



Financial Performance FY15 Q3



January 30, 2015

Data | Domain | Delivery



Financial Summary



Metrics		FY15 Q3	Q-o-Q	FY15 YTD	Y-o-Y
Revenue	Total revenue (INR mm)	2,530	4%	7,135	12%
	OPG revenue (INR mm)	2,416	4%	6,908	11%
	OPG revenue (USD mm)	38.9	2%	113.2	10%
Profit	EBITDA (INR mm)	924	1%	2,653	-3%
	OPM (INR mm)	683	-1%	2,072	-12%
	Net profit (INR mm)	608	-3%	1,765	-8%
Margin	EBITDA (%)	37%	-1%	37%	-6%
	OPM (%)	28%	-2%	30%	-8%
	Net profit (%)	24%	-2%	25%	-5%
EPS	Basic (INR)	20.1	-2%	58.3	-8%
	Diluted (INR)	19.7	-2%	57.1	-8%

- USD revenue up 2.1% Q-o-Q (3.1% in constant currency);
- Y-o-Y growth : INR total revenue up by 12.2%; USD revenue up by 10.2%
- EPS for the quarter 20.1 and YTD 58.3

Other Income



Other Income	FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4
Investment & Other Income	51.0	44.6	59.1	46.7
Hedge Gain / (Loss)	17.7	42.9	(43.6)	(18.0)
Revaluation and Realised Gain	45.2	16.4	(6.2)	(39.1)
Total	113.8	103.9	9.3	(10.4)

Figures in INR million

▪ Fx Hedges

- \$20.0 mm hedges matured @ 64.78/\$ in Q3 (Avg spot - 62.68)
- \$18.9 mm hedges matured @ 63.83/\$ in Q2 (Avg spot – 61.09)

▪ Revaluation and Realised Gain

- USD/INR Q3 exit : 63.33 vs. Q2 exit : 61.61
- EUR/INR Q3 exit : 77.00 vs. Q2 exit : 78.21

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$105.6 mm at average INR 67.51/\$; 100% forwards
 - 2.7 times last quarter revenue vs. average of 2.5 times in preceding 4 quarters

Contract	Year	Currency	Hedges pre AS30		Hedges under AS30	
			Amount (mm)	Average Rate (INR)	Amount (mm)	Average Rate (INR)
Forwards	Q4 FY15	USD	\$12.4	65.1	\$3.0	63.6
		Euro	€ 2.0	82.0	€ 0.3	82.7
	Total Q4 FY15 – Equiv USD		\$14.7	65.5	\$3.4	64.1
	FY16	USD	\$17.3	69.1	\$46.6	66.0
		Euro	€ 2.4	95.3	€ 4.4	86.7
	Total FY16 – Equiv USD		\$20.2	70.4	\$52.0	66.6
	FY17	USD	NA	NA	\$13.0	69.0
		Euro	NA	NA	€ 1.9	88.3
	Total FY17 – Equiv USD		NA	NA	\$15.3	69.5
	TOTAL			\$35.0	68.4	\$70.7

