

Presented to:



Financial Performance – FY17 Q1



Data | Domain | Delivery

Aug 29, 2016



Financial Summary



Metrics		FY17 Q1	Q-o-Q	Y-o-Y
Revenue	Total revenue (INR mm)	3,503	0%	12%
	OPG revenue (INR mm)	3,403	-1%	14%
	OPG revenue (USD mm)	50.2	-1%	8%
Profit	EBITDA (INR mm)	1,360	-5%	15%
	OPM (INR mm)	1,140	-5%	23%
	Net profit (INR mm)	959	-5%	27%
Margin	EBITDA (%)	39%	-2%	1%
	OPM (%)	33%	-1%	2%
	Net profit (%)	27%	-1%	3%

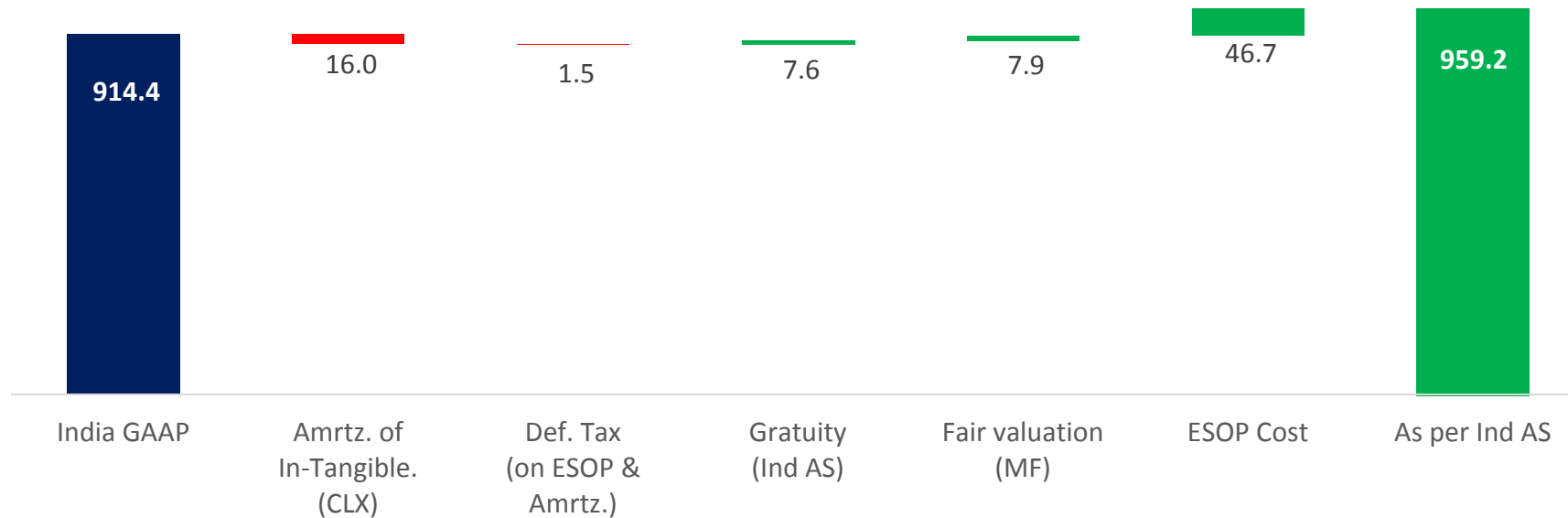
- Q-o-Q USD revenue drop by 1.1% and CC revenue drop by 0.64%
 - In line with previous commentary of last few qtrs.; trend likely to continue for Q2.
 - Gross sales as strong as last year; Legacy projects roll off due to automation and budget cuts
- OPM at 33%; Y-o-Y up by 23%
- Adopted IND-AS since 1st April 2016
 - ~4.5 cr positive impact on PAT due to Ind-AS adoption; FY17 impact expected to be negative
- Proposing Buyback of INR 2,340 mm at maximum price of INR 2,200; process likely to be completed in Q3

Note: Prior year financials are restated as per IND AS and are unaudited

FY17 Q1 IND AS impact on PAT



Figures in INR millions.



