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Financial Performance – Q1FY21

August 12th, 2020

Financial Summary

Metrics		FY21 Q1	Q-o-Q	Y-o-Y
Revenue	OPG revenue (USD mm)	44.8	-6.0%	-11.9%
	OPG revenue (INR mm)	3,366	-4.1%	-5.1%
	Total revenue (INR mm)	3,481	-5.4%	-4.1%
Profit	EBITDA (INR mm)	949	0.4%	27.5%
	EBIT (INR mm)*	776	2.1%	35.5%
	Net profit (INR mm)	518	-6.5%	30.0%
Margin	EBITDA (%)	27.2%	1.6%	6.8%
	EBIT (%)	22.3%	1.6%	6.5%
	Net profit (%)	14.9%	-0.2%	3.9%

**EBIT includes other income and excludes rental interest under IND AS116*

- Q1 YoY Constant currency (CC) decline by 11.5%; QoQ CC decline by 5.8%
- Q1 YoY CC revenue decline of 9.0 % offshore and 19.9% onshore
- Margin percentage maintained at FY20 levels through cost management
- Completed buyback of INR 1095mm in July; 5.7% shares extinguished
- Environment in Q2 gradually reverting more towards steady state and likely will drive revenue increase
- Margins may remain volatile due to wage hikes in Q2 & Q3 and return to office costs
- Incorporated our new Netherlands subsidiary to support existing clients

Other Income: FY21 Q1 vs. FY20 Q4

Figures in INR millions.

Other Income	FY21 Q1	FY20 Q4	FY20 Q3	FY20 Q2	FY20 Q1
Investment Income	107.9	88.9	84.4	71.8	88.2
Revaluation Income*	(6.1)	75.9	22.3	24.6	(13.5)
Others	13.6	5.1	8.0	(9.3)	7.8
Total	**115.4**	**169.9**	**114.7**	**87.1**	**82.5**

* Gain/Loss regrouped as other income/expenses based on profit or loss position in the press release financials

- Increase in investment income due to profit on sale of investments
- Decrease in revaluation of fx assets

- **Revaluation and Realised Gain**
  - USD/INR FY'21 Q1 Exit: 75.53 vs. FY'20 Q4 Exit: 75.37
  - EUR/INR FY'21 Q1 Exit: 84.85 vs. FY'20 Q4 Exit: 83.08
  - GBP/INR FY'21 Q1 Exit: 93.41 vs. FY'20 Q4 Exit: 93.87

P&L Comparison: FY21 Q1 vs. FY20 Q4

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Figures in INR millions.

Operating P&L	FY21 Q1	OPR (%)	FY20 Q4	OPR (%)
Total Revenue	**3,481**		**3,679**	
Operating Revenue	3,366		3,509	
Cost of Revenues				
Delivery and Support Employees Cost	1,809	53.8%	1,889	53.8%
General and Administrative Expenses				
Facilities (Rent and Electricity)	70	2.1%	74	2.1%
Technological Services (Communications, AMC)	157	4.7%	104	3.0%
Administrative Services (Transport, HK, Security)	19	0.6%	46	1.3%
Legal and Professional Fees	64	1.9%	53	1.5%
Provision / Written off for Bad Debt	4	0.1%	17	0.5%
CSR & Donation	14	0.4%	19	0.5%
Others	58	1.7%	86	2.5%
Total G&A	**387**	**11.5%**	**400**	**11.4%**
Selling and Distribution	**336**	**10.0%**	**445**	**12.7%**
EBITDA	**949**	**27.2%**	**945**	**25.7%**
Depreciation and Amortization (Inc. rent as per IND AS116)	**173**	**5.1%**	**185**	**5.3%**
EBIT	**776**	**22.3%**	**760**	**20.7%**
INR/USD (Avg)	75.89		72.47	
INR/EUR (Avg)	83.58		79.88	
INR/GBP (Avg)	94.15		92.77	

