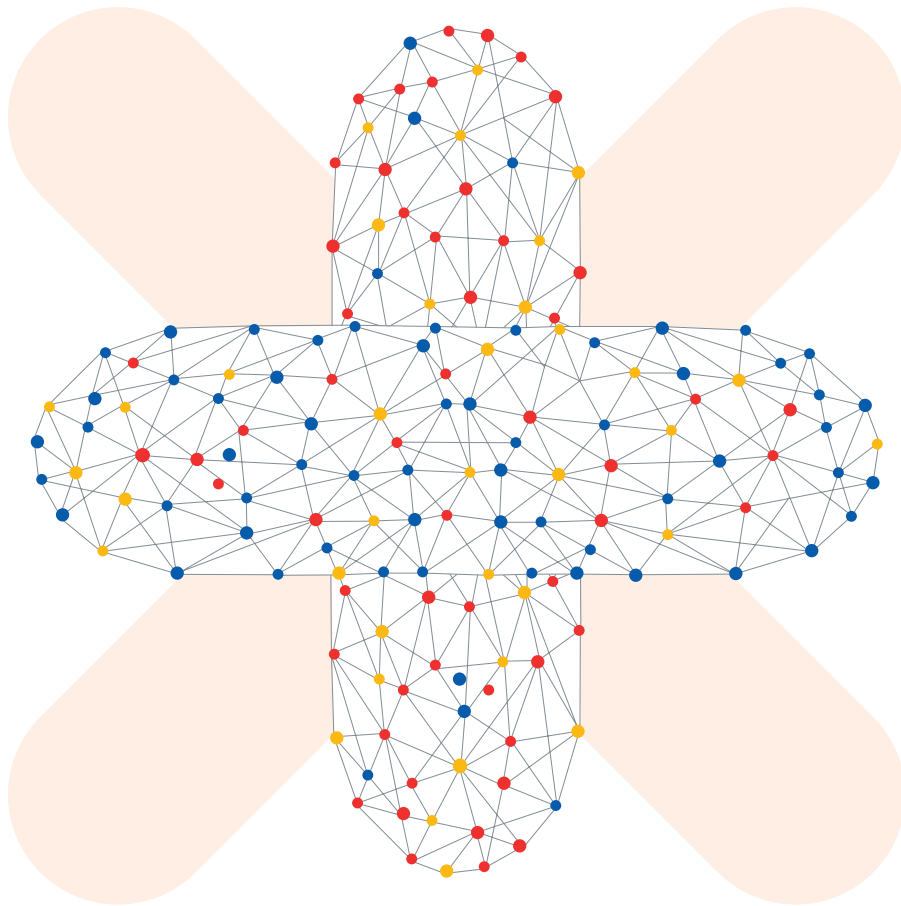


ANNUAL REPORT

**2019**

**HEXAWARE  
TECHNOLOGIES LIMITED**



**Raising the bar** in  
Transforming Customer  
Experiences

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Scan QR code to see annual report online



For more details log on to [www.hexaware.com](http://www.hexaware.com)



### About Cover

The cover design represents how Hexaware is 'Raising the bar' in transforming customer experiences with the acquisition of Mobiquity Inc. in addition to its capabilities to grow across service offerings. The multiplication and the addition sign symbolise the theme of transformation underlying its aspirations to reach the next level.

**Experiences** lay foundations for aspirations. It is the key to success, leading through unexplored pathways, colouring your imagination in myriad hues and charting a roadmap for greater achievements.

Are you ready to  
experience **change?**

**Here we go!**  
Riding on  
Automation  
and Cloud  
Computing.

To thrive and succeed in a fast paced world, our reliance on a flexible and agile platform is more of a necessity than a luxury. Facilitating seamless interactions through automated processes leads to better output, every time. And eventually, it helps to explore truly incredible experiences.