Note: EUR / USD taken at 1.22

P&L Comparison: FY15 Q3 vs. FY15 Q2

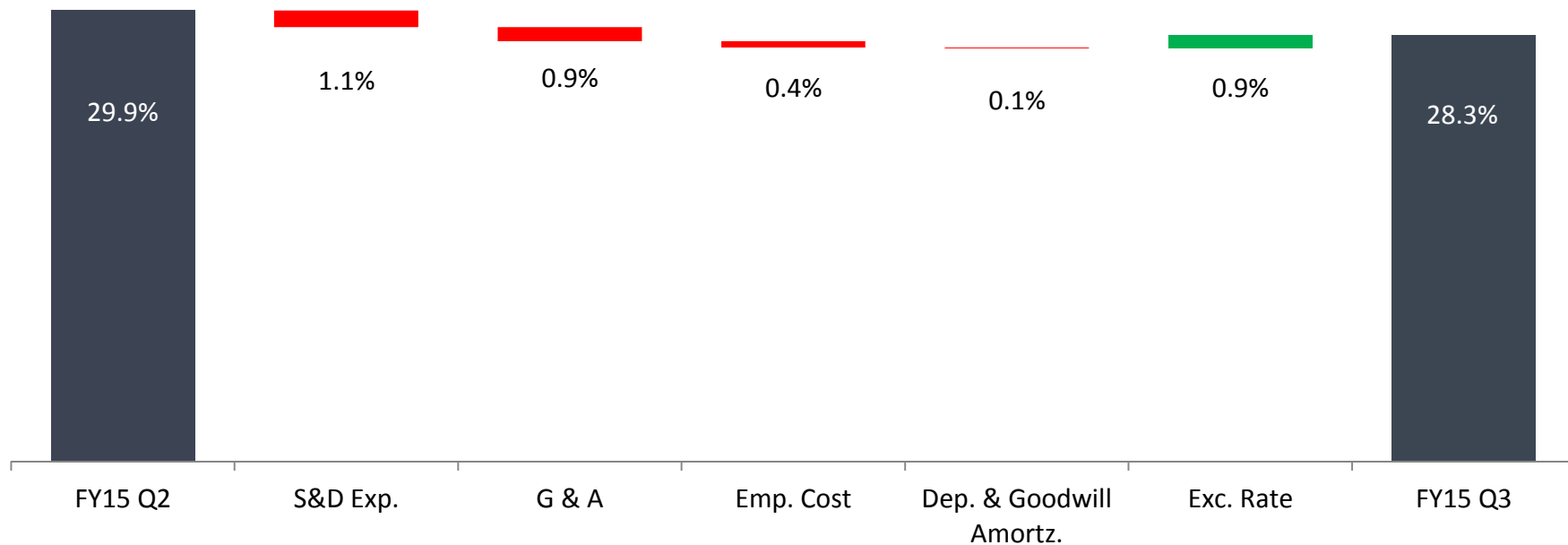


Figures in INR millions.

Operating P&L	FY15 Q3	OPR (%)	FY15 Q2	OPR (%)
Operating Revenue	2,416.1		2,318.3	
Cost of Revenues				
Employee Cost	882.8	36.5%	847.5	36.6%
General and Administrative Expenses				
Rent	106.8	4.4%	91.7	4.0%
Communication Expenses	34.5	1.4%	41.4	1.8%
Legal and Professional Fees	45.2	1.9%	37.4	1.6%
Electricity	23.8	1.0%	22.2	1.0%
Conveyance	25.4	1.1%	16.3	0.7%
Provision / Written off for Bad Debt	-	0.0%	1.5	0.1%
Others (including CSR)	104.2	4.3%	98.1	4.2%
Total G&A	339.9	14.1%	308.6	13.3%
Selling and Distribution*	382.7	15.8%	346.4	14.9%
Depreciation, Interest and Amortization	127.2	5.3%	122.2	5.3%
Total Operating Cost	1,732.6	71.7%	1,624.6	70.1%
Operating Profit	683.5	28.3%	693.7	29.9%
Avg Exchange Rate				
INR/USD	61.93		60.61	
INR/EUR	77.42		80.38	

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

OPM Bridging Analysis: FY15 Q3 vs. FY15 Q2



- S&D : Increase in bonus estimates, commission and travel
- G&A : Increase in rent and transport cost

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 4,166 mm vs. INR 3,004 mm last quarter; zero debt
 - Equivalent to INR 137.3 per share;
- Trailing 12 months EPS
 - Basic: INR 79.8; Diluted: INR 78.0
- Current book value per share of INR 256.2 vs. INR 234.5 last quarter

Facility Update

- Plan to complete Mumbai Consolidation by FY16Q2
- Signed LOI for a new SEZ in Pune

