



9 August 2019

The Manager, Listing  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI - 400 001

The Manager, Listing  
National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. c/1,  
G-Block, Bandra-Kurla Complex,  
MUMBAI – 400 051

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investor presentation proposed to be used in the Financial Analyst Meet being held today at Mumbai.

The aforesaid presentation is also being uploaded on the website of the Company at [www.mphasis.com](http://www.mphasis.com) .

We request you to kindly take the above on record as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,

**For Mphasis Limited**

DocuSigned by:  
*Subramanian Narayan*  
864FB8DBFAE44A7...  


**Subramanian Narayan**  
**Vice President and Company Secretary**

Encl.- As above



# Financial Analyst Meet

**Nitin Rakesh**  
**CEO & Executive Director**  
August 2019

# Consumption Patterns are Changing



## Implications

### Changing Tech Consumption Trends

**Demand for end-to-end solutions that impact both business and technology**

**Low CapEx,  
migration to  
XaaS**

**Quick  
Response  
Times**

**Need for  
Simplification  
of Core**

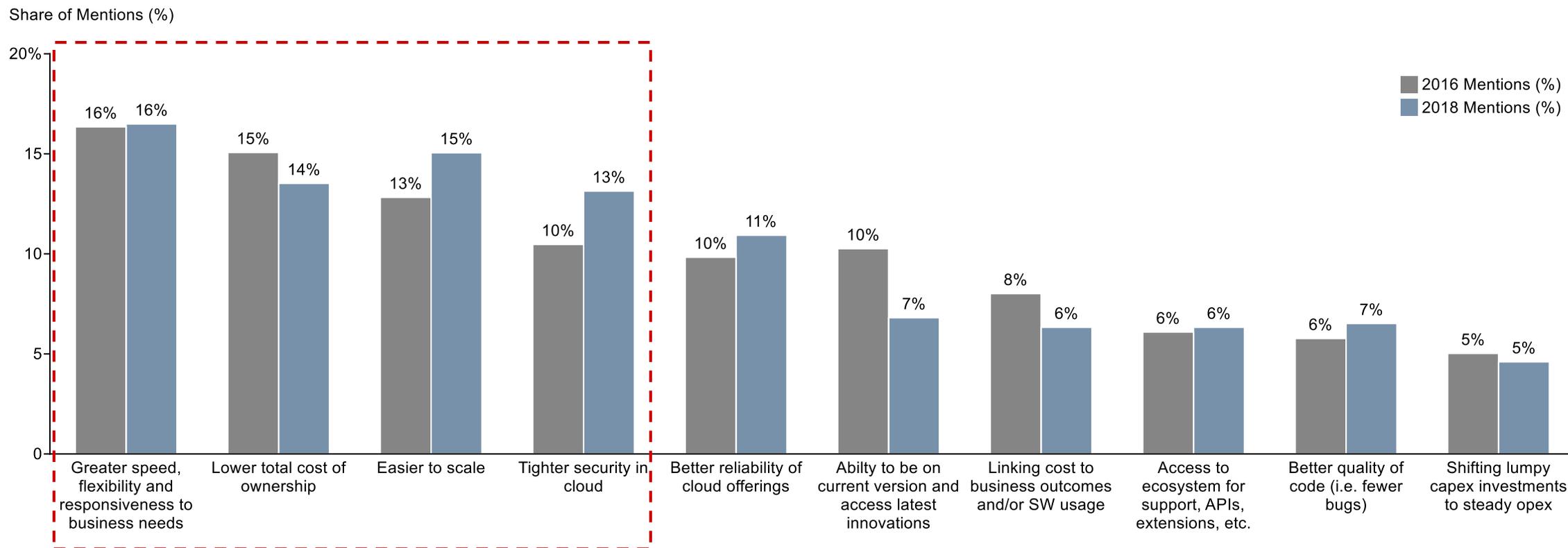


# Speed, flexibility, scalability and security are top drivers—lowering TCO still a key factor but declining

## CUSTOMER PERSPECTIVES

PRELIMINARY

When thinking about the most important benefits of moving applications to the cloud or building new applications in the cloud, what are the top three drivers of your decision?



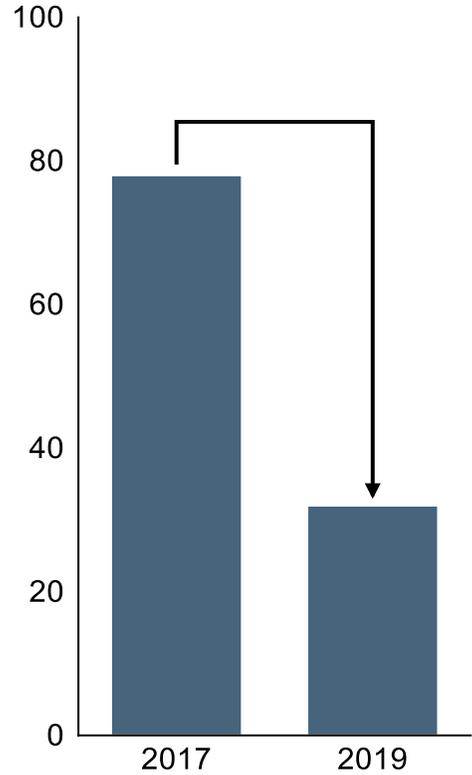
Source: Bain Cloud Archetypes Survey 2018 (n=349) ; Cloud IP Survey 2016 (n=347)



# Deal sizes have decreased in the last 2 years

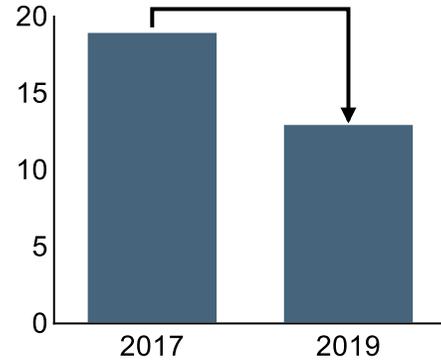
## Overall

Avg. deal size (All verticals, \$M)



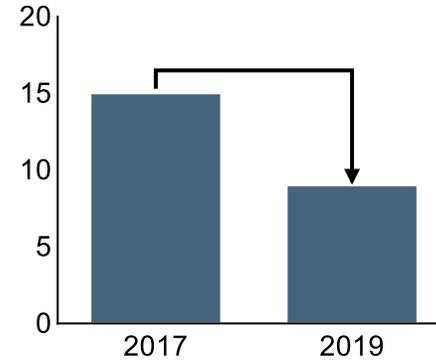
## BFS

Avg. deal size (BFS, \$M)



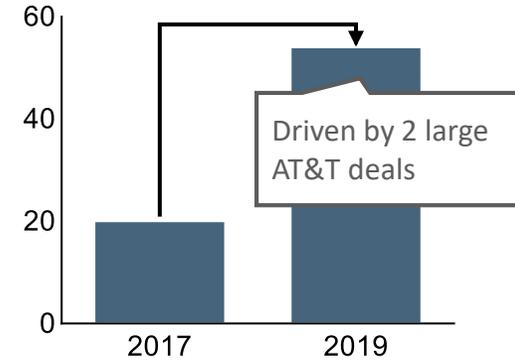
## Insurance

Avg. deal size (Insurance, \$M)



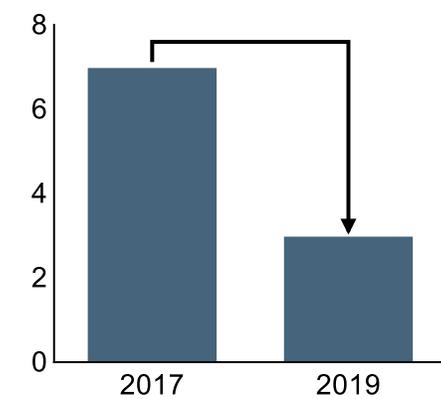
## Communications & Media

Avg. deal size (Comm & Media, \$M)



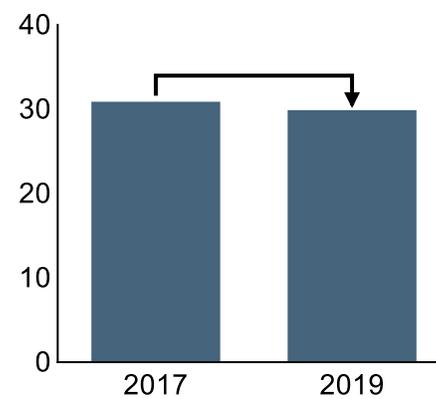
## CPG

Avg. deal size (CPG, \$M)



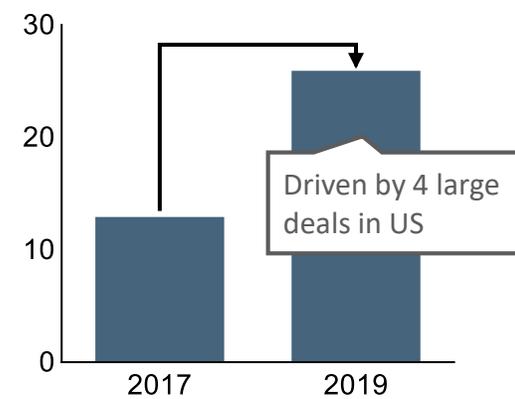
## Manufacturing

Avg. deal size (Mfg, \$M)



## Healthcare

Avg. deal size (HC, \$M)

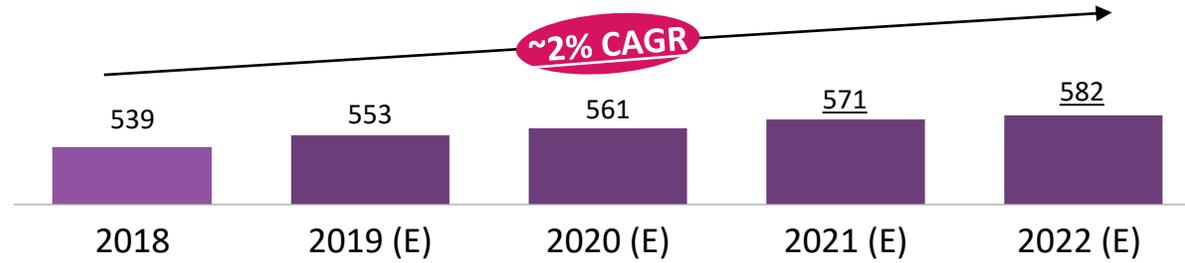


Note: TCV of services only considered (No products)  
Source: IDC Deals database

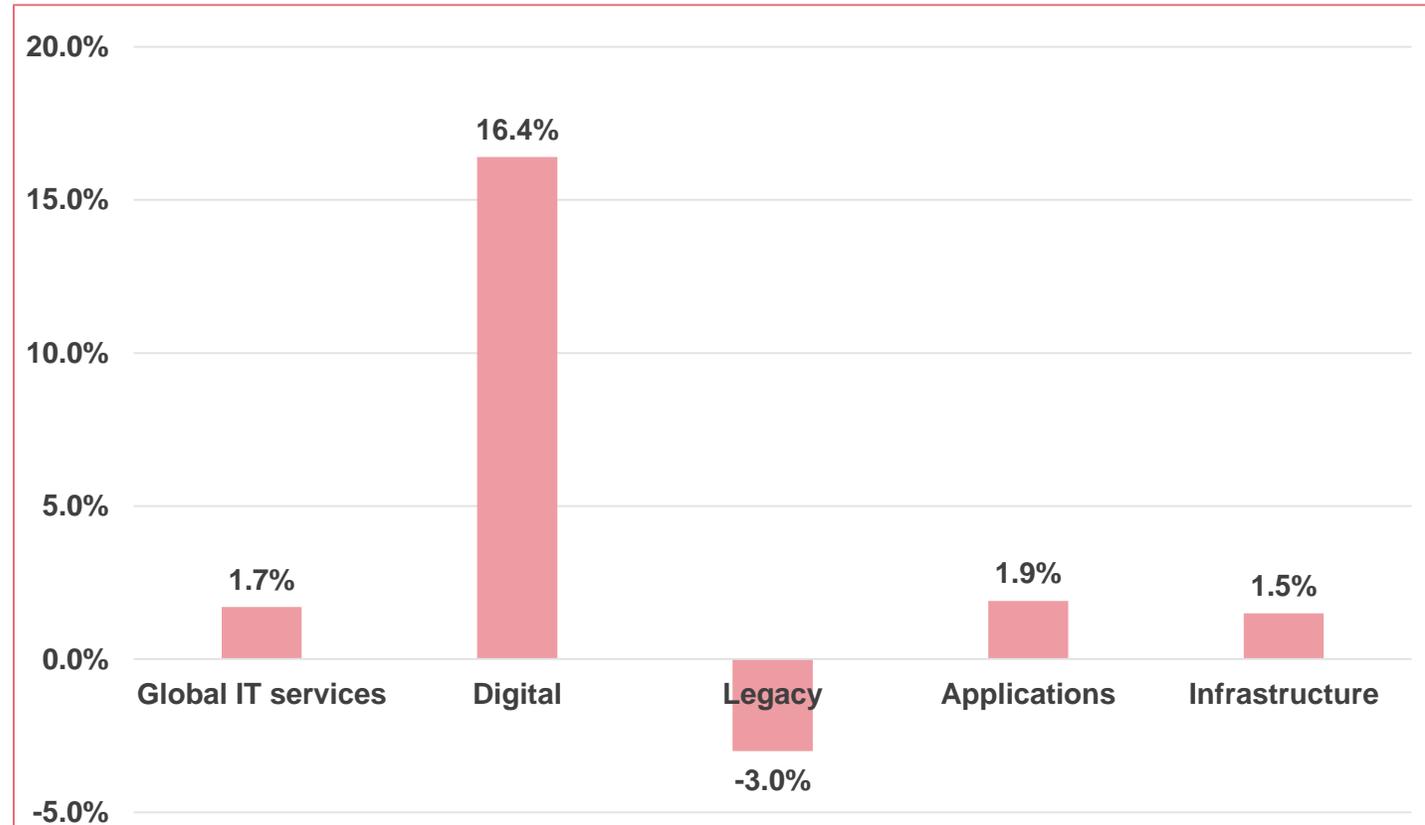


# Shift in Technology Consumption

**Global ITS market**  
US\$ billion



**CAGR (2018-22E)**



Source: Everest Group (2019)