Harnessing the power of automation, we are concentrating on the creation of swift and scalable platforms that can assist human-machine collaborations in the finest possible way. Leveraging the power of Big Data, Artificial Intelligence and Blockchain, we are systematically aiming to empower enterprises with processes that will lead to next-level changes designed to completely Transform Customer Experiences™.

**And we are joining the dots to Automate Everything™, Cloudify Everything™ & Transform Customer Experiences™.**

# We are Hexaware

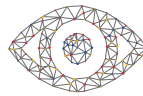
Since 1992, with a strong global presence, we are one of the fastest growing IT services companies in the world. We constantly strive to delight our customers with next-generation emerging technologies and innovative solutions that empower them to succeed in a dynamic digital ecosystem.

Our strategic objective is to deliver digital transformative solutions to our customers underpinned by our three strategic pillars

● **Automate Everything**™

● **Cloudify Everything**™

● **Transform Customer Experiences**™



## Our vision

To amplify human potential using digital technologies



## Our mission

To Transform how IT Services are delivered and to be the first IT services company in the world where half the workforce is digital

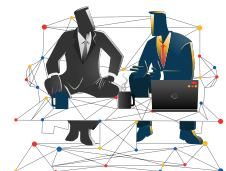
## Core Values



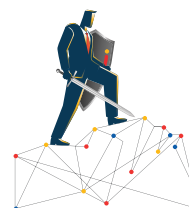
Cool



Disruptive



Highly Passionate



Fearless Attitude



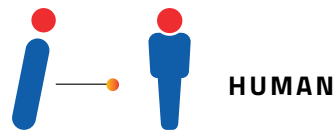
Anchored in the Past



Our brand reflects the progressive change that we are embracing with automation, innovation and artificial intelligence. Our logo symbolises 'Powering Human-Machine Collaboration'. The colors of blue, yellow and red evoke our rich legacy, pulsating energy and fearlessness.



POWERING



HUMAN



MACHINE  
COLLABORATION

34

Offices around  
the globe

50%

Digital workforce  
goal

250+

Customer base

19,999

Employees as on  
31 December 2019

₹ 9,987 Crore

Market Capitalisation as on  
31 December 2019

Multi-lingual

Services offered in over a dozen languages to a wide customer base

# Message from the Chairman



“WE REMAIN  
ONE OF THE  
FASTEST  
GROWING  
IT SERVICES  
COMPANY

**Atul Nishar**  
Chairman

## Dear Shareholders,

It gives me great pleasure to report that Hexaware recorded yet another year of sustained performance in FY 2019. The Company closed the fiscal with significant improvements in revenues, profitability and margins. The results demonstrate the Company's excellent execution capabilities and tireless efforts to achieve excellence.

### Performance overview

Amidst a volatile global economy, the strong double-digit growth in topline, sustained profitability and healthy margins validate Hexaware's strong business model. We remain one of the fastest growing IT services company, adopting varied routes to digitalization, from process automation to cloud related solutions. At Hexaware, we offer a vast range of technologically superior solutions that play a pivotal role to enable enhanced customer experiences. Our ability to offer innovation through automation to more than 263 clients across different industries in over 30 countries, truly makes us a global company and among the leading IT outsourcing companies in Asia.

### Industry review

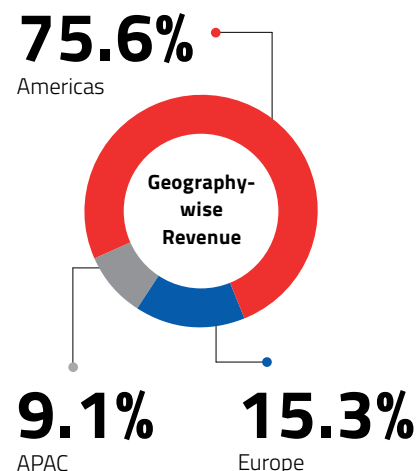
As the global IT industry continues to grow steadily, the Indian IT service sector continues to be one of the biggest contributors of the GDP and export revenues. Worldwide IT spending has been experiencing headwinds primarily led by the pandemic. However, in the long run the sector will continue to sustain job creation, direct and indirect, having matured

from being a cost-effective back office task to an advanced arena, driving digital transformations for leading companies across the globe.