Adopted IND-AS since 1st April 2016

- Amortization of Intangibles for CLX acquisition done after Purchase Price allocation
- ESOP cost charge to be negative for rest of the quarters
- ESOP Fair valuation cost shown here includes ESOPs for Delivery, support and S&M staff

Other Income – FY17 Q1 vs. FY16 Q4



Other Income	FY17 Q1	FY16 Q4	FY16 Q3	FY16 Q2
Investment & Other Income	60.9	40.9	22.2	18.8
Hedge Gain / (Loss)	-	(0.6)	2.9	(7.8)
Revaluation and Realised Gain	39.1	32.7	12.0	97.3
Total	100.1	73.0	37.2	108.3

Note: Previous quarters numbers are restated as per IND AS

Figures in INR million

- Q-o-Q increase in Investment income due to higher surplus deployed and higher yield
- Investment and Other Income Includes Fair valuation of current Investments of INR 7.9 mm (Q1) vs INR 0.4 mm (Q4); In accordance with IND-AS provisions
- **Revaluation and Realised Gain**
 - USD/INR FY'17 Q1 exit : 67.51 vs. FY'16 Q4 exit : 66.33
 - EUR/INR FY'17 Q1 exit : 74.96 vs. FY'16 Q4 exit : 75.10

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$132.3 mm at average INR 71.56/\$; 100% forwards
 - 2.6 times quarter revenue vs. average of 2.4 times in preceding 4 quarters.

Contract	Year	Currency	Amount (mn)	Average Rate (INR)
Forwards	FY17	USD	\$62.8	70.2
		Euro	€ 9.7	79.8
	Total FY17 – Equiv USD		\$73.6	70.5
	FY18	USD	\$50.4	72.7
		Euro	€ 5.3	82.7
	Total FY18 – Equiv USD		\$56.3	72.9
	FY19	USD	\$2.4	74.9
		Euro	-	-
	Total FY19 – Equiv USD		\$2.4	74.9
	Total			\$132.3

Note: EUR / USD taken at 1.11

P&L Comparison: FY17 Q1 vs. FY16 Q4



Operating P&L	FY17 Q1	OPR (%)	FY16 Q4	OPR (%)
Operating Revenue	3,403.3		3,431.8	
Cost of Revenues				
Delivery and Support Employee Cost	1,325.4	38.9%	1,224.0	35.7%
General and Administrative Expenses				
Facilities*	152.5	4.5%	144.1	4.2%
Administrative Services*	44.3	1.3%	42.4	1.2%
Technological Services*	87.0	2.6%	92.0	2.7%
Legal and Professional Fees	75.3	2.2%	56.1	1.6%
Provision / Written off for Bad Debt	-	0.0%	-	0.0%
CSR & Donation	5.6	0.2%	11.7	0.3%
Others	57.5	1.7%	65.0	1.9%
Total G&A	422.2	12.4%	411.3	12.0%
Selling and Distribution	396.2	11.6%	442.7	12.9%
Depreciation and Amortization	119.5	3.5%	153.8	4.5%
Total Operating Cost	2,263.2	66.5%	2,231.8	65.0%
Operating Profit	1,140.1	33.5%	1,200.0	35.0%
INR/USD	66.88		67.50	
INR/EUR	75.52		74.44	

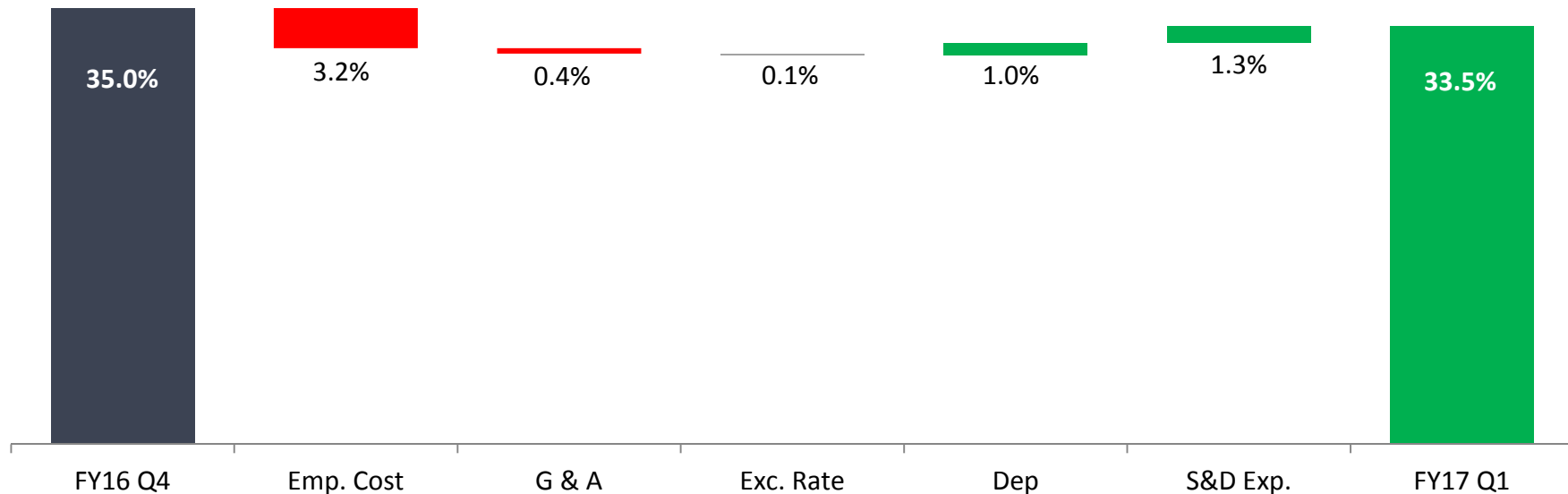
Note: Previous quarter numbers are restated as per IND AS