CSR Update

- Total YTD spending INR 35.0 mm for existing and new projects: YTD spending 71% of FY'15 plan
- Areas covered : Health and Child Education
- Total Life touched / benefited ~15K

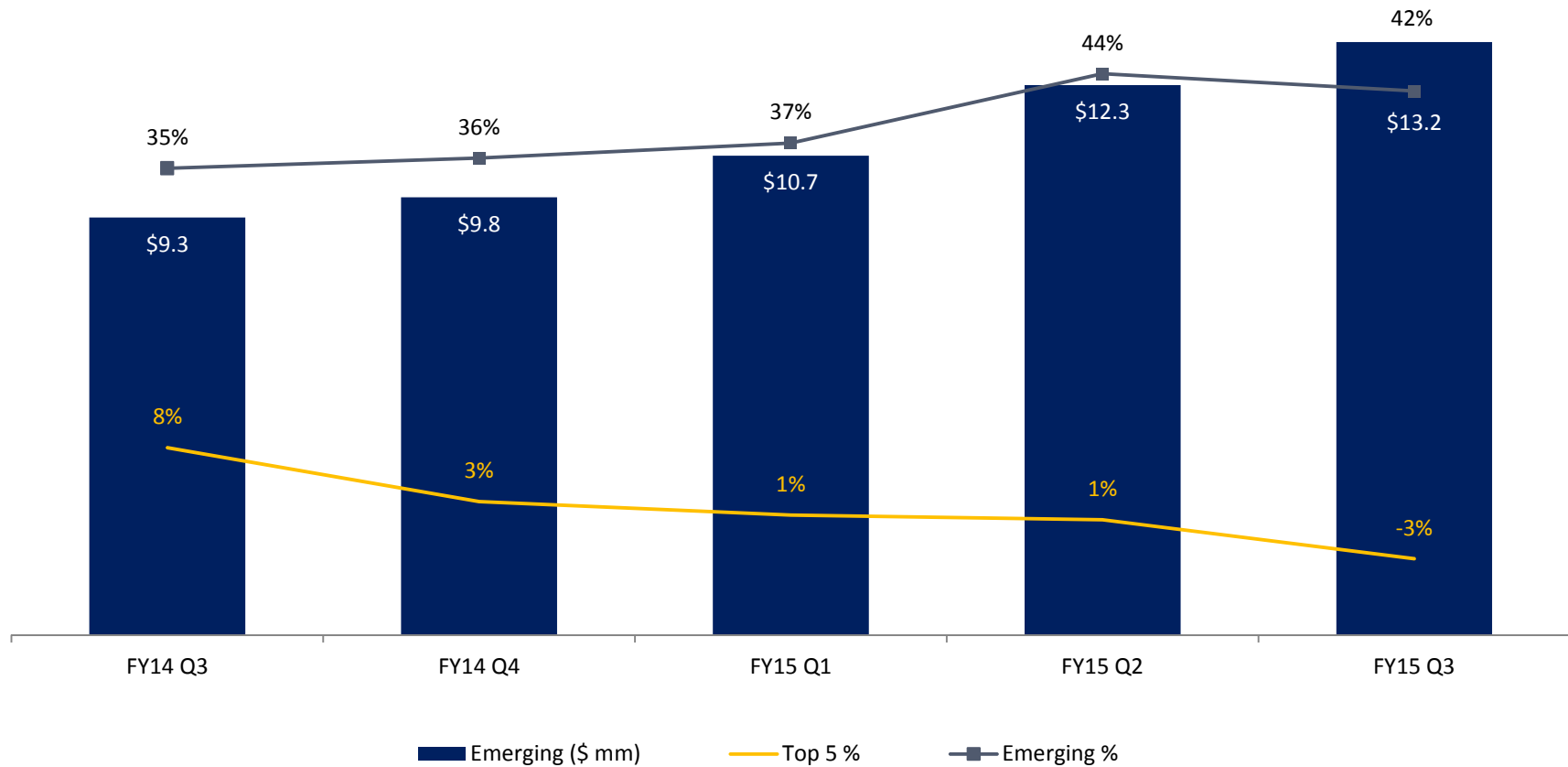
Key Business Metrics



Metrics		FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3
Currency Contribution* (%)	USD	83%	82%	81%	80%	81%
	EURO	12%	13%	14%	14%	14%
	GBP	5%	5%	5%	5%	5%
Geographic Concentration*	North America	78%	74%	73%	74%	74%
	Europe	18%	23%	22%	22%	21%
Debtors (including unbilled)	DSO	70 days	82 days	77 days	75 days	70 days
Client Concentration	Client Billed	74	74	65	64	64