In the recent past, global enterprises have rapidly adopted digital technologies. In a fast paced and ultra-competitive business environment, possessing the best technology to deliver optimum performance is critical to business success and sustainability. While the Covid-19 crisis has challenged every aspect of our customer's business, it strongly reinforces our belief in the role that technology can play as we move ahead. The emerging technologies like AI, ML, Robotic Automation, IoT and AR, among others have helped enterprises improve productivity, monitor performance, automate processes and reduce costs. These technologies when combined with an innovative approach help organizations to bring about transformational changes to their legacy-based business model. With organizations now under tremendous pressure to transform, the role of these emerging technologies becomes more vital than ever.

### Raising the bar

As digital transformation continues to change the operating landscape of several industries, we remain in the forefront with our strategies of – Automate Everything™, Cloudify Everything™ and Transform Customer Experiences™. We further strengthened our Customer Experience strategy with the acquisition of Mobiquity Inc. a leading digital consultancy. By innovating meaningful digital solutions to Transform Customer Experiences™,



Mobiquity helps us derive synergies to explore opportunities for new and existing customers.

In addition we continue to widen our presence across the globe. We strive to be a leader in digital transformation, offering innovative and customized solutions that create significant value for our customers.

I wish to express my regards and appreciation for all our stakeholders including my fellow Board members, management team, employees, customers and partners, for their continuous support. I am confident that, with our sustained commitment and efforts, Hexaware is perfectly positioned to grow and create sustainable value for all.

**Atul Nishar**  
Chairman



# CEO Statement

“AFTER YEARS OF PATIENTLY ACCUMULATING CAPITAL, WE PUT IT TO GREAT WORK IN THE FORM OF ACQUIRING MOBIQUITY INC.

**R. Srikrishna**  
Chief Executive Officer



## Dear Shareholders,

2019 was a landmark year for us. After years of patiently accumulating capital, we put it to great work in the form of acquiring Mobiquity Inc. Every hypothesis we had for the acquisition has been proven true so far, and we believe it will be a critical driver of growth for years to come.

The acquisition was not an isolated action. We are continuously strengthening our capabilities in our core strategy of Automate Everything™, Cloudify Everything™ and Transform Customer Experiences™. In each of these areas we have built substantial depth, partnerships and people skills. We built the first versions of our now patent pending product Amaze™ and tested it with great success with the initial set of customers. Amaze™ helps replatform applications to the cloud with 60-75% of cost and time savings over traditional approaches by using next generation automation. Much of our market share growth was powered by Automation enabling us to displace larger legacy players in many of our customers. Aside from the acquisition, for Transform Customer Experience, we invested significantly in building capabilities organically in areas complementary to Mobiquity.

The war for talent continued to be fierce. The most sustainable way of winning this war is to create talent. We are investing substantially in talent creation and cultural transformation. Over 60% of our employees are in a journey to digital reskilling and we expect close to 100% to be in this journey by end of this year. Own Your Game is a cultural transformation program aimed at creating a workforce where each individual will take pride and accountability of their



work every single day. All of these and other such investments led to an improvement of 5% on our Trust score in our annual GPTW survey.

Our investment in best-of-the-world leadership continues. Dr. Vishwanath Joshi from Great Places to Work is our new CPO. Vikash Jain who joined us as the new CFO from DXC and Ram Singampalli as the COO from Atos-Syntel form our new-look and high-powered corporate team that will improve productivity and take our performance to the next level.

Each area of capability is complemented by some critical, strategic partnerships. Microsoft, AWS, Workday, Pega, Backbase, Guidewire, Salesforce & Adobe are among the most important of our strategic partnerships. Each of these partnerships will help us both improve capabilities and drive incremental growth.

