

HEXAWARE TECH

INITIATING COVERAGE

KEY DATA

Rating	BUY
Sector relative	Outperformer
Price (INR)	751
12 month price target (INR)	950
52 Week High/Low	900/590
Market cap (INR bn/USD bn)	457/5.2
Free float (%)	22.5
Avg. daily value traded (INR mn)	738.5

SHAREHOLDING PATTERN

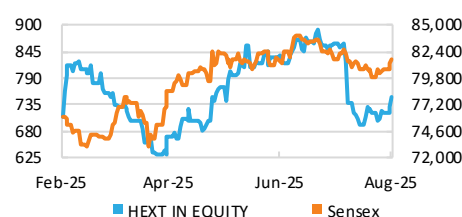
	June-25	Mar-25	Dec-24
Promoter	74.57%	74.71%	na
FII	9.76%	10.59%	na
DII	9.88%	9.05%	na
Pledge	0%	0%	na

FINANCIALS

(INR mn)

Year to March	CY24A	CY25E	CY26E	CY27E
Revenue	1,19,744	1,32,819	1,48,001	1,68,197
EBITDA	18,302	20,932	25,455	29,259
Adjusted profit	11,764	14,442	16,467	19,420
Diluted EPS (INR)	19.4	23.8	27.2	32.0
EPS growth (%)	18.0	22.8	14.0	17.9
RoAE (%)	23.5	24.8	23.9	23.7
P/E (x)	39.2	31.9	28.0	23.7
EV/EBITDA (x)	24.1	20.9	16.8	14.1
Dividend yield (%)	1.2	1.3	1.1	1.1

PRICE PERFORMANCE



In a sweet spot of growth and value

Hexaware (Hexw), with a top line of USD1.4bn and market cap of INR438bn—is part of the mid-cap IT universe, which we believe shall continue to outgrow and outperform large-cap peers. We envisage solid growth over the next few years driven by a revenue base in a ‘sweet spot’, coveted clientele, strong presence across verticals and service lines, and a robust cash flow profile.

Over CY24–27E, we reckon Hexw shall report a revenue CAGR of 11% (USD); alongside, margin expansion of ~250bp shall propel EBIT/EPS CAGR of 19%/18%. Hexw is trading at 28x/24x CY26E/27E PE—in line with mid-cap peers LTIM and Mphasis. Initiate at ‘BUY’ with a TP of INR950, valuing the stock at 30x CY27E PE.

Revenue in sweet spot to outstrip industry growth

Hexw is in a sweet spot today with a revenue base of USD1.4bn and employee base of 32k, leaving ample space for growth while, at the same time, not allowing the large base to drag growth. The company has always had strong capabilities. Its bigger size today (USD1–5bn zone) enables it to chase the bulk of large deals, providing the best-of-both-world benefits. We estimate an 11% USD CAGR over next three years.

Multi-pronged vertical presence and coveted clientele

Hexw has a solid presence in traditional verticals such as BFSI and Manufacturing, right-to-win in niche verticals such as Professional services and Hitech and a formidable presence in growing segments such as Travel and Healthcare. Hexw thus achieves best of both worlds—benefiting from any industry tailwind in traditional verticals and chasing incremental growth in niche verticals. It also has one of the most coveted and diversified clientele in the Tier-2 IT Services space—working with 31 F-500 clients and marquee names in BFSI, Travel, Healthcare and Hitech verticals. Hexw maintains clients for much longer with average tenure of Top-5/Top-10/Top-20 customers at 15/15/12 years. Its client concentration too has improved sharply—share of Top-5/Top-10 falling to 25.7%/35.8% in CY24 from 34.9%/45.2% in CY20.

Stable margins and cash flow profile

Hexw has a robust margin profile akin to mid-cap peers. It has historically posted EBITDA margins in the 15–16% range—except in last three years due to exceptional items (details inside). Going forward, we expect exceptional items to reduce. ERP transformation costs are likely to vanish by H2CY25, as are other costs such as M&A and severance. We reckon adjusted EBITDA margin shall rise 50bp in CY25 and another 50bp over next two years to 17.4% in CY27. All along, it is likely to maintain a stable cash flow profile with OCF/EBITDA of about 84%—outpacing peers.

Recent correction sweetens appeal; initiate at ‘BUY’

Recent correction in the wake of soft Q2CY25 results and commentary has slotted Hexw perfectly between two buckets of high-growth-but-expensive (Coforge, Persistent) and inexpensive-but-low-growth (Top-5) IT stocks. We reckon it shall tide over near-term headwinds as macro environment improves. We believe the CMP offers excellent opportunity to own high-quality business at inexpensive valuation.

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The Story in Charts

Exhibit 1: Hexw to report solid growth over CY24–27E

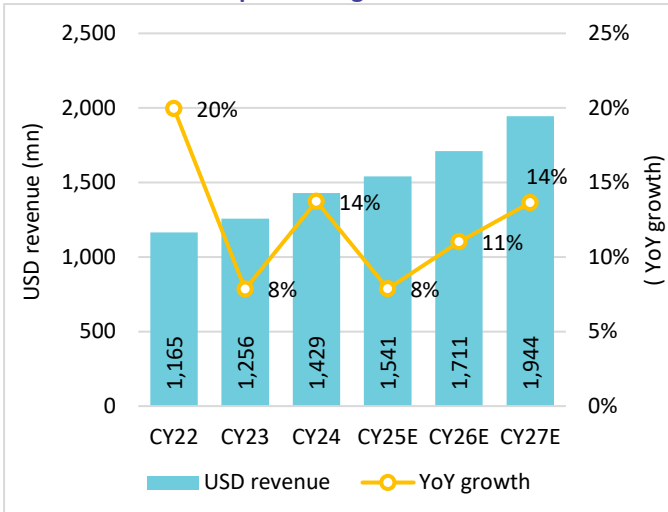


Exhibit 2: Margin expansion to lead strong earnings growth

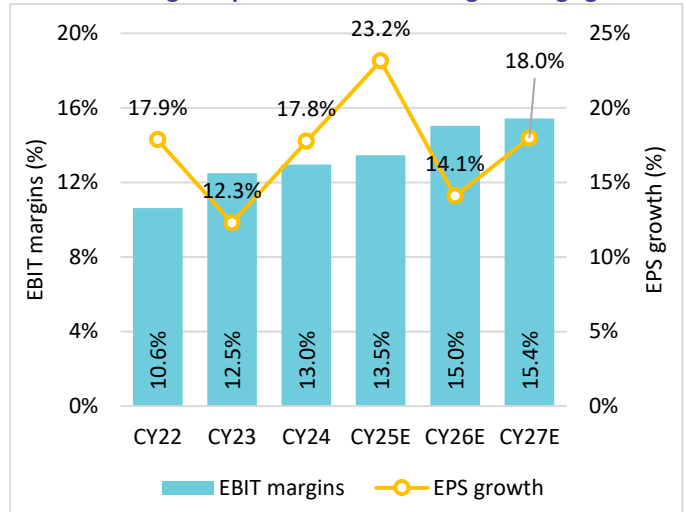


Exhibit 3: Hexw has a diversified vertical presence

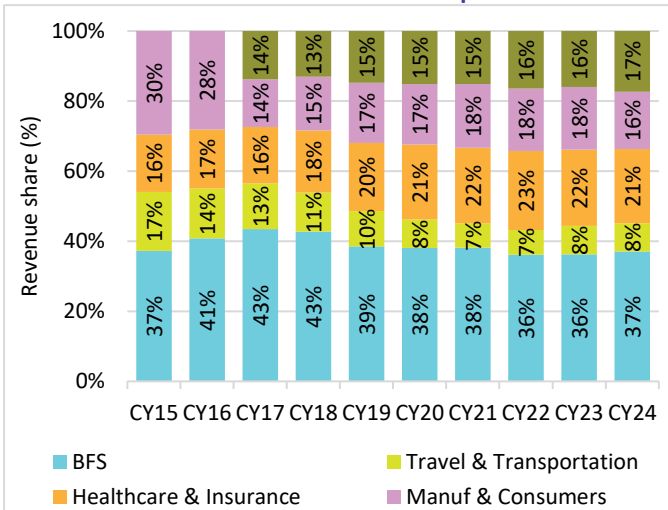


Exhibit 4: Reduced concentration from client diversification

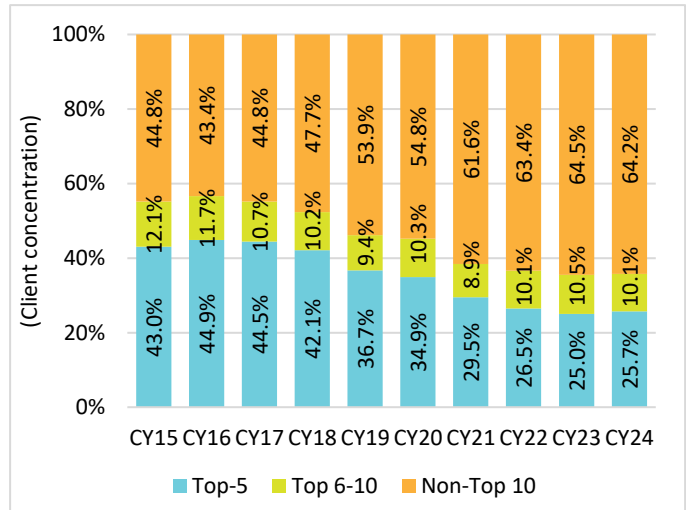


Exhibit 5: Hexw organic growth in line with mid-cap peers

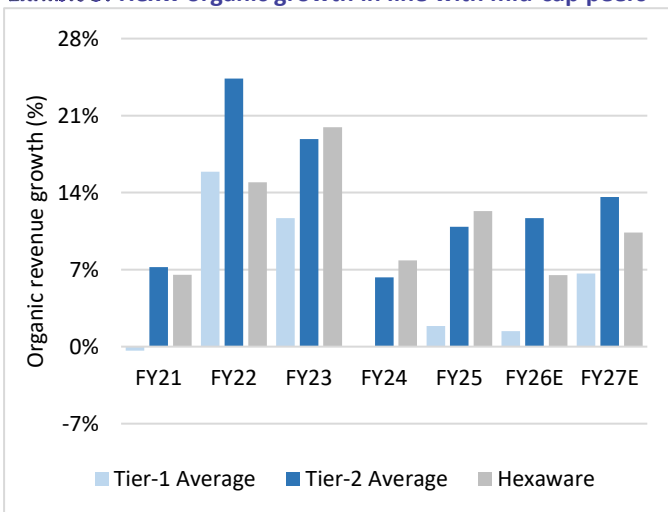
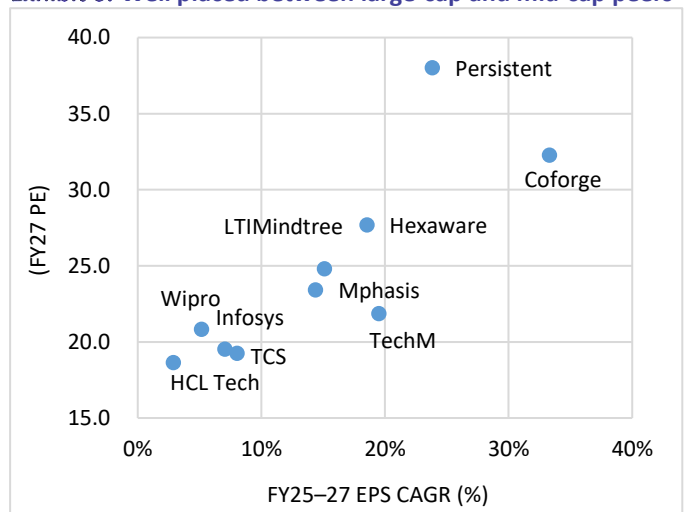


Exhibit 6: Well placed between large-cap and mid-cap peers



Source: Company, Nuvama Research

Financial Statements

Income Statement (INR mn)

Year to December	CY24A	CY25E	CY26E	CY27E
Total operating income	1,19,744	1,32,819	1,48,001	1,68,197
Cost of revenues	69,649	74,805	80,515	91,843
Gross Profit	50,095	58,014	67,486	76,354
SG&A	31,793	37,082	42,032	47,095
EBITDA	18,302	20,932	25,455	29,259
Depreciation	2,788	3,045	3,188	3,284
EBIT	15,514	17,888	22,267	25,975
Add: Other income	749	1,864	570	807
Profit before tax	15,603	18,900	21,993	25,946
Prov for tax	3,863	4,442	5,498	6,487
Less: Other adj	0	0	0	0
Reported profit	11,764	14,442	16,467	19,420
Less: Excp.item (net)	0	0	0	0
Adjusted profit	11,764	14,442	16,467	19,420
Diluted shares o/s	606	606	606	606
Adjusted diluted EPS	19.4	23.8	27.2	32.0
DPS (INR)	8.8	9.8	8.0	8.0
Tax rate (%)	24.8	23.5	25.0	25.0

Important Ratios (%)

Year to December	CY24A	CY25E	CY26E	CY27E
Employees cost	58.2	56.3	54.4	54.6
SG&A	26.6	27.9	28.4	28.0
Depreciation (% of rev)	2.3	2.3	2.2	2.0
EBIT margin (%)	13.0	13.5	15.0	15.4
Net profit margin (%)	9.8	10.9	11.1	11.5
Revenue growth (% YoY)	15.4	10.9	11.4	13.6
EBIT growth (% YoY)	19.6	15.3	24.5	16.7
Adj. profit growth (%)	17.9	22.8	14.0	17.9

Assumptions (%)

Year to December	CY24A	CY25E	CY26E	CY27E
GDP (YoY %)	6.7	6.0	6.2	6.2
Repo rate (%)	6.5	6.0	5.0	5.0
USD/INR (average)	83.0	86.2	86.5	86.5
USD revenue (USD mn)	1,428.9	1,541.3	1,711.0	1,944.5
YoY growth (%)	13.7	7.9	11.0	13.6
CC YoY growth (%)	13.5	7.1	11.0	13.6
Tax rate as % of PBT	24.8	23.5	25.0	25.0
Capex (INR mn)	1,312.0	3,749.8	4,387.7	4,483.7

Valuation Metrics

Year to December	CY24A	CY25E	CY26E	CY27E
Diluted P/E (x)	39.2	31.9	28.0	23.7
Price/BV (x)	8.6	7.3	6.2	5.2
EV/EBITDA (x)	24.1	20.9	16.8	14.1
Dividend yield (%)	1.2	1.3	1.1	1.1

Source: Company and Nuvama estimates

Balance Sheet (INR mn)

Year to December	CY24A	CY25E	CY26E	CY27E
Share capital	608	608	608	608
Reserves	52,961	62,375	73,967	88,524
Shareholders funds	53,569	62,983	74,575	89,132
Minority interest	(23)	(5)	35	75
Borrowings	0	0	0	0
Trade payables	9,140	8,304	8,304	8,304
Other liabs & prov	19,581	20,643	20,643	20,643
Total liabilities	89,945	97,940	1,09,572	1,24,169
Net block	10,358	11,063	12,263	13,463
Intangible assets	27,237	26,441	26,441	26,441
Capital WIP	1,308	1,592	1,592	1,592
Total fixed assets	38,903	39,096	40,296	41,496
Non current inv	4	5	5	5
Cash/cash equivalent	19,872	23,558	33,990	47,387
Sundry debtors	12,914	14,183	14,183	14,183
Loans & advances	0	0	0	0
Other assets	15,407	18,168	18,168	18,168
Total assets	89,945	97,940	1,09,572	1,24,169

Free Cash Flow (INR mn)

Year to December	CY24A	CY25E	CY26E	CY27E
Reported profit	15,603	18,900	21,993	25,946
Add: Depreciation	2,788	3,045	3,188	3,284
Interest (net of tax)	284	851	844	836
Others	555	0	0	0
Less: Changes in WC	(628)	0	0	0
Operating cash flow	15,480	18,355	20,527	23,579
Less: Capex	(1,312)	(3,750)	(4,388)	(4,484)
Free cash flow	14,168	14,605	16,139	19,095

Key Ratios

Year to December	CY24A	CY25E	CY26E	CY27E
RoE (%)	23.5	24.8	23.9	23.7
RoCE (%)	24.5	25.9	24.9	24.5
Div Payout Ratio(%)	45.1	40.9	29.4	25.0
Working cap/Sales (%)	(3)	0	0	0
Receivable days	41	37	35	31
Asset Turnover Ratio	0.7	0.7	0.7	0.7
Current Ratio	1.6	1.8	2.2	2.7
Net debt/equity (x)	(0.4)	(0.4)	(0.5)	(0.5)

Valuation Drivers

Year to December	CY24A	CY25E	CY26E	CY27E
EPS growth (%)	18.0	22.8	14.0	17.9
RoE (%)	23.5	24.8	23.9	23.7
EBITDA growth (%)	15.8	14.4	21.6	14.9
Payout ratio (%)	45.1	40.9	29.4	25.0

Investment Rationale

Hexaware Technologies (Hexw), with a top line of USD1.4bn and market cap of INR438bn—is part of the mid-cap IT universe, which we believe would continue to outgrow and outperform the sector, and more specifically large-cap peers. We foresee solid growth from Hexw over the next few years driven by revenue base in a ‘sweet spot’, coveted clientele, strong vertical and horizontal presence, and a solid cash flow profile. We base our investment thesis on the following:

Perfectly placed for strong growth

In our Dec-23 report (read [here](#)), we had highlighted how Tier-2 mid-cap IT Services companies had undergone the transition from “Boys to Men” and were now capturing market share at a rapid pace with their strong top-line growth. Hexw has all the characteristics (and more) of these Tier-2 IT companies and we forecast it shall be part of the Tier-2 IT companies, which have transitioned from erratic low-growth mid-tier IT companies to sizeable and consistently fast-growing companies.