EBIT & EBITDA percentage is on Total Revenue

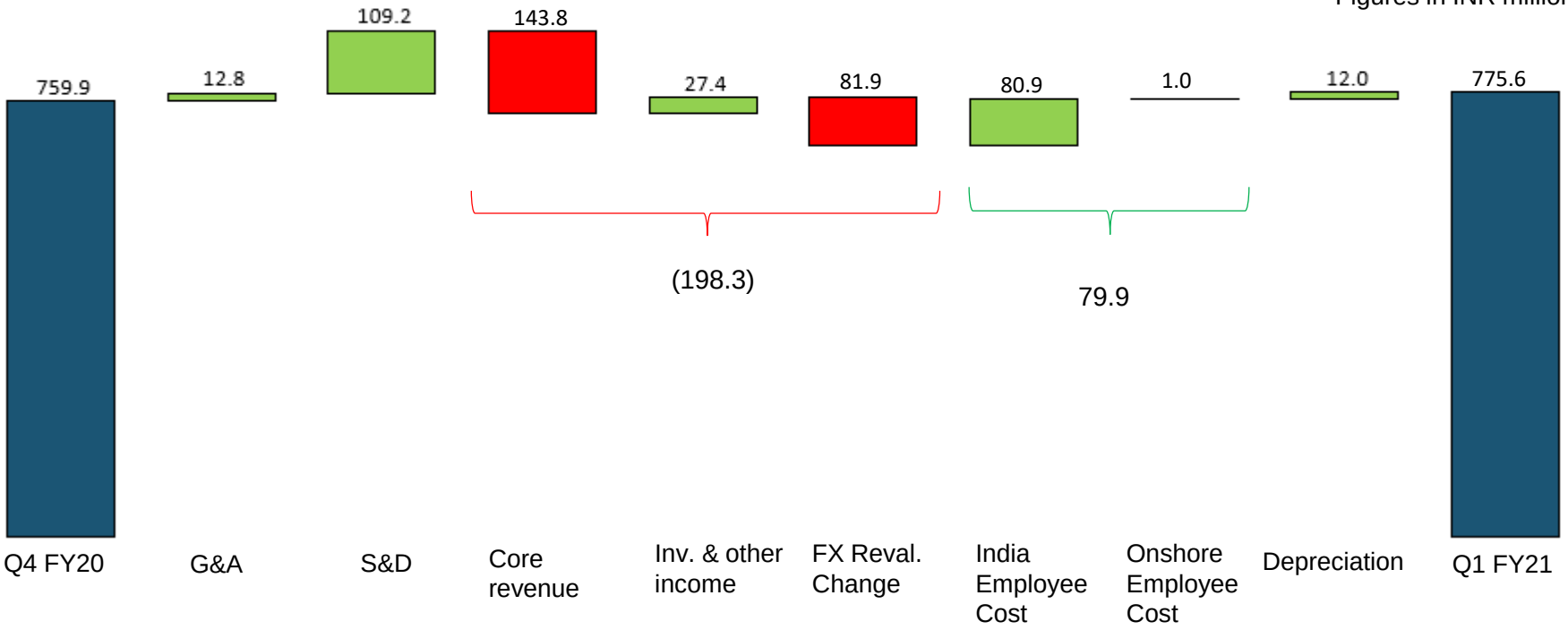
Current Hedge Status

- Total outstanding hedges now $126.7 mm at average INR 76.2/$; 100% forwards

Contract	Year	Currency	Amount (mm)	Avg. Rate (INR)
Matured Forwards	FY20 Q3		$29.0	72.5
	FY20 Q4		$27.7	73.5
	Total FY20	**USD**	**$116.8**	**71.8**
Outstanding Forwards	FY21 Q1		$23.7	74.1
	FY21 Q2		$27.7	74.5
	FY21 Q3		$21.7	74.7
	FY21 Q4		$22.7	75.3
	Total FY21	**USD**	**$72.1**	**74.8**
	FY22 Q1		$23.5	77.0
	FY22 Q2		$14.6	77.8
	FY22 Q3		$9.9	79.2
	FY22 Q4		$4.5	80.3
	Total FY22	**USD**	**$52.5**	**77.9**
	FY23 Q1		$2.1	82.1
	Total FY23	**USD**	**$2.1**	**82.1**
Total Outstanding		**USD**	**$126.7**	**76.2**

EBIT Bridging Analysis: Q-o-Q FY21 Q1 vs. FY20 Q4

Figures in INR millions.