	Top 5 contribution	66%	68%	71%	73%	74%
	New clients added	7	6	4	4	2
Billing Mix	FTE	95%	94%	94%	94%	95%
	SEZ Revenue	72%	68%	61%	60%	60%
Staff Utilization		65%	64%	61%	64%	66%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	6	3	6	6	5
	US\$ 1mm+ Clients	7	9	7	6	6
	US\$ 5mm+ Clients	7	6	6	6	6

* Other smaller currencies, geographies and client contribution not shown

Revenue Mix Trends

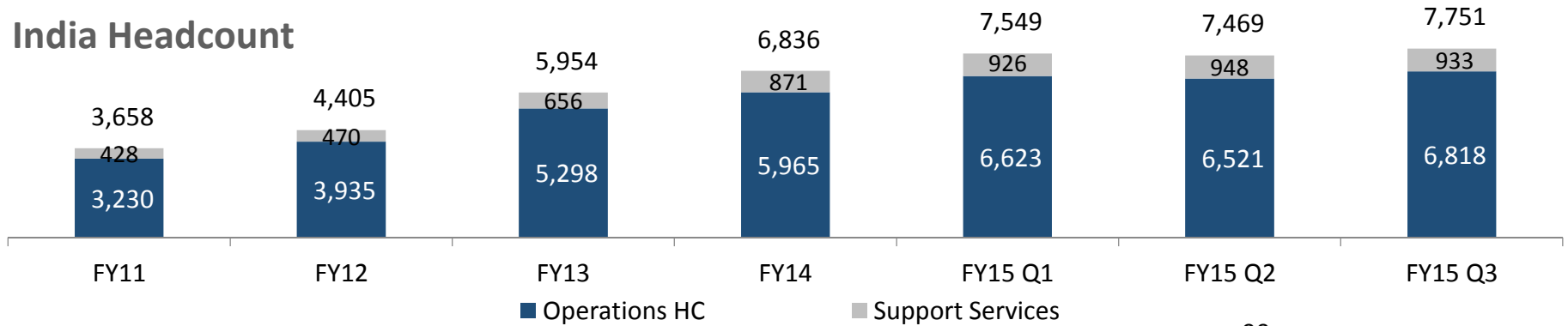


- Emerging Accounts continue to grow at a faster pace in line with company strategy
- Decline in Top 5 in FY15Q3 contributed by \$/€ movement