- 1) **Revenue in sweet spot:** Hexw is in a sweet spot today with a revenue base of USD1.4bn and employee base of 32k. This leaves ample scope for growth while, at the same time, it does not allow the large base to drag growth.
- 2) **Ability to win large deals:** A substantial share of large deals, historically and even today, are awarded through vendor consultants. The bigger size today (USD1–5bn) enables Hexw to participate in a majority of deals. Hence, its size—once an inhibitor of growth—has now become an enabler of growth.
- 3) **Always possessed strong delivery capabilities:** Hexw, having competed with the large IT Services companies, always had strong delivery capabilities across legacy technology platforms. Furthermore, the company has been a big beneficiary of the new-age technology platforms—giving it delivery capabilities across the technology spectrum.

Exhibit 7: Mid-caps have outpaced large-caps post-covid

USD Revenue (YoY growth)	FY20	FY21	FY22	FY23	FY24	FY25
TCS	5.4%	0.6%	15.9%	8.6%	4.1%	3.8%
Infosys	8.3%	6.1%	20.3%	11.7%	1.9%	3.9%
HCL Tech	15.1%	2.4%	12.8%	9.6%	5.4%	4.3%
Wipro	1.7%	-1.4%	27.3%	7.8%	-3.2%	-2.7%
Tech Mahindra	4.3%	-1.4%	17.4%	10.1%	-5.0%	-0.2%
Tier-1 Average	6.9%	1.3%	18.7%	9.6%	0.7%	1.8%
LTIMindtree	11.2%	5.1%	27.5%	17.2%	4.4%	4.8%
Coforge	12.3%	5.8%	38.0%	15.6%	11.7%	29.2%
Persistent	4.3%	12.8%	35.2%	35.3%	14.5%	18.8%
Mphasis	10.8%	5.6%	21.7%	7.8%	-6.3%	4.4%
Hexaware	17.1%	6.5%	14.9%	20.0%	7.8%	13.7%
Tier-2 Average	11.1%	7.2%	27.5%	19.2%	6.4%	14.2%

Source: Company, Nuvama Research (For Hexw, FY26 = CY25, FY27 = CY26)

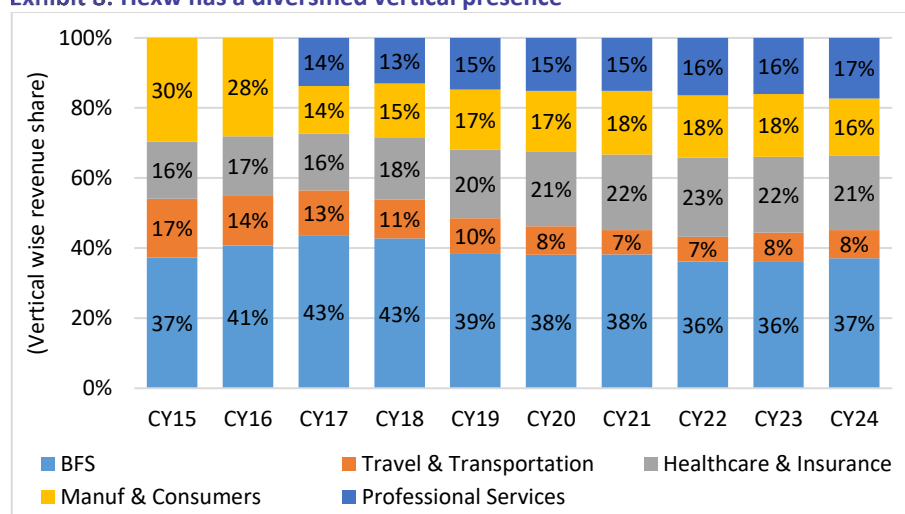
Multi-pronged vertical presence

Hexaware has a multi-pronged vertical presence:

- solid presence in traditional verticals such as BFSI and Manufacturing;
- right-to-win in niche verticals such as Professional Services and Hitech; and
- formidable presence in growing segments such as Travel and Healthcare.

The same helps the company in achieving best of both worlds—benefiting from any industry tailwind in traditional verticals (BFSI, Manufacturing), and chasing incremental growth in niche verticals (Hitech, Travel and Healthcare).

Exhibit 8: Hexw has a diversified vertical presence



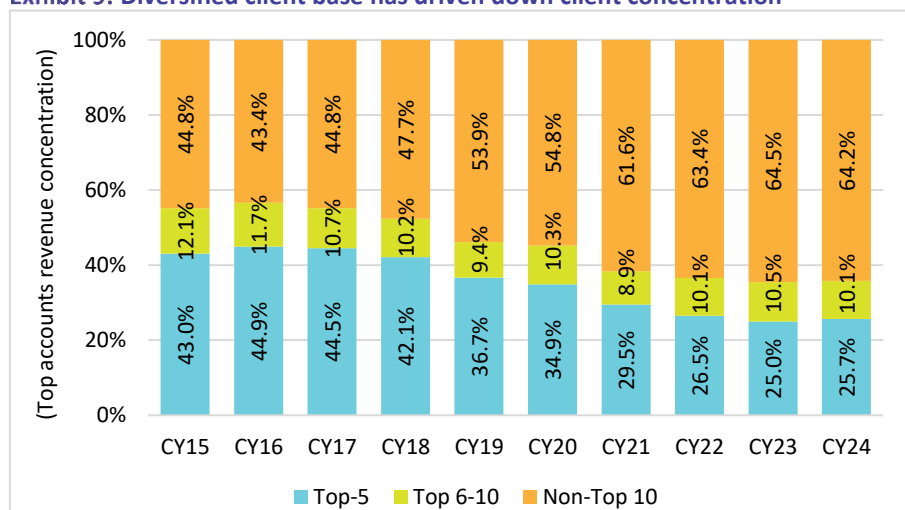
Source: Company, Nuvama Research

Coveted clientele

Hexw has one of the most coveted and diversified clientele in the Tier-2 IT Services space. Today it works with:

- three out of the top six global audit and advisory firms;
- 11 of the top 60 banks in the US ranked by assets;
- three of the top ten global life sciences firms by market capitalisation;
- three of top five global manufacturing organisations by market ;
- four of the top 50 global retail and CPG organisations by revenue;
- six of the top 20 global hi-tech companies by market capitalisation; and
- three of the top five airlines in North America by revenue.

Exhibit 9: Diversified client base has driven down client concentration



Source: Company, Nuvama Research

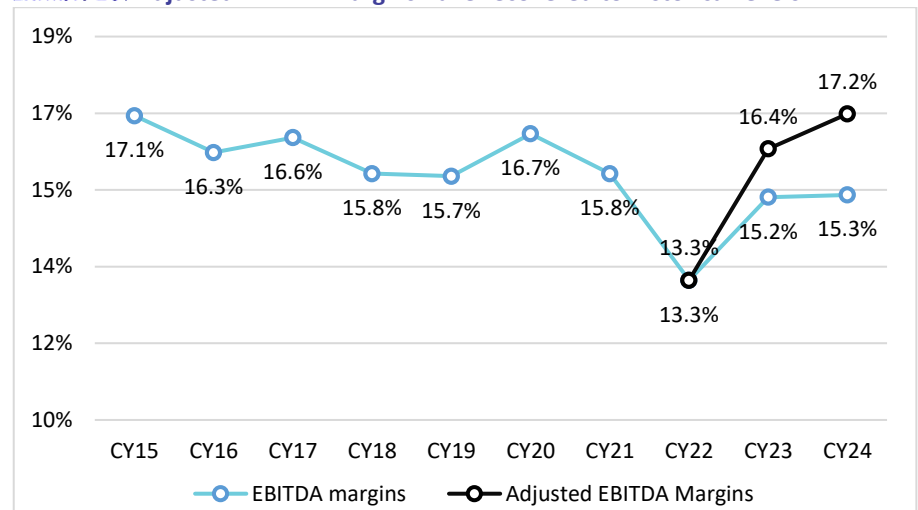
Hexw's high service levels also mean that it maintains its clients for a much longer period and sees little churn. The average tenure of its relationships with its Top-five/Top-ten/Top-20 customers is 15/15/12 years. Its client concentration too has come down sharply over the last ten years—with share of Top-five/Top-ten falling to 25.7%/35.8% in CY24 from 34.9%/45.2% in CY20.

Stable margins and cash flow profile

Hexw has a stable margin profile akin to midcap peers. The company has historically reported EBITDA margins in the 15–16% range – except in the last three years, for the following reasons:

- CY22 margins, at 13.3% (-250bp YoY) were hurt by supply-side inflation, higher subcontracting and travel costs and unwinding of discretionary expenses.
- In CY23, margins recovered to 15.2% (+190bp YoY) on the back of lower attrition, operating leverage, etc.
- While reported margins in CY24 remained flat YoY, they were again affected by multiple exceptional items (details inside). Adjusted for these, margins would have been 17.2% in CY24.

Exhibit 10: Adjusted EBITDA margins have recovered to historical levels



Source: Company, Nuvama Research

Going forward, we estimate these exceptional items shall come down. The ERP transformation costs are likely to vanish by H2CY25, as are other costs such as M&A and severance. We forecast adjusted EBITDA margin shall recover by 50bp in CY25E and further 50bp over the next two years, reaching 17.4% in CY27E. All along, it is likely to maintain a stable cash flow profile with OCF/EBITDA in the range 84%—superior to peers.

Diverse service capabilities and platforms; stable operations

Hexw partners with customers across industries, and helps customers to build, transform, run and optimise their technology and business processes through differentiated offerings. Hexaware's proprietary platforms, RapidX, Tensai and Amaze, play a pivotal role in its service offerings, emphasising digital transformation and operational efficiency. Its go-to-market strategy is focused on acquiring scalable customer accounts. It follows a 'Land, Ramp and Expand' model to build scaled customer accounts through consistent delivery and meaningful engagement with relevant stakeholders.

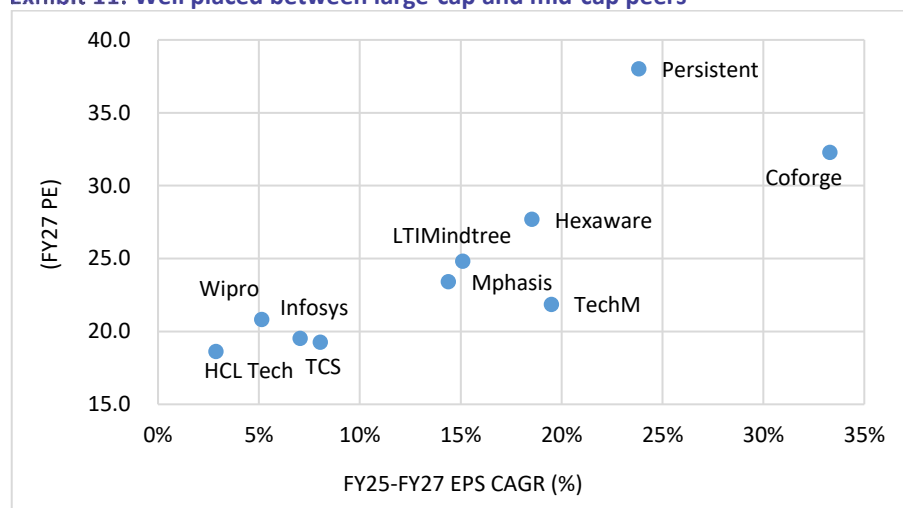
Hexw has a global delivery presence, which allows it to service customers in a flexible and cost-effective manner, by leveraging platforms through its talent pool and an efficient onshore-offshore service delivery mix. Proximity to customers, in particular, enables the company to address changing customer needs in a timely manner. As on June 30, 2025, Hexw had 32,410 employees across 38 delivery centres and 16 offices in 28 countries. Its delivery capabilities cover numerous time zones, languages and regulatory zones.

Peer comparison—well placed

As we have been highlighting, Hexw is part of the Tier-2 IT services companies that have been outgrowing and outperforming Tier-1 peers over the last for few years. We estimate the outperformance shall continue. In this pack of Tier-2 companies, Coforge and Persistent lead the pack with strong high-teen USD revenue growth expectations, over the next two years. Hexw is currently placed with LTIMindtree and Mphasis—companies likely to report high single-digit growth in FY26E and double-digit growth in FY27E.

Hexaware is slotted perfectly between two buckets of high-growth-but-expensive and inexpensive-but-low-growth buckets. We reckon the company shall maintain its stronghold in this bucket representing reasonable growth at reasonable valuation.

Exhibit 11: Well placed between large-cap and mid-cap peers



Source: Company, Nuvama Research (*TechM an exception here due to low base)

Valuations attractive

Hexw is currently trading at 24x CY26 and 28x CY27 PE. This is broadly in line with the multiple at which the Tier-2 IT Services companies are currently trading. Moreover, just like the last five years, Quality Tier-2 companies are now trading at a sharp premium to their historical average and to large-cap peers—driven by higher growth and more stable, diversified and competitive business models. We forecast Hexw shall continue enjoying this premium and valuations to remain at a premium to large-cap peers.

Over the next three years (CY24–27), we estimate Hexw shall report an 11% USD revenue CAGR. Margin expansion of around 250bp over this period should lead to EBIT/EPS CAGR of 19%/18%. We are valuing Hexw at 30x CY27 PE—in line with our target multiple for LTIM (30x) and Mphasis (28x). The target multiple is at a discount to our target multiple for Coforge (35x) and Persistent (48x), but at a premium to large-cap peers (18–25x). We are initiating coverage on Hexaware with a ‘BUY’ rating and target price of INR950.

Perfectly placed for strong growth

Over the last six years (including pre-covid, during covid and post-covid), we have seen Quality Tier-2 IT firms such as Coforge, Persistent, LTIMindtree and Mphasis consistently outperform the industry and their large-cap peers with strong double-digit growth in USD revenue. At the same time, large-caps have decelerated significantly, reporting single-digit USD revenue growth over the last three years. We foresee Hexw—recently (re)listed—as part of Quality Tier-2 IT companies, which have reported double-digit growth over the last six years, and are likely to continue to outperform large-cap peers.

