



**HEXAWARE**

**HEXAWARE TECHNOLOGIES LIMITED**

**Issue Opens - February 12, 2025 to February 14, 2025**

**Price Band**  
**₹674 to ₹708**

**Face Value**  
₹1

**Issue Size**  
₹8750 Cr

**Lot Size**  
21 Shares

**Listing At**  
NSE, BSE

**Issue Size**

**12,35,87,570 shares/₹8,750 Cr**

**Fresh Issue**

**N/A**

**Offer for Sale**

**12,35,87,570 shares/₹8,750 Cr**

**Tentative Allotment**

**Mon, Feb 17, 2025**

**Initiation of Refunds**

**Tue, Feb 18, 2025**

**Credit of Shares to Demat**

**Tue, Feb 18, 2025**

**Hexaware Listing Day**

**Wed, Feb 19, 2025**



## Objects of The Offer

The The objects of the Offer are to:

- (i) Achieve the benefits of listing the Equity Shares on the Stock Exchanges; and
- (ii) carry out the **Offer for Sale** of equity shares of face value of ₹1 each aggregating up to ₹ 87,500 million to by the Selling Shareholders.

## Brief profile of the Directors

- **Joseph McLaren Quinlan** serves as the Non-Executive Independent Director and Chairman of Hexaware Technologies Limited. He holds a Bachelor of Science degree in Management Studies from the University of the West Indies and a Master's degree in Business Administration from the Bernard M. Baruch College, City University of New York. He is currently associated with ServiceNow Inc., Jones Lang LaSalle Inc., and Booking Holdings Inc. Previously, he was affiliated with Deloitte LLP.
- **Srikrishna Ramakartheeyan** is a Whole-time Director and the Chief Executive Officer of Hexaware Technologies Limited. He holds a Bachelor of Technology degree in Electrical and Electronics Engineering from the Indian Institute of Technology, Madras, and a Post-Graduate Diploma in Management from the Indian Institute of Management, Calcutta. With over 30 years of experience, he also serves as a director in multiple subsidiaries of the company.
- **Neeraj Bharadwaj** serves as a Non-Executive Non-Independent Director of Hexaware Technologies Limited. He holds a Bachelor of Science degree in Economics from the University of Pennsylvania and a Master's degree in Business Administration from Harvard University. With extensive experience in private equity, he currently acts as a senior advisor at Carlyle Asia Partners.
- **Julius Michael Genachowski** serves as a Non-Executive Non-Independent Director of Hexaware Technologies Limited. He holds a bachelor's degree in Arts from Columbia University and a Juris Doctor degree from Harvard University. He is currently a Managing Director at Carlyle and serves on the boards of Mastercard Inc. and Sonos Inc. Previously, he was Chairman of the U.S. Federal Communications Commission.

# About The Company and Business Overview



**Hexaware Technologies Limited** is a global digital and technology services company with artificial intelligence (AI) at its core. The company specializes in delivering AI-driven solutions that support clients in their digital transformation journey and ongoing operations.

With a strong focus on AI integration, Hexaware has developed a suite of platforms and tools that enable businesses to innovate, adapt, and optimize in an AI-first era. Its key digital platforms include RapidX™ for digital transformation, Tensai® for AI-powered automation, and Amaze® for cloud adoption.

## **Business Overview**

Hexaware operates across six industry segments, offering AI-driven solutions in Design & Build, Secure & Run, Data & AI, Optimize, and Cloud Services. Serving 31 Fortune 500 firms, it has a global presence across the Americas, Europe, and Asia-Pacific, supported by strategic partnerships.

With a Net Promoter Score (NPS) of 72 in 2024, 39 delivery centers, and 32,500+ employees in 28 countries, Hexaware continues to expand its reach. Generating over \$1 billion in revenue in FY 2022 and 2023, it has outpaced industry growth with a 13.7% CAGR.

Recognized as the 'Fastest Growing Brand' among the Top 10 IT Services Companies, it now follows an 'AI-First Cloud-Powered' strategy to drive innovation.

## Business Model and Revenue Streams



Operating segments	Financial Services <sup>11.1%</sup>	Healthcare and Insurance <sup>17.1%</sup>	Manufacturing and Consumer <sup>17.9%</sup>	Hi-Tech and Professional Services <sup>14.8%</sup>	Banking <sup>13.6%</sup>	Travel and Transportation <sup>13.6%</sup>	
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	Creative, Content & Commerce <i>Step-to-market</i>	Digital Enterprise Transformation <i>Developer productivity</i>	ERP & Packaged Products
	Secure & Run	Operational & Business Security	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/insight</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 <i>Process Standardization</i>	
Digital Platforms	rapidX™		tensai®		amaze®		

† Based on FY2023 Revenue share

## Customer Cocentraion based On Reveune bracket

Revenue from operations bracket	Number of customers					
	For the twelve months ended September 30,			For the Financial Year		
	2024	2023	2023	2022	2021	2021
>US\$75 million	3	2	2	2	2	1
>US\$50 million	3	3	3	3	3	3
>US\$20 million	15	11	11	9	6	6
>US\$10 million	31	27	29	28	19	19
>US\$5 million	59	55	54	51	43	43
>US\$1 million	186	172	171	170	141	141

## Cash Conversion Percentage

	For the Financial Year		
	2023	2022	2021
Adjusted cash conversion percentage <sup>(1)</sup>	85.9%	56.0%	71.8%

<sup>(1)</sup> Net cash generated from operating activities for the year as a percentage of Adjusted EBITDA for the year.

