

Scale at Speed™



Brochure

Transforming Private Equity Portfolios: **Tech Mahindra's Approach to Cost Optimization**

Unlock Efficiency | Maximize Value | Deliver Excellence



Private equity is entering a high-stakes era. With rising deal costs, tightening returns, and portfolio companies facing margin pressure, value creation is no longer just about growth—it's about achieving operational efficiencies that make a real impact on margins, and cost takeout is no longer a lever—it's the strategy.

A strategic, tech-enabled solution-led transformation that allows PE firms to optimally restructure, streamline operations, and enhance profitability at scale is the need of the hour



Solutions that Deliver Results

At Tech Mahindra, we offer a comprehensive range of best-in-class services, from pre-acquisition due diligence to post-acquisition transition carve-outs, extending to the execution and run phase of portfolio companies. We use our value multiplier toolkit, prioritizing revenue growth and operational efficiencies, to help portfolio companies undergo transformative change and attain their business objectives.

Our success stories demonstrate the benefits we deliver to our diverse range of client partners in the PE industry, showcasing our capability to streamline operations, optimize investments, and ensure sustained growth.

Our Success Stories

Global Chemicals Manufacturer

\$50M in Savings | 20% Ticket Reduction | 30% Ops Cost Savings

Global Healthcare Provider

30% IT Ops Cost Reduction | 26% WAN Cost Savings | 40% Managed Services Savings

UK-Based Bank

180+ FTEs Supporting £4.3B Lending Growth | End-to-End Managed Tech Solution

Global Enterprise Software Provider

700+ FTE Offshore Center | Exclusive India Distribution | Platinum Global Partnership

Global Media Tech Provider

25% Cloud Migration Savings | 20% Cost Optimization | 2 New Clients in the Pipeline

International Fast-Food Franchise

30% TCO Reduction | £10M+ Guaranteed Savings | 100% Azure Migration

Shifting Focus

PE firms are adapting by embedding cost takeout into their operational DNA, leveraging AI-driven efficiencies and innovative cost-saving initiatives across business functions.

Advanced models can enhance key areas like:

Finance and Accounting

AI-enabled automated reporting and financial planning using predictive analytics

Customer Experience (CX)

Personalized, AI-driven services that reduce churn and improve margins

HR & Talent Management

AI-enhanced recruitment, learning, and performance evaluation

Methodology

- **Data-Driven Cost and Process Assessment:** Rapid, data-driven diagnostic of a portfolio company's cost and process landscape, using AI led data analytics to pinpoint high-cost drivers and inefficiencies.
- **Digital Readiness and Road mapping:** Tailored value-creation roadmaps that combine lean process redesign and a streamlined operating model, using advanced tools ranging from domain-tuned small language models to enterprise LLMs and RPA to accelerate decision-making and, reduce cycle times and headcount costs.

This integrated methodology, blending strategic diagnostics, AI-enabled digital transformation, and rapid execution, ensures solutions are highly tailored and deliver tangible business value.

Automation and AI-Driven Solutions

- **RPA and Intelligent Automation:** Deploy robotic process automation and AI/ML to automate repetitive, rule-based tasks (e.g., invoicing, reconciliations, report generation), improving accuracy and reducing headcount-related costs.
- **Small and Large Language Models:** Integrate AI agents and chatbots using both large language models (LLMs) and specialized small language models (SLMs). Domain-tuned SLMs can automate knowledge-intensive tasks (like contract analysis or customer support) on-device (reducing compute costs). At the same time, LLMs drive tasks like code generation, data analysis, and executive reporting. For instance, generative AI tools can accelerate software development and content creation, multiplying productivity.
- **Advanced Analytics & AI Forecasting:** Implement predictive analytics and machine learning models for spend forecasting, demand planning, and fraud detection. These insights enable proactive decision-making (e.g., anticipating cost overruns or optimizing labour) and help ensure sustained cost savings.

Technology and Digital Transformation Solutions

- **Cloud and Infrastructure Modernization:** Migrate legacy systems and data to scalable cloud platforms or SaaS solutions, yielding a 40-50% upfront cost reduction.
- **Application and Data Platform Rationalization:** Consolidate and modernize the application portfolio (retiring redundant ERP/CRM systems, standardizing on fewer platforms). Streamline data architecture and implement analytics hubs so that to ensure information flows freely. This reduces maintenance/license costs and enhances performance visibility.
- **Cyber, IT Cost and Governance:** Optimize IT spend through license management, consolidated SLAs, and outsourcing/offshoring decisions. This step will help cut costs by 10%-15%.

Each offering is executed with an emphasis on speed and ROI. The result is a tailored transformation that drives immediate cost reduction while building a digital foundation for sustained value creation and growth.

Our Services and Capabilities: Enabling Scalable Cost Transformation for Private Equity

We collaborate with PE firms and their portfolio companies across the investment lifecycle—from due diligence to full-scale transformation—to unlock sustainable cost efficiency, scalability, and digital advantage.