- G&A savings observed due to variable admin expenses (Electricity, housekeeping, transport etc)
- S&D savings due to lower travel & marketing expense
- Increase in investment income due to higher profit on sale of MF investments
- India employee cost lower due to pyramid and policy management

Note:

- S&D Exp. includes employee cost of onsite business development team

Balance Sheet & Other Updates

- Total Cash and Cash equivalents of INR 8,081 mm for Q1FY'21 vs INR 5,287 mm for Q1FY'20
  - Equivalent to INR 223.8 per share Q1FY'21 vs INR 146.5 for Q1FY'20
  - Net operating cash flow in Q1FY'21 is INR 569.5 mm vs INR 732.5 mm in Q1FY'20
  - Capex during Q1FY'21 is INR 178.8 mm vs INR 63.6 mm in Q1FY'20

- EPS
  - Q1 Basic: INR 14.34; Diluted: INR 14.34

- Current book value per share Q1FY'21 INR 380.6 vs. INR 321.8 Q1FY'20

CSR Update

- Spent INR 13.6 mm for existing and new projects in Q1FY'21 related to India
- Areas covered: Health, Education, Skills development
- Total Life touched / benefited ~ 11k

Key Business Metrics

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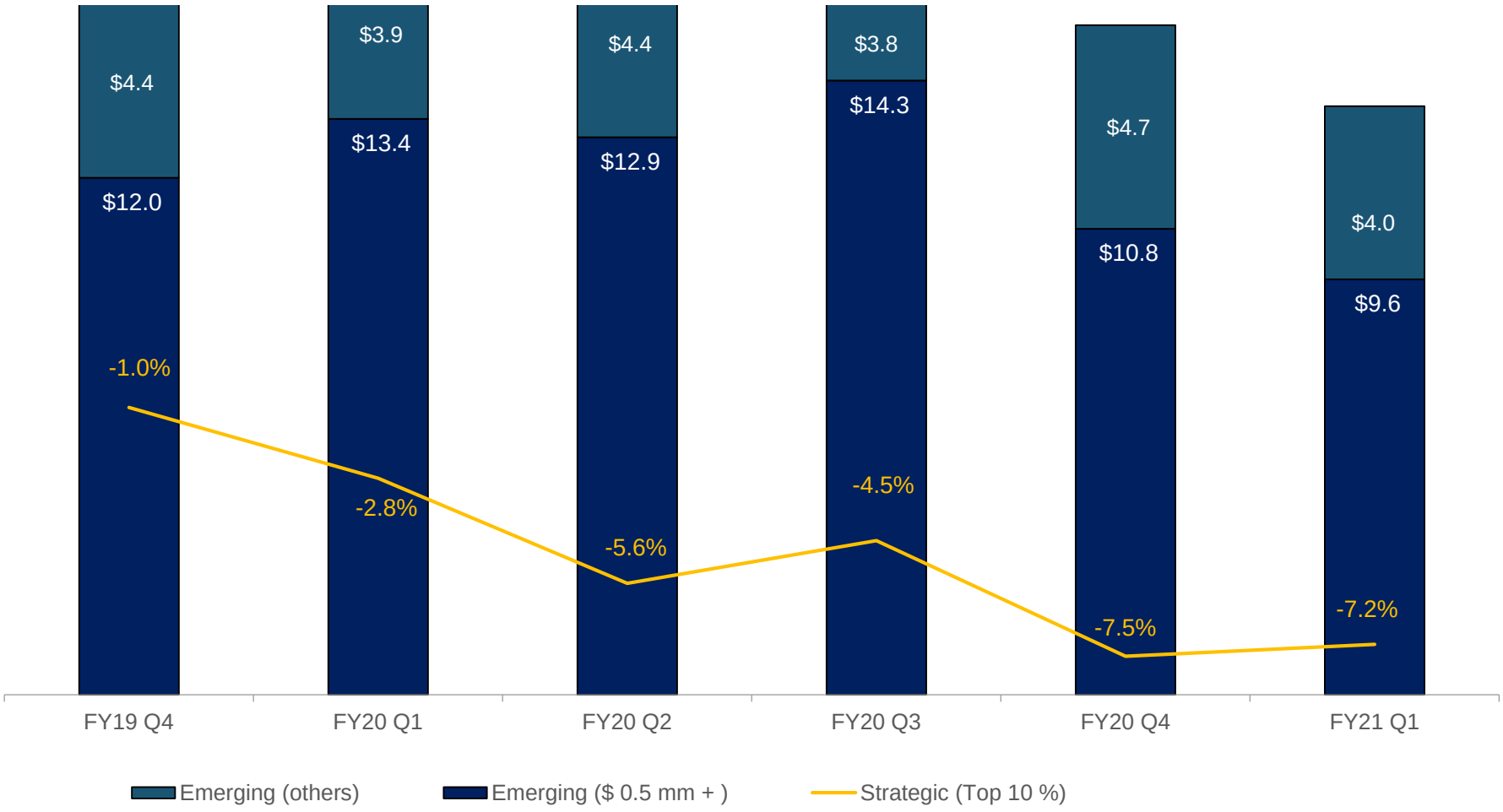
