

Coverage Report

Press Conference Interactions

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The Times of India

[Blackstone stake sale natural cycle: Mphasis](#)

Mphasis CEO Nitin Rakesh said Blackstone's stake sale reflects a natural phase in the private equity firm's investment lifecycle and does not indicate any loss of confidence in the company's performance.

Blackstone acquired a 60.5% stake in Mphasis for \$1.1 billion in 2016 and has been invested in the company for over nine years. In Nov last year, Mphasis clarified that its promoter BCP Topco IX , part of the Blackstone Group, has indicated that, subject to market conditions, it may sell up to 1.8 crore shares of Mphasis. through open market transactions.

Business Standard

[Learnability as a skill more critical than ever: Mphasis CEO Nitin Rakesh](#)

Artificial intelligence (AI) is changing the way technology companies are hiring — shifting from credential-based recruitment to models that focus on adaptability and problem solving. Mphasis is one such example.

The mid-cap information technology (IT) services firm has not hired engineering graduates from campuses for the last two years. Instead, it organises three to six months internship programmes, which have emerged as the source to recruit new employees.

Mphasis is focusing more on learnability as a skill during the hiring rather than specific competencies. It means engineers being ready to unlearn and relearn quicker in the age of AI.

“That has become the hiring pipeline for us as it focuses on live projects and new technology projects,” said Nitin Rakesh chief executive officer and managing director of Mphasis.

“What we need is technology skills plus learnability, we do not do interviews as much as we do hackathons.”

IT services companies are increasingly using hackathons as a launch pad to hire fresh talent and deal with the rapidly changing technology.

For years, the services industry had an inextricable link between revenue and headcount, with higher revenue being directly proportional to higher number of employees. But generative AI (GenAI) and agentic AI have changed the hiring techniques with more focus on problem solving skills and ability to work as a team.

Engineering colleges encourage their students, especially in their second and third years, to participate in hackathons and gain relevant experience and certifications. Based on their performance, companies are often inclined to offer jobs after course completion. TCS, Coforge already hire graduates through that route.

Rakesh added that people with five years of experience and above will always be in demand as companies need domain skills in certain stacks depending on the requirement.

“The pyramid will be more fluid and will take somewhat of a diamond shape,” he said, referring to the traditional employee structure.

At the same time, Rakesh said that lower level engineering roles — L0 and L1 — have become completely humanless. L2 is assisted by agents.

“A solution is already incorporating domain architects, AI agents, human agents, and anybody else who is needed to deliver in the ecosystem. For that programme, whether I need the same number of people or half the people, it is of no consideration to the client. Earlier it was capacity based pricing but now it is outcome based,” he said.

Mphasis reported a 3.5 per cent rise in net profit in the third quarter despite the ₹35 crore provision the company had to make due to the implementation of the new Labour Codes.

Moneycontrol

[Mphasis CEO Nitin Rakesh warns against 'race to the bottom' pricing in AI era](#)

Mphasis CEO Nitin Rakesh, on January 23, cautioned IT services companies against chasing aggressive discounting as enterprises accelerate adoption of AI-led delivery, arguing that the real shift is not about cutting costs alone but rebuilding how services are delivered.

"The race to the bottom is a very risky race," Rakesh said at the company's post-earnings press conference, held after nearly half a decade. "Let's cut the price is a very discreet conversation. You have to fundamentally go after redoing how you deliver the service itself."

His comments come even as Mphasis posted steady quarterly growth in Q3 FY26. The company's revenue rose 2.6 percent sequentially and 12.4 percent year-on-year to a little over Rs 4,000, while operating margin came in at 15.2 percent for the quarter.

Cutting price vs cutting effort

Rakesh said customers are no longer satisfied with vendors merely optimising the cost of people. Instead, they are pushing for vendors to reduce the effort required to deliver outcomes, especially in "run" operations, where automation is increasingly becoming the lever.

"Run" operations or "run" spending refers to day-to-day IT operations work required to keep systems running, such as monitoring, maintenance, support, and incident management.