# Emerging technologies in early innings of scale deployment by mainstream IT organizations

## FUTURE OF CLOUD

### Physical servers



- **A physical computer** (hardware) on which an OS (e.g., Windows, Linux) runs
- Require a separate space in the server rack

### VMs & IaaS



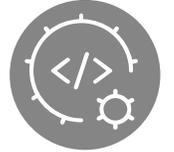
- VM technology allows a **piece of HW to be split up into different virtualized machines**
- Infrastructure-as-a-service (**IaaS**) is a form of cloud computing that **provides virtualized computing resources over the internet**

### Containers & CaaS



- **Containers virtualize the OS**, splitting it up into virtualized compartments to run container applications
- CaaS is a managed container service that simplifies the deployment of container technology

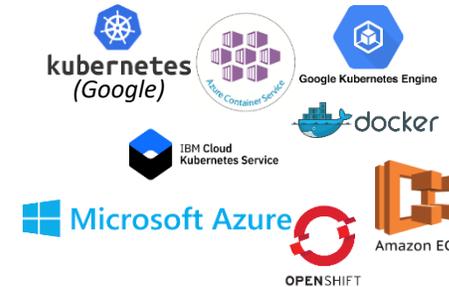
### Serverless Computing & FaaS



- Serverless computing enables to build and run apps with **no server management requirements**
- **FaaS platforms** allow developers to deploy an individual “function” (piece of app code) on a 3<sup>rd</sup>-party infrastructure

## Definition

## Cloud vendor examples



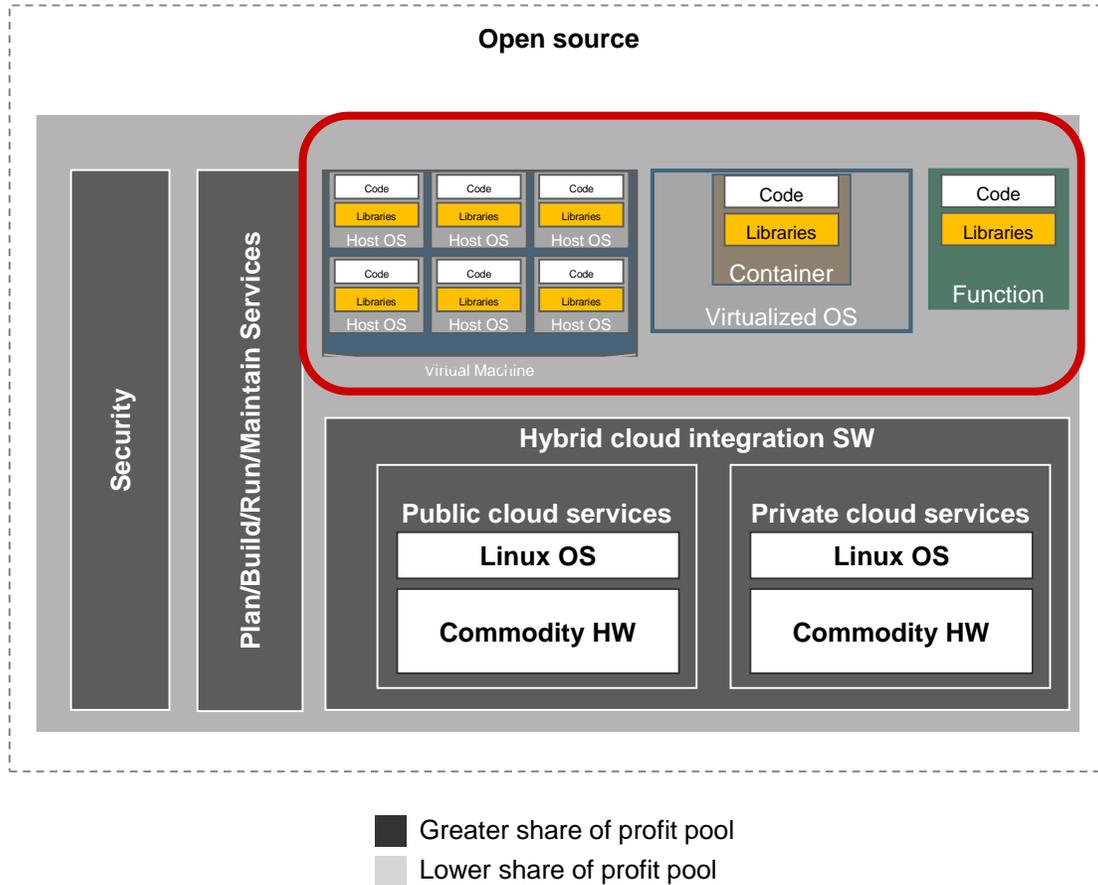
Source: Gartner; CNCF; Industry participant interviews; Lit. search  
 Source: Bain & Company



# These new technologies will reconfigure the IT stack and further disrupt profit pools

## FUTURE OF CLOUD

### Next Gen stack



### Commentary

Profit pools in infrastructure **HW and OS** are being **hollowed out**

Hyperscale cloud players are **capturing profits from commodity infrastructure** and OS layers

**Hybrid Multi Cloud Services** gaining traction

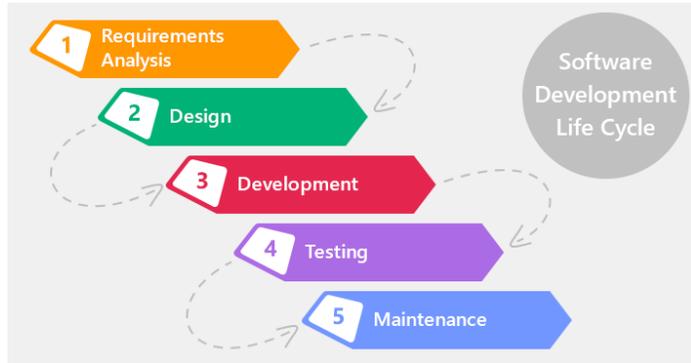
**Open source is commoditizing middleware layer**, with few exceptions (virtualization, security)

**Profit pools are migrating to services and applications**



# The Process for Building and Delivering Business Capabilities is Changing

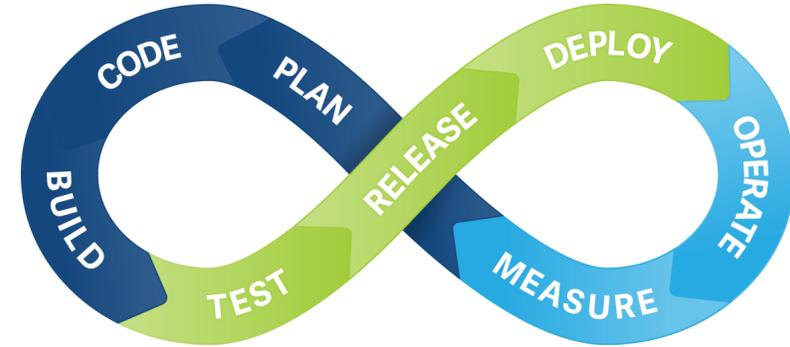
## Traditional Waterfall Methodology



- Underlying tech for development is changing
- Testing, Maintenance and Monitoring was **manual**
- **Separate teams** for each part of the dev cycle – delivery was **primarily offshore** and **resource based**



## DEVOPS Approach



- Critical to enhance **next-gen dev capabilities** – **containerization (Docker, Kubernetes), CaaS and FaaS (Amazon Web Services Lambda)**
- Testing, Maintenance and monitoring is **automated and tool based**
- **Single team** for the entire cycle – great share of delivery will be **onshore/ nearshore** and in **PODS (cross stacked)**

### DEVOPS High Performer Impact\*



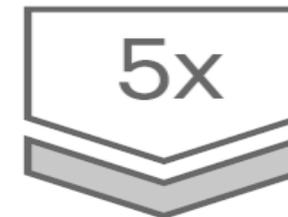
more frequent code deployment



faster mean time to recover (MTTR)



faster lead time from commit to deploy



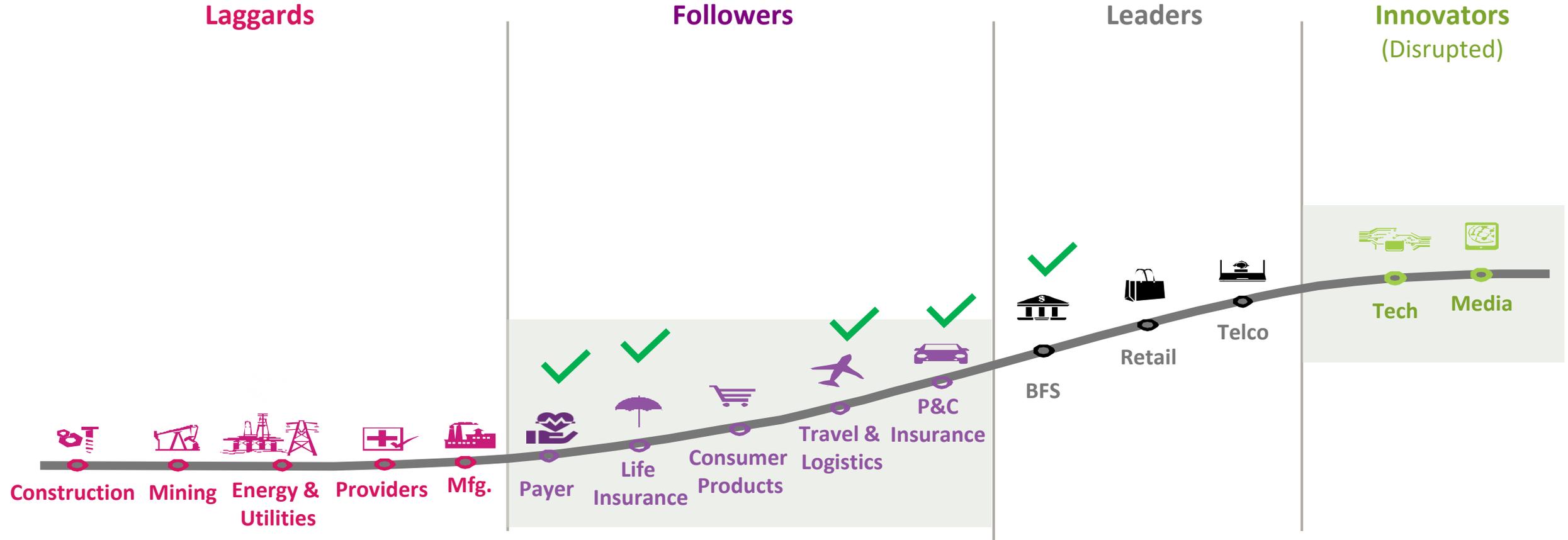
lower change failure rate

*Trad enterprises have 1-2 releases a year, while company like Netflix release code multiple times a day*

\*State of DevOps report-Puppet



# Industries are in Different Stages of Digital Adoption



Source: Bain & Company

# Key trends leading to Mphasis Strategy



## Cloud

- Agile**
  - Need for Agility driven by Enterprise Consumption of Tech on demand & on cloud
- DevOps**
  - Trad enterprises have 1-2 releases a year, while company like Netflix release code multiple times a day
- Platforms**
  - Cloud Platform Cos. are accelerating the disruption of service lines



## Cognitive

- Intelligent Automation**
  - Automation has expanded beyond the use of set tools.
  - AI/ML+ RPA is enabling new tech-led approaches to business problems
- Reinvent Traditional IT**
  - Traditional services like AMS, IMS are undergoing disruption as companies are moving to reinvent themselves and compete in future



## Data

Data acting as the **key differentiator** in the marketplace . The power of Cloud and Cognitive is being leveraged through changes made to the intelligence layer; reusing the current core systems.