Exhibit 12: Mid-caps have outperformed large caps post-covid

USD Revenue (YoY growth)	FY20	FY21	FY22	FY23	FY24	FY25
TCS	5.4%	0.6%	15.9%	8.6%	4.1%	3.8%
Infosys	8.3%	6.1%	20.3%	11.7%	1.9%	3.9%
HCL Tech	15.1%	2.4%	12.8%	9.6%	5.4%	4.3%
Wipro	1.7%	-1.4%	27.3%	7.8%	-3.2%	-2.7%
Tech Mahindra	4.3%	-1.4%	17.4%	10.1%	-5.0%	-0.2%
Tier-1 Average	6.9%	1.3%	18.7%	9.6%	0.7%	1.8%
LTIMindtree	11.2%	5.1%	27.5%	17.2%	4.4%	4.8%
Coforge	12.3%	5.8%	38.0%	15.6%	11.7%	29.2%
Persistent	4.3%	12.8%	35.2%	35.3%	14.5%	18.8%
Mphasis	10.8%	5.6%	21.7%	7.8%	-6.3%	4.4%
Hexaware	17.1%	6.5%	14.9%	20.0%	7.8%	13.7%
Tier-2 Average	11.1%	7.2%	27.5%	19.2%	6.4%	14.2%

Source: Company, Nuvama Research (For Hexw, FY26 = CY25, FY27 = CY26)

In our Dec-23 report (read [here](#)), we had highlighted how these Tier-2 mid-cap IT Services companies had undergone the transition from “Boys to Men” and were now capturing market share at a rapid pace with their strong top-line growth. Hexw has all the characteristics (and more) of these Tier-2 IT companies and we estimate it shall be part of the Tier-2 IT companies, which have transitioned from erratic low growth mid-tier IT companies to sizeable and consistently fast-growing companies. We highlight the following reasons for the outperformance to continue:

- 1) **Revenue in sweet spot:** Hexw is in a sweet spot today with respect to its top line. In the USD1bn–5bn bracket, it is no longer the USD500–800mn company with fewer than 20,000 employees. A strong 20%-plus revenue CAGR over FY21–23 has catapulted it to the league of USD1bn-plus with more than 30,000 employees. This leaves ample space for growth while, at the same time, it does not let the large base drag growth.

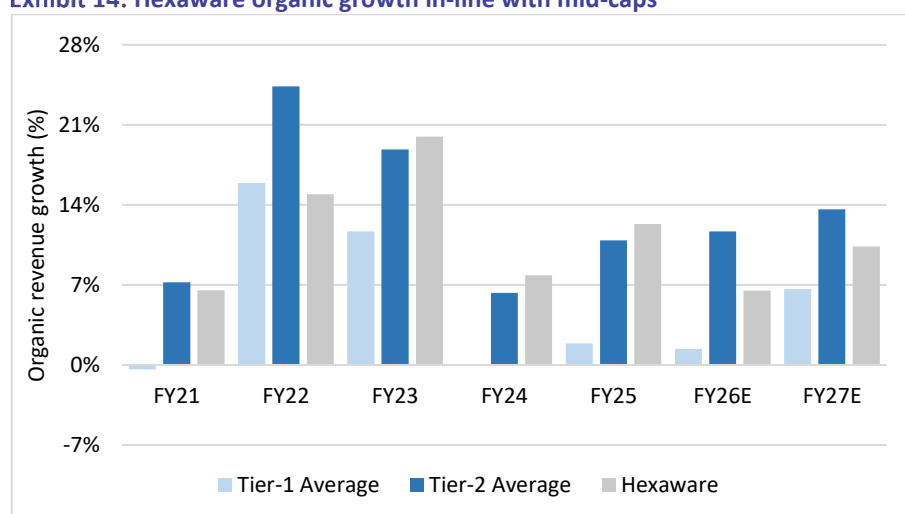
Exhibit 13: Tier-2 IT companies have grown sharply over past five years

Companies	5 years ago (FY21)		Today (FY25)	
	Revenue (USD, mn)	Employee headcount	Revenue (USD, mn)	Employee headcount
LTIM	2,747	59,805	4,493	84,307
Coforge	628	12,391	1,468	33,497
Persistent	566	13,680	1,409	24,594
Mphasis	1,309	29,473	1,681	31,442
Hexaware	845	19,833	1,429	32,309

Source: Company, Nuvama Research

- 2) **Ability to win large deals:** A substantial share of large deals, historically and even today, are awarded through vendor consultants. That requires pre-qualification in terms of scale (revenue, employee base, etc). This always meant that smaller Tier 2 companies, despite excellent delivery capabilities (if they had them) were not even invited for these deals, which meant the deals ended up in the hands of the usual suspects, the larger peers. Hexw's bigger size today (USD1–5bn) enables it to participate in a majority of deals. Hence, its size, once an inhibitor of growth, has now become an enabler of growth.
- 3) **Always had strong delivery capabilities:** Hexw, just like Tier-2 peers, was born in the early 2000s and competed with the likes of TCS, Cognizant, Satyam and Infosys to win deals involving multiple technology platforms. This helped Hexw to develop strong delivery capabilities across platforms. Moreover, it has been a big beneficiary of the new-age technology platforms—giving it delivery capabilities across the technology spectrum.

Exhibit 14: Hexaware organic growth in-line with mid-caps



Source: Company, Nuvama Research

Exhibit 15: We reckon mid-caps shall outpace large-caps (FY25–27E)

	USD revenue growth (% YoY)			EPS growth (% YoY)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E
TCS	3.8%	0.4%	7.5%	3.6%	6.9%	9.2%
Infosys	3.9%	4.4%	6.5%	1.7%	5.9%	8.2%
HCL Tech	4.3%	4.5%	7.1%	10.7%	0.0%	10.6%
Wipro	-2.7%	-0.9%	5.5%	18.7%	0.9%	4.9%
Tech Mahindra	-0.2%	1.7%	6.7%	59.5%	22.3%	16.8%
LTIMindtree	4.8%	5.3%	9.0%	0.4%	15.1%	15.1%
Coforge	29.2%	30.0%	18.4%	9.1%	43.3%	24.0%
Persistent	18.8%	17.0%	18.7%	26.5%	25.3%	22.3%
Mphasis	4.4%	7.2%	11.6%	9.5%	12.5%	16.3%
Hexaware	13.7%	7.9%	11.0%	17.6%	23.2%	14.1%

Source: Company, Nuvama Research (For Hexw, FY26 = CY25, FY27 = CY26)

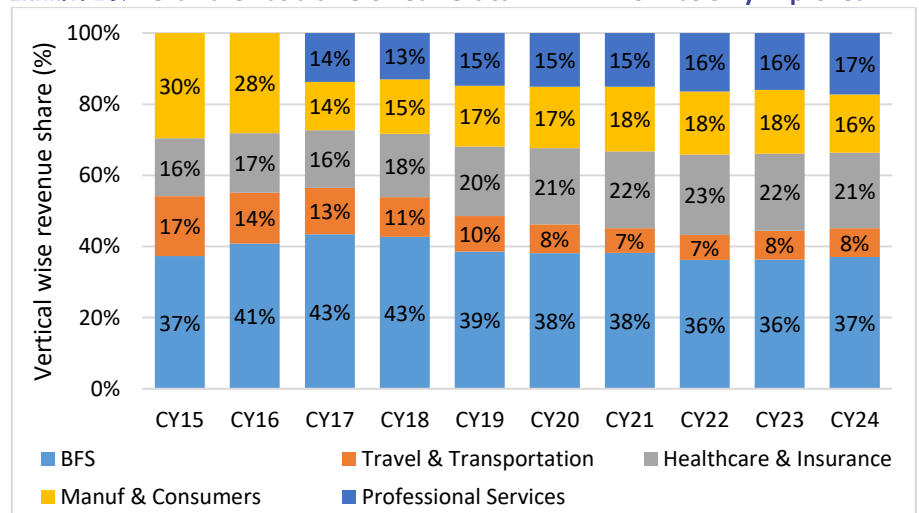
Multi-pronged vertical presence

Hexaware has a multi-pronged vertical presence, very much like midcap peers. The company has a:

- solid presence in **traditional verticals** such as BFSI and manufacturing;
- right-to-win in **niche verticals** such as Professional services and Hitech; and
- formidable presence in **growing segments** such as Travel and Healthcare.

The same helps the company achieve the best of both worlds—benefiting from any industry tailwind in traditional verticals (BFSI, Manufacturing), and chasing incremental growth in niche verticals (Hitech, Travel and Healthcare).

Exhibit 16: Hexaware has a diversified vertical mix – which has only improved



Source: Company, Nuvama Research

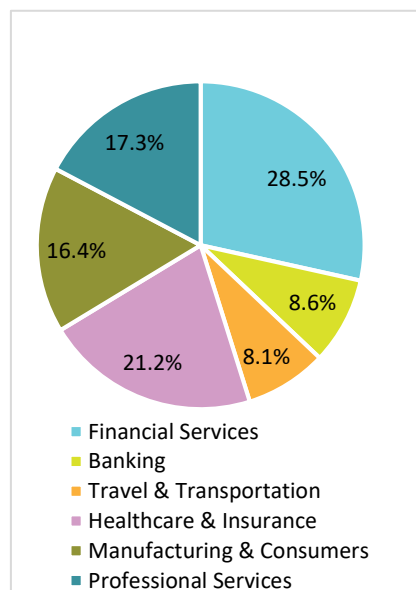
Exhibit 17: Broad-based growth across all verticals over past three years

Vertical wise YoY growth	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Banking and Financial Services	23.0%	18.4%	23.2%	9.8%	5.5%	5.3%	15.2%	13.7%	8.1%	16.2%
Financial Services	-	-	-	-	-	-	-	17.5%	1.5%	19.2%
Banking	-	-	-	-	-	-	-	0.7%	34.4%	7.5%
Travel & Transportation	14.1%	-7.6%	5.1%	-4.9%	5.5%	-13.9%	-2.1%	21.7%	24.8%	13.7%
Healthcare & Insurance	14.4%	11.3%	11.5%	22.8%	28.4%	16.8%	16.0%	25.5%	3.6%	11.1%
Manufacturing & Consumers	6.8%	2.9%	-44.2%	25.9%	31.1%	7.4%	20.9%	17.3%	8.5%	4.2%
Professional Services	NA	NA	NA	5.8%	32.7%	8.7%	14.9%	30.3%	5.2%	23.0%

Source: Company, Nuvama Research

Hexw has strong unique capabilities in these verticals, helping it to report well-diversified growth across these verticals:

Vertical breakdown – CY24



- **BFS:** In the banking segment, Hexw primarily works in sub-verticals of digital banking, payments, cards and consumer banking. In the financial services space, it works in mortgage and lending, asset management and servicing, trade finance, exchanges, private equity firms and global benchmarks and data providers. In this vertical, Hexw boasts of two large government-sponsored entities (GSE) clients apart from working for 11 of the top 50 global asset management firms by AUM and 11 of the top 60 banks in US ranked by assets.
- **Healthcare and insurance:** In the Healthcare and Insurance segment, Hexw works primarily in property & casualty insurance, life insurance, brokerage, reinsurance and diversified, life sciences, health insurance or payer and provider. In this vertical, Hexw work with three of the top ten global life sciences firms and five of the top 20 global insurers (by market capitalisation).
- **Manufacturing and consumer:** In the manufacturing and consumer operating segments, its sub-verticals include manufacturing, retail and consumer, education, energy, telecom and utilities. Here, Hexw has three of the top five global manufacturing organisations by market capitalisation as its clients. Manufacturing and consumer form 50% each of this overall vertical.
- **Hi-tech and professional services:** In the Hi-Tech and Professional Services segment, the sub-verticals for Hexw include independent software vendors, platforms and products, hyperscalers, tax, audit & accounting, legal risk & compliance and advertising & marketing. In Hi-tech sub-segment (25% of the vertical revenue), Hexw works with the leading hyperscalers—six of the top 20 global hi-tech companies by market capitalisation. In Professional Services (75% of vertical revenue), it boasts of three out of the top six global audit and advisory firms and two out of the top five global legal firms as its clients.
- **Travel and Transportation:** In the Travel and Transportation segment, Hexw works with airlines and airports, travel technology, logistics and transportation, hotels and the entertainment industry clients. Here too, three of the top five airlines in North America by revenue, are Hexw's clients.

Hexaware's unique vertical presence has a lot to do with how the company (and many other mid-cap) IT services companies started their operations. Most of these mid-cap IT companies were 'born' in the 1990–2000 period. The decades logged a surge in demand for IT offshoring once the Indian IT companies demonstrated their technological acumen and delivery capability in resolving the Y2K issue for the world. This led to spawning of IT services companies across the country—Mphasis, Mindtree, NIIT Tech and Hexaware were all born out of this wave of IT offshoring.

While the demand was colossal, so was competition. Players such as TCS, Infosys, Cognizant and Satyam had already become quite large and it was difficult to compete with them in their domains. Hence, most 'newly born' IT companies resorted to a smart 'play it down' strategy. Most of these companies focused on a vertical/domain that was:

- large enough to offer them an opportunity to grow and become big; and
- small enough for the larger IT companies to overlook them.

Hence, Mindtree chose retail/electronics, NIIT Tech chose travel and Hexaware chose sections of BFS leading to these companies garnering a higher share in their niche verticals. It is worth appreciating that this niche segment was also the reason these companies could come into existence, to begin with, and thereafter expand to other verticals, building on their delivery track record in the original niche segment.

Another set of Tier-2 IT services companies are the ones that emerged from captives of some clients. Companies such as KPIT (Cummins), TechM (BT) and Mphasis (HP) were captives of some of the larger global corporates. As demand for IT offshoring picked up, parent companies decided to spin off these captives as independent entities also courting third-party revenues. However, the parent's domain became their USP or the niche vertical.

Exhibit 18: Most Tier-2 companies were born focusing on niche verticals

Original company	Current avatar	Started ops in	Key verticals then	Key clients then
LTI	LTI Mindtree	1996	BFSI	Citigroup
Mindtree	LTI Mindtree	1999	Electronics, Retail	
NIIT Ltd	Coforge	1992	Travel	Airlines, AAI
Mphasis BFL	Mphasis	2000	BFSI	HP
Aptech Ltd	Hexaware	1990	BFSI	
Persistent Systems	Persistent Systems	1990	Hitech (OPD)	IBM
KPIT Cummins	KPIT Tech	1990	E&U, Auto	Cummins
Mahindra-BT	Tech Mahindra	1986	Telecom	British Telecom

Source: Company, Nuvama Research

Fast forward to the present and the business profiles of most mid-caps has expanded significantly. Years of expanding their business, in domains other than their key niche vertical has led to a business profile that offers them the best of both the worlds. Their profiles closely resembles their larger peers—with BFSI being the largest vertical for most of them—just like Tier-1 companies. Furthermore, the strong presence (or right-to-win) in their niche vertical supplements the growth that they would be able to generate from the larger generic segments.

Exhibit 19: Tier-2 companies have a highly diversified business mix today – mimicking Tier-1 peers

FY25	BFSI	Manuf	Retail	Telecom	Hi-Tech, Media	Healthcare	Transport	E&U	Others
TCS	30.8%	8.6%	15.3%	5.9%	8.0%	10.4%	-	5.7%	15.3%
Infosys	27.7%	15.5%	13.6%	11.7%	8.0%	7.3%	-	13.3%	2.9%
Wipro	34.3%	17.4%	19.1%	-	15.3%	14.1%	-	-	-
HCLT	20.7%	19.1%	9.8%	12.6%	13.2%	15.5%	-	-	8.9%
TechM	16.1%	17.3%	7.9%	33.0%	13.9%	7.5%	-	-	4.2%
LTIMindtree	36.1%	19.0%	14.3%	-	24.5%	6.1%	-	-	-
Mphasis	60.0%	-	-	16.8%	-	10.7%	12.5%	-	-
Persistent	31.6%	-	-	-	41.1%	27.3%	-	-	-
Coforge	48.8%	25.5%	-	-	-	-	18.3%	-	7.4%
Hexaware	37.1%	16.4%			17.3%	21.2%	8.1%		

Source: Company, Nuvama Research (For Hexw, FY25 = CY24)

Coveted clientele

Hexw has probably one of the most coveted and diversified clientele in the Tier-2 IT Services space. Traditionally, Tier-1 IT services companies have grabbed the who's who of global clientele—large US banks, retail chains, manufacturing conglomerates, etc. Tier-2 companies—due to their smaller size, perception of lower delivery capabilities—have had to settle with second rung of clientele. However, in the last two decades, Hexw has created a niche for itself, in each of its segments.

Today Hexw works with 31 Fortune 500 (F-500) clients. These include:

- 11 of the top 50 global asset management firms by AUM;
- three of the top ten global life sciences firms by market capitalisation;
- five of the top 20 global insurers by market capitalisation;
- three of the top five global manufacturing organisations by market cap;
- four of the top 50 global retail and CPG organisations by revenue;
- six of the top 20 global hi-tech companies by market cap;
- three out of the top six global audit and advisory firms;
- two out of the top five global legal firms;
- 11 of the top 60 banks in the US ranked by assets; and
- three of the top five airlines in North America by revenue.