"There is only that much you can cut costs on when you're focusing on optimizing the cost. But not the effort," he said. "You're trying to optimize the people cost. Without saying OK, can I eliminate these 30-40% of the people required to do this?"

He also pushed back against fears that AI will stop enterprises from writing software, flagging that modernisation demand is large and long-lived.

Modernisation refers to updating older enterprise applications and infrastructure by rebuilding, re-platforming, or re-architecting them to work better with cloud, data, and AI-ready systems.

"If I just look at the amount of legacy that sits in, all of that has to be rewritten. That itself is a hundred billion dollars-worth of opportunity," he said. "That's where all the money will go that is coming out of the run."

Legacy refers to older, mission-critical systems and applications that companies still depend on but which are expensive and complex to maintain or upgrade.

Clients want AI-enabled services, not people-enabled

Rakesh said enterprises are starting to measure service providers on productivity and measurable outcomes, even when the commercial model still resembles an hourly rate structure.

The Hindu BusinessLine

[Mphasis sees steady growth, to focus on solving complex AI challenges](#)

Bengaluru-headquartered mid-sized IT services company Mphasis, which reported steady performance in the December quarter (Q3 FY26), says it is looking at steady growth, driven by demand in core verticals and growing traction for its AI-led, platform-driven offerings.

Mphasis' revenue grew 2.6 per cent quarter-on-quarter (q-o-q) to ₹4,002.6 crore and 12.4 per cent year-on-year (y-o-y) on a reported basis and 7.4 per cent y-o-y in constant currency (CC). Quarterly net profit declined by about 4.7 per cent to ₹442.2 crore mainly due to 'one-time costs.'

The company said demand has remained stable across banking, financial services and insurance (BFSI) and technology, while logistics has shown early signs of recovery. According to Prabhudas Lilladher, the management noted that BFSI demand continues to accelerate, supported by healthy bank earnings, regulatory programmes and elevated mergers and acquisitions (M&A) and initial public offering (IPO) activity. Banks are increasingly investing in enterprise-wide AI fabrics, modernisation and large-scale transformation initiatives.

Elara Securities, in its post-results commentary, noted that management said enterprises are shifting away from traditional effort-based managed services and reallocating budgets toward AI-led modernisation and efficiency programmes. While discretionary IT spending may not return to prior levels, demand for AI stacks and platforms is rising, benefiting vendors with strong AI execution capabilities.

Mphasis said enterprises are moving beyond pilot projects to scale AI use cases in application modernisation, data engineering and intelligent automation. While much of the industry has focused on using generative AI (Gen-AI) to write software faster, it has been ignoring deeper challenges. Nitin Rakesh, CEO and MD of Mphasis, said, "Everybody was so focused on using Gen-AI to write new software. Nobody was focusing on solving hard, complex problems." These include addressing the massive technical debt in legacy systems. Legacy systems and technical debt are the underlying challenges of older technology systems that many enterprises, such as banks and insurance companies, still rely on today.

The company's strategy focuses on embedding AI across platforms, rather than offering it as a standalone service. Clients are seeking outcomes-led engagements in which AI improves productivity, accelerates decision-making and reduces operational friction.

On talent, Mphasis continues to moderate hiring while selectively investing in data science, cloud engineering and domain-led consulting roles, maintaining margin discipline, Rakesh noted. The company had 31,272 employees at the end of the third quarter.

Analytics India Magazine

[Why Mphasis CEO Believes AI Can No Longer Be 'Lipstick' on Legacy IT](#)

After decades of layering new software on top of ageing enterprise systems, companies are running into the limits of legacy technology, believes Mphasis CEO Nitin Rakesh. In a detailed post-earnings interaction, Rakesh said the IT services firm is positioning its NeoIP platform—enabling agentic AI-led IT operations - to help enterprises rethink how they modernise and operate longstanding core systems, using AI to extract intelligence and drive change, rather than simply automate around legacy constraints. Rakesh traced the challenge back to the evolution of enterprise computing. Early software automated manual record-keeping in sectors such as banking and insurance. While the digital and cloud era improved reach and experience, core systems, many built in the 1970s and 1980s and still running on mainframes, largely remained untouched. Enterprises, he added, have continued to add layers without fundamentally transforming systems of record. “We keep putting lipstick on the same thing,” he said in the Q3 earnings call press meet.