- **Iterative implementations, leveraging reference architecture**
  - Lower marginal cost, faster Rol
- **Non-invasive surgery**
  - Leverage System of Record but not operate on it

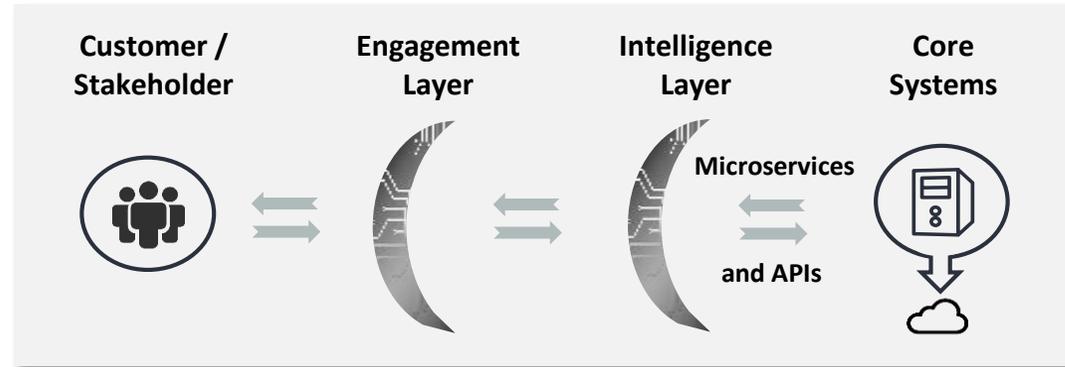


# Two Stronghold Pillars of Mphasis Strategy

## Mphasis 'F2B' Transformation™

### Drivers

- Speed & Agility
- Customer led Hyper Personalization



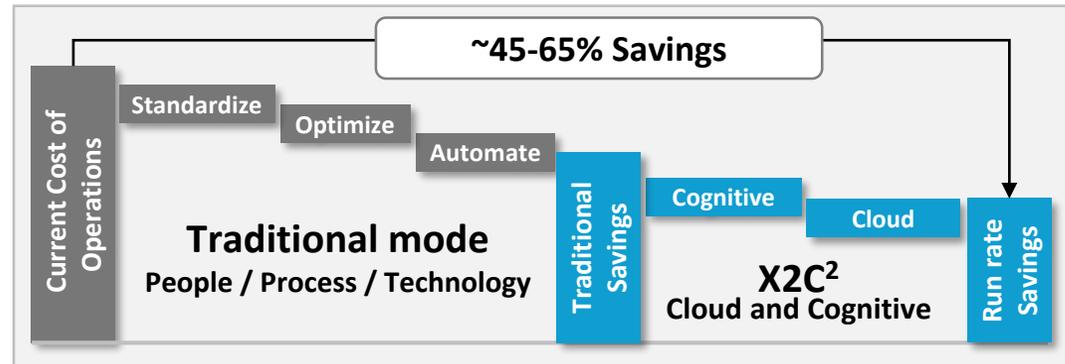
### Outcomes

- Right Sized Transformations
- Shrinking the Core
- Reference Architecture
- Innovation

## Mphasis Service Transformation

### Drivers

- Zero Cost transformation to fund 'change the business'
- Tech Debt Reduction



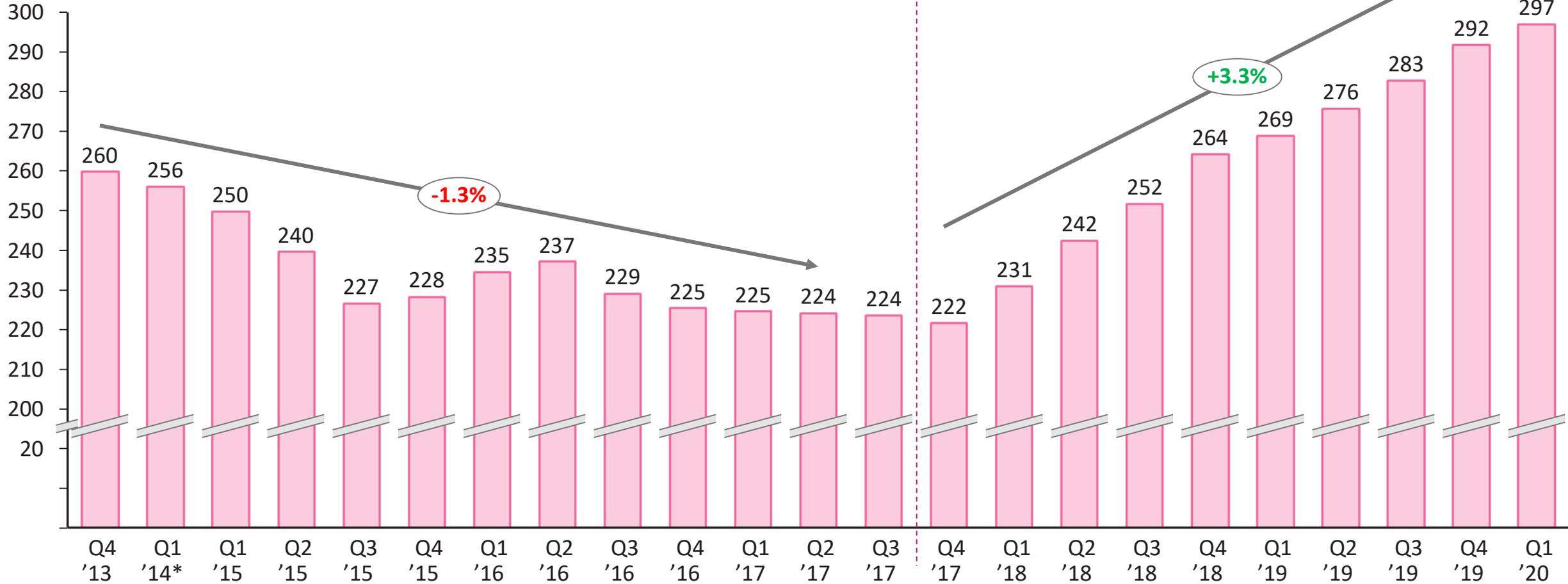
### Outcomes

- Risk, cost and error reduction
- Speed and agility improvements
- Throughput improvements



# Our Numbers tell the Story: Consistency and Transformation

Company Revenue in USD M (gross)



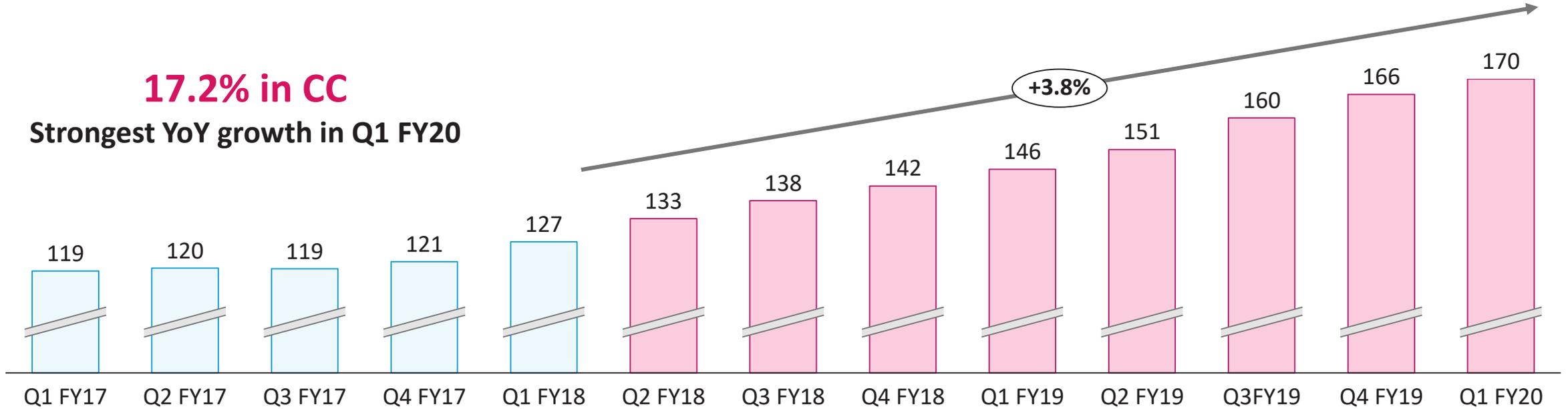
**Our Investments in Talent and New Gen service capabilities coupled with strong “Client Centric” organization delivering strong results.....**

\* Transition Year 5 months adj. # Growth % in CC Terms & Revenue reported is in USD @ Avg USD INR Ex. Rates



# Accelerated Growth in Our Primary Engine: Direct Core Business

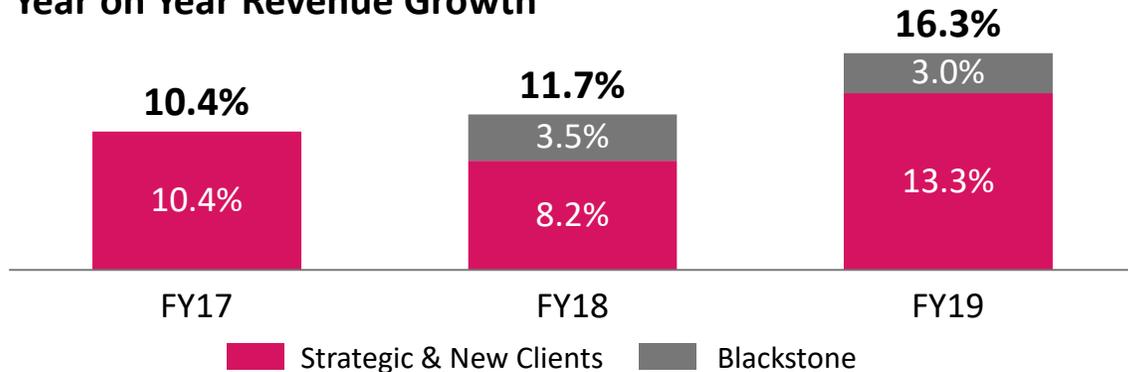
**17.2% in CC**  
**Strongest YoY growth in Q1 FY20**



CQGR % is in CC. Revenue reported is in USD @ Avg USD INR Ex. Rates

## Consistency: Growth across the Board

### Year on Year Revenue Growth



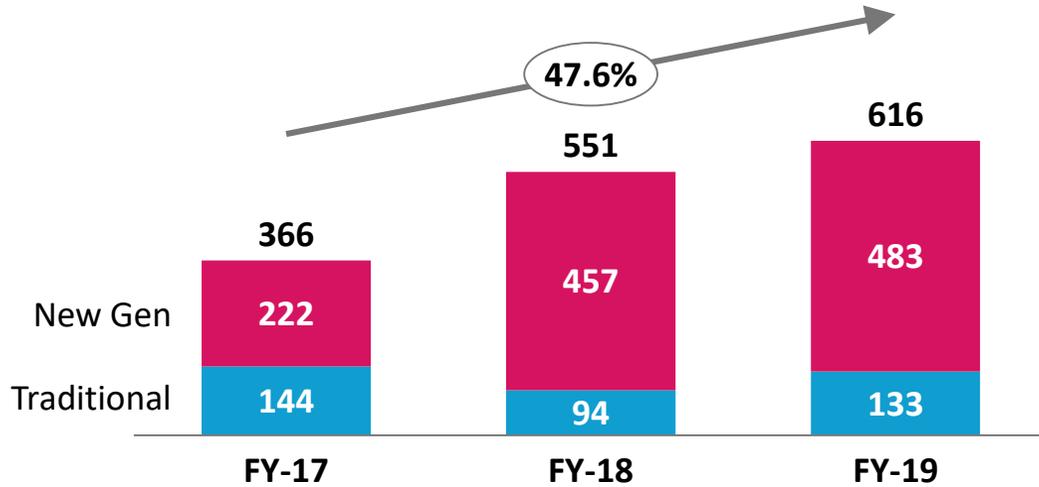
- 3 of the Top 5 strategic accounts grew at >20% Y-o-Y in FY'19
- >80% of deals won came from new gen areas in FY'19
- FY'19: New Client Acq grew ~91% and Blackstone accounts grew ~98%
- Q1'20: New Client Acq grew ~104% YoY and Blackstone accounts grew ~55% YoY



# Consistency: Direct growth fueled by New Gen Services

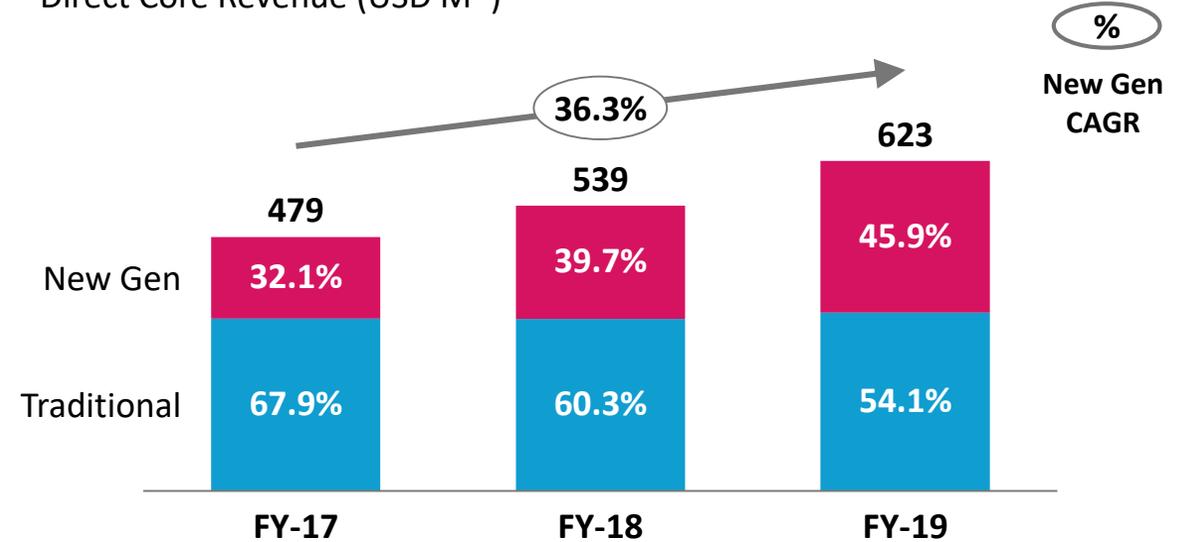
## New Gen Areas Dominate New Wins

Direct TCV Wins (USD M)