Metrics		FY21 Q1	FY20 Q4	FY20 Q3	FY 20 Q2	FY 20 Q1	FY 19 Q4	FY 19 Q3	FY 19 Q2	FY 19 Q1
Currency Contribution (%) *	USD	85%	82%	80%	81%	80%	80%	82%	82%	82%
	EURO	9%	12%	12%	11%	10%	10%	9%	10%	10%
	GBP	4%	5%	6%	6%	7%	7%	7%	6%	6%
	Others	2%	1%	2%	2%	3%	3%	2%	2%	2%
Geographic Concentration *	North America	71%	68%	66%	67%	67%	65%	64%	64%	64%
	Europe	23%	26%	28%	27%	27%	29%	29%	29%	28%
	ROW	6%	6%	6%	6%	6%	6%	7%	7%	7%
Debtors (including unbilled)	DSO (days)	83	88	78	78	87	84	85	89	93
Client Concentration	Top 10 contribution	70%	67%	65%	65%	66%	68%	70%	70%	70%
Billing Mix	Managed Services	24%	28%	31%	28%	28%	30%	27%	26%	23%
	Onshore revenue	21%	23%	25%	25%	24%	22%	23%	22%	22%
Staff Utilization (Delivery)		72.1%	75.1%	77.2%	71.9%	73.4%	74.3%	71.9%	72.5%	72.4%
Client Contribution (based on TTM revenue) *	US$ 500k-1mm Clients	18	21	21	22	20	20	16	17	20
	US$ 1mm-3mm Clients	16	17	18	18	17	16	17	16	12
	US$ 3mm-5mm Clients	4	4	3	4	4	2	2	2	4
	US$ 5mm-10mm Clients	2	2	2	1	1	2	2	2	2
	US$ 10mm++ Clients	5	5	5	5	5	5	5	5	5
India Seat Count		9,601	9,601	9,601	9,601	9,605	8,910	8,908	8,914	8,900