That model, Rakesh argued, has increasingly become unsustainable as real-time payments, instant onboarding and always-on digital experiences put pressure on systems never designed for such speed or scale. Modernising By Shrinking the Core Rather than advocating wholesale replacement of core systems, Mphasis focuses on extracting business intelligence from legacy platforms using data and AI to drive customer and operational experiences. This approach progressively reduces the complexity of the core until it becomes feasible to modernise.

Enterprises, Rakesh noted, often lack up-to-date documentation of how their systems actually work. Over decades of changes, the most accurate representation of business logic is not on paper anymore; it's the code itself. AI, he argued, makes it possible to relearn that logic far faster than traditional manual methods.

Rakesh cited the case of a large modernisation programme involving tens of millions of lines of legacy code. Where conventional approaches would have taken several years just to reverse-engineer business rules, Mphasis' AI-assisted techniques compressed that phase by roughly 80%, completing it in a matter of months through iterative analysis.

Beyond “Break-Fix”

Rakesh said the same approach is extending into IT operations. Traditional “break fix” models, where systems are repaired only after failures occur, are increasingly misaligned with AI-era expectations.

“Even your dumb car has a yellow light that tells you something is going wrong,” he said. “But our smart IT operations don't do that even today.”

The goal, he said, is to move operations toward more predictive and preventive models, where incidents are anticipated and addressed earlier, reducing downtime and manual intervention over time.

Resetting Pricing And Delivery Models

These changes are also reshaping how Mphasis structures commercial engagements.

Rakesh said traditional IT services pricing, based on headcount, effort and long timelines, is gradually giving way to outcome-oriented models, particularly in large modernisation and operations deals. Historically, legacy modernization programmes were priced over six to seven years based on estimated effort, often costing several dollars per line of code.

By re-engineering delivery using AI-assisted approaches, Mphasis is now committing to outcomes over shorter timeframes and at lower unit economics, Rakesh asserted.

“What the client cares about is the outcome,” Rakesh said, adding that customers are increasingly indifferent to how many people or tools are deployed at different stages, as long as delivery risk, timelines and results are clear. He described this as “savings-led transformation”, where efficiencies in existing systems free up the budget for reinvestment rather than simply cutting spending. Talent, Hiring And the Changing Pyramid

The shift toward AI-assisted delivery is also influencing workforce strategy. Rakesh said Mphasis has moved away from traditional campus hiring over the past two years, instead engaging candidates through internal programmes and hackathons focused on live projects and emerging technologies. The most important attributes the company looks for, he said, are “learnability” and “technical skills”. Hiring continues across experience levels based on project needs, including a higher intake of junior talent in the US. In the December quarter, the company reported a headcount of 31,272—an increase of 463 over the previous quarter.

Over time, Rakesh said the workforce structure could evolve toward a more fluid, diamond-shaped model rather than a classic pyramid, moving from junior-heavy structures to agile teams dominated by mid-level specialists. However, he emphasised that such changes will take several years and require alignment with customers.

Deal Momentum And AI Infusion

During Q3, Mphasis secured \$428 million worth of new deal wins, with 62% of them being AI-led.

Responding to questions on deal wins, Rakesh said most recent engagements include elements of AI-led delivery, spanning modernisation, operations and software lifecycle transformation. Some deals require a three-to-six-month ramp-up before revenues flow, while others convert more quickly.

Responding to a question from AIM on disclosing AI revenue, Rakesh said the more relevant measure for him is how many customer engagements are being impacted by what the company is building, rather than carving out AI as a separate revenue line.