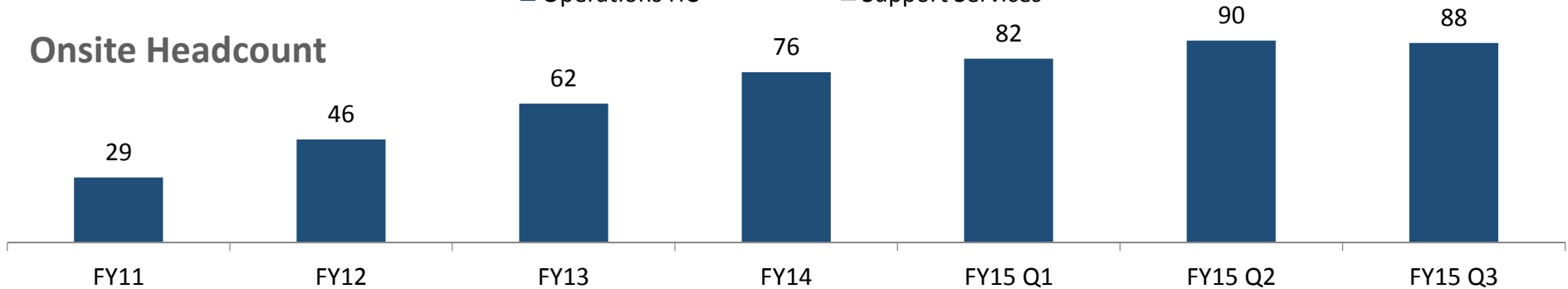
Human Resources Update



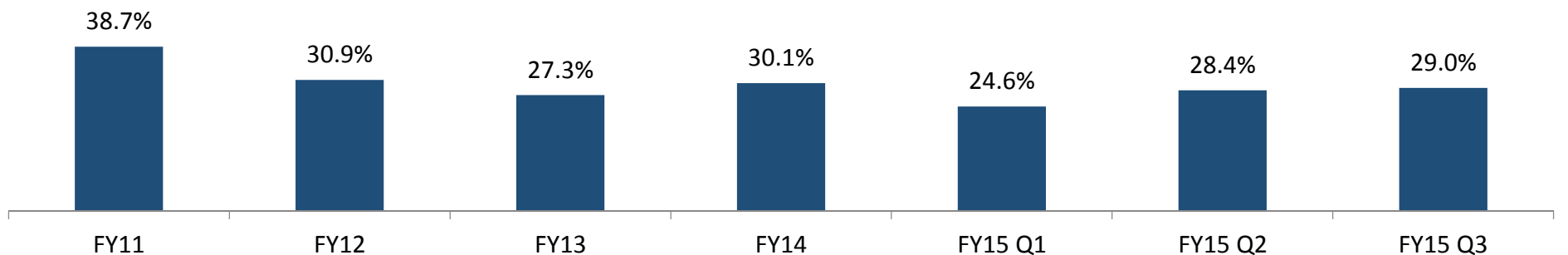
India Headcount



Onsite Headcount



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



Figures in INR millions.

Particulars	December 30, 2014	September 30, 2014	% of Change
Shareholder's Funds			
Capital	303.4	303.0	0.1%
Reserves and Surplus	7,468.6	6,803.0	10%
Total Shareholder's Funds	7,772.0	7,106.0	9%
Application of Funds			
Fixed Assets	1,635.8	1,672.7	-2%
Deferred Tax Assets (net)	28.0	27.3	3%
Net Current Assets and Investments (Liquid)	6,108.2	5,406.0	13%
Total Application of Funds	7,772.0	7,106.0	9%

Financial Summary – Quarterly View



Metrics		FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3
Revenue	Total Revenue (INR mm)	2,530	2,422	2,183	2,159	2,202
	Opg Revenue (INR mm)	2,416	2,318	2,174	2,169	2,195
	Opg Revenue (USD mm)	38.9	38.1	36.2	35.5	35.7
Profit	EBITDA (INR mm)	924	920	809	919	894
	OPM (INR mm)	683	694	694	846	805
	Net Profit (INR mm)	608	623	534	645	623
Margin	EBITDA	37%	38%	37%	43%	41%
	OPM	28%	30%	32%	39%	37%
	Net Profit	24%	26%	24%	30%	28%
EPS	Basic	20.1	20.6	17.7	21.5	20.8
	Diluted	19.7	20.1	17.3	20.9	20.3

P&L Comparison – Quarterly View



Figures in INR millions.