Figures in INR millions.

* Major G&A Heads grouped as follows

- Facilities – Rent & Electricity
- Administrative Services – Conveyance, House Keeping & Security
- Technological Services – Communications, AMC, Consumables & Server Rentals

OPM Bridging Analysis: FY17 Q1 vs. FY16 Q4



- Emp Cost: Cost higher primarily due to annual wage hike in Q1 and downward adjustment of Gratuity, Leave Encashment cost in Q4
- G&A: Increase in Professional fees to improve account mining and sales process; Rent Increase of 0.4 Cr due to IND-AS

Note:

- Bridging analysis in constant currency; impact of currency movement for revenue shown under Exc. rate
- S&D Exp. includes employee cost of onsite business development team

Balance Sheet & Other Updates



- Total Cash and Cash equivalents of INR 5,982.4 mm; vs INR 5,448.3 mm for FY'16 Q4
 - Equivalent to INR 146.5 per share vs INR 133.6 for FY'16 Q4
 - Net operating cash flow in FY'17 Q1 is INR 554.1 mm vs INR 828.5 mm in FY16 Q1
 - Capex during FY'17 Q1 is INR 61.1 mm vs 157.5 mm in FY16 Q1
- EPS: Basic: INR 23.5; Diluted: INR 23.2
 - Y-o-Y growth of 26%
- Current book value per share of INR 335.5 vs. INR 316.2 FY'16 Q4

CSR Update

- Provided INR 5.5 mn for existing and new projects in FY17Q1 related to India; FY plan is INR 6.5 Cr
- Areas covered: Health, Education, Child Labour Protection
- Total Life touched / benefited ~17.5k