“What’s important to me is, are we bundling services and software together in how many engagements?” he said. “The metric I gave was that clients representing almost 50% of our revenue today are on some form of a NeolP engagement. That does not mean 50% of revenues are on that engagement alone.”

The CEO, however, emphasised that the company cannot continue to deliver without an AI-led approach. Otherwise, clients, he added, will either figure out how to do it with the same vendor, with another provider, or on their own.

“That’s why the right approach should be whether I’m able to infuse this in every engagement, every customer,” he said. Giving an AI revenue breakdown, he argued, risks confusion, where strong growth in a reported AI bucket alongside slower overall growth could be misread as revenue deflation.

Partners And Investors Rakesh said that the NeoIP platform has been built largely through internal development and ecosystem partnerships rather than large acquisitions, with hyperscalers and model providers acting as technology enablers.

He also addressed recent stake sales by Blackstone, which sold around a 9.5% stake in Mphasis through a ₹4,600-plus crore block deal during the quarter. While

Blackstone is no longer a majority shareholder, Rakesh said the focus remains on execution and customer relevance rather than changes in the shareholding structure.

“This is not the beginning of the end,” he said. “This is the end of the beginning.” Looking ahead, Rakesh said Mphasis is entering a new phase, with investments made over the past several years beginning to show tangible opportunity. “Talk is cheap,” he said. “Executing this is really hard.”

Mphasis reported a 2.6% quarter-on-quarter and 12.4% year-on-year increase in revenue in the third quarter of FY26 to ₹4,002.6 crore.

Net profit after the exceptional item related to the labour law change declined 5.7% quarter-on-quarter to ₹442.2 crore.

Its shares declined 2.32% on Friday, ending the day at Rs 2,745 apiece.

UNI India

[Mphasis CEO charts AI-driven outcome-focused IT roadmap for next 5 years](#)

Mphasis Limited CEO Nitin Rakesh has outlined an ambitious roadmap for the company, focusing on AI-led, outcome-driven IT services, aiming to accelerate growth and strengthen market relevance over the next five years.

Speaking to reporters about the company's evolution here on Friday, Rakesh said that Mphasis is entering a new phase of digital adoption, leveraging both human expertise and software solutions to deliver measurable value to clients.

Rakesh emphasised that the IT services industry is at a critical turning point, where traditional models based on headcount and input metrics are being replaced by outcome-based engagements.

"The future of IT services will be defined by how well we align our incentives with client outcomes," he said. "We are combining human talent with software to create integrated solutions that deliver value, not just services."

The CEO highlighted that the company has been preparing for this transformation over the past nine years through strategic investments in technology and talent. These efforts, he said, have positioned Mphasis to unlock significant value over the next five years, particularly in sectors such as banking and financial services in North America.

Rakesh noted that while the journey has included challenges — such as navigating cyclical market conditions and re-skilling employees — the company is confident in its ability to execute complex business model pivots.

A central aspect of Mphasis' strategy is the shift toward outcome-based engagement models, where success is measured by tangible results rather than hours worked or fixed headcount.

Rakesh envisioned a flexible talent marketplace within the company, where resources could be deployed to meet client needs dynamically. This, he explained, would allow Mphasis to deliver value at scale while ensuring accountability and efficiency.

Rakesh cited examples of AI-driven initiatives with clients that reflect this approach. In one case, a high-tech client implemented productivity and contribution metrics for contractors and service providers, replacing traditional hourly billing with outcome-focused evaluation.

More than 50 percent of Mphasis' revenue today comes from neo-IP engagements that combine software and services, and the company aims to extend this model to all client interactions to remain competitive and relevant.

On the investment front, Rakesh expressed gratitude to Blackstone and co-investors Audi and GIC for providing long-term capital and strategic guidance over the past nine years. He said their support allowed Mphasis to focus on growth, reinvest in capabilities, and build brand equity, while maintaining alignment with client outcomes. While investor composition may evolve, he stressed that the company's priority is maintaining relevance to clients and sustaining long-term shareholder value.