## Significant Revenue Growth in New Gen Services

Direct Core Revenue (USD M\*)



## Next Gen Partnerships help grow New Gen Services

TCV with Partner Collaboration

30%

Partner led Deal Wins

70+

Start Up PartnerS

25+

- Stelligent acquisition jump-started **AWS** partnership
- Gold Partner of **Microsoft Azure** for Cloud App Dev
- Development and GTM Partner of **Google Cloud Platform**
- Top Partner for **Pivotal**

\* Revenue reported is in USD @ Avg USD INR Ex. Rates



# Optimal Corporate Strategy – Focused on Bringing ‘T’ back into IT

Hyper personalized Next Gen Solutions bring together Deep Domain Expertise and Cutting-Edge Technology

## Deep Domain Expertise

- Long tenured preferred relationship with **marquee customers**
  - Working with **8 of the Top-10** US banks, **5 of the Top-10** European Banks by market cap
  - 70+% of Mphasis’ domain specialists are high caliber financial services experts
  - Top 15 Direct International clients have a weighted average relationship tenor of ~15 years

## Deep Technology Expertise

- **NextStep™ Platform** – Mphasis IP Platform
- **NextLabs** – in Cloud AI & Cognitive Innovation Lab
- **Sparkle Program** – Startup Innovation Ecosystem

## Verticals

Mortgage	Payments	Wealth Management	Consumer Banking	P&C Insurance	Life & Retirements	Health Insurance	Logistics...
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## Powered by Cloud & Cognitive

### Our Offerings Our Heroes

DevOps	Next Gen App Dev
Next Gen Data	Modernization
Enterprise Automation	Cyber Security
AMS	IMS

*Become truly world class in chosen offerings*



# we are preparing for a vastly different future

	Past	Today / Future
 <p><b>1. Next Gen Portfolio / IP</b></p>	<ul style="list-style-type: none"> <li>• Application IDEs</li> <li>• Dev ops tools</li> <li>• QA Automation tools</li> </ul>	<ul style="list-style-type: none"> <li>• Cloud Sandbox</li> <li>• Auto Code generators</li> <li>• Microservices</li> </ul>
 <p><b>2. Client Engagement</b></p>	<ul style="list-style-type: none"> <li>• Decisions mostly taken by IT</li> <li>• RFP driven Sale Process</li> <li>• Staff augmentation</li> </ul>	<ul style="list-style-type: none"> <li>• Decision taken by business and IT</li> <li>• Outcome based structure</li> <li>• KPI Driven / new commercial models</li> </ul>
 <p><b>3. Talent Transformation</b></p>	<ul style="list-style-type: none"> <li>• BAs, App architects</li> <li>• Developers in different layers</li> <li>• QA and deployment teams</li> </ul>	<ul style="list-style-type: none"> <li>• Designers</li> <li>• Full stack developers</li> <li>• SRE engineers</li> </ul>



# Continue to Invest in Next Gen Capabilities



## Next Labs – Cognitive & AI

- DeepInsights™
- HyperGraf™ (Customer 360 Analytics)
- InfraGraf® (Predictive Maintenance)
- NEXT Angles



## NextSTEP™ Platform

- Integrated Tool Chains
- Delivery Accelerators
- Agile/DevOps Accelerators
- RPA & Zero-touch Automation
- Cognitive & ML
- Best Practices & Frameworks



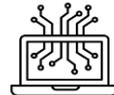
## Mphasis Technology Council

- CEO – Strategic Guidance
- Mphasis Technology Council (MTC) – thought leadership & Guidance
- Mphasis Architect Community (MAC) – sharing & building
- Mphasis Architect Academy (MAA for growth and development)



## Domain Teams

- Deep expertise in chosen sub-verticals
- Domain-led solutions and capabilities built on years of working with Marquee customers
- Early customer engagement to proactively solve their business problems



## Digital

- Delivers chunks of business value fast (KPIs)
- Smart introduction of disruptive technology
- Reference architecture based transformation



## Service Transformation

- NEXT Step™ - Approach to OPTIMIZE THE RUN in applications, infra and business operations
- Delivers User Experience, Modernization, Improved Cost of run, and productivity
- Consumption-based commercial models



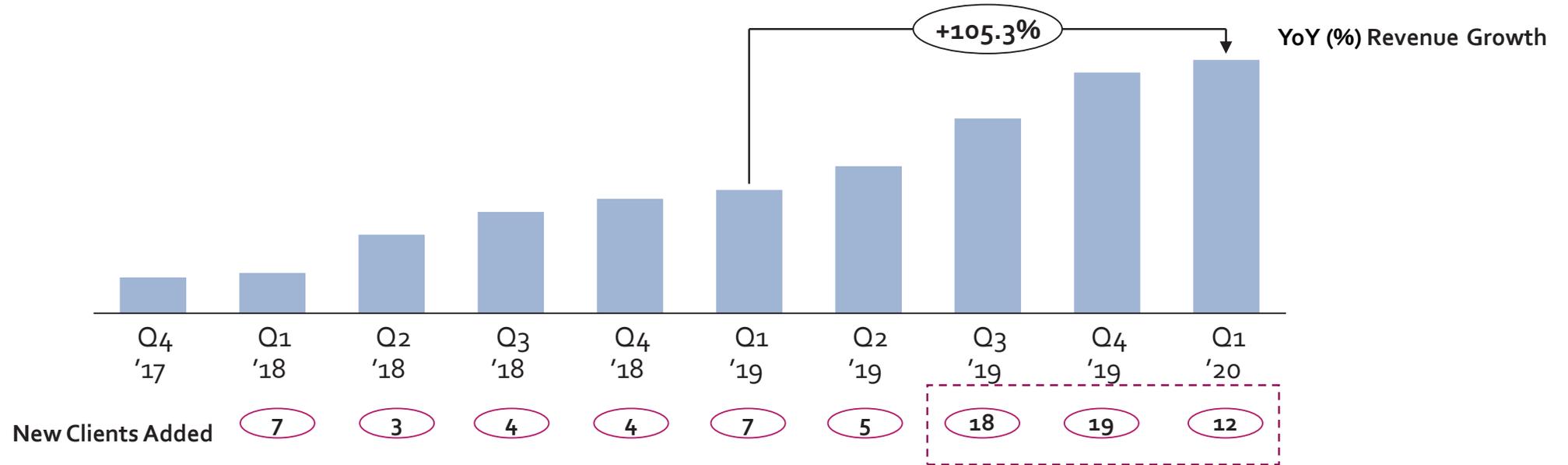
Winner – Best Application of Artificial Intelligence (AI) for Financial Services



Stratus Awards for Cloud Computing' in the AI category



# New Client Wins have fueled growth in Direct Core

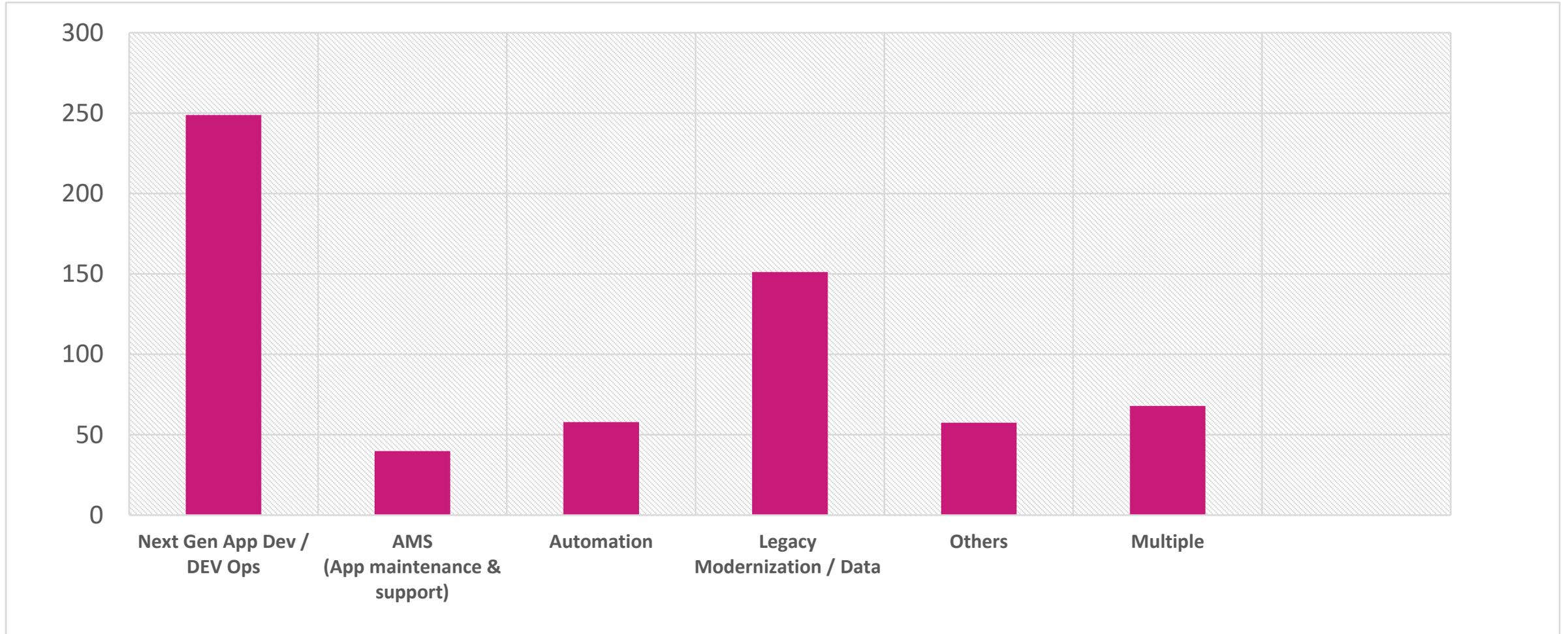


- There are no mature markets...
- Offerings the real HERO – Differentiation is Key

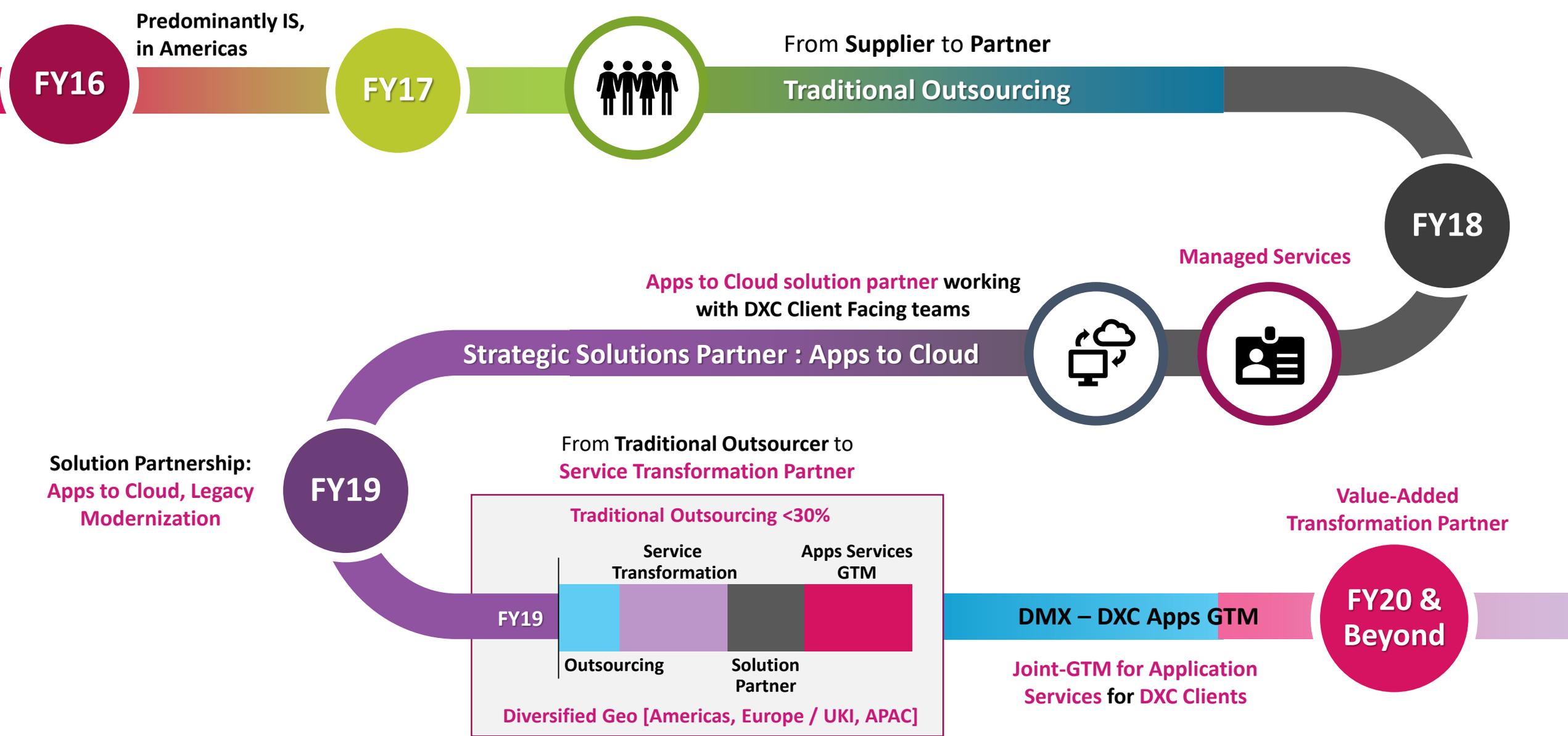


# FY19 New Gen TCV Wins – By Tribes – DC

(In \$M)