# Statement of Profit and Loss



## Hexaware Technologies Limited

(All amounts are in Indian Rupees millions, unless otherwise stated)

Particulars	September 30, 2024	September 30, 2023	December 31, 2023
<b>INCOME</b>			
Revenue from Operations	88,200	77,643	1,00,803
Other Income	513	-12	88
<b>TOTAL INCOME</b>	<b>88,713</b>	<b>77,631</b>	<b>1,03,891</b>
<b>EXPENSES</b>			
Employee Benefits Expense	51,453	45,557	61,282
Finance Costs	453	306	378
Depreciation and Amortisation Expense	2,025	1,897	2,836
Other Expenses	23,349	19,586	26,710
<b>TOTAL EXPENSES</b>	<b>77,280</b>	<b>67,346</b>	<b>91,206</b>
<b>PROFIT BEFORE TAX</b>	<b>11,433</b>	<b>10,285</b>	<b>12,685</b>
Current Tax	3,174	2,354	2,830
Deferred Tax Charge / (Credit)	-274	-117	-121
Total Tax Expense	2,900	2,237	2,709
<b>PROFIT FOR THE PERIOD / YEAR</b>	<b>8,533</b>	<b>8,048</b>	<b>9,976</b>
<b>Total comprehensive income for the period/year</b>	<b>8,468</b>	<b>8,455</b>	<b>10,532</b>
<b>Earnings Per Share</b>	<b>14.12*</b>	<b>13.28*</b>	<b>16.45</b>

# Strengths



- **AI-Driven Innovation** – Strong focus on artificial intelligence, with AI embedded across all solutions and platforms, driving digital transformation for clients.
- **Diverse Industry Presence** – Operates across six major industry segments, serving 31 Fortune 500 companies, ensuring a broad and resilient customer base.
- **Global Delivery Network** – Presence in the Americas, Europe, and APAC with 39 delivery centers and over 32,500 employees, enabling seamless service delivery.
- **Strong Financial Growth** – Revenue exceeding \$1 billion in FY 2022 and 2023, with a 13.7% CAGR, outpacing the global IT-BP industry growth rate.
- **High Customer Satisfaction** – Net Promoter Score (NPS) of 72 in 2024, significantly above the industry median, reflecting strong client relationships and service quality.
- **Strong Brand Recognition** – Ranked as the 'Fastest Growing Brand' among the Top 10 IT Services Companies in the Brand Finance 100 report, enhancing market credibility and customer trust.

# Threats

- **Intense Competition** – Faces competition from global IT giants like TCS, Infosys, and Accenture, which may impact market share and pricing power.
- **Rapid Technological Changes** – Constant innovation in AI and cloud technologies requires heavy investment and agility to stay ahead of industry trends.
- **Economic Uncertainty** – Global recessions, inflation, or geopolitical instability could reduce IT spending by enterprises, affecting revenue growth.
- **Cybersecurity Risks** – Increasing cyber threats and data breaches pose a risk to operations and client trust, requiring continuous investment in security.
- **Talent Acquisition & Retention** – High demand for skilled AI and cloud professionals makes talent retention challenging, potentially impacting service delivery.
- **Regulatory & Compliance Risks** – Operating across multiple countries exposes Hexaware to evolving regulations, data privacy laws, and compliance requirements, which can increase operational complexities and costs.

# Valuation and Outlook



**Hexaware Technologies Limited** IPO is expected to be priced between **₹674 to ₹708** per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of **41x** whereas the industry average is **55x**

Name of the company	Face value per equity share (₹)	P/ E (number of times)	Revenue from operations (in ₹ million)	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)
Hexaware Technologies Limited*	1	[•]#	103,803	16.45	16.41	23.6%
<i>Peer Group**</i>						
Persistent Systems Limited	5	84	98,216	72.44	71.07	22.1%
Coforge Limited	10	64	91,790	131.56	129.59	23.0%
LTI Mindtree Limited	1	38	355,170	154.85	154.48	22.9%
Mphasis Limited	10	34	132,785	82.42	81.83	17.7%

**Hexaware Technologies** stands to benefit from the steady expansion of the global IT services sector, fueled by increasing enterprise adoption of cloud computing, artificial intelligence (AI) and digital transformation. However, as a mid-sized IT services provider, it faces stiff competition from established players like Coforge, Persistent Systems, LTI Mindtree and Mphasis.

Between 2021 and 2023, Hexaware Technologies reported a three-year average ROE and ROCE of around 24 and 26 per cent, respectively. While its revenue and net profit grew annually by 20 per cent and 15 per cent, respectively in the same period.

**"Call us on 8448899576"** to find out whether or not you should apply.

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