Reflecting on market performance, Rakesh said Mphasis' stock price has risen approximately sevenfold over the past nine years, with a projected upside of about 75 percent over the next five years. He attributed this growth to

the company's sector-focused strategy, adoption of AI-led services, and the integration of software with traditional IT services.

Concluding, Rakesh said that Mphasis' strategy is designed to make the company a next-generation IT services provider, combining human talent and AI-driven software to deliver measurable business outcomes. He emphasised that staying relevant to clients, continuously innovating, and focusing on outcome-based solutions are the pillars that will drive Mphasis' exponential growth in the coming years.

UNI India

[Capitalism will take care of it: Mphasis CEO dismisses AI monopoly fears](#)

The rise of AI-driven software does not necessarily spell the end of competition in the tech industry, according to Mphasis CEO Nitin Rakesh.

Speaking on the increasingly discussed phenomenon of "software eating software," Rakesh said that while automation is reshaping enterprise operations, humans remain firmly in control.

"The fear that AI will create monopolies is overblown," he told UNI. "It's not like one platform is dominant or two are dominant. There will still be quite a significant number of platforms."

He acknowledged the clout of three major hyperscalers but argued that their influence does not amount to a monopoly or even a duopoly. Tens of thousands of deployable large language models (LLMs) globally ensure that competition continues to thrive, with startups, mid-sized firms, and niche developers actively innovating alongside the giants. "Capitalism will take care of the dominance issue," Rakesh added.

Beyond market dynamics, Rakesh stressed the importance of ethical and regulatory oversight in the deployment of autonomous software. "Software leading software is only to disentangle and eliminate the overreliance on old systems," he explained. "We're not trying to create a supercomputer that writes all software on the cloud.

The goal is to understand and manage outputs rather than blindly rely on legacy code we don't fully understand." He noted that this approach not only streamlines operations but also helps companies modernise complex IT infrastructures while mitigating risk.

Regulatory compliance, data privacy, and sector-specific standards, including HIPAA for healthcare data, remain central to this evolution. Autonomous software is designed to enhance efficiency, transparency, and reliability while adhering to ethical and legal safeguards. Rakesh also highlighted the need for industry collaboration and standards-setting to ensure AI adoption benefits society broadly.

Contextual automation, he said, is key. AI systems are meant to improve operational visibility and workflow efficiency—not replace human judgment. "The focus is on practical, contextual software engineering that helps us understand what sits in the system, rather than creating a black-box supercomputer," he added.

Concluding his remarks, Rakesh framed the broader picture: "Software eating software represents a nuanced evolution in technology. While automation can enhance productivity and reliability, human oversight and ethical safeguards remain central. Competition and accountability are not lost; they are evolving alongside innovation."

CIOL

[Mphasis Rewrites the Economics of Legacy Modernisation with AI](#)

Mphasis, a mid-tier IT services firm, using AI agents to directly decode and modernise legacy COBOL applications, is reducing modernisation costs from about \$7 per line of code to \$3, it said.

This approach breaks from the IT industry's usual practice of wrapping artificial intelligence around decades-old software, according to Chief Executive Officer (CEO) Nitin Rakesh, who described cosmetic AI overlays on legacy systems as little more than 'window dressing'.

"Software will eat software," he said, referring to using artificial intelligence to continuously dismantle and re-engineer legacy systems rather than simply layering new technologies over them.

Across the industry, many enterprises are adding artificial intelligence as a layer over existing systems rather than rebuilding core platforms. Consulting firms including Accenture and Deloitte are deploying AI chatbots and analytics tools over existing SAP and Oracle ERP systems for banks and manufacturers, delivering quick efficiency gains while leaving aging infrastructure largely untouched, according to analysts.

Mphasis in contrast said, its AI NeolP platform can reverse-engineer applications within three to six months with 90% to 95% accuracy, compared to traditional timelines of two to three years. A typical 30-million-line modernization that would cost around \$210 million over seven years can now be done in three years for under \$90 million, Rakesh said at a recent press meet held in Bengaluru, after the post-earnings call.