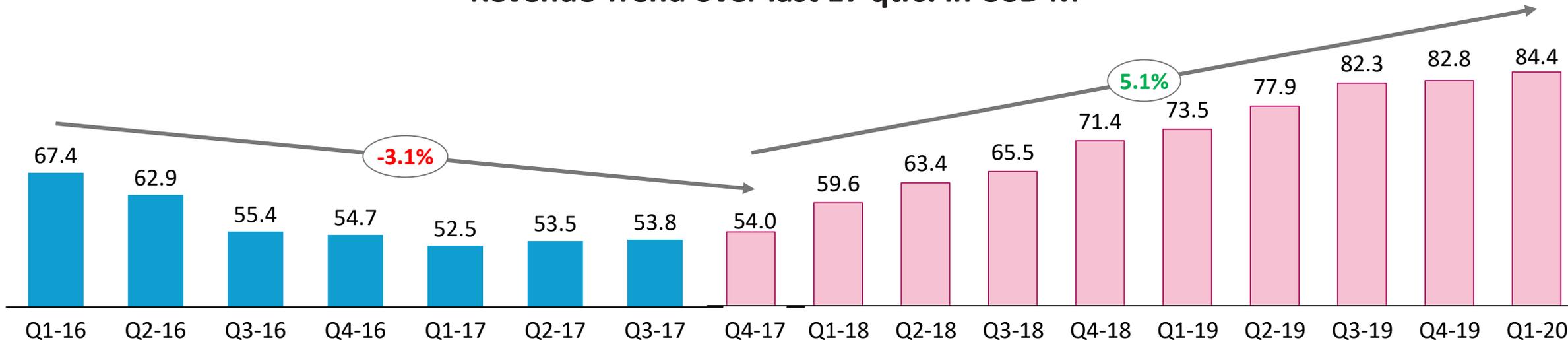


# DXC-Mphasis Relationship Transformation

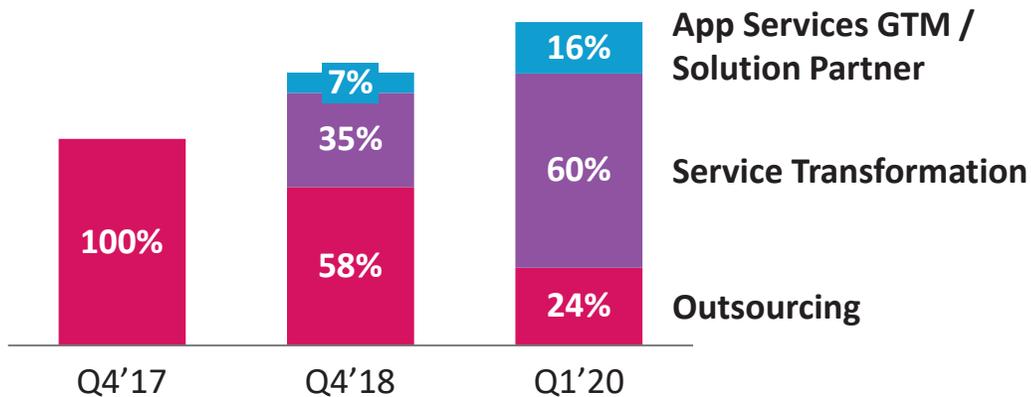


# JXC-HP Channel Business Transformation

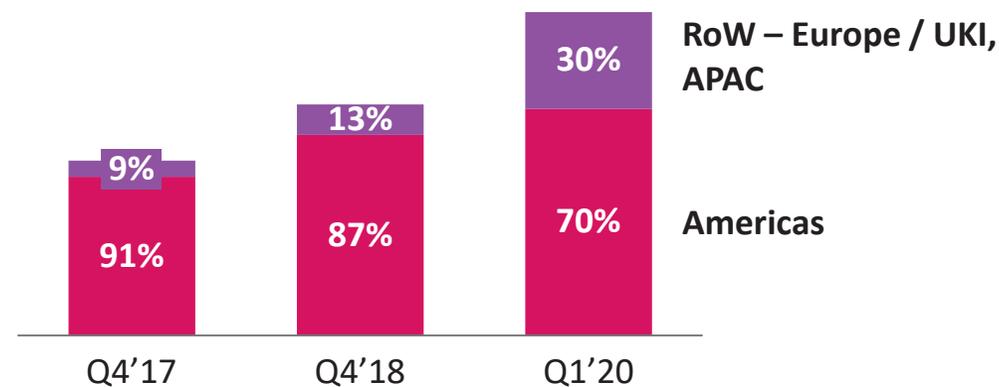
## Revenue Trend over last 17 qtrs. in USD M



## Business Shift

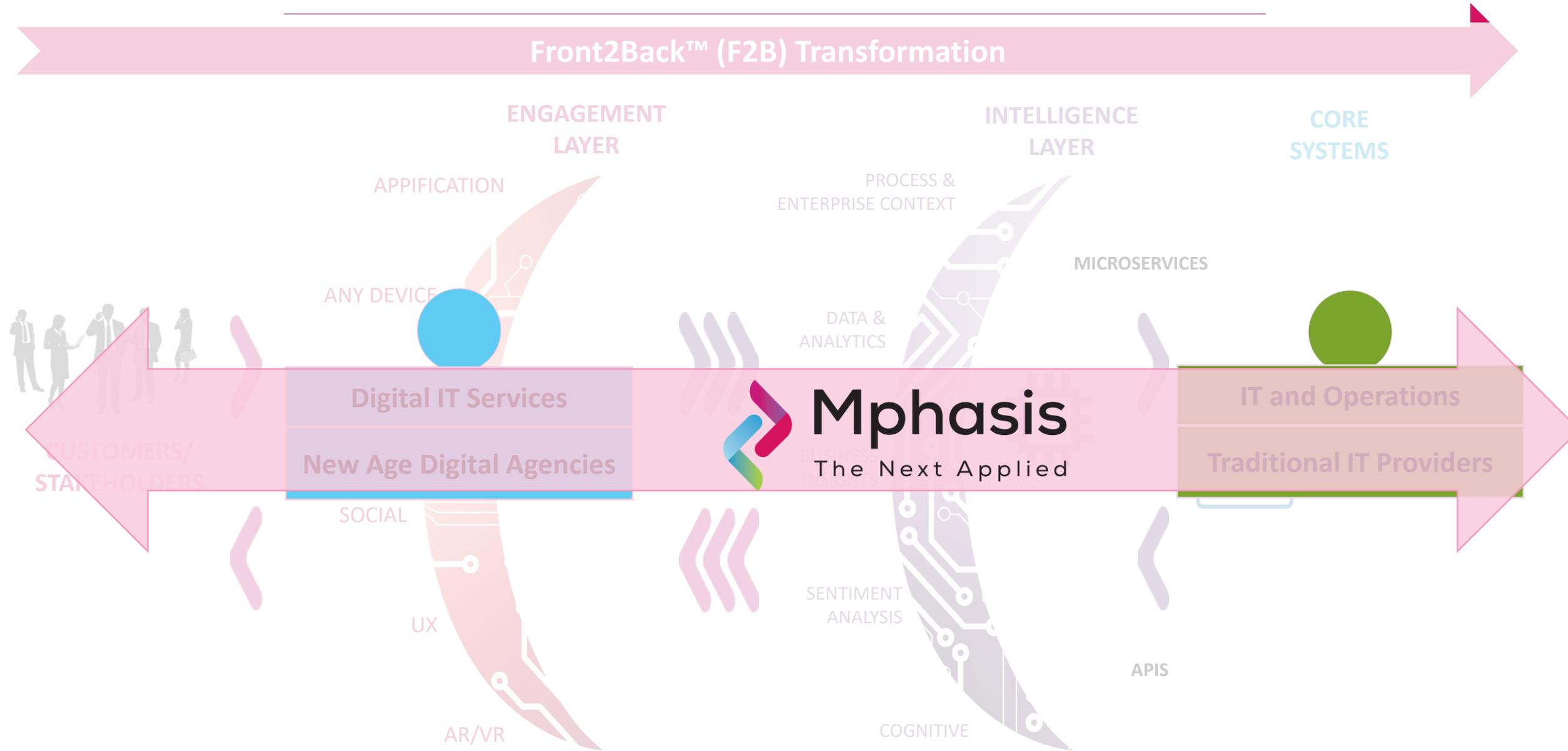


## Geographical Penetration





# Mphasis – an end to end Applied Tech Company



# 2020 and Beyond...

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- 1. Accelerate Direct Core** : Consistently outgrow the market
  - Farming Strategic Accounts
  - New Client Acquisition
  - Continue momentum in BX channel
- 2. Strategic Partnership with DXC/HP** : Continuous transformation in relationship
  - Applications Partnership Growth
  - Expand Vertical and Geographic Footprint
  - Increase Service Transformation Participation
- 3. Continued focus on Margin optimization to fuel Growth (EBIT 15.5%-17% post Q1FY20)**
- 4. Investment Capability building** : Talent Next, Next Labs and inorganic tuck-ins
- 5. Strong Cash flow Generation and Optimal Cash Strategy** to maximize shareholder value



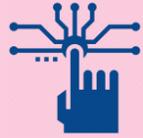


# Strategy in Action

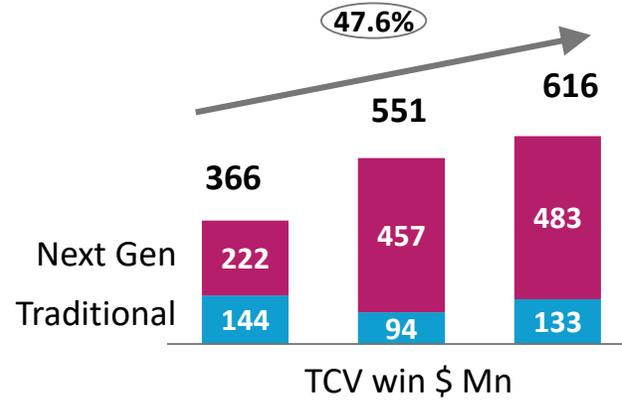
**Dinesh Venugopal**  
**President Digital and Direct**

# Direct Growth: Powered by Our Three Pillars

1



**Leading with Next Gen Portfolio**



- Bringing 'T' back into IT

2



**Catching deals upstream, proactively**



- Institutionalized early engagement sales process and robust account planning

*In proactive pursuits with next gen solutions, win rate is 49%*

3



**Next Gen Engagement Model**

**Organized As Tribes/ Squads - Cut Down Silos, Boost Agility And Innovation**



Design Thinking



Solution Studio



Next Lab/Next STEP™



Sparkle



Hackathons & POCs



Talent Next



# Our Next Gen Portfolios is driving Digital Transformation for Clients

**DevOps:** Ushering Speed, Extreme reliability, Security and TCO optimization through DevSecOps. **Stelligent**

**Next Gen App Dev:** *Enabling enterprises to become digital natives through “platformization” - delivering business capabilities not just applications*

**Next Gen Data:** Differentiated “Bi2Ai” approach to help enterprises realize the promise of data. Leverages host of next gen tech. data technologies