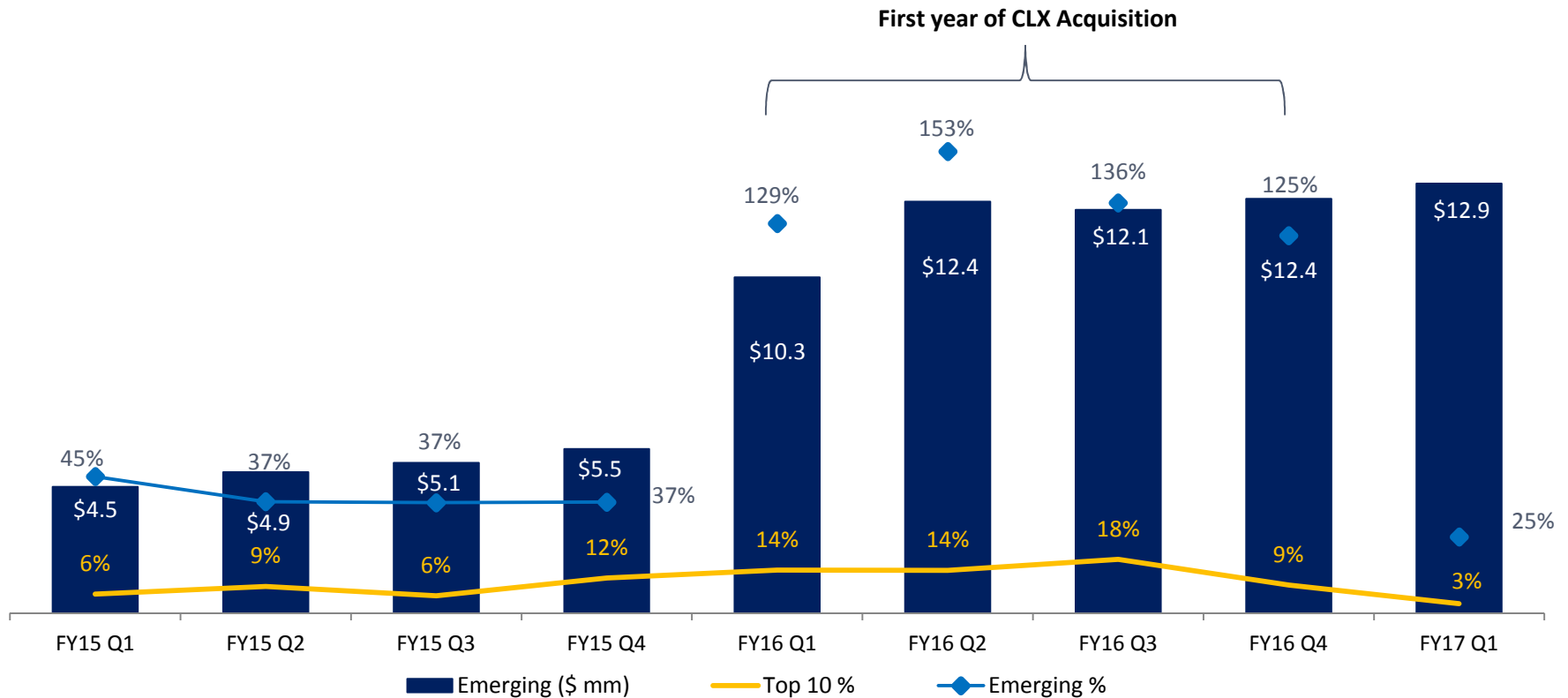
Key Business Metrics



Metrics		FY 17 Q1	FY 16 Q4	FY 16 Q3	FY 16 Q2	FY 16 Q1	FY 15 Q4
Currency Contribution* (%)	USD	72%	72%	73%	74%	76%	85%
	EURO	19%	19%	18%	18%	15%	10%
	GBP	9%	9%	9%	8%	9%	5%
Geographic Concentration*	North America	66%	67%	67%	67%	72%	78%
	Europe	30%	30%	29%	29%	25%	18%
Debtors (including unbilled)	DSO	80 days	73 days	71 days	80 days	78 days	81 days
Client Concentration	Top 10 contribution	74%	76%	77%	75%	78%	86%
Billing Mix	FTE	81%	80%	82%	81%	85%	95%
	SEZ Revenue	66%	66%	66%	67%	69%	73%
Staff Utilization		69%	68%	69%	67%	65%	65%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	18	16	16	9	9	7
	US\$ 1mm+ Clients	18	17	13	12	10	7
	US\$ 5mm+ Clients	7	7	7	7	7	7

*Other smaller currencies, geographies and client contribution not shown

Revenue Mix Trends - Consol

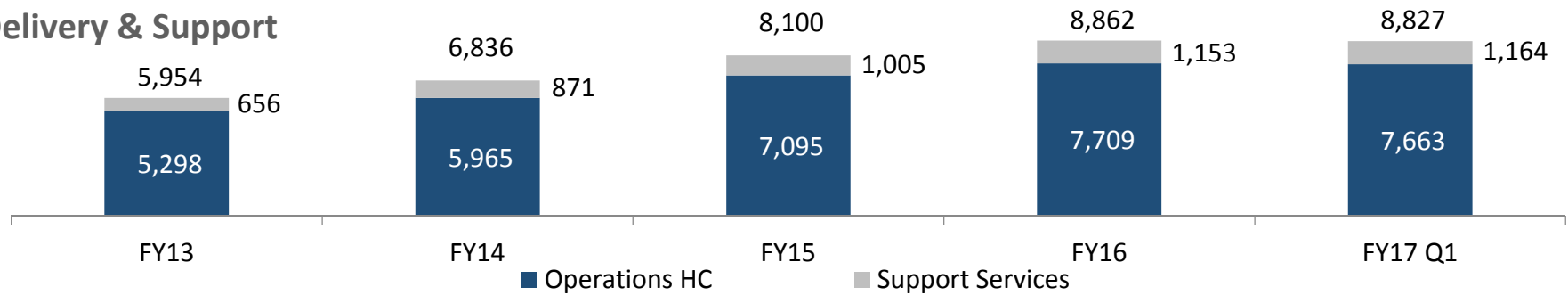


- Top 10 client Y-o-Y USD & CC growth of 3%
- Emerging client Y-o-Y USD growth of 25%; in CC growth is 28%