Hexw's smart positioning has also helped it to gain large clients in the niche space. Today it works with the two largest secondary mortgage providers in the US—a segment not much explored by its competitors. Similarly, it has three of the top-six global audit & advisory firms—one of them is among Top-three accounts—again a niche space. This has helped Hexw mine deep into these clients—providing the company with both size and quality, with respect to its clients.

Hexw's high service levels also mean that it maintains its clients for a much longer period and sees little churn. The average tenure of its relationships with its Top-5/Top-10/Top-20 customers is 15/15/12 years. Strong delivery capability ensures Hexw's customers remain highly satisfied – an NPS score of 72 (much-above industry average) as well one of the highest Measured Customer Satisfaction score.

Exhibit 20: Hexw has a strong relationship with clients



Source: Company, Nuvama Research

Over the last ten years, Hexw has grown strongly and outside its top client as well. This has resulted in its client concentration coming down sharply over the last ten years—with share of Top-5/Top-10 falling to 25.7%/35.8% in CY24 from 34.9%/45.2% in CY20.

Exhibit 21: Top-5/Top-10 client concentration has fallen sharply over five years

Top accounts revenue share	CY20	CY21	CY22	CY23	CY24
Top-5	34.9%	29.5%	26.5%	25.0%	25.7%
Top-10	45.2%	38.4%	36.6%	35.5%	35.8%
Top 20	56.7%	51.3%	48.4%	48.7%	49.7%

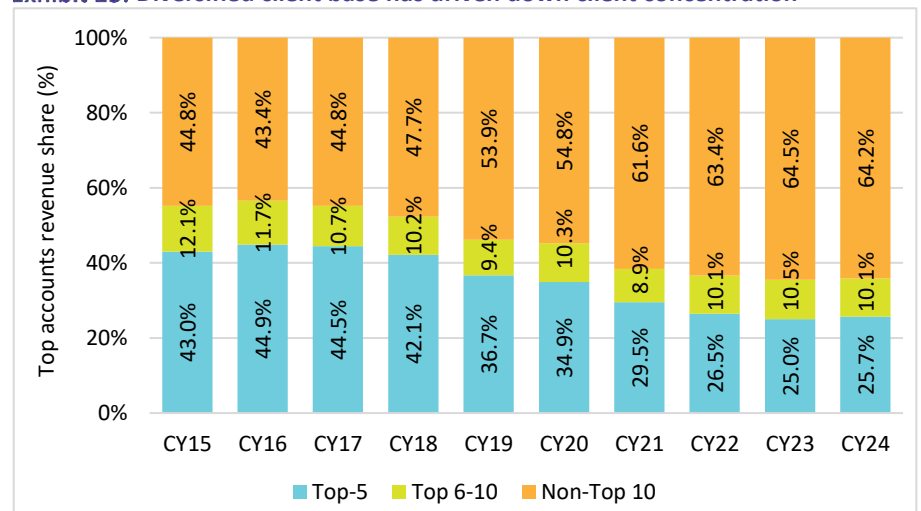
Source: Company, Nuvama Research

Exhibit 22: Client base has expanded smartly over last four years

Client size	CY21	CY22	CY23	CY24
USD75mn+	1	2	2	3
USD50mn+	3	3	3	3
USD20mn+	6	9	11	15
USD10mn+	19	28	29	31
USD5mn+	43	51	54	61
USD1mn+	141	170	171	186

Source: Company, Nuvama Research

Exhibit 23: Diversified client base has driven down client concentration



Source: Company, Nuvama Research

Key client testimonial – Fannie Mae

Hexw began its relationship with Fannie Mae, a secondary mortgage provider in the US, in 2008 with services related to software development, data platform development and application modernisation services. The company gradually expanded its services into other areas, including application development, enterprise data management and implementation of backend systems such as PeopleSoft, cloud transformation and modernisation of their legacy applications, leveraging Amaze and RapidX in its service delivery. Hexw also contributed to several of Fannie's strategic initiatives in business functions such as developing and supporting mortgage forecasts and supporting risk controls. Fannie Mae is now one of its top-three customers, about to reach an annual run rate of USD100mn.

Diverse service capabilities and platforms

Hexw partners with customers across the industries in which it is present, and helps customers to build, transform, run and optimise their technology and business processes through differentiated offerings:

- **Design and Build:** Helps companies to launch new products and drive core transformation through digital technologies, leveraging custom software development as well as implementation and enhancement of commercial off-the-shelf software such as Enterprise Resource Planning.
- **Secure and Run:** Hexw secures runs and optimises IT operations for its customers' complex IT estates spanning applications, middleware, data, end user devices and hybrid cloud infrastructure.
- **Data and AI:** The company establishes data foundations for clients enabling them to drive sustainable data value creation, achieve agility and trust in data and business insights. Hexw uses AI and machine-learning technologies to transform data into actionable insights and informed predictions.
- **Optimise:** Hexaware's business process services—powered by Gen AI—enables personalised interactions, impactful communications, task automation, advanced analytics and effective talent management across diverse industries.
- **Cloud Services:** Cloud services form the foundation of Hexaware's offerings and helps it to leverage its cloud capabilities across service lines. Its cloud offerings encompass cloud strategy, cloud modernisation as well as migration and cloud managed services.

Exhibit 24: Hexaware offers wide spectrum of services across verticals

Operating segments	Financial Services 27.2%	Healthcare and Insurance 21.7%	Manufacturing and Consumer 17.9%	Hi-Tech and Professional Services 16.0%	Banking 9.1%	Travel and Transportation 8.1%
Geography	Americas		Europe		Asia Pacific	
Service Lines	Design & Build	Digital Strategy <i>New products</i>	Digital Agency & Experience Design <i>Core transformation</i>	Digital Software Engineering <i>Time to market</i>	Creative, Content & Commerce <i>Developer productivity</i>	Digital Enterprise Transformation <i>ERP & Packaged Products</i>
	Secure & Run	Cybersecurity & Resiliency <i>Security</i>	DevSecOps & Continuous testing <i>Agility</i>	Workplace and Employee experience <i>Employee Experience</i>	Hybrid Cloud Operations <i>Efficiency</i>	IT Service Management and Consulting <i>Assurance</i>
	Data & AI	Data Strategy & Advisory <i>Agility</i>	Data Engineering <i>Trust in data</i>	Data Management <i>Business Outcomes</i>	AI Powered Business Solutions	
	Optimize	Industry-specific Operations <i>Experience</i>	Digital Customer Experience <i>Efficiency</i>	Digital Content <i>Throughput</i>	Finance & Accounting Operations <i>Process Standardization</i>	HR Operations
Digital Platforms	rapidX™		tensai®		amaze®	

Financial Year 2023 Revenue share

Source: Company, Nuvama Research

RapidX focuses on accelerating the development and deployment of digital solutions by providing a comprehensive suite of tools for agile and efficient software delivery.

Tensai is an AI-driven automation platform, which leverages intelligent automation to streamline and optimise IT operations, reducing manual effort and enhancing productivity

Amaze is a Cloud transformation platform, designed to facilitate seamless migration and modernization of applications to cloud environments

Hexaware's proprietary platforms, RapidX, Tensai and Amaze, play a pivotal role in its service offerings, emphasising digital transformation and operational efficiency.

- **RapidX** is a Gen AI-based platform for modern software engineering, which focuses on code generation across the entire software development lifecycle (SDLC). It features a set of AI subject matter experts and agents, each of which focuses on a specific aspect of the software development lifecycle to enhance efficiency and quality. For example,
 - *RapidX Code Comprehension Agent* accelerates reverse engineering of legacy source code by extracting knowledge from existing business rules and processes embedded in such code.
 - *RapidX Requirement Agent* enables product owners and business analysts to co-craft user stories, acceptance criteria and expedites the requirements elaboration process.
- Tensai features a robust automation framework, AI-driven predictive observability, seamless data aggregation and continuous application orchestration. It enhances organisational agility, efficiency and employee experience, reduces human dependence and promotes an autonomous approach to delivering Run; Run refers to IT support services that include one or more of the following: service desk operations, end-user technology support, server operations, network operations, applications management services and security operations services.
- Amaze is a cloud migration, cloud transformation, data and application modernisation platform that can enable portfolio transformation to business-aligned IT. Amaze empowers its customers with intelligent automation across their cloud journey by automating cloud-readiness assessments, migration journeys, data and application modernisation. It helps clients streamline their cloud operations and leverage the transformative potential of AI.

Unique and effective GTM strategy

Hexw follows a '**Land, Ramp and Expand**' model to build scaled customer accounts through consistent delivery and meaningful engagement with relevant stakeholders.

- **Land strategy:** Hexw's land strategy aims for its sales teams to focus on acquiring new customers across geographies. The teams leverage a broad range of demand generation channels, including marketing, partnerships, influencer relations, employee referrals and customer alumni.
- **Ramp strategy:** Hexw focuses on delivering quality customer service and experience, developing trusted relationships with multiple customer stakeholders and ensuring frequent executive connect sessions. Throughout the process, it identifies additional or adjacent needs of the customers.
- **Expand strategy:** Hexw endeavours to grow its business with existing customers, focusing on ramping up its cross-sell index across the geographies where it is active. Building on its assessment of additional or adjacent needs, it advances the conversation to other potential services or solutions.

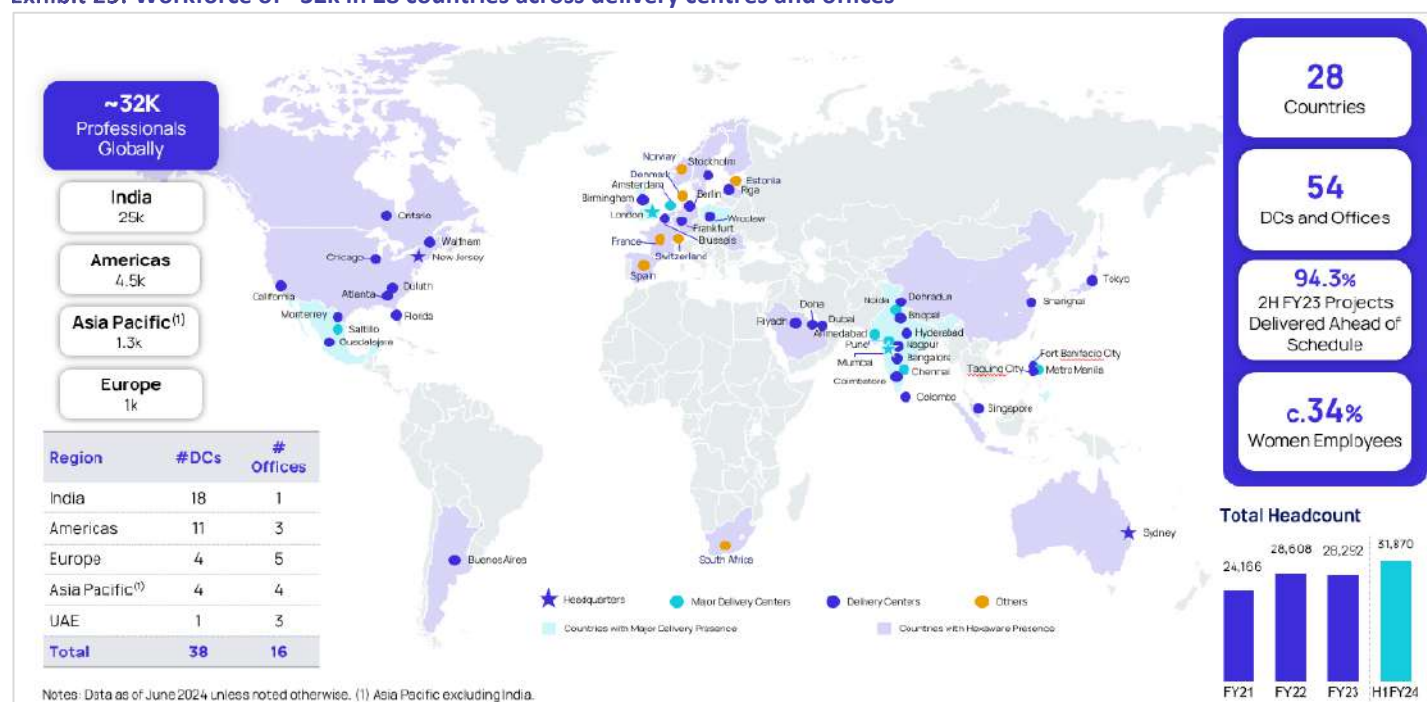
Hexw's Land, Ramp and Expand model has delivered significant results. From having just 19 clients >USD10mn in CY21, the company has expanded the list to 31 clients in CY24. Hexw has also successfully expanded its two clients that were in the USD50–75mn range in CY21 to >USD75mn clients. Furthermore, in CY23, it had two clients among its top 20 clients that were acquired just three years back, demonstrating its strong capabilities to deepen client relationships.

Operational excellence to propel growth

Hexw has a global delivery presence, which enables it to service its customers in a flexible and cost-effective manner by leveraging platforms through its talent pool and an efficient onshore-offshore service delivery mix. Proximity to customers, in particular, enables it to address changing customer needs in a timely manner.

As on June 30, 2025, Hexw had 32,410 employees across 38 delivery centres and 16 offices in 28 countries. Its delivery capabilities cover numerous time zones, languages and regulatory zones.

Exhibit 25: Workforce of ~32k in 28 countries across delivery centres and offices



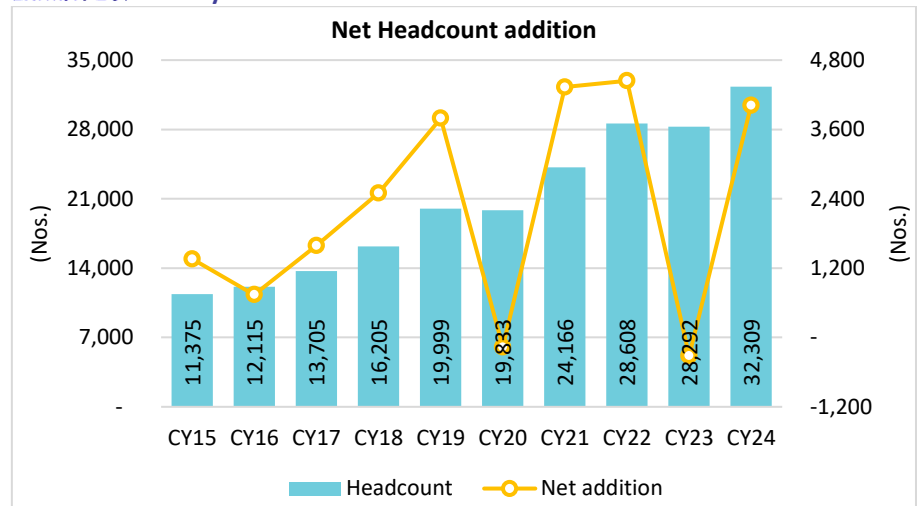
Source: Company, Nuvama Research

Hexw has an experienced and long-tenured management team, leading its global network of employees. Over 70% of its senior management team has had a tenure of over five years at Hexaware.

- The CEO since 2014, Mr Srikrishna Ramakarthikeyan, has over 30 years of experience in the global technology services industry.
- The CFO since 2018, Mr Vikash Jain, has 20 years of experience in the global technology services industry.
- The COO, Mr Vinod Chandran, has been associated with the company since March 2015. He is responsible for key functions that include workforce management, global recruitment, people function, global systems, enterprise risk, environmental and social governance, corporate social responsibility and corporate affairs.