Operating P&L	FY15 Q3	OPR	FY15 Q2	OPR	FY15 Q1	OPR	FY14 Q4	OPR	FY14 Q3	OPR
Operating Revenue	2,416		2,318		2,174		2,169		2,195	
Cost of Revenues										
Employee Cost	883	37%	847	37%	785	36%	656	30%	721	33%
General and Administrative Expenses										
Rent	107	4%	92	4%	76	4%	82	4%	78	4%
Communication Expenses	34	1%	41	2%	26	1%	36	2%	26	1%
Legal and Professional Fees	45	2%	37	2%	35	2%	40	2%	35	2%
Electricity	24	1%	22	1%	20	1%	16	1%	21	1%
Conveyance	25	1.1%	16	0.7%	10	0%	11	0%	11	0%
Provision for Bad Debt	-	0%	2	0%	-	0%	1	0%	-	0%
Others (including CSR)	104	4%	98	4%	62	3%	93	4%	76	3%
Total G&A	340	14%	309	13%	231	11%	278	13%	248	11%
Selling and Distribution*	383	16%	346	15%	358	16%	306	14%	338	15%
Depreciation, Interest and Amortization	127	5%	122	5%	105	5%	84	4%	83	4%
Total Operating Cost	1,733	72%	1,625	70%	1,479	68%	1,324	61%	1,390	63%
Operating Profit	683	28%	694	30%	694	32%	846	39%	805	37%

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

Revenue Quality – Quarterly View



Metrics		FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1	FY13 Q4
Revenue Growth (%)	USD	2.1%	5.1%	2.0%	-0.4%	4.7%	3.4%	2.2%	2.9%
	Constant Currency	3.1%	5.6%	1.9%	-0.6%	4.0%	3.1%	2.4%	3.6%
Currency Concentration (%)	USD	83%	82%	81%	80%	81%	81%	81%	81%
	EURO	12%	13%	14%	14%	14%	14%	15%	15%
	GBP	5%	5%	5%	5%	5%	4%	3%	4%
	Other	0%	0%	0%	1%	0%	1%	1%	0%
Geographic Concentration	North America	78%	74%	73%	74%	74%	74%	74%	74%
	Europe	18%	23%	22%	22%	21%	21%	21%	21%
	ROW	3%	3%	5%	4%	5%	5%	5%	5%
Debtors	DSO	36 days	46 days	41 days	38 days	33 days	41 days	35 days	33 days
	DSO (including Un-billed)	70 days	82 days	77 days	75 days	70 days	76 days	71 days	NA
Client	Clients Billed	74	74	65	64	64	65	61	61
	Top 5 Contribution	66%	68%	71%	73%	74%	75%	76%	78%
	New Client Added	7	6	4	4	2	5	5	6
Billing Mix	FTE	95%	94%	94%	94%	95%	95%	94%	91%
	SEZ Revenue	72%	68%	61%	60%	60%	60%	60%	60%
Seat Count		7,439	7,341	7,073	6,391	6,385	6,317	5,954	5,831
Staff Utilization		65%	64%	61%	64%	66%	65%	66%	69%

Other Income



Other Income	FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4
Investment & Other Income	51.0	44.6	59.1	46.7
Hedge Gain / (Loss)	17.7	42.9	(43.6)	(18.0)
Revaluation and Realised Gain	45.2	16.4	(6.1)	-39.1
Total	113.8	103.9	9.3	(10.4)

Figures in INR million

- Higher investment income
 - Increase in investible surplus and higher yield
- **Fx Hedges**
 - \$20.0 mm hedges matured @ 64.78/\$ in Q3 vs. average spot of 62.68
 - Contracts pre AS30 – \$ 17.4 mm @ 65.15/\$ vs. average spot of 62.62
 - Under AS30 – \$2.6 mm@ 62.31/\$ vs. average spot of 63.00
 - \$18.9 mm hedges matured @ 63.83/\$ in Q2 vs. average spot of 61.09
 - Under AS30 – \$0.3 mm@ 60.86/\$ vs. average spot of 60.36
- **Revaluation and Realised Gain**
 - USD/INR Q3 exit : 63.33 vs. Q2 exit : 61.61
 - EUR/INR Q3 exit : 77.00 vs. Q2 exit : 78.21