Giving back to the society is inspiring. Aside from contributing substantial dollars, our employees around the world work hard to help improve the communities they work and live in. Our special focus is on children and women from underprivileged backgrounds. We are also proud of our association with some of India's most iconic scientific breakthroughs by Children in the form of the Hyperloop project by IIT Madras and Space Kidz.

The result of these initiatives and investments coupled with our operational rigor has helped us deliver yet another year of great performance in FY2019. Our employee performance index and customer delight index has increased consistently in the last five years. We continue to deliver excellent financial results, with topline and bottom line growing at a CAGR of 15.6% and 13% respectively over the last five years. In FY2019, we recorded a double-digit growth of 17.1% in revenues from previous fiscal, recording USD 793 million, while our PAT stood at USD 91 million, compared to USD 85 million in the previous year.

As I write this letter, we are in the midst of an unprecedented crisis. Covid -19 is a pandemic that impacts and unites all of us.

During these times, our topmost priority has been the safety and health of our employees. We took several measures early on across all our global locations to keep our employees safe. We were one of the earliest in transitioning to the Work-from-Home model, much before the government mandated lockdown. We will continue to act in the best interests of our employees' safety and our return to offices will be gradual and staggered over a longer period even though government mandated lockdowns are lifted.

Over the last couple of months, our employees have been delivering services to our customers globally from the safety of their homes. Collectively, our customers have been delighted both with the speed at which we moved to Work-from-Home, and also at the high levels of productivity, engagement and commitment that our employees have demonstrated during these difficult times. Given our preparedness, very quickly we had 98% of our IT employees working from home. A recent third-party survey showed that Hexaware scored far better than the industry average on customer delight during the Work-from-Home transition, business continuity and ongoing service delivery efforts. I applaud the incredible work and commitment shown by our employees and I am confident that we will continue to deliver exceptional service to our customers through the crisis even in the most trying circumstances.

Finally, we continue our endeavor to help every community that we live and work in. The best way for us to do that today is by building robust technology solutions and experiences for the well-being of our communities at large. We recently developed and launched 'KareRing', a cloud-based Quarantine Zone Care management software solution and mobile application.

Healthcare organizations, community hospitals, governments, NGOs, law enforcers, communities, enterprises and care providers can use the 'KareRing' app to not only manage and limit the outbreak but also provide timely care management to those in quarantine. As responsible corporate citizens, we continue to contribute and help make a positive difference to our communities.

Hexaware has always been fully committed on being there for our employees, customers and society, these difficult times are no different. I am very proud of our response to this crisis and am fully confident that we will continue with the same energy and focus as we move ahead. As organizations adapt to the new normal, technology will be at the forefront of everything and our strategic themes of Automate Everything™, Cloudify Everything™ and Transform Customer Experiences™ are now more relevant than ever. We are well positioned to partner with our customers and help them harness the power of technology in this new world order.

I look forward to the coming year with renewed enthusiasm. While the coming year is going to be challenging driven by the pandemic, I am sure our deep relationships with clients, strategic relationship with our partners, range of relevant portfolio, strong balance sheet and robust operational rigor positions us well to weather these times and gain market share.

I am confident that our ~20,000 Hexawarians will continue to work hard to deliver superior experience for our customers, in turn generating consistent value for our stakeholders. On behalf of the Hexaware family, I would like to thank you for your continued trust and support.

**R Srikrishna**  
Chief Executive Officer

# Message from the Chief Financial Officer

“ I AM PLEASED TO REPORT THAT FOR FY 2019, OUR BOARD OF DIRECTORS APPROVED DIVIDEND OF 425%, AMOUNTING TO ₹8.50 PER SHARE

**Vikash Jain**  
CFO

**D**ear Shareholders,

I am pleased to share with you an update on your Company's performance for 2019. The trust of our clients, dedication of our employees and support of our shareholders helped us deliver great results.

**20.1%**

Growth in Revenue in FY 2019



Read more about our financial highlights on page 14 of the report