**Modernization:** *F2B™ modernization approach to transform enterprises saddled with legacy to innovate and thrive*

**Enterprise Automation:** Ensuring nimble and optimized operations for enterprises through *Cognitive automation*

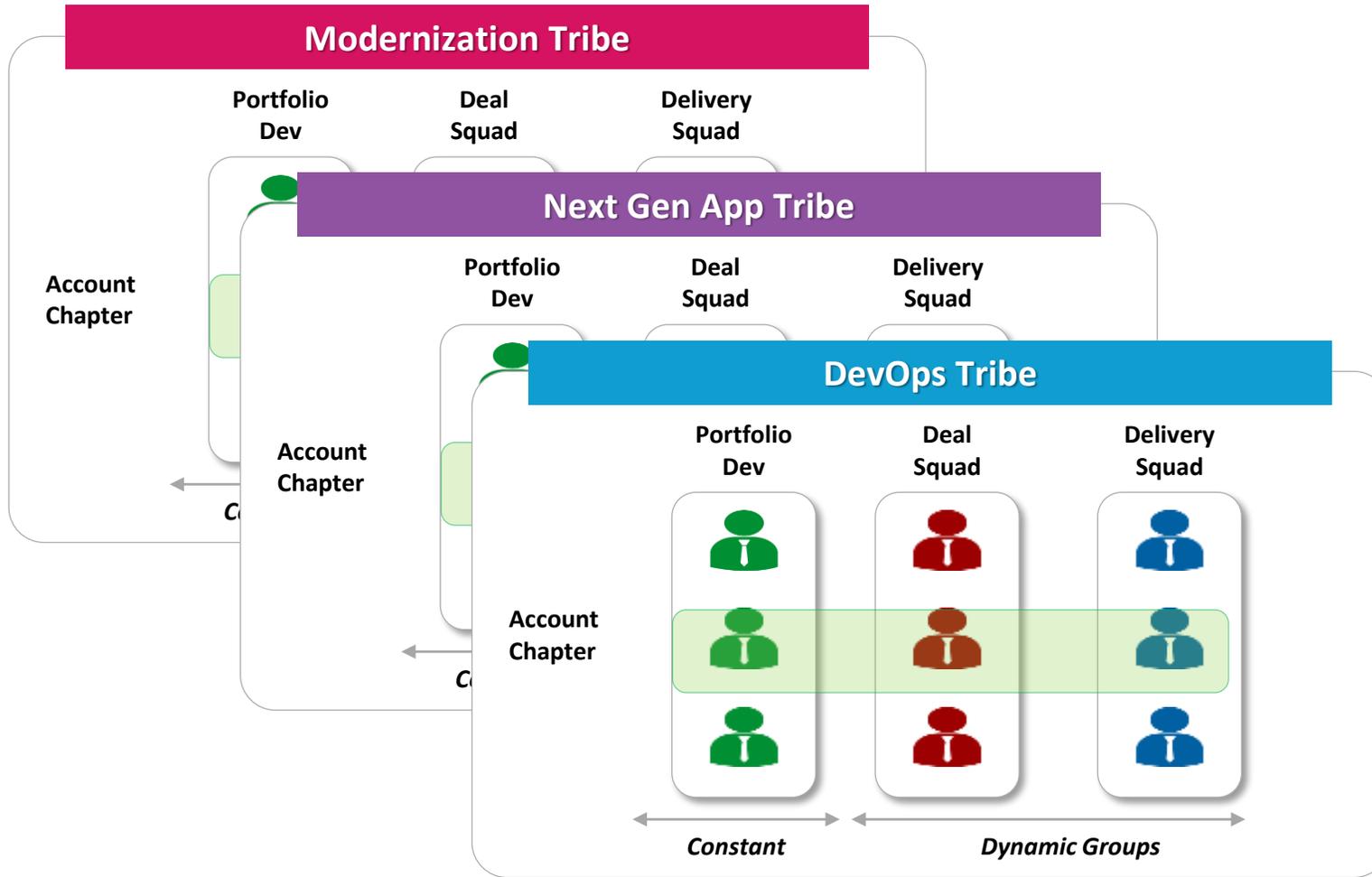
**Cybersecurity:** Infusing AI to cyber security to help enterprises tackle the cyber threat. Leading with Identity & Access management

**AMS:** Next Gen AMS services that leverages Cognitive automation, DevSecOps, Zero QA, Zero Ops, Scaled agile to name a few to optimize IT run

**IMS:** Enabling a digital enterprise by building an intelligent and secure infrastructure & ops - Next gen data center & cloud, end user svcs, N/W & security ops



# Our Next Gen Engagement Model is Bringing Agility and Innovation to Clients



- Design Thinking Workshops
  - Hackathons
  - POC led Co-Innovation
  - Solution Studio
  - NextLabs™ & NextStep™
  - Talent Program- TalentNEXT™
  - Sparkle™
- The Mphasis Way

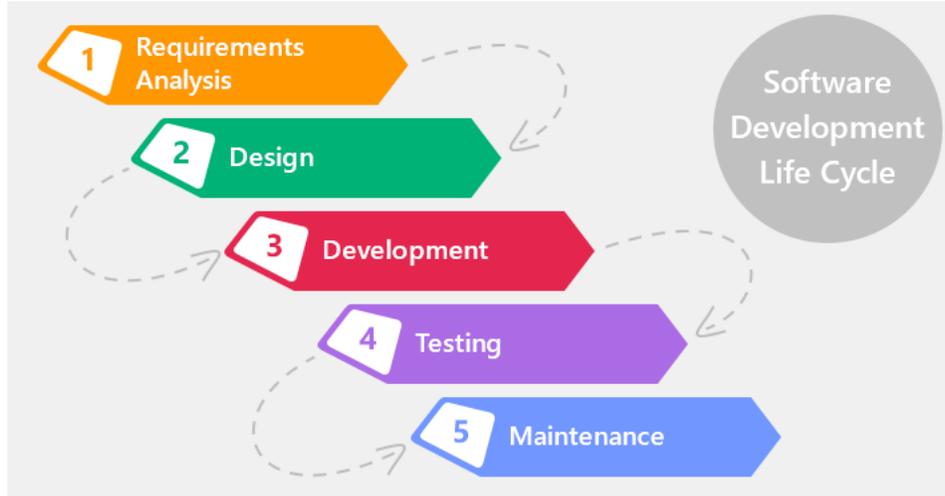
**Tribe:** Cross functional Team, focused on developing, evolving and building next-gen offerings

**Squad:** Each portfolio Tribe (Mod., DevOps...) has cross-functional **Squads** that come together to build and deliver specific offerings using **Agile** methodologies

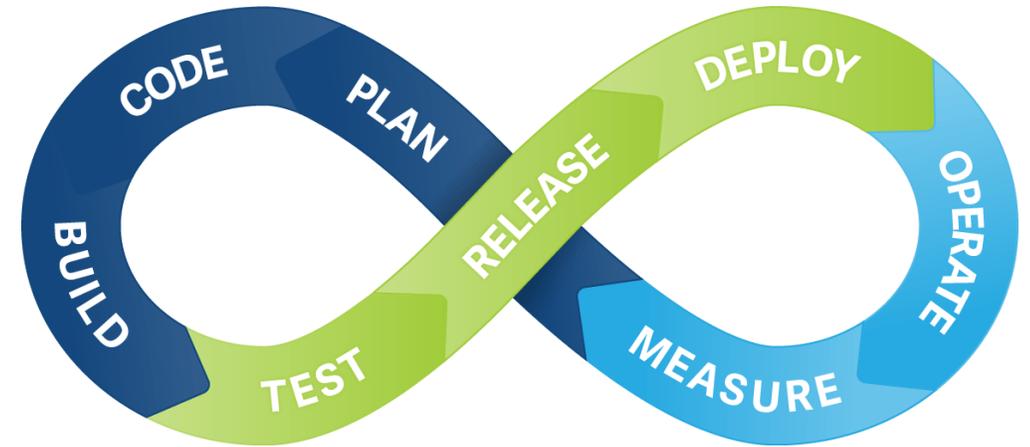


# DevOps: The Process for Building and Delivering Business Capabilities is Changing

## Traditional Waterfall Methodology



## DEVOPS Approach



### DEVOPS High Performer Impact\*



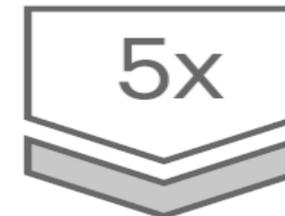
more frequent code deployment



faster mean time to recover (MTTR)



faster lead time from commit to deploy



lower change failure rate

*Trad enterprises have 1-2 releases a year, while company like Netflix release code multiple times a day*

\*State of DevOps report-Puppet



# How we engage with our Clients



We **embed** with client teams, attend standups, interface with them daily



We aim for **one-click deployment** to give clients the ability to continuously deploy their software, when they want, with confidence



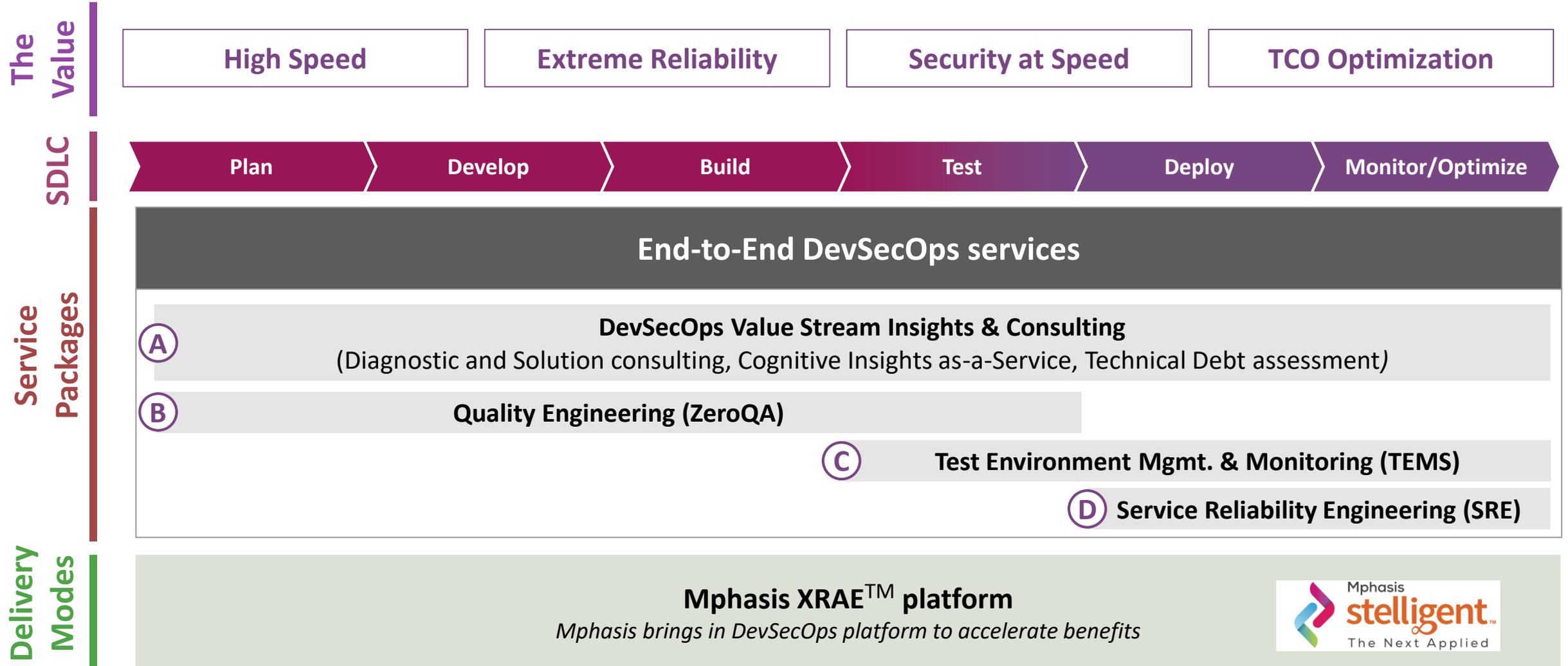
We strive to make our **clients self-sufficient**, through collaborative development and knowledge transfer.