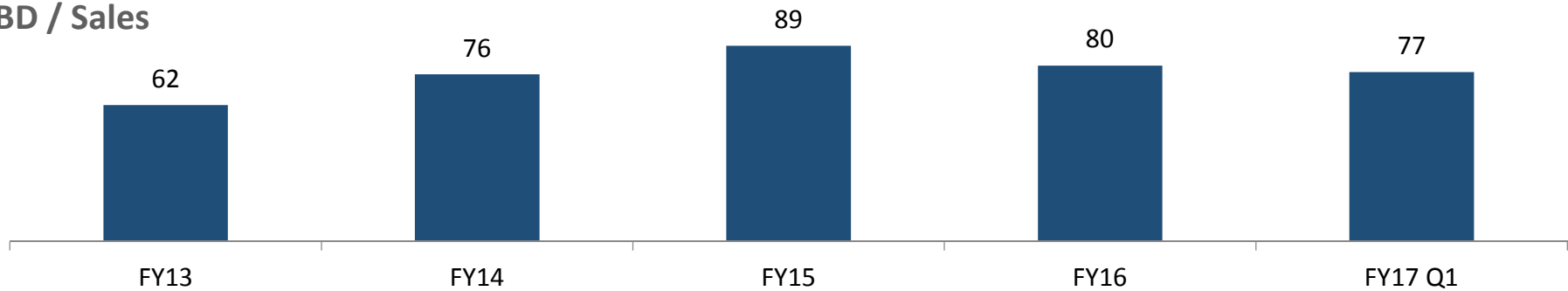
Human Resources Update



Delivery & Support

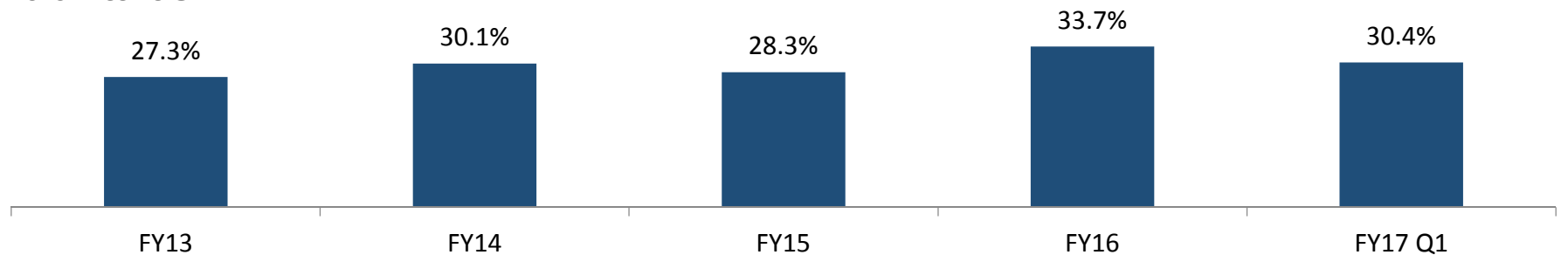


BD / Sales



* FY16 and onwards includes CLX- Realignment of onshore delivery roles and exclusion of onshore admin roles

India Attrition



This presentation contains forward-looking statements, inter-alia, to enable investors to comprehend company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is, inter-alia, subject to assumptions, risks, uncertainties, including but not limited to our ability to successfully conclude and integrate (potential) acquisition(s) and general regulatory and economic conditions affecting the industry. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, expected or projected. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Further this presentation may also contain references to findings of various reports available in public domain. We make no representation as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.

Thank You

Balance Sheet Abstract



Particulars	June 30, 2016	March 31, 2016	% of Change
Shareholder's Funds			
Capital	408.3	407.9	0.1%
Minority Interest	5.8	5.9	-
Reserves and Surplus	11,421.3	9,261.5	23%
Total Shareholder's Funds	11,835.4	9,675.3	22%
Application of Funds			
Fixed Assets	3,621.8	3,650.0	-1%
Deferred Tax Assets (net)	(207.1)	(209.0)	-1%
Net Current Assets and Investments (Liquid)	8,420.7	6,234.4	35%
Total Application of Funds	11,835.4	9,675.3	22%

Note: Previous quarters numbers are restated as per IND AS

Figures in INR millions.