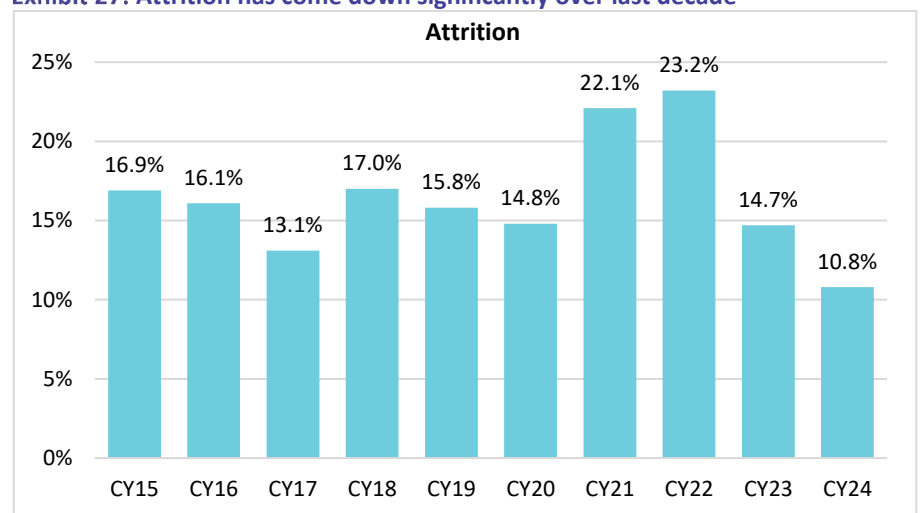
Hexw has a decent size workforce of 32,410 employees (as on June 2025) and has logged healthy headcount addition over the last five years. Over this period, attrition has been under control and followed the broader industry trajectory.

Exhibit 26: Healthy headcount addition over last decade



Source: Company, Nuvama Research

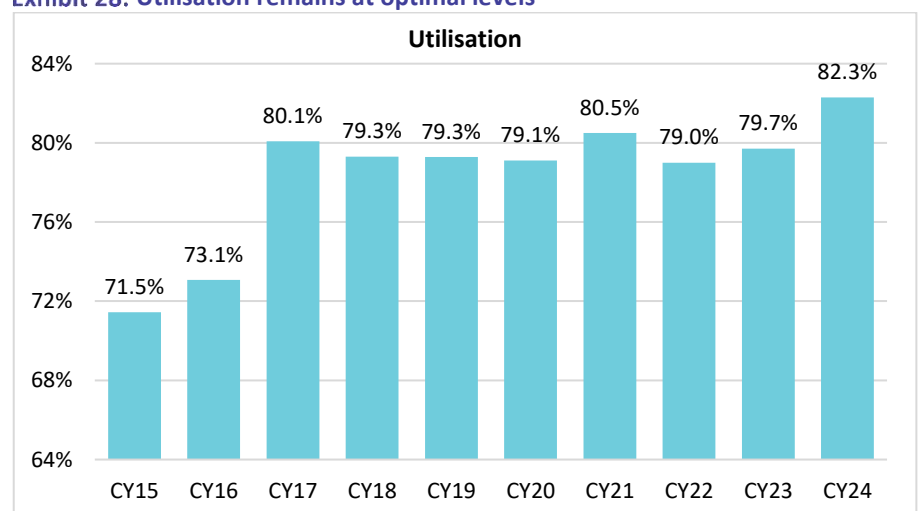
Exhibit 27: Attrition has come down significantly over last decade



Source: Company, Nuvama Research

Over the last ten years, Hexw has managed to ramp up utilisation level to 82% (from 73% in CY16). This has helped the company to maintain its margin profile and expand to the current level of 17%.

Exhibit 28: Utilisation remains at optimal levels



Source: Company, Nuvama Research

Financials

Stable margins and cash flow profile

Hexw has a stable margin profile, in line with mid-cap peers. The company has historically reported EBITDA margins in the 15–16% range – except for the last three years, for the following reasons:

- CY22 margins at 13.3% (-250bp YoY) were affected by supply-side inflation, higher subcontracting costs, elevated travel costs and unwinding of discretionary expenses.
- In CY23, margins recovered to 15.2% (+190bp YoY) on the back of lower attrition and operating leverage.
- CY24 reported margins remained flat YoY, but were again hurt by exceptional items of ESOP costs (-30bp), severance costs (-40bp), ERP transformation costs (-70bp), M&A costs (-30bp) and provisions (-10bp). Adjusted for these, margins would have been 17.2% in CY24.

Exhibit 29: Hexaware has a fairly stable and balanced cost structure

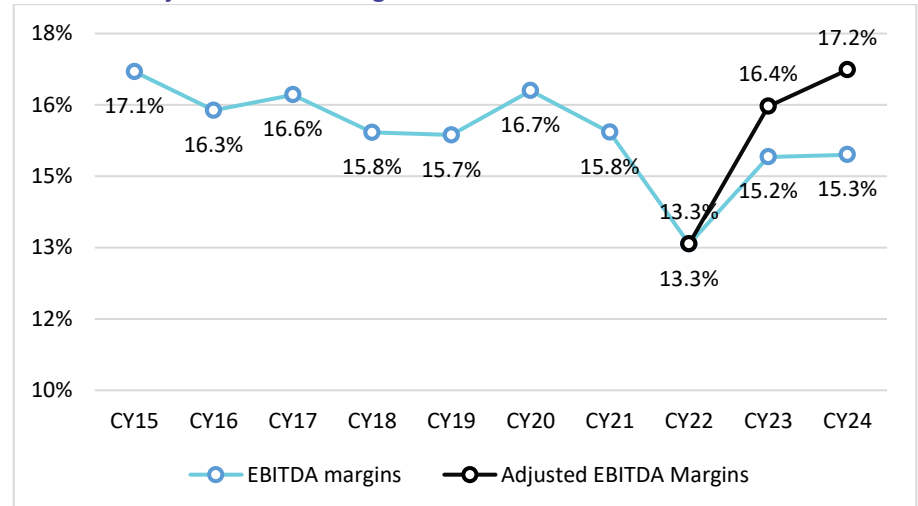
Particulars (% of revenue)	CY20	CY21	CY22	CY23	CY24
Revenue (INR mn)	62,621	71,777	91,996	1,03,803	1,19,744
Employee benefit expenses	59.0%	59.6%	60.4%	59.0%	58.2%
Subcontractor charges	14.5%	15.6%	16.3%	15.2%	15.3%
Cost of Software Licenses	0.0%	2.3%	2.3%	3.0%	3.8%
Travelling and Conveyance	3.0%	1.6%	2.2%	2.2%	2.2%
Repairs and Maintenance	2.7%	1.2%	1.4%	1.3%	1.2%
Other expenses	4.1%	4.0%	4.1%	4.0%	4.0%
Total cost	24.3%	24.6%	26.3%	25.7%	26.6%
EBITDA margins	16.7%	15.8%	13.3%	15.2%	15.3%
Add: ESOP compensation cost				0.3%	0.3%
Add: Non-recurring employee benefits				0.1%	0.4%
Add: ERP transformation cost				0.2%	0.7%
Add: Specific provisions for customers				0.5%	0.1%
Add: Acquisition related costs				0.1%	0.3%
Add: IPO related costs				0.0%	0.0%
Add: Regulatory fees				0.0%	0.1%
Adjusted EBITDA margins	16.7%	15.8%	13.3%	16.4%	17.2%
EBIT margins	13.0%	12.7%	10.6%	12.5%	13.0%
Add: Amortization of intangibles				0.0%	0.0%
Adjusted EBIT margins				13.6%	14.9%

Source: Company, Nuvama Research

Going forward, we estimate these exceptional items shall come down. The ERP transformation costs are likely to vanish by H2CY25, as are other costs such as M&A and severance. We forecast adjusted EBITDA margin shall recover by 50bp in CY25E and further 50bp over the next two years, reaching 17.4% in CY27E.

Beyond 17%, we do not see much scope for further margin expansion. Just like its peer-set of Tier-2 IT companies – Hexw shall be a “growth first” company and would prioritise growth over margins.

Exhibit 30: Adjusted EBITDA margins have recovered to historical levels



Source: Company, Nuvama Research

Exhibit 31: Exceptional items have affected margins over last two years

Particulars	Q4CY24	Q1CY25	Q2CY25	CY23	CY24
Revenue (INR mn)	31,544	32,079	32,607	1,03,803	1,19,744
EBITDA	4,904	5,278	4,044	15,811	18,302
EBITDA margins	15.50%	16.50%	12.40%	15.20%	15.30%
Add: ESOP compensation cost	-	-	-	0.30%	0.30%
Add: Non-recurring employee benefits	-	-	1.00%	0.10%	0.40%
Add: ERP transformation cost	0.70%	0.60%	0.70%	0.20%	0.70%
Add: Specific provisions for customers	-	-	2.40%	0.50%	0.10%
Add: Acquisition related costs	-	-	0.20%	0.10%	0.30%
Add: IPO related costs	-	-	-	-	-
Add: Regulatory fees	-	-	-	-	0.10%
Adjusted EBITDA Margins	16.20%	17.10%	16.70%	16.40%	17.20%
EBIT	4,141	4,543	3,292	12,975	15,514
EBIT margins	13.10%	14.20%	10.10%	12.50%	13.00%
Add: Amortization of intangibles	0.00%	0.00%	1.20%	0.00%	0.00%
Adjusted EBIT margins	13.80%	14.80%	15.60%	13.60%	14.90%

Source: Company, Nuvama Research

Hexw generates healthy cashflows with average OCF/EBITDA at 84% over the last five years. The cash flow profile is slightly superior to Tier-2 peers.

Exhibit 32: OCF/EBITDA and FCF/PAT ratios strengthen over past ten years

Particulars	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
OCF/EBITDA	73.4%	82.2%	72.7%	74.8%	67.9%	137.3%	86.5%	67.2%	95.9%	84.6%
FCF/PAT	65.3%	59.9%	76.2%	83.6%	72.8%	219.5%	116.3%	79.3%	145.5%	120.3%

Source: Company, Nuvama Research

Exhibit 33: Hexw has stronger cash conversion cycle versus Tier-2 peers

OCF/EBITDA	FY21	FY22	FY23	FY24	FY25
LTIM	100.3%	61.9%	50.7%	88.8%	70.0%
Coforge	96.9%	68.6%	67.6%	60.0%	61.9%
Persistent	107.7%	88.2%	62.9%	75.5%	56.2%
Mphasis	80.5%	81.0%	60.1%	90.0%	72.0%
Hexaware	137.3%	86.5%	67.2%	95.9%	84.6%

Source: Company, Nuvama Research (For Hexw, FY25 = CY24)

Acquisitions

Hexw is not a highly acquisitive company, but does targeted capability-driven tuck-in acquisitions, as the opportunity arises. In the last six years, it has done three acquisitions and none in the decade before that. We like its acquisition strategy and do not expect any large-ticket acquisition by the company, in the near future.

SMC Squared (2025)

In July 2025, Hexw acquired SMC Squared, a leader in building global capability centres (GCCs) for USD90mn (*additional USD30mn payable on achieving accelerated targets*). The acquisition aims to drive long-term value for global clients by blending SMC Squared's proven GCC build-operate expertise with Hexaware's platform-led IT delivery capabilities. Hexw expects to drive significant growth and unlock synergy potential across large accounts in the near future.

SMC Squared will contribute 5.5 months of inorganic revenue in CY25

SMC Squared operates via engagement models such as managed services, build-optimize-transfer and hybrid solutions that lower operating costs while assembling GCC teams, which act as seamless extensions of every client's strategic agenda. The company has a proven delivery record across HR, infrastructure, employee well-being, finance and strategic technology consulting. It works with leading enterprises across commerce, manufacturing, FS, healthcare and consumer verticals.

Softcrylic (2024)

In May 2024, Hexw acquired Softcrylic, a data-consulting firm headquartered in Minneapolis, US, for USD166mn. Softcrylic specialises in tackling complex data challenges, from data capture and validation to data modelling and activation. Its proficiency spans multiple marketing technology stacks. The company collaborates with renowned brands across sectors such as Travel & Hospitality, Food & Beverage, Retail, Financial Services and Sports & Media.

Softcrylic will contribute 6 months of inorganic revenue in CY25

Softcrylic aims to boost Hexaware's data and analytics capabilities, enabling the company to offer a comprehensive suite of services that drive marketing and customer journeys through data and technology. By integrating its expertise in customer journeys and marketing technology with Hexw's capabilities, the acquisition aims to empower CMOs to drive business growth through effective data utilisation.

Exhibit 34: Key acquisitions — summary

Date	Company	Business description	Consideration (USD mn)	Revenue (USD mn)	EV/Sales
Jun-19	Mobiquity	CX consulting firm using cloud tech	182	70	2.6
May-24	Softcrylic	Data consulting firm	166	30	5.5
Jul-25	SMC Squared	Leader in building GCCs	90	22	4.1

Source: Company, Nuvama Research

Mobiquity (2019)

In June 2019, Hexw acquired Mobiquity Inc, a leading independent customer experience consulting firm headquartered in the US, for USD182mn. Mobiquity specialises in creating seamless multi-channel digital experiences using cloud technologies. Its expertise in designing omni channel digital solutions and next-generation user interfaces such as smart speakers and digital assistants complement Hexw's existing services.

Mobiquity is also a Premier Consulting Partner for Amazon Web Services (AWS). This aligns with Hexw's strategic focus on cloud transformation, allowing clients to transition to cloud platforms more efficiently and cost-effectively. Its clientele includes AWS, Rabobank, Philips, Wawa, Backbase and Otsuka.

Financial outlook

Hexw has reported strong growth over the last few years and we reckon the trend shall continue over the next few years.

- Over CY21–24, the company reported a USD revenue CAGR of 14%, which coupled with an EBIT growth of 20% CAGR led to an EPS CAGR of 16%.
- Over the next three years (CY24–27E), we forecast Hexw shall report 11% USD revenue CAGR. Margin expansion of around 250bp over this period should lead to EBIT/EPS CAGR of 19%/18%.

Exhibit 35: Hexaware – Key financials

Particulars	CY22	CY23	CY24	CY25E	CY26E	CY27E
USD revenue	1,165	1,256	1,429	1,541	1,711	1,944
YoY growth	20.0%	7.8%	13.7%	7.9%	11.0%	13.6%
INR revenue	91,996	1,03,803	1,19,744	1,32,819	1,48,001	1,68,197
YoY growth	28.2%	12.8%	15.4%	10.9%	11.4%	13.6%
EBITDA	12,217	15,811	18,302	20,932	25,455	29,259
EBITDA margins	13.3%	15.2%	15.3%	15.8%	17.2%	17.4%
YoY growth	7.8%	29.4%	15.8%	14.4%	21.6%	14.9%
EBIT	9,773	12,975	15,514	17,888	22,267	25,975
EBIT margins	10.6%	12.5%	13.0%	13.5%	15.0%	15.4%
YoY growth	7.5%	32.8%	19.6%	15.3%	24.5%	16.7%
PAT	8,842	9,976	11,740	14,459	16,495	19,460
YoY growth	18.1%	12.8%	17.7%	23.2%	14.1%	18.0%
EPS	14.65	16.45	19.37	23.86	27.21	32.11
ROE	22%	23%	24%	25%	24%	24%
ROCE	23%	23%	24%	26%	25%	25%

Source: Company, Nuvama Research

Exhibit 36: Our estimates broadly in line with consensus estimates

	Nuvama			Consensus			Difference		
	CY25	CY26	CY27	CY25	CY26	CY27	CY25	CY26	CY27
USD revenue	1,541	1,711	1,944	1,531	1,680	1,880	0.7%	1.8%	3.4%
EBIT	17,888	22,267	25,975	18,254	22,225	25,382	-2.0%	0.2%	2.3%
PAT	14,459	16,495	19,460	14,337	16,506	19,003	0.8%	-0.1%	2.4%

Source: Bloomberg, Nuvama Research

Near-term outlook

The Hexw stock corrected sharply after Q2CY25 results. While the performance was broadly in line with expectations, the commentary and outlook provided by management reflected a weaker macro environment and a bigger impact on its financials than earlier anticipated. While that affects the near-term financials, we believe the price reaction adequately covers it. All along, the medium to long-term outlook of the company remains bright.

Q1CY25 was a modest quarter for Hexw with the company reporting -0.2% CC QoQ (+12.7% CC YoY) growth. The QoQ decrease was led by Banking (-12.4% QoQ) and Hitech (-5.6% QoQ). There were anticipated ramp downs in two of its key GSE clients – that were likely to recover in coming quarters. Management guided for a revival in key accounts and benefits of vendor consolidation in one of the GSE accounts, to accrue in Q2CY25 and Q3CY25—thereby guiding for a good Q2 and strong Q3.

In Q2CY25, Hexw's results were a tad disappointing with only +1.3% CC QoQ growth (+7.5% YoY). While the promised recovery in Banking (+13.5% QoQ) did occur, Manufacturing & Consumer decreased -0.6% QoQ. Other verticals too reported tepid growth hurt by a weak macro-environment, led by tariff-related uncertainty.