*Other smaller currencies, geographies and client contribution not shown

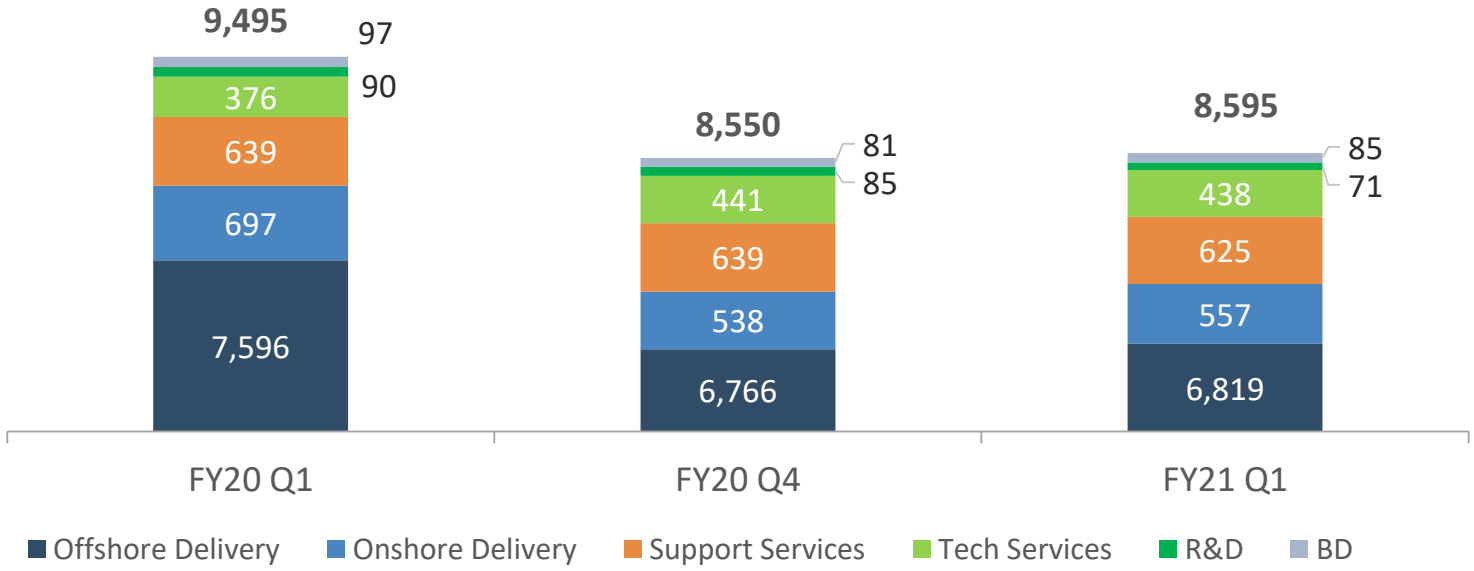
Revenue Mix Trends ($mm)



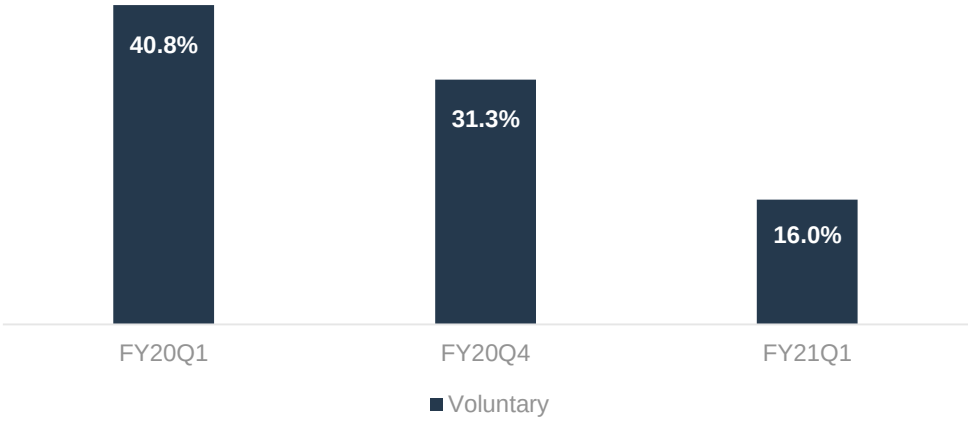
Strategic growth is measured at quarterly YoY level

Human Resources Update

Headcount



Offshore Voluntary Attrition



This presentation may contain forward-looking statements, which involves a various risks and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements.