Financial Summary – Quarterly View



Metrics		FY17 Q1	FY16 Q4	FY16 Q3	FY16 Q2	FY16 Q1
Revenue	Total Revenue (INR mn)	3,503	3,505	3,481	3,393	3,127
	Opg Revenue (INR mn)	3,403	3,432	3,443	3,285	2,983
	Opg Revenue (USD mn)	50.2	50.8	51.8	50.2	46.4
Profit	EBITDA (INR mn)	1,360	1,427	1,262	1,292	1,187
	OPM (INR mn)	1,140	1,200	1,070	1,041	929
	Net Profit (INR mn)	959	1,006	855	814	754
Margin	EBITDA	39%	41%	36%	38%	38%
	OPM	33%	35%	31%	32%	31%
	Net Profit	27%	29%	25%	24%	24%
EPS	Basic	23.5	NA	NA	NA	18.6
	Diluted	23.2	NA	NA	NA	18.3

Note: Previous quarters numbers are restated as per IND AS

Revised EPS for FY'16 Q2, Q3 & Q4 would be updated in subsequent quarter

P&L Comparison – Quarterly View



Operating P&L	FY17 Q1	OPR (%)	FY16 Q4	OPR (%)	FY16 Q3	OPR (%)	FY16 Q2	OPR (%)	FY16 Q1	OPR (%)
Operating Revenue	3,403		3,432		3,443		3,285		2,983	
Cost of Revenues										
Employee Cost	1,326	39%	1,224	36%	1,366	40%	1,273	39%	1,168	39%
General and Administrative Expenses										
Rent	123	4%	116	3%	134	4%	118	4%	120	4%
Communication Expenses	43	1%	43	1%	52	2%	44	1%	43	1%
Legal and Professional Fees	75	2%	56	2%	54	2%	38	1%	36	1%
Electricity	29	1%	28	1%	31	1%	27	1%	28	1%
Conveyance	20	0.6%	17	0.5%	18	0.5%	22	0.7%	18	0.6%
Provision for Bad Debt	-	0%	-	0%	-	0%	-	0%	-	0%
Others (including CSR)	131	4%	150	4%	106	3%	136	4%	123	4%
Total G&A	422	12%	410	12%	396	11%	386	12%	367	12%
Selling and Distribution*	396	12%	444	13%	457	13%	442	13%	404	14%
Depreciation, Interest and Amortization	119	4%	154	4%	155	4%	143	4%	114	4%
Total Operating Cost	2,263	67%	2,232	65%	2,373	69%	2,244	68%	2,054	69%
Operating Profit	1,140	33%	1,200	35%	1,070	31%	1,041	32%	929	31%

*Selling and Distribution includes employee cost of onsite business development team.
Note: Previous quarters numbers are restated as per IND AS

Figures in INR millions.

Revenue Quality – Quarterly View



Metrics		FY17 Q1	FY16 Q4	FY16 Q3	FY16 Q2	FY16 Q1	FY15 Q4	FY15 Q3	FY15 Q2
Revenue Growth (%)	USD	-1.1%	-2.0%	3.2%	8.1%	14.2%	4.6%	2.1%	5.1%
	Constant Currency	-0.6%	-2.5%	4.2%	7.7%	4.0%	6.3%	3.1%	5.6%
Currency Concentration (%)	USD	72%	72%	73%	74%	76%	85%	83%	82%
	EURO	19%	19%	18%	18%	15%	10%	12%	13%
	GBP	9%	9%	9%	8%	9%	5%	5%	5%
	Other	0%	0%	0%	0%	0%	0%	0%	0%
Geographic Concentration	North America	66%	67%	67%	67%	72%	78%	78%	74%
	Europe	30%	30%	29%	29%	25%	18%	18%	23%
	ROW	3%	3%	4%	4%	3%	4%	3%	3%
Debtors	DSO (including Un-billed)	80 days	73 days	71 days	80 days	78 days	81 days	70 days	82 days
Client	Top 10 contribution	74%	76%	77%	75%	78%	86%	87%	87%
Billing Mix	FTE	81%	80%	82%	81%	85%	95%	95%	94%
	SEZ Revenue	66%	66%	66%	67%	69%	73%	72%	68%
Seat Count		8,626	8,574	8,522	8,601	7,806	7,640	7,439	7,341
Staff Utilization		69%	68%	69%	67%	65%	65%	65%	64%