Exhibit 37: Last two quarters' growth has been broad-based

Verticals	USD revenue		QoQ growth		YoY growth	
	Q1CY25	Q2CY25	Q1CY25	Q2CY25	Q1CY25	Q2CY25
Banking and Financial Services	142.28	147.49	0.8%	3.7%	15.1%	13.6%
Financial Services	113.31	114.63	4.9%	1.2%	20.3%	15.1%
Banking	28.98	32.86	-12.5%	13.4%	-1.5%	8.6%
Travel & Transportation	31.95	34.39	8.6%	7.6%	22.3%	23.7%
Healthcare & Insurance	77.27	79.09	-1.6%	2.4%	10.8%	7.1%
Manufacturing & Consumers	55.35	55.02	0.5%	-0.6%	-4.3%	-11.1%
Hi-tech & Professional Services	64.27	66.10	-5.7%	2.9%	20.7%	13.9%
Total	371.13	382.10	-0.3%	3.0%	12.3%	8.7%

Source: Company, Nuvama Research

Consequently, the outlook for the full year (CY25E) now stands diminished compared with earlier estimates. We too believe it would be difficult for Hexw to achieve double-digit growth in CY25E—something that management was earlier aiming for. As a result, Hexw would now be placed with Mphasis and LTIMindtree—all three likely to report mid to high single-digit growth in the current financial year—as compared with Coforge and Persistent that are likely to post high-teen (or above) growth in FY26E.

All along, the margin profile continues to improve. Adjusted EBIT margins expanded 70bp QoQ in Q1CY25, to 14.8%, and thereafter by 80bp QoQ to 15.6% in Q2CY25. The ERP transformation expenses are likely to come off in H2CY25 – thereby leading to further expansion. Overall, we believe the company should be able to meet its guidance of 17.1%–17.4% EBITDA margins in CY25E.

Exhibit 38: Last three quarters' margins have been marred by exceptional items

Particulars	Q4CY24	Q1CY25	Q2CY25
Revenue (INR mn)	31,544	32,079	32,607
EBITDA	4,904	5,278	4,044
EBITDA margins	15.5%	16.5%	12.4%
Reported EBITDA margins	15.5%	16.5%	12.4%
Add: ESOP compensation cost	0.0%	0.0%	0.0%
Add: Non-recurring employee benefits	0.0%	0.0%	1.0%
Add: ERP transformation cost	0.7%	0.6%	0.7%
Add: Specific provisions for customers	0.0%	0.0%	2.4%
Add: Acquisition related costs	0.0%	0.0%	0.2%
Add: IPO related costs	0.0%	0.0%	0.0%
Add: Regulatory fees	0.0%	0.0%	0.0%
Adjusted EBITDA Margins	16.2%	17.1%	16.7%
EBIT	4,141	4,543	3,292
EBIT margins	13.1%	14.2%	10.1%
Add: Amortization of intangibles	0.0%	0.0%	1.2%
Adjusted EBIT margins	13.8%	14.8%	15.6%

Source: Company, Nuvama Research

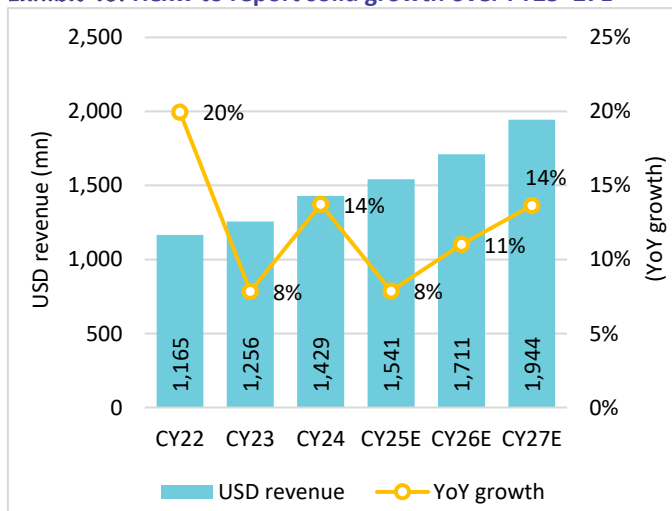
Overall, while we believe the soft Q2 has led to lowering of CY25E expectations for Hexw, its long-term story remains intact. We continue to estimate the company shall report double-digit top-line growth in CY26E and beyond—in line with Tier-2 peers.

Exhibit 39: Hexw to report attractive revenue/earnings CAGR over next two years

FY25–27E	Revenue 2Y CAGR	EPS 2Y CAGR
LTIMindtree	7.1%	15.1%
Coforge	24.0%	33.3%
Persistent	17.8%	23.8%
Mphasis	9.4%	14.4%
Hexaware	9.4%	18.5%

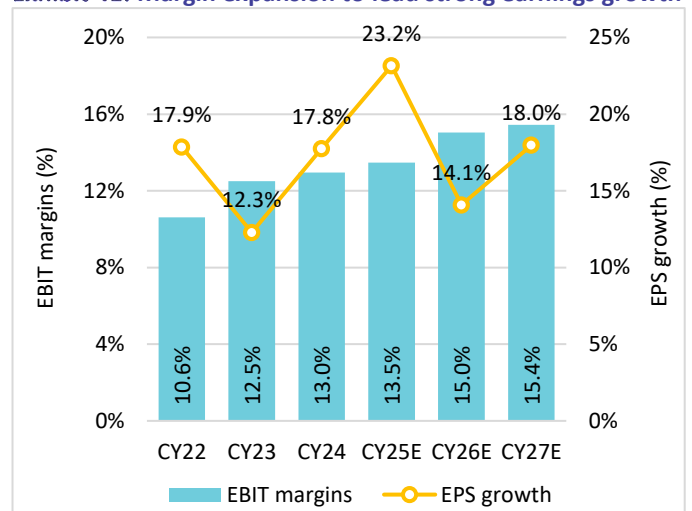
Source: Company, Nuvama Research

Exhibit 40: Hexw to report solid growth over FY25–27E



Source: Company, Nuvama Research

Exhibit 41: Margin expansion to lead strong earnings growth



Source: Company, Nuvama Research

Peer comparison: Well placed

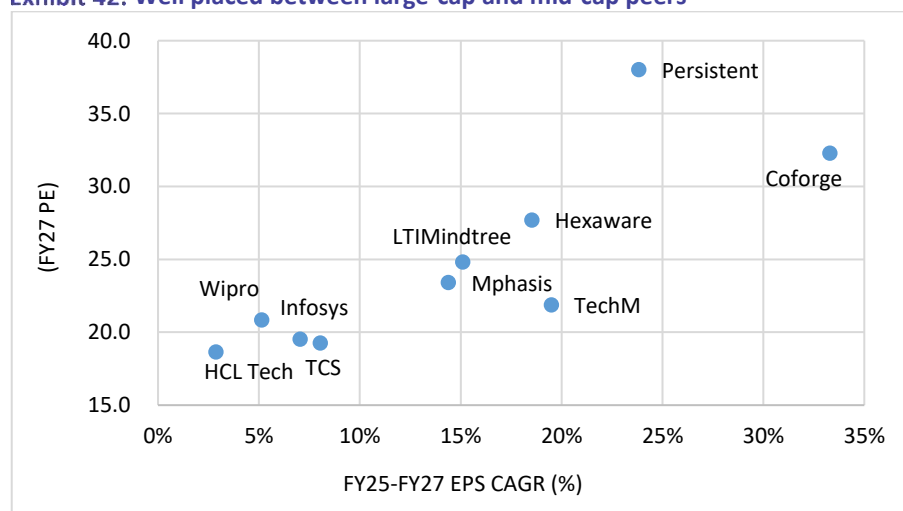
As we have been highlighting, Hexw is part of the Tier-2 IT services companies that have been outgrowing and outpacing their Tier-1 peers over the last few years. We forecast the outperformance shall continue. In this pack of Tier-2 companies, Coforge and Persistent lead the pack with strong high-teen USD revenue growth expectations over the next two years. Hexw currently sits with LTIMindtree and Persistent – companies likely to report high single-digit growth in FY26 and double-digit growth in FY27E.

Interestingly, we view the IT services sector as comprising three distinct buckets currently:

- 1) high growth and relatively expensive stocks – Coforge and Persistent;
- 2) low growth, but inexpensive stocks – Top-five IT services companies; and
- 3) reasonable growth and reasonable valuation stocks – LTIMindtree, Mphasis and Hexaware.

Hexaware is slotted perfectly between the two buckets of high-growth-but-expensive and inexpensive-but-low-growth buckets. We estimate the company shall maintain its stronghold in this bucket of reasonable growth at reasonable valuations.

Exhibit 42: Well placed between large-cap and mid-cap peers



Source: Company, Nuvama Research (For Hexw, FY25-FY27 = CY24-CY26)

Hexw has a vertical mix quite similar to Tier-2 peers. Just like its peers, BFS forms its largest vertical representing more than one-third of its revenue. Here the company has a niche, working for two large GSEs. The remaining business is well spread over the manufacturing, insurance, Hitech, healthcare and transport verticals.

Exhibit 43: Hexw has a well-diversified business mix – much like mid-cap peers

Vertical revenue share – Q1FY26	BFSI	Manufacturing	Retail	Hi-Tech, Media	Healthcare	Transport	Others
LTIMindtree	37.0%	19.6%	14.6%	23.2%	5.6%		
Coforge	43.2%	26.7%#				22.9%	7.2%
Persistent	33.9%			40.8%	25.3%		
Mphasis	66.4%			18.1%	9.7%	5.8%	
Hexaware	38.6%*	14.4%#		17.3%	20.7%^	9.0%	

Source: Company, Nuvama Research (*excludes insurance, ^includes Insurance, # includes retail) (for Hexw, Q2CY25)

Exhibit 44: Revenue (USD mn)

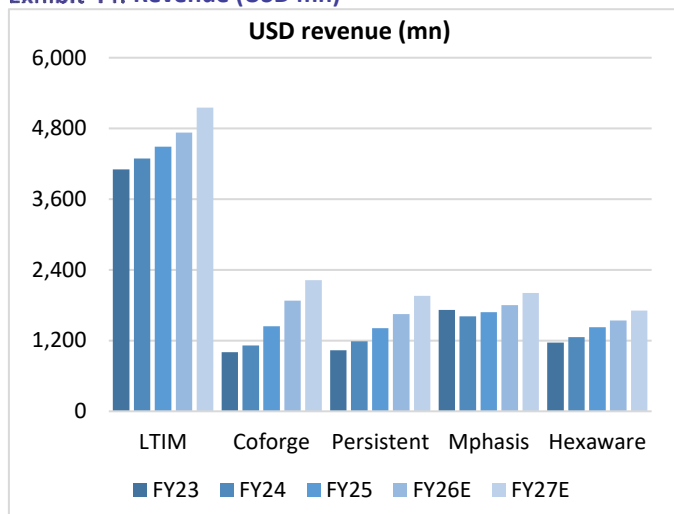


Exhibit 45: Revenue growth (% YoY)

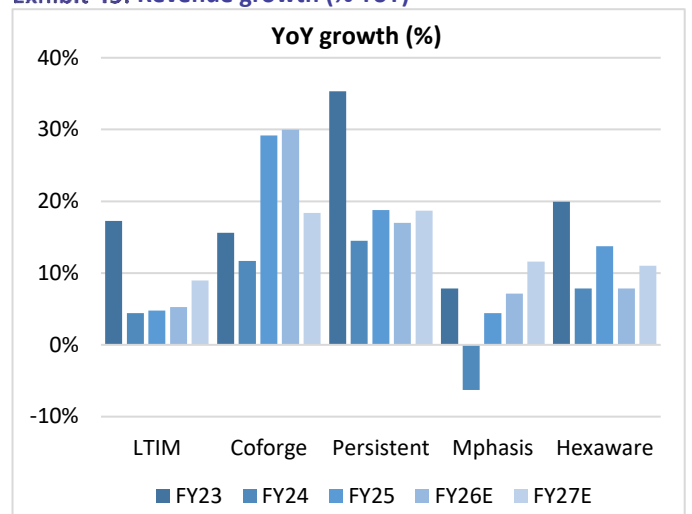


Exhibit 46: EBIT margins

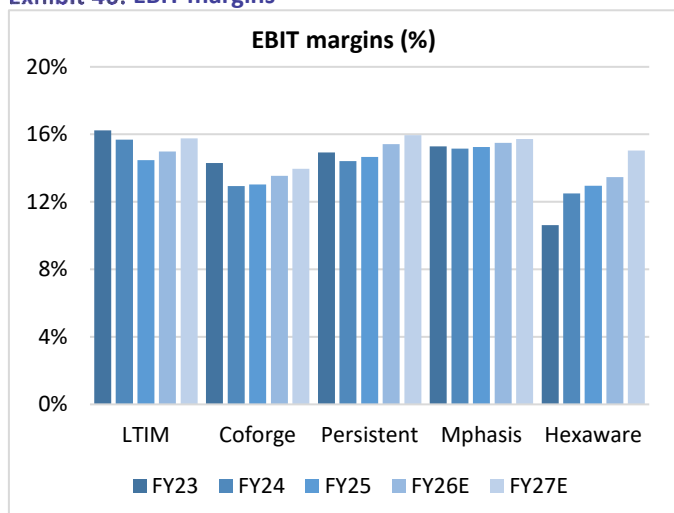


Exhibit 47: EPS growth (% YoY)

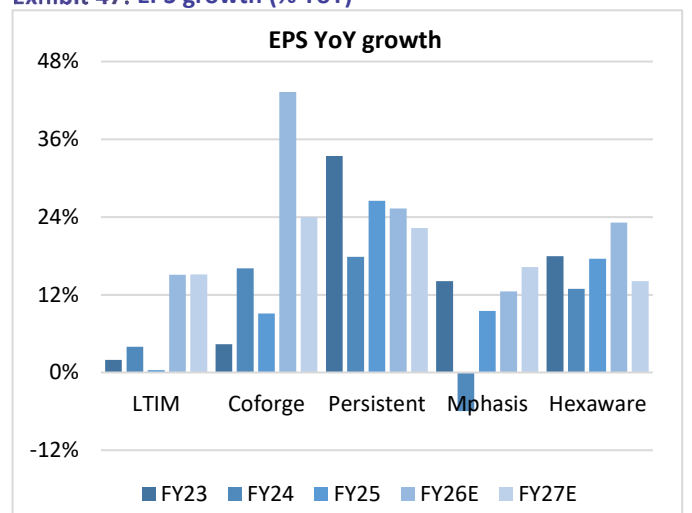


Exhibit 48: Top-five client revenue share

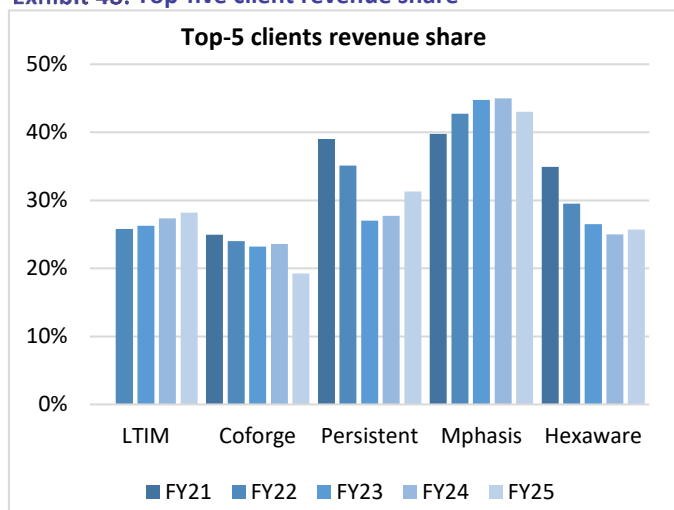
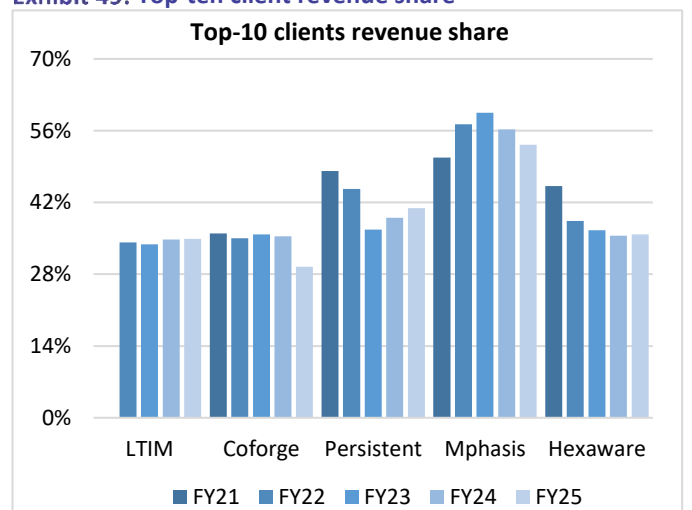
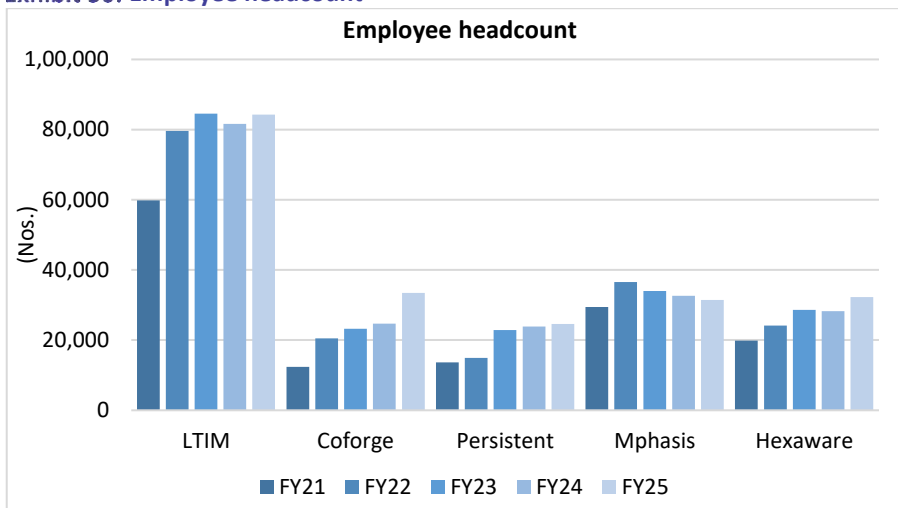


