

Trimax delivers Rajasthan's State Wide Area Network, financed by Cisco Capital



Customer Name:

Trimax IT Infrastructure and Services Ltd.
www.trimax.in

Industry Sector:

Information technology

Cisco Technologies:

- ASA 5550 Bundle (Firewall)
- Cisco 2911 Voice Sec. Bundle
- Cisco 2911 Security Bundle
- Cisco 1905 Router
- Cisco Secure ACS 5
- Cisco IPS 4260
- Cisco Catalyst 3560 and 6500
- Cisco 2951 and 3945 Voice Bundle
- Cisco Unified IP Phone 7942
- Unified CM 8.0 Appliance
- MSE-8000 Media Services Engine Bundle
- Cisco Linksys 24-port 10/100 + 4 port Gigabit Switch
- Cisco SMARTnet Service

Background

In early 2010, the State Government of Rajasthan in India awarded a contract to Bharti Airtel Services and Trimax IT Infrastructure and Services to build, implement, and manage the Rajasthan State Wide Area Network (RajSWAN).

Part of the Indian Government's National eGovernance Plan, the RajSWAN is a collection of networks designed to significantly improve efficiency and communication

among government departments and between the government and its citizens. The high-capacity network was launched in February 2013. It carries data, voice, and video traffic between government offices, linking the state headquarters with 32 district headquarters and 241 tehsil (administrative division) offices.

Worth over Rs 100 crore (around US\$17.6 million), the contract was on a build-own-operate-transfer (BOOT) model. It was a significant win for Trimax, an IT services and solutions provider with 11 branches and more than 600 support locations across India.

After being awarded the contract, Trimax designed, built, and implemented the RajSWAN. Under the agreement, Trimax will manage the network for five years, before handing over operations to the Government of Rajasthan.



Summary

Cisco Capital's financing solution provided Trimax with:

- A flexible finance lease with the option to make quarterly payments
- Funding for both the Cisco and the non-Cisco network components
- A competitive and tailored financing package

Cisco Capital | Case Study

The Challenge

The Government of Rajasthan required Trimax to invest upfront in the network's entire technology infrastructure and to fund ongoing operations for the five-year period of the contract. To do this, Trimax needed project financing that covered the total cost and allowed it to match its cash flow with the Government's deployment schedules and payment terms. The Government would begin making payments to

Trimax around one year into the contract, once Trimax achieved certain milestones.

Given the RajSWAN's significant scope, it was important for Trimax to make the project financially viable. It needed a reliable financing partner that understood the technology involved and could offer flexibility to help meet the Government's needs.



Cisco Capital Solution

Cisco Capital worked closely with Cisco and Trimax from the project's early stages to understand Trimax's requirements and tailor a competitive financing package. With a value of around US\$10 million, the solution includes a five-year finance lease for Cisco and non-Cisco network technologies, as well as a loan for the Cisco SMARTnet Service.

Under the finance lease, Trimax owns the equipment and makes quarterly payments to Cisco Capital, which allows

it to easily manage its cash flow and budget. At the end of the lease term, Trimax will hand over the entire operating infrastructure to RajComp Info Services Ltd. – a wholly owned Government of Rajasthan company. Cisco Capital was able to structure the transaction according to Trimax's expected cash flow, including delaying lease payments for one year.

In addition, Cisco Capital undertook voluntary Value Added Tax (VAT) registration – a complex process that

was undertaken in a short span of time. By registering for VAT, Cisco Capital helped Trimax avoid related tax liabilities and further reduce the cost of the transaction.

"Cisco Capital worked silently in the background to support Trimax in meeting its objectives and key milestones, and ensure financing was never a roadblock," says Rahul Sharma, Financial Solutions Manager, Cisco Capital.

The Benefits

Trimax successfully implemented the RajSWAN on time and is now managing the network. Financing the total solution – including hardware, software, and services – through Cisco Capital was a convenient and cost-effective way for Trimax to acquire the networking equipment and provide ongoing management services.

"Financing from Cisco Capital provided a number of key benefits, including fast credit processing, and a flexible

and tailored financing model," says Mr. Sudhanshu Tiwari, Head – Turnkey Solutions, Trimax IT Infrastructure and Services. "We also appreciated the support from Cisco Capital staff."

By consolidating the entire solution into one lease, Cisco Capital financing substantially reduced the total cost of ownership for Trimax. The company also benefited from Cisco Capital's competitive rates for both Cisco and non-Cisco network components.

"A key benefit was Cisco Capital's flexibility in terms of funding non-Cisco equipment and assuming the risk of financing an intangible service."

Mr. Sudhanshu Tiwari,
Head – Turnkey Solutions,
Trimax IT Infrastructure and
Services Ltd.

For more information about how Cisco Capital can help your organization acquire the technology it needs, visit www.ciscocapital.com.