The conditions caused by the COVID-19 pandemic could decrease customer's technology spending, affecting demand for our services, delaying prospective customers' purchasing decisions, and impacting our ability to provide services; all of which could adversely affect our future revenue, margin and overall financial performance. Our operations may also be negatively affected by a range of external factors related to the COVID-19 pandemic that are not within our control. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf. 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

Figures in INR millions.

Particulars	June 30, 2020	March 31, 2020	% Change
Shareholder's Funds			
Capital	361	361	0%
Minority Interest	6	6	1%
Reserves and Surplus	13,377	12,701	5%
Total Shareholder's Funds	**13,745**	**13,068**	
Application of Funds			
Fixed Assets	3,652	3,524	4%
Right to Use Assets (IND AS116)	1,310	1,281	2%
Lease Liability (IND AS116)	(1,596)	(1,557)	2%
Deferred Tax Assets (net)	195	255	(23%)
Net Current Assets & Investments	10,183	9,565	6%
Total Application of Funds	**13,745**	**13,068**	

P&L Comparison – Quarterly View

Figures in INR millions.

Operating P&L	FY21 Q1	OPR (%)	FY20 Q4	OPR (%)	FY20 Q3	OPR (%)	FY20 Q2	OPR (%)	FY20 Q1	OPR (%)
Total Revenue	3,481		3,679		3,869		3,652		3,630	
Operating Revenue	3,366		3,509		3,754		3,565		3,547	
Cost of Revenues										
Delivery and Support Employees Cost	1,809	53.8%	1,889	53.8%	1,887	50.3%	1,910	53.6%	1,923	54.2%
General and Administrative Expenses										
Facilities (Rent and Electricity)	70	2.1%	74	2.1%	76	2.0%	73	2.1%	95	2.7%
Technological Services (Communications, AMC)	157	4.7%	104	3.0%	108	2.9%	113	3.2%	99	2.8%
Administrative Services (Transport, HK, Security)	19	0.6%	46	1.3%	45	1.2%	47	1.3%	47	1.3%
Legal and Professional Fees	64	1.9%	53	1.5%	39	1.0%	57	1.6%	61	1.7%
Provision / Written off for Bad Debt	4	0.1%	17	0.5%	(4)	(0.1%)	6	0.2%	2	0.0%
CSR & Donation	14	0.4%	19	0.5%	15	0.4%	18	0.5%	18	0.5%
Others	58	1.7%	86	2.5%	79	2.1%	72	2.0%	75	2.1%
Total G&A	**387**	**11.5%**	**400**	**11.4%**	**358**	**9.5%**	**386**	**10.8%**	**397**	**11.2%**
Selling and Distribution	**336**	**10.0%**	**445**	**12.7%**	**477**	**12.7%**	**489**	**13.7%**	**566**	**16.0%**
EBITDA	**949**	**27.2%**	**945**	**25.7%**	**1,147**	**29.6%**	**867**	**23.7%**	**744**	**20.5%**
Depreciation and Amortization	**173**	**5.1%**	**185**	**5.3%**	**176**	**4.7%**	**177**	**5.0%**	**172**	**4.8%**
EBIT	**776**	**22.3%**	**760**	**20.7%**	**971**	**25.1%**	**690**	**18.9%**	**572**	**15.8%**

*Selling and Distribution includes employee cost of onsite business development team.

Financial Summary – Quarterly View

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Metrics		FY21 Q1	FY20 Q4	FY20 Q3	FY20 Q2	FY20 Q1
Revenue	OPG revenue (USD mm)	44.8	47.7	51.8	50.1	50.9
	OPG revenue (INR mm)	3,366	3,509	3,754	3,565	3,547
	Total revenue (INR mm)	3,481	3,679	3,869	3,652	3,630
Profit	EBITDA (INR mm)	949	945	1,147	867	744
	EBIT (INR mm)	776	760	971	690	572
	Net profit (INR mm)	518	554	699	439	398
Margin	EBITDA (%)	27.2%	25.7%	29.6%	23.7%	20.5%
	EBIT (%)	22.3%	20.7%	25.1%	18.9%	15.8%
	Net profit (%)	14.9%	15.1%	18.1%	12.0%	11.0%