



A FOCUS ON PERFORMANCE



ANNUAL REPORT 2010

Board of Directors

Hexaware's Board of Directors comprises of individuals who have rich experience and deep expertise in various industries. They safe guard the interests of the shareholders.

Mr. S. K. Mitra
Director

Mr. R. V. Ramanan
Executive Director &
President – Global Delivery

Mr. P. R. Chandrasekar
Global CEO & Vice Chairman



Mr. Bharat Shah
Director

Mr. Shailesh V. Haribhakti
Director

Ms. Preeti Mehta
Director

Mr. Atul. K. Nishar
Founder & Chairman

Mr. Sunish Sharma
Director

Mr. Ashish Dhawan
Director



Dr. (Mrs.) Alka Nishar
Director

Mr. L. S. Sarma
Director

Mr. S. Doreswamy
Director

Chairman's Message

a focus on progress



Dear Shareholder,

It is my privilege to share a significant milestone in the journey of our company as we complete 20 wonderful years of creating value for all our Clients, Employees and Shareholders. Through the 20 years, we have remained steadfast on the corporate ideology of being a specialist firm focused on multiple niches and creating value for all our stakeholders.

In order to celebrate our 20 glorious years, we announced a special reward in the form of 1:1 bonus share issue, i.e. one additional equity share for every existing equity share and a 50% special interim dividend. On the back of a strong financial performance, we also recommended a final dividend of ₹1.40 per share (70%), which brings the total dividend for the year 2010 to ₹3.00 per share (150%) up from ₹1.40 per share (70%) for the year 2009.

It gives us immense pleasure to present to you Hexaware's momentous achievements during the fiscal year of 2010. Our revenues from operations increased to \$ 231.2 mn (₹10,546 mn) up from \$ 214.7 mn (₹10,386 mn) in 2009. More importantly, Hexaware reported a sequential revenue growth of 13%, 11% and 9% over the last three quarters of 2010, cementing our position at the start of 2011.

Through the year 2010, we inducted 544 fresh graduate engineers into our fold. Hexaware had 6,511 associates based all over the world at the end of 2010, an increase of 1,374 compared to December 2009. We also invested ₹340 mn towards Capital Expenditure for physical infrastructure, mainly in our Chennai campus and for Technical/IT infrastructure.



At Hexaware, clients are of paramount importance for our overall company growth. We understand their strategic needs and are committed to providing high quality services. Therefore, about 95% of our revenues originate from our existing customers. We at Hexaware have a high quality client roster comprising 174 clients, of which 50+ are Fortune 500/Global 500 names. A key reason for Hexaware's accomplishment remains our focused approach built on specialisation and differentiation to grow the business; as a result, we won the largest deal in the history of the company worth \$110 mn and signed another large extension of \$60 mn in the fiscal year of 2010.

We added 45 new clients across all three geographies in our major focus areas. We now have 2 clients who generate revenues amounting to more than \$20 mn per annum. We service 50 clients who contribute more than \$1 mn in revenues on a trailing twelve month basis. In our attempt to strengthen the company's foundation and have consistent growth, we continued to make investments in strengthening our vertical capabilities and enhancing our technology abilities, which resulted in achieving remarkable growth in key focus areas of Enterprise Solutions predominantly PeopleSoft, Travel & Transportation, Testing and Capital Markets. We have now established a perfect platform to deliver above industry performance in 2011.

Over the last three quarters, we have grown at 11% CQGR. To meet our growth plan, we intend to add over 1,500 employees during 2011; of which 700 comprise of fresh campus recruits. The share of revenue from new customers is around 5% and we expect that to improve in our journey ahead.

We have always believed in defining long-term strategies and establishing the platform to deliver outstanding results. Hexaware has delivered 5 times its revenue growth from 2002-2007, growing to \$252 mn and as we move further we expect Annual Revenue Growth of a minimum 25% in 2011.

I would like to thank you all our shareholders, for your unwavering support. I hope you will continue to support our endeavours.

Yours Sincerely,

Atul Nishar
Chairman

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a focus on
teamwork



a focus on commitment

vision

We ensure customer satisfaction by adding value and honouring commitments at all times. We are committed to building shareholder value and maintaining high standards of corporate governance. We strive to be an eco-friendly organisation, inculcating good corporate citizenship.

mission

To be competitive and proactive in providing software solutions to customers by continuously striving to exceed their expectations.

a focus on productivity

overview

Hexaware is a global provider of IT, Consulting and Business Process Outsourcing services. We focus exclusively on maximising client returns through outsourcing and offshoring. We also have extensive experience in managing large IT applications in real time, as well as in providing high value services around packaged enterprise applications such as SAP and PeopleSoft.

Our experience in the Business Process Outsourcing arena fully complements and strengthens our service spectrum, allowing us to operate as an enterprise-class solution delivery company.

Hexaware has a client base comprising several Fortune 500 and Global 1000 organisations. Our 'partner-in-business' approach generates high business value for customers and rich dividends to Hexaware in the form of a continual stream of repeat business.


Hexaware's domain capability and technological expertise enables significant compression in time-to-market our value-added deliverables. Our customer-centric philosophy is further strengthened by a robust Key Account Management process to find more ways to delight our key customers and grow our wallet shares with them.

The company's global onsite/offshore/nearshore delivery model provides significant cost savings. Our development centres are assessed at SEI CMMI-Level 5, and are also ISO 9001:2000 and TickIT certified. These help us to continually provide high value, high quality deliverables to our clients. We have consistently delivered to exceed client expectations and have established long-lasting relationships with them.


Hexaware's global operations are located in the Americas, Europe and several countries in the Asia Pacific region.

Hexaware

a focus on excellence




Hexaware is a leading global provider of IT, BPO and Consulting services, focusing on delivering real business results from Technology Solutions and branching out into Industry Solutions. We also enjoy a position of leadership in domains such as HR and Business Analytics.



Hexaware has extensive experience in modernising large IT applications and providing high value services around business applications such as SAP, Oracle-PeopleSoft and Business Intelligence Applications. This combination allows us to operate as an enterprise-class solutions company.

In 2006, Hexaware acquired FocusFrame, a US-based specialised testing consulting firm, in an all cash deal. FocusFrame is a California-based firm specialising in automated testing of Enterprise Resource Planning and custom applications. Their business revolves around Systems Verification, Quality Strategy and IT Governance solutions, and various functional, performance, and system stress verification exercises. The Company completed the integration of operations of FocusFrame with Hexaware in 2009 resulting in global Quality Assurance and Testing Services (QATS) organisation.



Our focused approach generates high business value for our clients and the continual stream of repeat business stands testimony to our ability to deliver high quality business solutions. Hexaware focuses on building deep domain expertise strengthening through innovation and intellectual property creation and thereby is able to deliver substantial value through our client engagements.