Exhibit 49: Top-ten client revenue share



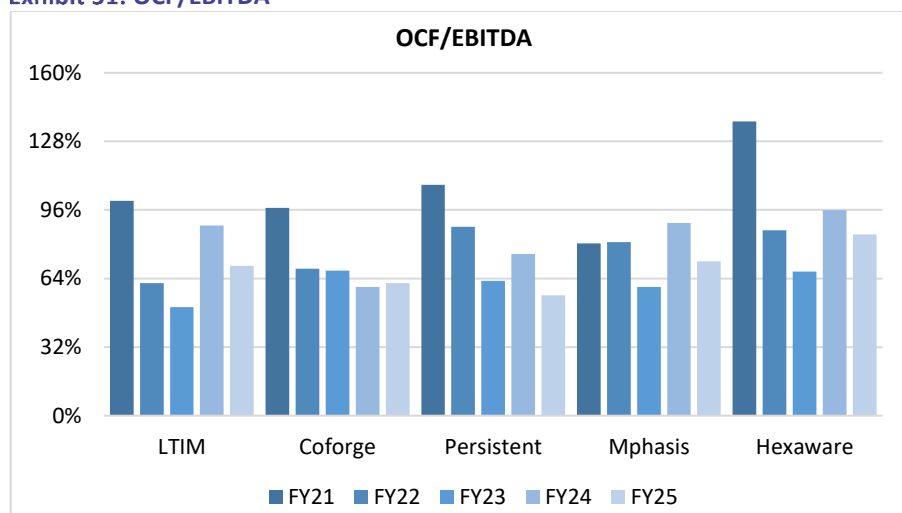
Source: Company, Nuvama Research (For Hexw, FY25 = CY24, FY24 =CY23...)

Exhibit 50: Employee headcount



Source: Company, Nuvama Research (For Hexw, FY25 = CY24, FY24 =CY23...)

Exhibit 51: OCF/EBITDA

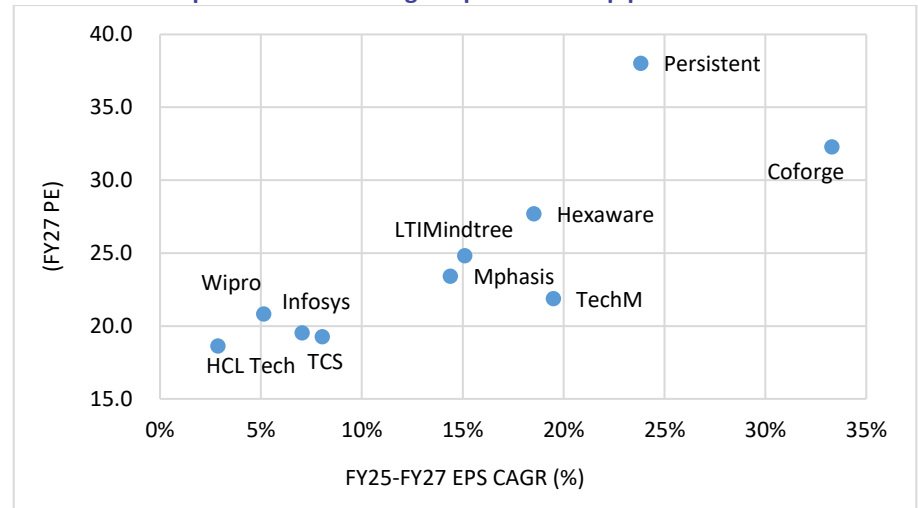


Source: Company, Nuvama Research (For Hexw, FY25 = CY24, FY24 =CY23...)

Valuation

Hexw is currently trading at 28x CY26E and 24x CY27E PE. This is broadly in line with Tier-2 IT services companies. As highlighted above, Hexw is currently slotted perfectly between the two buckets of high-growth-but-expensive and inexpensive-but-low-growth buckets. We estimate the company shall maintain its stronghold in this bucket of reasonable growth at reasonable valuations.

Exhibit 52: Well placed between large-cap and mid-cap peers



Source: Company, Nuvama Research

As has been the case over the last five years, quality Tier-2 companies are now trading at a sharp premium to their historical average as well as large-cap peers driven by their higher growth and more stable, diversified and competitive business models. We reckon Hexw shall continue to enjoy this premium and valuations shall remain at a premium to large-cap peers.

Exhibit 53: Tier-2 still trading at reasonable PEG multiple versus Tier-1

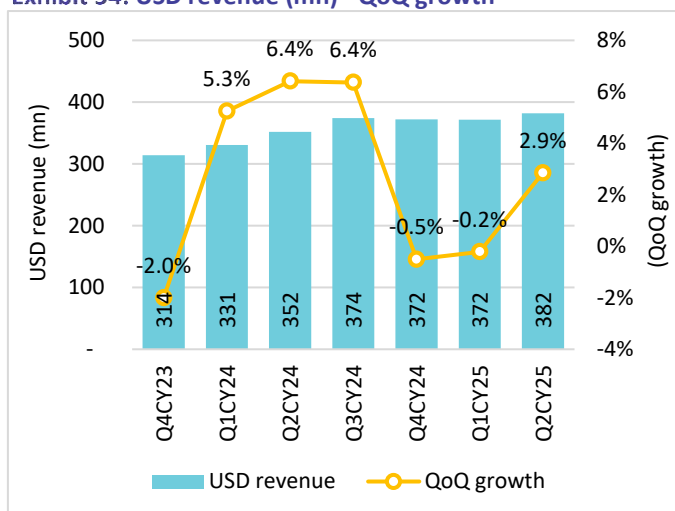
	Last five years	Last ten years	Current			
	PE	PE	FY26 PE	FY27 PE	EPS grw	PEG
			FY25-27		FY27	
TCS	27.6	23.8	21.0	19.3	8.0%	2.4
Infosys	24.5	20.6	21.1	19.5	7.0%	2.8
Wipro	20.1	17.3	19.5	18.6	2.9%	6.5
HCL Tech	20.1	17.1	23.0	20.8	5.1%	4.0
Tech M	19.8	16.7	25.5	21.9	19.5%	1.1
LTIMindtree	30.0	24.3	28.6	24.8	15.1%	1.6
Coforge	30.3	21.4	40.0	32.3	33.3%	1.0
Persistent	34.3	23.9	46.5	38.0	23.8%	1.6
Mphasis	24.7	19.3	27.2	23.4	14.4%	1.6
Hexaware	-	-	31.6	27.7	18.3%	1.5

Source: Company, Nuvama Research (For Hexw, FY26 = CY25, FY27 =CY26.)

We are valuing Hexw at 30x CY27 PE – in line with our target valuation for LTIM (30x) and Mphasis (28x). The target valuation is at a discount to our target multiple for Coforge (35x) and Persistent (48x), but at a premium to large-cap peers (18–25x). We are initiating coverage on Hexaware with a ‘BUY’ recommendation and a target price of INR950.

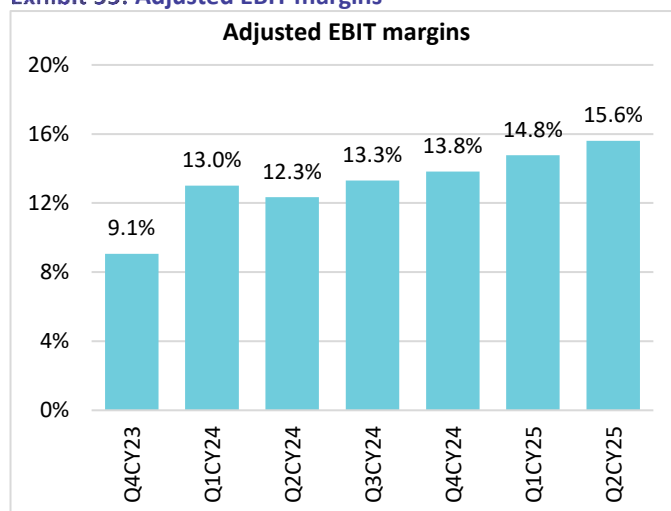
Key quarterly trends

Exhibit 54: USD revenue (mn) - QoQ growth



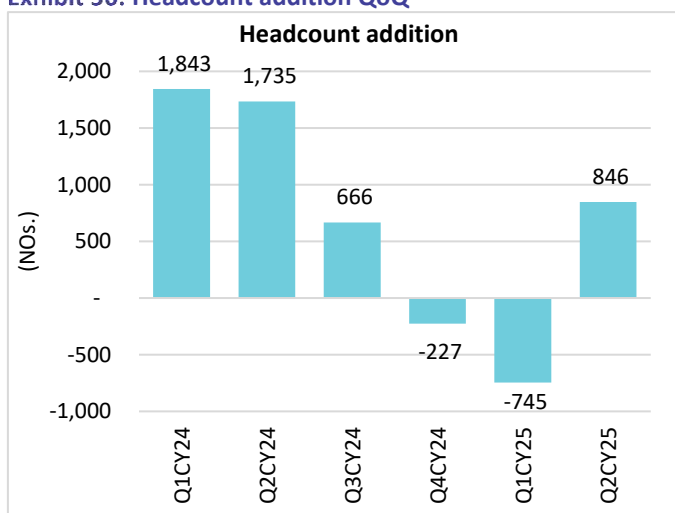
Source: Company, Nuvama Research

Exhibit 55: Adjusted EBIT margins



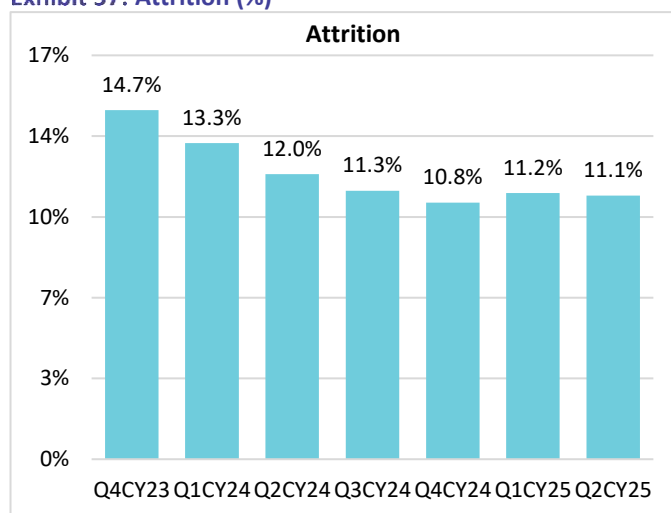
Source: Company, Nuvama Research

Exhibit 56: Headcount addition QoQ



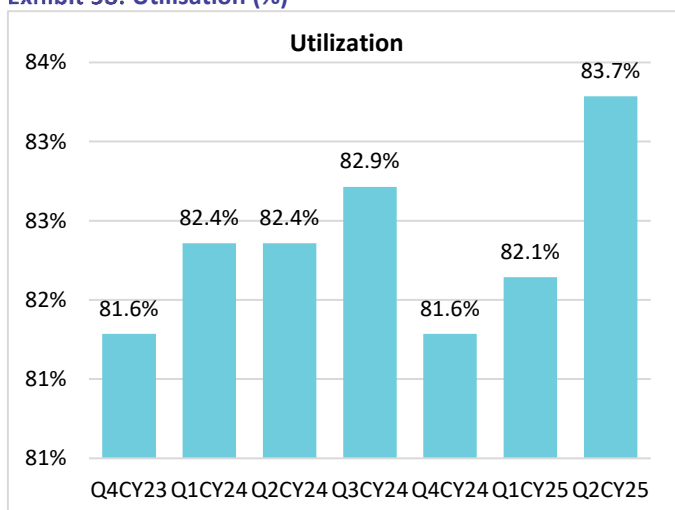
Source: Company, Nuvama Research

Exhibit 57: Attrition (%)



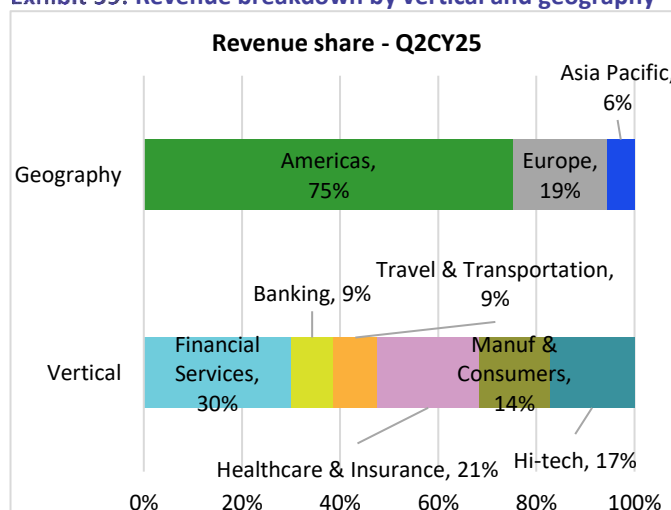
Source: Company, Nuvama Research

Exhibit 58: Utilisation (%)



Source: Company, Nuvama Research

Exhibit 59: Revenue breakdown by vertical and geography

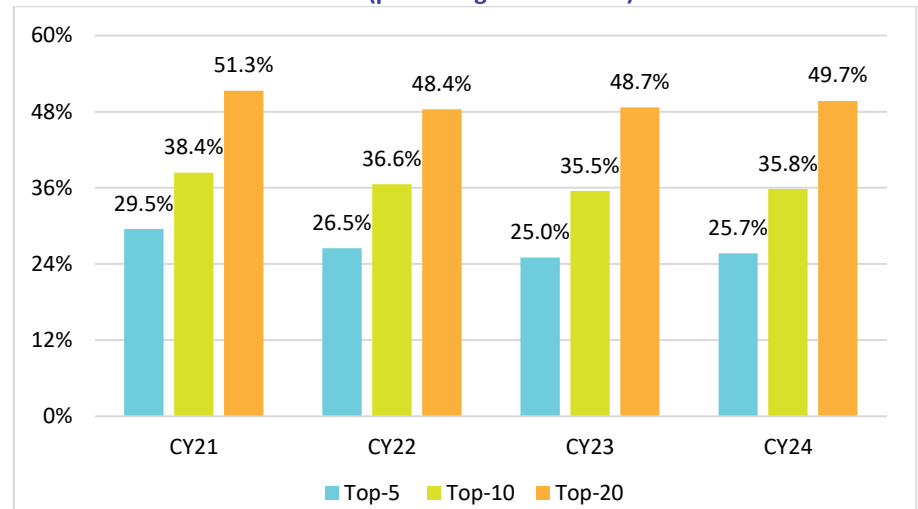


Source: Company, Nuvama Research

Key Risks

- **High client concentration:** Hexaware derived 25.8%/36.6%/50.1% of revenue from Top-five/Top-ten/Top-20 clients in Q2CY25. Any loss of key clients can hamper its growth momentum.

