

HCL: Indian tech innovators

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Calling itself "the original garage IT start-up," HCL Enterprise was started more than 30 years ago in Noida, now a boom town adjacent to the country's capital of New Delhi. With annual revenues of \$3.2 billion, HCL continues to forge forward in taking the lion's share of the Indian and global technology market.

Once known as Hindustan Computers Limited, HCL Enterprises is the legal entity that took over -- comprising HCL Technologies Ltd. and HCL Infosystems, both listed in India. With two diverse target areas, HCL Technologies oversees international operations in IT software, while HCL Infosystems deals primarily with a domestic and hardware market.

The youngest of India's "Big 5" IT service companies, HCL Technologies has over the last decade slid into the global business agenda with its offering of software, infrastructure and business process outsourcing -- and now it is innovating quietly in partnership with big-name brands.

Floated in 1999 as an IPO, HCL Technologies now has 26 offices in 15 countries and gross revenue income of \$919 million.

"We can manage any IT operation world-over from Noida, Bangalore or Chennai," said Sanjeev Nikore, corporate vice president of sales and marketing at HCL Technologies.

In the United States a strategic presence exists with corporate offices in

California, Illinois and New Jersey, where corporate headquarters in Noida say that emerging services are an increasingly large part of their business.

For 10 years HCL Technologies and Cisco Systems Inc. have been partners in development, with HCL Technologies responsible for the setting up and maintaining of the Cisco Offshore Development Center in Chennai -- the largest product-engineering site for Cisco outside the United States.

Recently Cisco announced a revenue-sharing agreement under which HCL Technologies has been granted an intellectual-property license for one of its management products -- and is completely responsible for the engineering of the product.

"We have always been committed to maintain and enhance Cisco's experience in all our engagements by providing consistent and high quality deliveries," HCL founder, Chief Executive Officer and Chairman Shiv Nadar said of the agreement.

Recent tie-ups also include a partnership with IBM, under which it has acquired the right to use and sublicense IBM's PowerPC 405 and PowerPC 440 embedded microprocessor cores. "They have outsourced their chip design to us -- it is the first time this has been done with any company outside of IBM," said Nikore.

IT services at HCL Technologies have also entered into a recent deal with DSG International, which trades as Dixons, PC World, Currys, and The Link in the United Kingdom. Under this deal HCL will be providing technological support to DSG customers -- outsourced from Europe to India. "We are carving out their IT data management -- at the forefront of the European outsourcing market," said Nikore.

According to him, HCL Technologies has the highest percentage of the market in western offshore work being sent to India.

Targeting the domestic market, HCL Infosystems is the No. 1 ranking presence in saleable computers, with sales figures of about 1.8 billion a year, according to data from 2005. HCL Infosystems recently formed a strategic partnership with Apple to provide sales and support for iPods in India. This will enable greater access of the popular devices and support for them in the country.

Additionally, HCL Infosystems recently announced plans to double its supplier base to 1,000 partners by September 2006 in order to push its newly launched Toshiba notebooks as Toshiba's distribution partner in India.

Said L. Ramprasad, associate vice president for the frontline division of HCL Infosystems, "We are going to target the education, government and corporate very aggressively with these high-end models."

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