We are driven by a desire for **automation**, a culture of constant improvement, and **excellence in delivery** of referenceable work



# Mphasis XRAE™ – DevSecOps Solution on a Page



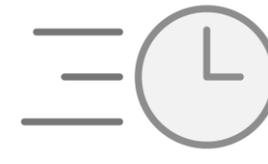
# Client Story: Impact Metrics from a Leading Manufacturing Company



Getting Environments:  
**Decreased from a month to 30 mins**



Deployment Time:  
**Reduced by 97%**



Process Workload Time:  
**Accelerated from 6 hours to 7 minutes**



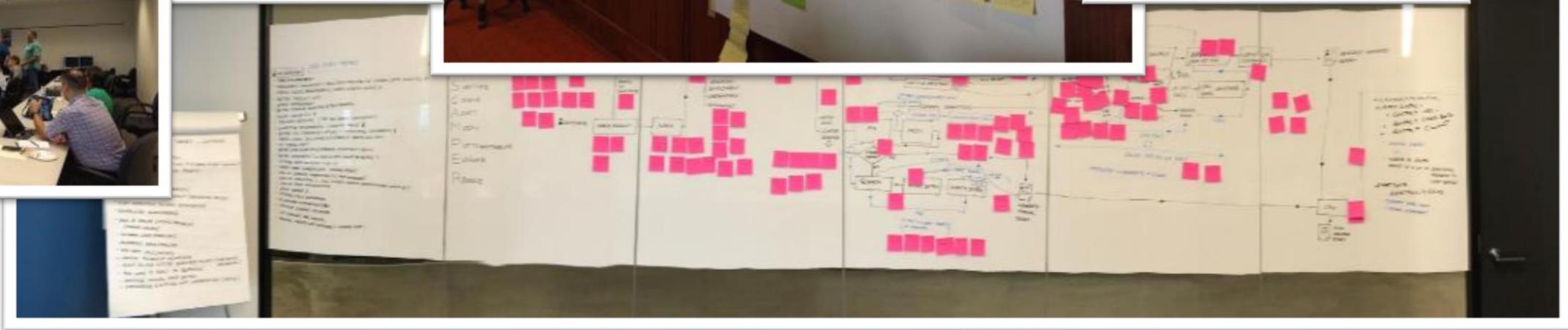
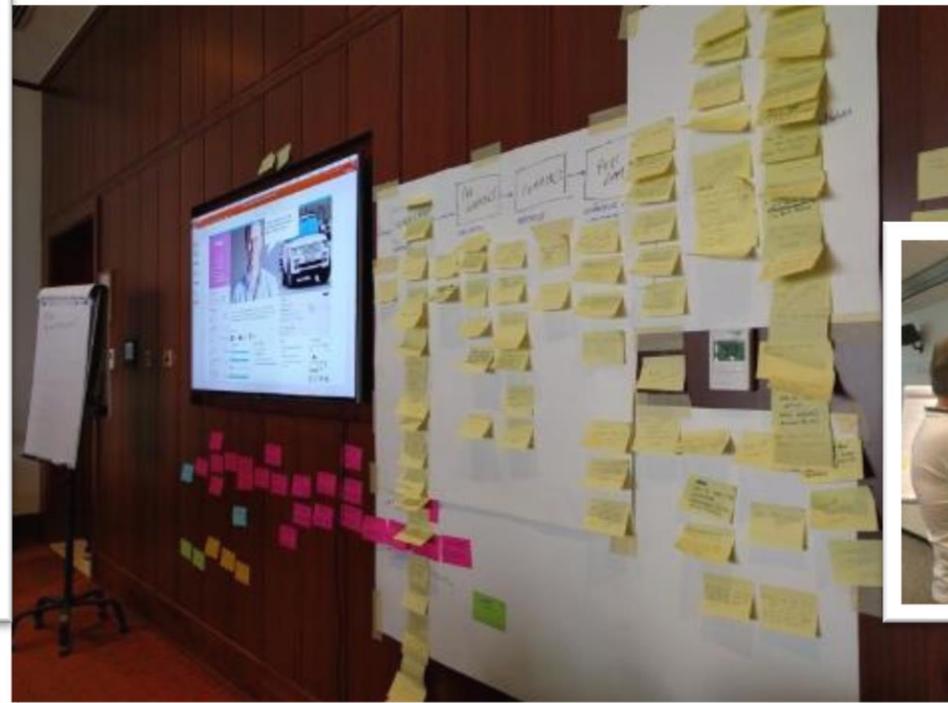
Cost of Processing Files:  
**Reduced by 99 percent**



Product Deployments:  
**Surged from once a quarter to 200+ a week**

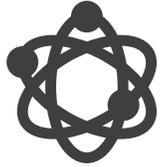


# Design Thinking/ Hackathons To Kickstart Transformation



# Sparkle™ Eco-system: Powering our Next Gen Engagement Model

## Sparkle™ Eco-system



Sparkle  
Research



Sparkle  
Labs



Sparkle Solutions  
Foundry

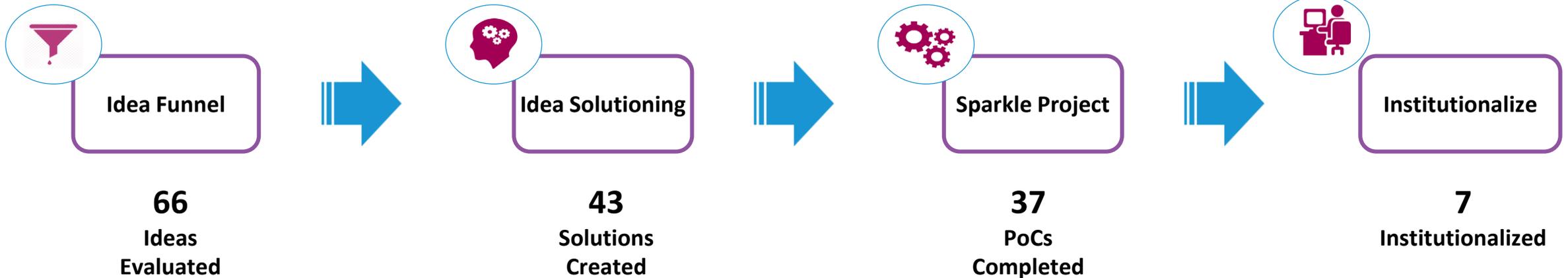


Innovation Delivery  
Centers



Sparkle  
Showcase

## Sparkle™ powered engagement model - Success with a large financial service organization





## Client Stories

# Digital Transformation For A Fortune 50 Player

**Client Need:** Move out of mainframe onto a cloud environment in 1 year with no modernization budget

 Business Constraints

Mainframe Systems slowing time to market

Run business consuming bulk of the spend

Stifled Innovation - Inability to leverage Next gen tech

 Benefits

Accelerate Product Development Speed

30%



Reduction in Total Cost of Ownership

25%



Efficiency from process automation

40-50%



*Legacy Modernization*

*DevOps*

*Cloud Native Architecture*



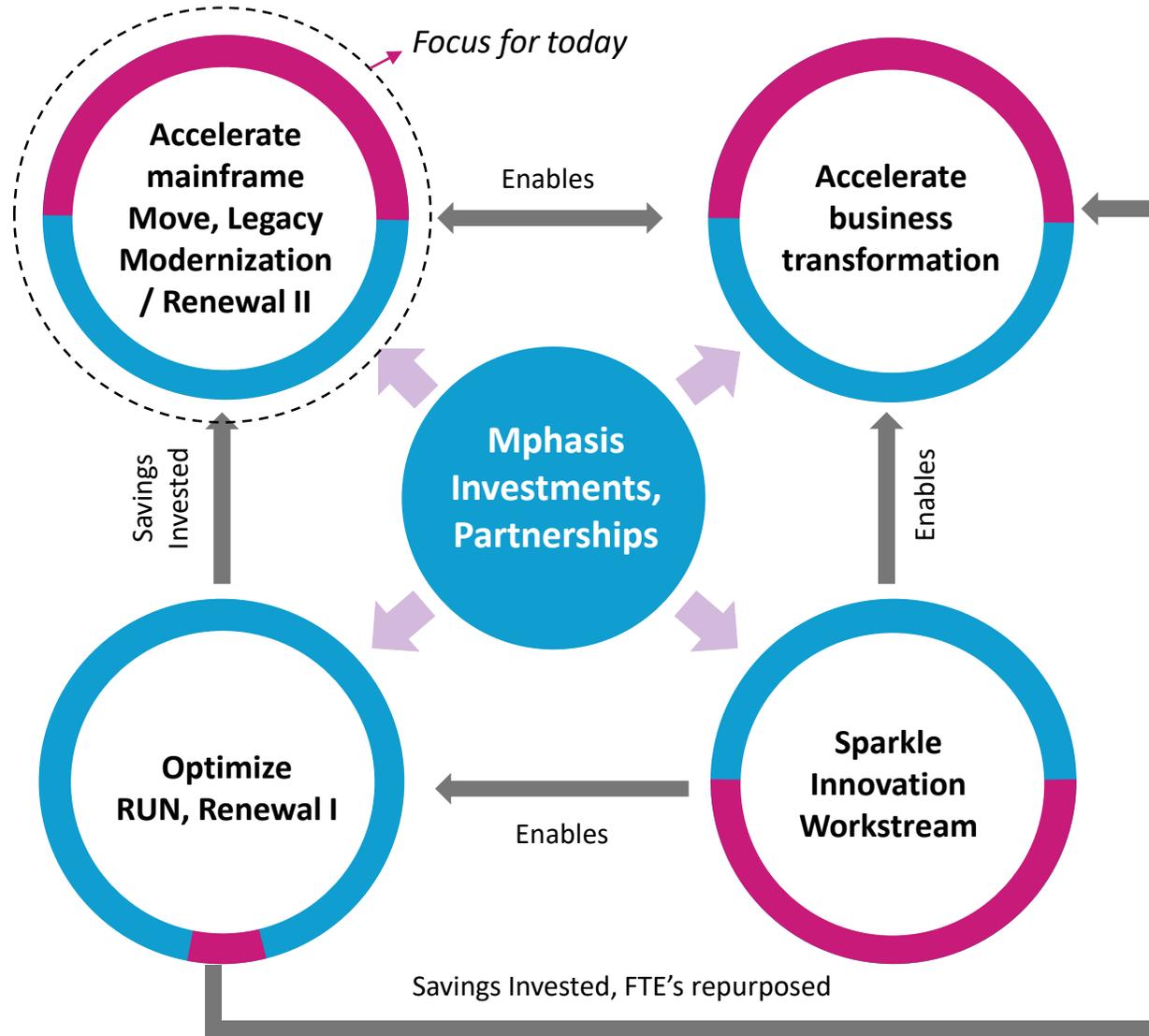
# Bringing Our Offerings Together To Help Clients Transform

## Modernization

- Business Capability vs. Application based approach
- Delivering in chunks of business value vs. “big bang”

## DevOps/ Enterprise Automation

- Zero cost for production support
- Automation to reduce inordinate no. of FTEs in run



## Next Gen App Dev/Cloud

- Maximize Renewal
- Tribes and squads
- Cloud native

- **Sparkle Lab**
- Contextual innovative solutions
- Formal innovation track in parallel with BAU



# Modernization for Large Scale Transformation for UK's Largest Independent Broker

**Client Need:** Drive efficiency & effectiveness across Operations, enable Growth

 Business Constraints

Multiple acquisitions never fully integrated,  
80+ branch offices  
5 LOBs with divergent priorities/challenges

High current cost of run across tech and ops  
Multiple PAS versions

Long "time to quote", low customer retention, poor sales conversion...