Exhibit 60: Client concentration (percentage of revenue)



Source: Company, Nuvama Research

- **Vertical concentration:** BFSI and Healthcare together form ~60% of revenue, leading to significant risk.
- **Generic currency risks:** The exchange rate volatility in USD, EUR and GBP vis-a-vis INR can cause the company's reported INR revenue to fluctuate significantly.
- **Geographic concentration:** Americas and Europe together contribute ~95% (Q1CY25) of total revenue. Hence, any sort of economic slowdown/downturn in these economies and industries may affect the company adversely.

Company Description

Hexaware Technologies—a global digital and technology services company—was incorporated as Aptech Information Systems Limited in 1992. The company listed on the BSE and the NSE in 1997. In 2022, the name of the company was changed to Hexaware Technologies Limited.

HT Global IT Solutions Holdings Limited and Parel Investment Holdings Limited (affiliates of erstwhile Baring Private Equity Asia) acquired 70.87% of the share capital through an open offer and became the promoters of the company in 2013. In Nov-20, the equity shares of the company were voluntarily delisted from the BSE and the NSE.

CA Magnum Holdings, promoter, acquired 95.51% of the shareholding of the company from HT Global IT Solutions Holdings Limited in 2021.

The company delivers services through its AI-enabled digital platforms such as RapidX™ for digital transformation, Amaze® for cloud adoption and Tensai® for AI-powered automation.

The company focuses on six key industry verticals: Banking, Financial Services, Travel & Transportation, Healthcare & Insurance, Manufacturing & Consumers and Hi-tech & Professional services. By geography, the company has the highest presence in the Americas in terms of revenue followed by Europe and Asia Pacific.

Exhibit 61: Major events and milestones

Calendar Year	Events and Milestones
1992	The company was incorporated as Aptech Information Systems Limited
1994	Expanded operations to the US by incorporating its material subsidiary, Hexaware Technologies Inc.
1996	The IT division of Apple Industries Limited was merged with the company (then known as Aptech Information Systems Limited) with effect from July 1, 1995, pursuant to a scheme of arrangement and reconstruction sanctioned by the order of the High Court of Judicature at Bombay dated June 19, 1996 The name of the company was changed to Aptech Limited
1997	The equity shares of the company were listed on the BSE and the NSE
1998	Expanded operations to the UK by incorporating its material subsidiary, Hexaware Technologies UK Limited (originally incorporated as Aptech Worldwide Europe Limited)
2001	The training division of the company (then known as Aptech Limited) was demerged into Aptech Training Limited and the erstwhile Hexaware Technologies Limited was merged with the company with effect from April 1, 2001, pursuant to a scheme of arrangement and reconstruction sanctioned by the order of the High Court of Judicature at Bombay dated November 9, 2001
2002	The name of the company was changed to Hexaware Technologies Limited
2013	HT Global IT Solutions Holdings Limited and Parel Investment Holdings Limited (affiliates of erstwhile Baring Private Equity Asia) acquired 70.87% of share capital via an open offer under the SEBI Takeover Regulations and became the promoters of the company
2019	Acquisition of Mobiquity Inc by material subsidiary, Hexaware Technologies Inc.
2020	Voluntary delisting of the equity shares from the BSE and the NSE
2021	Launched Amaze® (a cloud migration, cloud transformation, data and application modernisation platform)
2021	Launched Tensai® (an automation platform designed to transform enterprise IT processes and enable secure, rapid and automated release of code; efficient and AI-driven operations)
2021	CA Magnum Holdings, promoter, acquired 95.51% of the shareholding of the company from HT Global IT Solutions Holdings Limited
2022	Launched RapidX™ (a Gen AI-based platform for modern software engineering)
2024	Acquisition of Softcrylic LLC and Softcrylic Technology Solutions India Private Limited

Source: Company

Board of Directors

Name	Designation	Background
Mr Larry Quinlan	Non-Executive Chairman	Mr Larry Quinlan has over 35 years of experience. He is a digital and technology transformation expert with extensive experience. Mr Larry most recently served as the Global CIO for Deloitte. He advised company boards and CEOs on a wide range of IT, cybersecurity and digital strategic priorities. He led the Deloitte CIO Academy. Mr Larry is a board member of ServiceNow and serves on the audit committee.
Mr Srikrishna Ramakarthikeyan	Whole-time Director & CEO	Mr Srikrishna Ramakarthikeyan has over 30 years of experience. He is currently associated as Director in some subsidiaries of the company and was previously associated with HCL America Inc.
Mr Neeraj Bharadwaj	Non-Executive Non-Independent Director	Mr Neeraj Bharadwaj is the Managing Director of Carlyle India Advisors Private Limited. Prior to joining Carlyle in 2012, Mr Bharadwaj was a Managing Director with Accel Partners' growth investing operation in India. Preceding that, he was with Apax Partners for nearly ten years. Previously, Mr Bharadwaj was an engagement manager at McKinsey & Company. He serves or has served on the boards of Hexaware, Indegene, Visionary RCM, Delhivery Logistics, Nxtra, Sequent Scientific, Metropolis Healthcare, VXI Global Solutions and others.
Ms Sandra Horbach	Non-Executive Non-Independent Director	Ms Sandra Horbach is a Managing Director & Co-Head of US Buyout & Growth at The Carlyle Group. Today, she oversees all industry verticals in the US after joining Carlyle in 2005 to launch and build the Consumer & Retail Group. Prior to joining Carlyle, she was a General Partner with Forstmann Little & Company and spent two years in the M&A department of Morgan Stanley & Company.
Mr Julius Genachowski	Non-Executive Non-Independent Director	Mr Julius Genachowski is a Managing Director in the US Buyout team at The Carlyle Group and returned to the private sector after serving as Chairman of the US Federal Communications Commission from 2009–13. He presided at the FCC during a period of robust innovation and investment. Mr Genachowski also extended the FCC's international engagement.
Ms Lucia Soares	Non-Executive Non-Independent Director	Ms Lucia Soares is Managing Director and CIO – Global Investment Resources at The Carlyle Group. Previously, she was Managing Director at Health2047. Ms Soares spent 15 years at Johnson & Johnson. She began her career working for an early internet professional services agency, USWeb/marchFIRST.
Mr Kapil Modi	Non-Executive Non-Independent Director	Mr Kapil Modi is a Managing Director at The Carlyle Group advising on PE opportunities across various sectors in India. He has been with Carlyle since 2008 and has been involved in USD1.7bn of investments across multiple companies. He currently serves on the boards of Nxtra Data and PNB Housing Finance.
Mr Shawn Devilla	Non-Executive Non-Independent Director	Mr Shawn Devilla is a Vice President in the TMT group. He focuses primarily on buyout & growth equity investments in software and information services businesses. Mr Devilla is currently a member of the boards of Hexaware, Jagex and Veritas. Prior to joining Carlyle in 2014, he worked in Credit Suisse's TMT investment banking group.
Mr Milind Sarwate	Non-Executive Independent Director	Mr Milind Sarwate is the Founder & CEO of Increate Value Advisors LLP. He set up Increate in 2015 as his second career as an entrepreneur. His directorships include listed companies—Mahindra Finance, Glenmark, Metropolis, Matrimony.com—and two unlisted —Eternis and WheelsEMI.
VMr ivek Sharma	Non-Executive Independent Director	Mr Vivek Sharma is a Senior Advisor for AI at Advent International and serves on the boards of Kaiser Permanente, JetBlue Airways and Hexaware Solutions. Previously, as CEO and co-founder of InStride, he transformed the company into a profitable 200-person enterprise. Before InStride, he spent six years at The Walt Disney Company as Senior Vice President, Digital Guest Experience & e-commerce. In earlier stints, he served at Yahoo for four years as General Manager of Yahoo Mail and Messenger, and VP of Yahoo Search and at McKinsey & Company for eight years as Associate Partner of technology practice.
Ms Sukanya Kripalu	Non-Executive Independent Director	Ms Sukanya Kripalu is a business strategy and marketing consultant. She has also served as the CEO of Quadra Advisory. Ms Kripalu is a member of the Board of Directors of companies such as UltraTech Cement, Colgate India, CEAT India, Aditya Birla Fashion & Retail, Entertainment Network (India) and Hindalco Industries, effective from September 1, 2024.

Management Overview

Mr Srikrishna Ramakarthikeyan — CEO & Executive Director

Mr Srikrishna Ramakarthikeyan is a Whole-time Director and the CEO of the company. He has over 30 years of experience. He is currently associated as Director in some subsidiaries of the company and was previously associated with HCL America Inc.

He is a BTech in electrical and electronics engineering from IIT, Madras and a postgraduate diploma in management from IIM, Calcutta.

Mr Vikash Kumar Jain — Chief Financial Officer

Mr Vikash Kumar Jain has been associated with the company since September 2018. He is responsible for key financial and legal aspects of the company, including corporate finance, taxation, treasury, mergers and acquisitions, risk management and investor relations. Mr Vivek has over 20 years of experience.

He was previously associated with Hewlett-Packard India Sale Private Limited and Wipro Limited. He is a BCom from the University of Calcutta and is a chartered accountant with the ICAI.

Mr Vinod Chandran — Chief Operating Officer

Mr Vinod Chandran is the President and COO of the company and has been associated with the company since March 2015. He is responsible for key functions that include workforce management, global recruitment, people function, global systems, enterprise risk, ESG, CSR and corporate affairs. Mr Vinod is responsible for driving the performance and scalability of the company's operating model to enable sustainable growth.

He was previously associated with HCL Technologies Limited. Mr Vinod is a BE (instrumentation technology) from the University of Mysore and has a postgraduate diploma in business management from XLRI, Jamshedpur.

Ms Nidhi Alexander — Chief Marketing Officer

Ms Nidhi Alexander has been associated with the company since January 2020. She is responsible for brand management, content creation, digital marketing, social media engagement, corporate initiatives, analyst and media relations, market research, field marketing and omni-channel demand generation.

Ms Alexander was previously associated with Mindtree Limited, Intellect Design Arena (India) Limited, Infosys Technologies Limited and STAR India Private Limited. She is a BA (honours) from the University of Delhi and has a postgraduate diploma in English journalism from the Indian Institute of Mass Communication.

Ms Nita Nambiar — Chief People Officer

Ms Nita Nambiar has been associated with the company since October 2023. She is responsible for shaping human resources practices and fostering a culture of growth and empowerment in the company. Ms Nambiar was previously associated with Cognizant Technology Solutions India Private Limited, Standard Chartered Bank and HCL Technologies Limited.

She is a BA (honours) from the University of Calcutta and has a postgraduate diploma in personnel management and industrial relations from XLRI, Jamshedpur.

Exhibit 62: Executive leadership by verticals and service lines

Executive Management	Designation
Mr Amrinder Singh	President & Head – EMEA & APAC Operations
Mr Chinmoy Banerjee	President & Global Head - Banking, Sales Transformation & North America Sales
Mr Ravi Vaidyanathan	President & Global Head - Financial Services
Mr Kamal Maggon	President & Global Head - Manufacturing & Consumer
Mr Shantanu Baruah	President & Global Head – Healthcare, Life Sciences & Insurance (H&I)
Mr Sanjay Salunkhe	President & Global Head - Digital & Software Services
Mr Siddharth Dhar	President and Global Head - Digital IT Operations
Mr Kush Gupta	Senior Vice President & Global Head – High-tech & Professional Services
Mr Mehdi Goodarzi	Senior Vice President & Global Head – AI
Ms Vidya Srinivasan	Executive Vice President - Chief of Staff & Head of Global Bid Management
Mr Eswar Venkatachalam	Executive Vice President and Global Head – Travel & Transportation
Mr Suresh Kumar Bennet	Executive Vice President and Global Head of Business Process Services
Mr Girish Pai	Executive Vice President and Global Head – Data & AI
Mr Satyendu Mohanty	Executive Vice President and Global Head – Talent Management
Mr Rajesh Balasubramanian	Executive Vice President & Global Head – Talent Supply Chain
Mr Srinivasan Panchapakesan	Corporate Vice President & Global Delivery Head – Digital & Software
Mr Senthil Nayagam K	Corporate Vice President & Global Head - Change Management

Source: Company, Nuvama Research

Additional Data

Management

CEO	Srikrishna Ramakarthikeyan
CFO	Vikash Kumar Jain
COO	Vinod Chandran
Other	
Auditor	B S R & Co. LLP

Holdings – Top 10*

	% Holding		% Holding
CA Magnum Holdi	74.57	FIL Ltd	1.03
HDFC AMC Ltd	3.26	Capital Group C	0.91
Republic of Sin	1.70	Kotak Mahindra	0.89
Invesco Asset M	1.22	Pictet & Cie Gr	0.86
SBI Funds Manag	1.12	Aditya Birla Su	0.55

*Latest public data

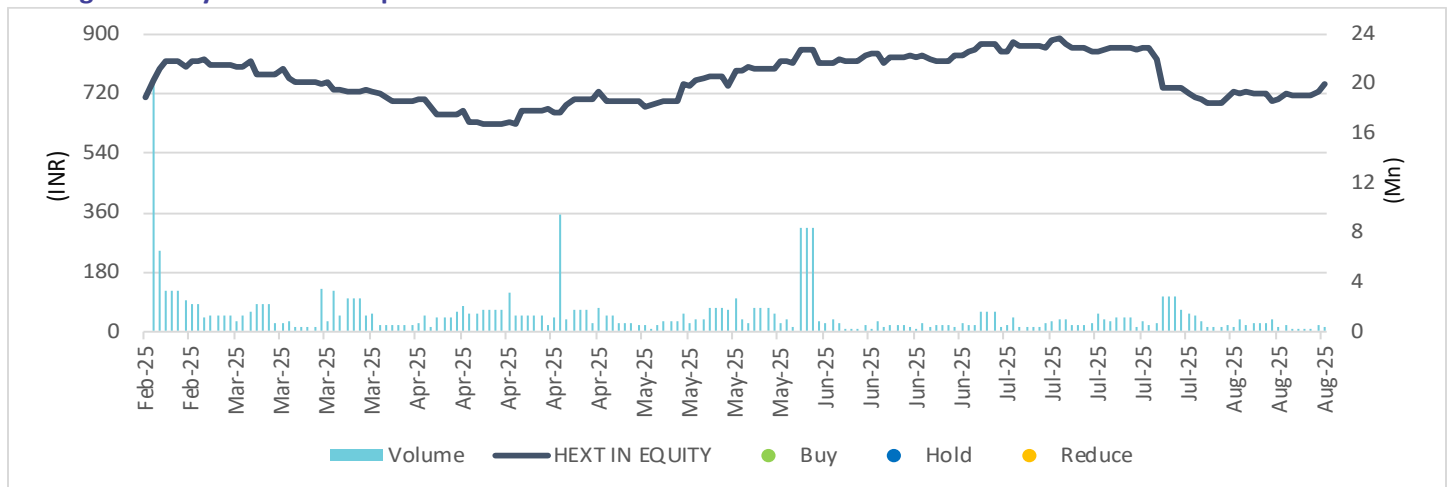
Recent Company Research

Date	Title	Price	Reco

Recent Sector Research

Date	Name of Co./Sector	Title
07-Aug-25	Birlasoft	Weak results; deal wins continue to elude; <i>Result Update</i>
01-Aug-25	IT	Amazon: Cloud growth steady, but lags pe; <i>Sector Update</i>
01-Aug-25	IT	Q1FY26: Soft quarter, as expected; <i>Sector Update</i>

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	198
Hold	<15% and >-5%	70
Reduce	<-5%	36

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