and a mobile-based trade booking application for relationship managers to book trades for various products and enhance trading experience with better visuals</td>
</tr>
</tbody>
</table>

### Key partnerships/alliances/M&As/JVs leveraged to deliver application and digital services in capital markets

<table>
<thead>
<tr>
<th>Name</th>
<th>Type of investment (year)</th>
<th>Details of investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Quant</td>
<td>Partnership (2020)</td>
<td>To leverage its NLP-based platform that helps in identification of contracts with potential references to LIBOR and in extraction of key terms from the existing LIBOR contracts</td>
</tr>
<tr>
<td>Salesforce</td>
<td>Partnership (2019)</td>
<td>To specialize in Salesforce implementation strategies to drive digital growth through customer engagement and to build a framework for Salesforce to enable CI/CD pipelines</td>
</tr>
<tr>
<td>Databricks</td>
<td>Partnership (2018)</td>
<td>To bring business value in data engineering, data science, deep learning, and ML business outcomes</td>
</tr>
<tr>
<td>Murex</td>
<td>Alliance partner (2007)</td>
<td>To bring full suite of integrated front, middle, and back office in risk and trade execution management space along with a unified digital interface to trading and risk management platforms</td>
</tr>
<tr>
<td>Microsoft</td>
<td>Alliance partner (2002)</td>
<td>To offer a range of solutions for Azure migration, customer experience, digital marketing, and intelligent insights</td>
</tr>
</tbody>
</table>

Source: Everest Group (2021)
Mindtree | application and digital services in capital markets profile (page 4 of 4)

Everest Group assessment – Major Contender

### Strengths

- Strong partnerships with cloud hyperscalers, joint go-to-market strategy with Microsoft Azure, investment in developing platforms, IPs, and accelerators for cloud migration, and creative use cases, such as Voice AI for asset and wealth management firms, have helped Mindtree to drive growth in cloud, data, and analytics services business in capital markets.

- Long-standing partnerships with Murex and Markit EDM have helped the company to win multiple deals in the capital markets space over the years.

- Competitive pricing along with innovative pricing models, such as outcome-based or gain-share model, have been the key differentiators for Mindtree.

- Clients appreciate Mindtree’s delivery commitment, effort in relationship management, and easy access to its leadership.

### Areas of improvement

- Mindtree should invest in expanding its partnerships with a broader set of capital markets-specific products and platforms providers, and focus on developing platform specialists to win new deals and fuel its growth.

- Mindtree should strengthen its UI/UX capabilities and invest more in innovation to help clients with their new technology initiatives.

- Should focus more on improving domain-specific consulting services capability and proactively share best practices to position itself as a strategic partner for capital market clients.

- The company needs to address the clients’ concerns regarding the availability of right talent, fueled by factors such as high attrition in offshore locations and long time and effort required to upskill new recruits.

<table>
<thead>
<tr>
<th>Market impact</th>
<th>Vision &amp; capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market adoption</td>
<td>Vision and strategy</td>
</tr>
<tr>
<td>Portfolio mix</td>
<td>Scope of services offered</td>
</tr>
<tr>
<td>Value delivered</td>
<td>Innovation and investments</td>
</tr>
<tr>
<td>Overall</td>
<td>Delivery footprint</td>
</tr>
<tr>
<td></td>
<td>Overall</td>
</tr>
</tbody>
</table>

**Measure of capability:**
- Low
- High
Appendix
Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix

Market impact
(Measures impact created in the market)

Low
High

Vision & capability
(Measures ability to deliver services successfully)

Low
High

Leaders

Major Contenders

Aspirants
Everest Group PEAK Matrix® for Application and Digital Service Providers in Capital Markets 2021

**Services PEAK Matrix® evaluation dimensions**

Measures impact created in the market – captured through three subdimensions

**Market adoption**
- Number of clients, revenue base, YOY growth, and deal value/volume

**Portfolio mix**
- Diversity of client/revenue base across geographies and type of engagements

**Value delivered**
- Value delivered to the client based on customer feedback and transformational impact

Measures ability to deliver services successfully. This is captured through four subdimensions:

**Vision and strategy**
- Vision for the client and itself; future roadmap and strategy

**Scope of services offered**
- Depth and breadth of services portfolio across service subsegments/processes

**Innovation and investments**
- Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

**Delivery footprint**
- Delivery footprint and global sourcing mix
Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

**Methodology**

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix.

In order to assess advances on market impact, we evaluate each service provider’s performance across a number of parameters including:

- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on vision and capability, we evaluate each service provider’s performance across a number of parameters including:

- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:

- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.
FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group’s PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group’s proprietary databases containing providers’ deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings.

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?
A PEAK Matrix position is only one aspect of Everest Group’s overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status?
- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
  - Issue a press release declaring their positioning. See citation policies.
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises.
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everestgrp.com/blog

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto
canada@everestgrp.com
+1-647-557-3475

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