Technical Due Diligence

Our approach goes beyond surface-level IT checks. We assess existing technology stacks' scalability, security, integration readiness, and cost structure. From evaluating tech debt and product roadmaps to assessing AI-readiness and cybersecurity posture, our due diligence uncovers hidden risks and cost exposures early, ensuring informed investment decisions and smoother post-acquisition transitions.

- **Digital Transformation**
We rewire legacy-heavy environments into agile, cloud-first, AI enabled data-powered ecosystems. By modernizing platforms, eliminating redundant systems, and embedding automation and AI capabilities, we enable portfolio companies to operate leaner and scale faster. Cloud optimization, SaaS consolidation, and data platform rationalization are key drivers in reducing run-rate IT and ops costs by up to 40%.
- **Operational and Process Improvement**
Our lean-driven methodology simplifies operating models, eliminates waste, and accelerates throughput. We leverage process mining, automation, and best-in-class operating benchmarks to reimagine core processes across functions—from finance and HR to supply chain and customer operations. The result is faster decision-making, reduced headcount dependency, and a significant reduction in SG&A costs.
- **Capital Optimization**
We identify opportunities to unlock trapped capital across working capital, vendor spend, and underperforming assets. This includes renegotiating large contracts, optimizing procurement through demand consolidation, and deploying AI models for cash forecasting. Our zero-based budgeting playbooks help realign capital to the company's most critical growth levers.



- **Business and Product Transformation**

We help pivot business models and product strategies to improve gross margins and reduce cost-to-serve. Whether that means simplifying product portfolios, digitizing service delivery, or shifting to subscription models, we align commercial innovation with operational efficiency.

- **Vertical-Specific Solutions**

Every industry has its own value-creation levers. We bring pre-configured accelerators and deep domain expertise tailored to industry-specific use cases such as LLM copilots, cloud-native transformation, core modernization, and supply-chain optimization. Across verticals, our domain-aligned solutions help portfolio companies drive cost takeout while protecting customer experience and revenue growth.

Gain the Tech Mahindra Advantage

We offer a suite of productized and platform-led services that accelerate transformation while managing complexity. Our ready-to-deploy solutions help portfolio companies modernize with speed and precision.

Deep Private Equity Expertise

Our private equity practice is led by professionals with over 20 years of hands-on experience with PE firms partnering with investment teams and CXOs. We understand the mechanics of value creation and the real-world impact of technology decisions across the deal lifecycle.

High-impact, Results- focused Engagements

We prioritize areas where we can deliver measurable impact—whether through cost takeout, process efficiency, or digital transformation. Every engagement is designed with clear outcomes and execution at its core.

Gain the Tech Mahindra Advantage

End-to-End Investment Lifecycle Support

From pre-deal technical due diligence to post-close execution, we offer actionable insights that help sharpen investment theses and accelerate value creation. Our teams identify savings opportunities early and deliver practical, scalable solutions.

Global Presence

Operating across North America, Europe, and Asia, our delivery model blends global standards with local agility. Regardless of scale, we bring consistency, transparency, and accountability to every engagement.

Proven Track Record Across Sectors

We have partnered with more than leading PE funds and supported portfolio companies across technology, BFSI, manufacturing, e-commerce, healthcare, E&U, TTLH, retail and more. Our deep sector knowledge and delivery excellence drive tangible and sustained results.



The Way Forward

Tech Mahindra is your strategic partner for enhancing operational efficiency and value creation across your portfolio companies. Our advanced IT solutions are designed to enable rapid and effective scaling, driving significant growth and competitive advantage. With a proven track record serving over 1,100 clients in more than 90 countries, we bring the expertise and innovation needed to help you Scale at Speed™ and achieve your objectives.

Gain insights into our proven, execution-driven framework for cost optimization, AI integration and scalable transformations.

Cost Take-Out Methodology

Tech Mahindra's AI-driven, Technology-agnostic Approach to Cost Rationalization

About Tech Mahindra

Tech Mahindra (NSE: TECHM) offers technology consulting and digital solutions to global enterprises across industries, enabling transformative scale at unparalleled speed. With 149,000+ professionals across 90+ countries helping 1100+ clients, Tech Mahindra provides a full spectrum of services including consult-ing, information technology, enterprise applications, business process services, engineering services, network services, customer experience & design, AI & analytics, and cloud & infrastructure services. It is the first Indian company in the world to have been awarded the Sustainable Markets Initiative's Terra Carta Seal, which recognises global companies that are actively leading the charge to create a climate and nature-positive future. Tech Mahindra is part of the Mahindra Group, founded in 1945, one of the largest and most admired multinational federation of companies. For more information on how TechM can partner with you to meet your Scale at Speed™ imperatives, please visit <https://www.techmahindra.com/>.



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