 Benefits

Faster Time to Quote

30%



Reduction in Total Cost of Ownership

28%



Efficiency from process automation

28-35%%



Modernization

Process Re-Engineering

Automation



# Modernize A Leading Freight Player Into A Platform Enterprise

**Client Need:** Build a Business of the Future by embracing Digital Disruptions / Accelerating Innovation



Business Constraints

System Reliability / Availability & low response time

Run cost to maintain technology stability

Dependency on monolith Core – lack of speed, agility, scalability



Benefits

Faster Resolution Time

75%



Reduction in Operational Costs

55%



Faster Time to Market As A Service / Platform

40%



Modernization

DevOps

Automation

Next Gen Data



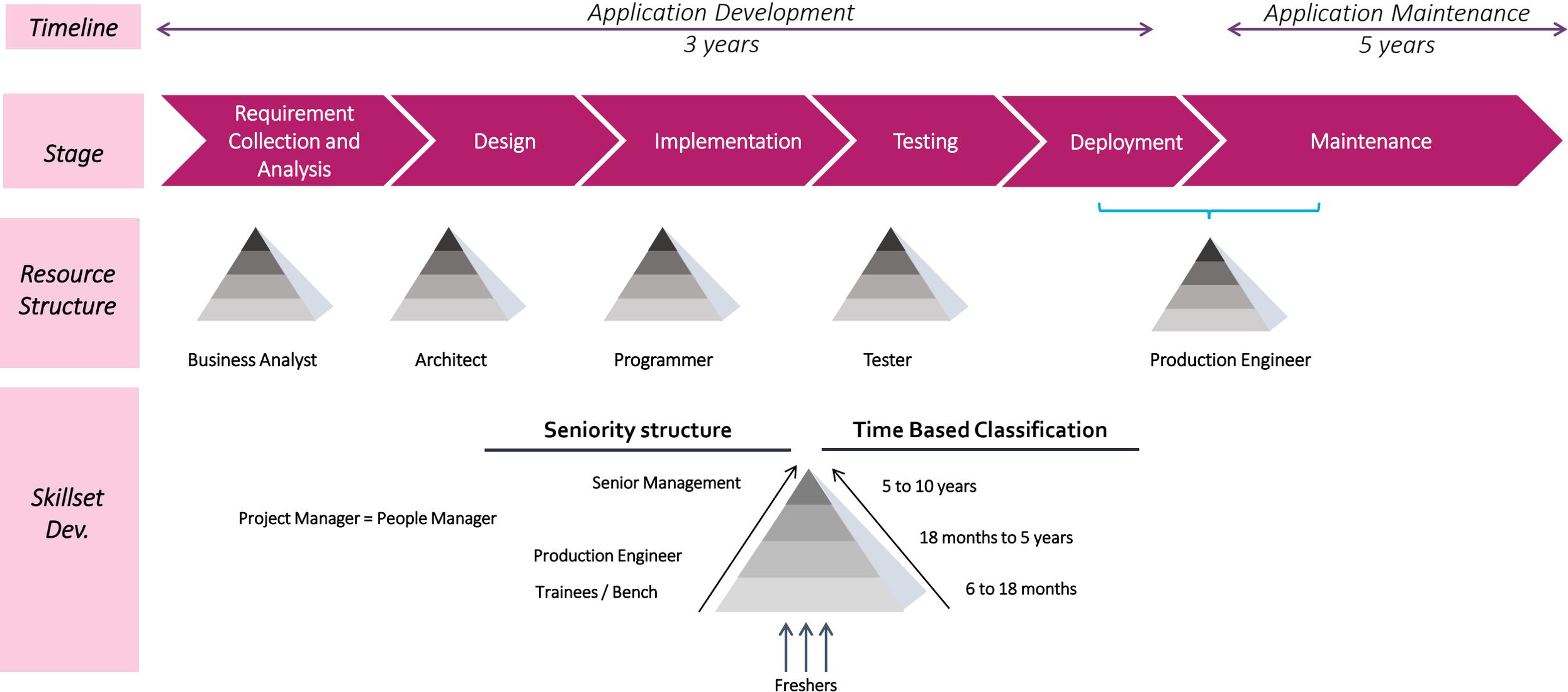


**Mphasis**  
The Next Applied

# Talent Transformation

**Srikanth Karra**  
**CHRO**

# re-skilling the workforce: Traditional Systems Development Life Cycle (SDLC)



# Re-Skilling the Workforce: Agile Development

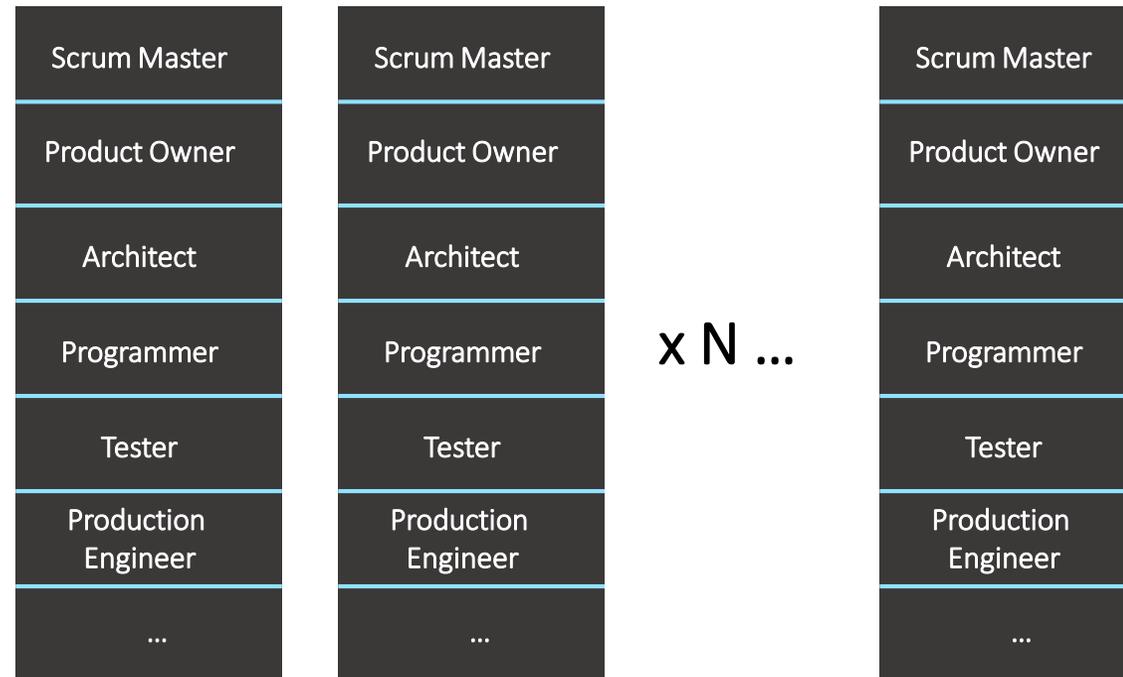
Timeline

← Roll-out a *Minimum Viable Product (MVP)*  
in 3 to 6 months only →

← Release *Upgrades with New Functionality*  
(Ongoing) →

Skillset  
/  
Resource  
Structure

## Multi-functional Scrum Teams of Agile Developers



Re-shaped Pyramid to Multi-skilled Stacks



# Our Talent Transformation program is the catalyst to leap frog...



# Linking Digital Transformation to Talent Transformation

Powered by Cloud & Cognitive	
Technology Offerings	
DevOps	Next Gen App Dev
Next Gen Data	Modernization
Enterprise Automation	Cyber Security
AMS	IMS

- **5x** increase in the # of training programs (>**78%** are **Gen-Next skills**)
- Technical trainings cover the following competencies

Technical Competencies		
.NET	Data Science	Linux Administration
Artificial Intelligence / Machine Learning	UI /UX	Mobile App Development
Back-end Development	DevOps	Networking
Big Data	Cyber Security	Robotic Process Automation
Cloud Architecting	Front-end Development	Software Testing
Cloud Development	IT Service Delivery & Management	Virtualization
Cloud Operations	Java	

- eLearning solution made available for **74%** of the training
- Certifications are both internal as well as external
- Cognitive automation features to hyper-personalize learning





Narendra Raje Urs

2340829

Senior Dev Ops Eng



### Your Skills

Select your Areas of Interest

Feedback Service

**Recommended** ✕

**Cloud Security - S2**

Target Date:20-Aug-19

Available for Self Assignment

Popularity Rank

★★★★★ 4.1/5

Based on 27 users

30

**Recommended** ✕

**AWS Security Engineering - S2**

Target Date:20-Aug-19

Requires Manager Nomination

Popularity Rank

★★★★★ 4/5

Based on 208 users

30

**Recommended** ✕

**AWS Development - S2**

Target Date:20-Aug-19

Requires Manager Nomination

Popularity Rank

★★★★★ 4.3/5

Based on 25 users

30

**Recommended** ✕

**AWS Networking - S2**

Target Date:20-Aug-19

Requires Manager Nomination

Popularity Rank

★★★★★ 4.4/5

Based on 166 users

30

**Recommended** ✕

**Machine Learning for Data Scientist**

Target Date:20-Aug-19

Available for Self Assignment

Popularity Rank

★★★★★ 3.7/5

Based on 316 users

Learning - In Progress Learning - Not Started Learning - Completed Certified

Interested Skills

Hidden Skills



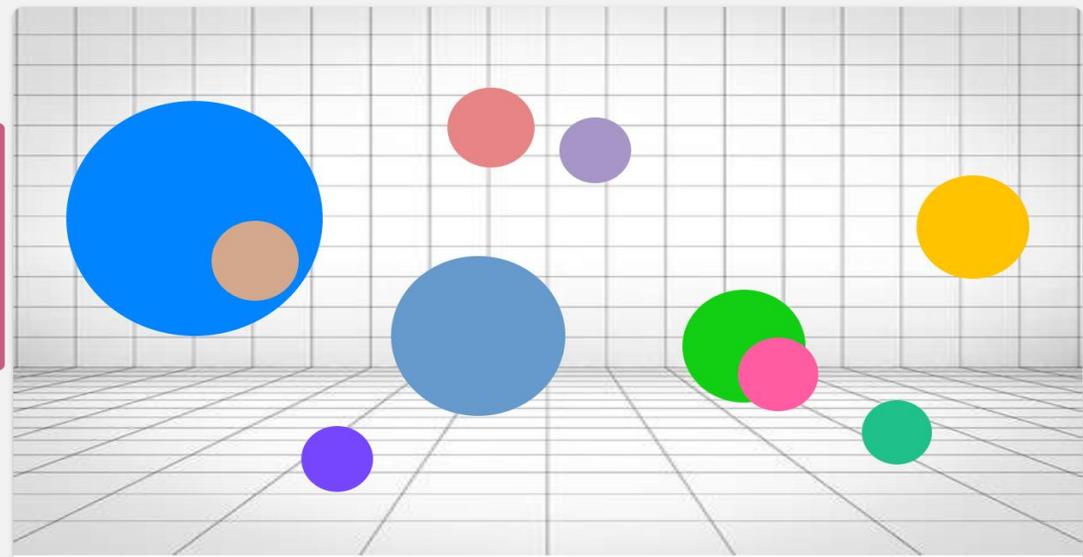
### Trending Skills

### Recommended Readings

Learn	Resume	Learn	Resume	Learn	Start	Learn	Resume	Learn	Resume
Practice	NA	Practice	NA	Practice	Resume	Practice	NA	Practice	NA
Get Certified	NA	Get Certified	NA	Get Certified	Start	Get Certified	NA	Get Certified	NA

Learning - In Progress Learning - Not Started Learning - Completed Certified

### Trending Skills

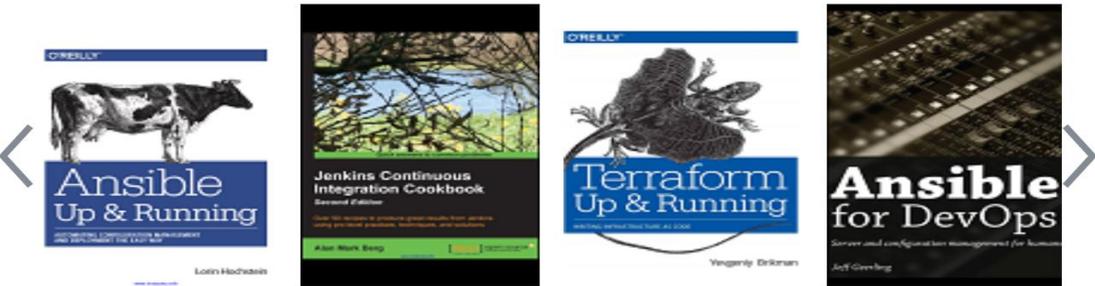


Feedback Service

- Python
- Java Foundation
- AWS Development
- Angular 4
- Microservices
- Spring
- React.js
- AWS Operations
- Cucumber
- Node.js

### Recommended Readings

DevOps - Infrastructure Provisioning

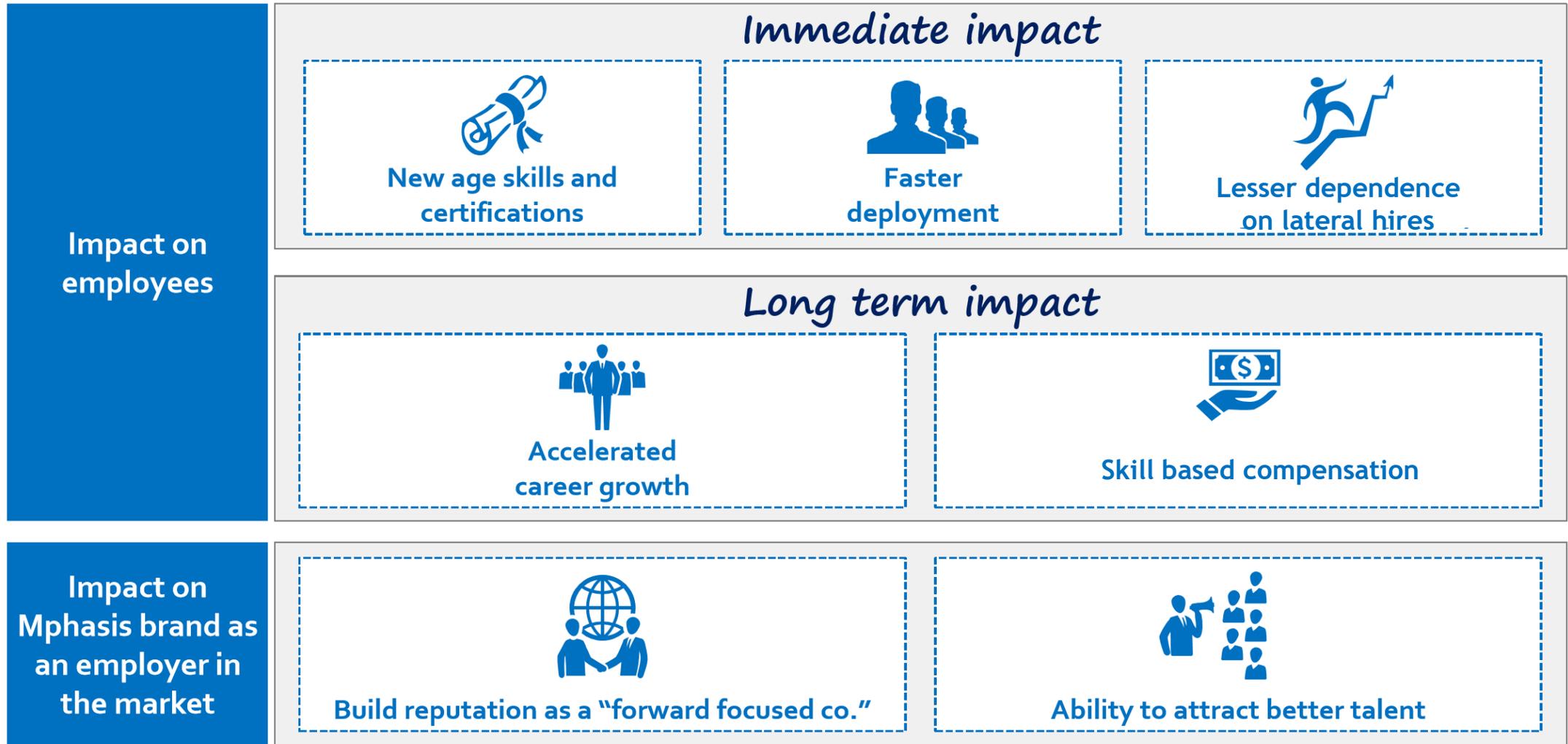


### Announcements

Manager nominations for Sprint 4 is now Live

about 6 hours ago

# Creating a Next Gen Talent Pool





Thanks