"We're not using AI as a cosmetic layer," Rakesh said. "We're using it to find, preserve and constantly update the business logic embedded in existing applications."

The IT services company reported that over half its revenue now comes from AI-infused work, with more than 60% of new deals worth \$428 million in the third quarter being AI-led. Net profit rose 3.3% year-on-year to ₹442 crore, while revenue climbed 12.4% to ₹4,002 crore, though margins took a hit from talent and AI investments.

The mid-tier IT services firm works extensively with COBOL, a programming language developed in the 1960s, because many global banks and insurers still run their core transaction systems on it. According to Reuters, 43% of banking systems are built on COBOL, with 220 billion lines of COBOL code still in use today, making safe modernisation critical for systems processing millions of transactions daily.

Rakesh pointed to one example where a client with one of the world's largest mainframe installations spent five years decommissioning hardware but couldn't modernize the applications. A complete rewrite would have cost between \$400 million and \$900 million with no guarantee of success.

Training AI to Read Before Writing

"Everyone's so excited about ChatGPT writing software. How about we train AI to read software?" Rakesh said. "It's a 180-degree flip. Input is software and your output is English. Your input is not English and output code."

This flips how most companies approach generative AI. Instead of using tools like GitHub Copilot or Claude to generate code faster, Mphasis uses AI to decode decades-old systems first.

The company's NeoZeta agent extracts business rules from legacy code and feeds them into Ontosphere, Rakesh said. The platform can pull rules from COBOL, documents, user manuals, operations manuals, or any document where knowledge exists, he said.

This creates what Rakesh called "an intermediary asset that never goes stale". The system keeps updating its understanding of the software every time someone makes a change, avoiding what he called the accumulation of technical debt.

The NeoIP platform uses several specialized AI agents. One called NeoSaba acts like a virtual business analyst, using the Ontosphere knowledge graph to write software requirements, Rakesh said. Another agent, Neolra, focuses on redesigning applications for modern systems. Other AI agents help generate code using tools like Copilot, Gemini and Claude, and manage the development process.

Operations Over Coding

While the tech industry promotes AI coding tools, Rakesh argues the real cost savings will come from AI-driven IT operations, not products like Copilot or Gemini.

He pointed to a fundamental problem with how IT services work today. The traditional "break-fix" business model means companies profit from resolving problems rather than preventing them. "We wait for something to break so we can fix it and charge for it," he said. "I have zero incentive as an industry to eliminate incidents and increase availability."

He compared today's IT operations unfavorably to modern cars. "Even your car has a yellow light that flashes when something is starting to go wrong. But our IT operations don't do that even today."

AI-driven operations that predict and prevent failures rather than fix them after they occur could upend this model, potentially cutting the need for expensive emergency repairs that currently generate revenue for IT service providers.

Mphasis said its NeoIP platform delivers 60% efficiency gains in development and cuts the time to detect and resolve IT incidents in half, with three to five hours of advance warning before major outages.

Shifting to Outcome-Based Pricing

Clients are moving from headcount-based pricing to outcome-based contracts, Rakesh said. One high-tech client now tracks eight productivity metrics for contractors. Another is unbundling a software-as-a-service deal to separate software from services. "They didn't know how many people are engaged. It was a bundled deal," he said. The client wants to understand what they're paying for and get results rather than just more headcount.

Mphasis tested its approach two years ago with a client running 40 million lines of COBOL for payments processing. The client needed to cut customer onboarding from 18-24 months to two months to compete with digital-native firms. Traditional tools estimated the modernization would take seven years.

The company doesn't break out AI revenue separately because AI is woven into everything it does now. "If everyone is touching AI, what exactly am I breaking out?" Rakesh said. The goal is to have AI in every single project.

Companies that can show measurable results rather than simply add more bodies to a project may have an advantage. Mphasis has already changed how it hires, moving away from campus recruitment to internships and hackathons. The company now looks for what Rakesh calls "learnability" over static technical skills that become outdated quickly as AI reshapes the industry.

Rediff

['What We Need Is Technology Skills Plus Learnability'](#)

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“The pyramid will be more fluid and will take somewhat of a diamond shape,” he said, referring to the traditional employee structure.

At the same time, Rakesh said that lower level engineering roles — L0 and L1 — have become completely humanless. L2 is assisted by agents.

“A solution is already incorporating domain architects, AI agents, human agents, and anybody else who is needed to deliver in the ecosystem. For that programme, whether I need the same number of people or half the people, it is of no consideration to the client. Earlier it was capacity based pricing but now it is outcome based,” he said.

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The Times of India

Blackstone stake sale a natural cycle, not a red flag: Mphasis CEO

Shilpa.Phadnis
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Bengaluru: Mphasis CEO **Nitin Rakesh** said Blackstone's stake sale reflects a natural phase in the private equity firm's investment life-cycle and does not indicate any loss of confidence in the company's performance.

Rakesh said the stake sale underscores the finite tenure of private equity funds fo-



ocused on returning capital to investors. "Today, DPI matters more than IRR; exits matter more than valuations. They may still be bullish on the business, but that doesn't mean they can stay invested forever. They are no longer the majority shareholder—that already happened about 18 months ago. But they set the business up with the right governance, management, strategy, and investment discipline. When someone internally asked me whether this was the beginning of the end, I said this is the end of the beginning," he said.

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"We may have another partner in the next phase, or we may continue independently. I can't worry every day about who's on the cap table. We were fortunate to have a long partnership with Blackstone. They gave us the runway to rebuild and reinvest."

In the Dec quarter, Mphasis posted sequential revenue growth of 2.6% and YoY growth of 12.4% on a reported basis, while constant currency revenue grew 1.5% quarter-on-quarter and 7.4% year-on-year. New total contract value wins stood at \$428 million. Operating margin was 15.2%, while net profit rose 9.5% year on year to Rs 468 crore.

Hiring focus on learnability: Mphasis CEO

AVIK DAS

Bengaluru, 25 January

Artificial intelligence (AI) is changing the way technology companies are hiring — shifting from credential-based recruitment to models that focus on adaptability and problem solving. Mphasis is one such example.

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The Hindu Business Line

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Tejaswini S
Bengaluru

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STABLE DEMAND

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According to Prabhudas Lilladher, the management noted that BFSI demand continued to accelerate, supported by healthy bank earnings, regulatory programmes and elevated mergers and acquisitions and initial public offering activity. Banks are increasingly investing in enterprise-wide AI fabrics, modernisation and large-scale transformation initiatives.

Elara Securities noted that management said enterprises are shifting away from traditional effort-based managed services and real-locating budgets toward AI-led modernisation and efficiency programmes.

While discretionary IT spending may not return to prior levels, demand for AI stacks and platforms is rising, benefiting vendors with strong AI execution capabilities.

Mphasis said enterprises



Mphasis' revenue grew 2.6 per cent q-o-q to ₹4,002.6 crore and 12.4 per cent y-o-y on a reported basis

are moving beyond pilot projects to scale AI use cases in application modernisation, data engineering and intelligent automation. While much of the industry has focused on using generative AI (Gen AI) to write software faster, it has been ignoring deeper challenges.

Nitin Rakesh, CEO and MD of Mphasis, said, "Everybody was so focused on using Gen AI to write new software. Nobody was focusing on solving hard, complex problems."

These include addressing the massive technical debt in legacy systems. Legacy systems and technical debt are the underlying challenges of older technology systems that many enterprises, such as banks and insurance companies, still rely on today.

EMBEDDING AI

The company's strategy focuses on embedding AI across platforms, rather than offering it as a standalone service. Clients are seeking outcomes-led engagements in which AI improves productivity, accelerates decision-making and reduces operational friction.

On talent, Mphasis continues to moderate hiring while selectively investing in data science, cloud engineering and domain-led consulting roles, maintaining margin discipline, Rakesh noted.

The writer is an intern

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