



Financial Performance FY15



May 25, 2015

Data | Domain | Delivery



Financial Summary



Metrics		FY15 Q4	Q-o-Q	FY15	Y-o-Y
Revenue	Total revenue (INR mm)	2,610	3%	9,745	14%
	OPG revenue (INR mm)	2,513	4%	9,421	12%
	OPG revenue (USD mm)	40.7	5%	153.8	11%
Profit	EBITDA (INR mm)	826	-11%	3,480	-5%
	OPM (INR mm)	584	-15%	2,656	-17%
	Net profit (INR mm)	532	-12%	2,297	-10%
Margin	EBITDA (%)	32%	-5%	36%	-7%
	OPM (%)	23%	-5%	28%	-10%
	Net profit (%)	20%	-4%	24%	-6%
EPS	Basic (INR)	17.6	-13%	75.8	-11%
	Diluted (INR)	17.2	-13%	74.1	-11%

- USD revenue up 11.3% Y-o-Y (12.2% in constant currency); Q-o-Q up by 4.6% (6.3% in constant currency)
- Acquisition of creative services firm CLX at ~€25 mln; €19+mm runrate and EBITDA in low 20's
- Margin reset year; expect OPM (excluding CLX) to stabilise ~30% in near term
- Annual dividend proposed net of DDT is Rs. 35 per share (~56% of PAT including taxes)

Other Income – FY'15 vs. FY'14



Other Income	FY15	FY14
Investment & Other Income	208.1	141.6
Hedge Gain / (Loss)	111.0	-250.4
Revaluation and Realised Gain	4.5	219.0
Total	323.5	110.2

Figures in INR million

▪ Fx Hedges

- \$72.8 mm hedges matured @ 63.96/\$ in FY'15 (Avg spot - 61.55)
- \$68.9 mm hedges matured @ 55.68/\$ in FY'14 (Avg spot - 60.70)

▪ Revaluation and Realised Gain

- USD/INR FY'15 exit : 62.59 vs. FY'14 exit : 60.10
- EUR/INR FY'15 exit : 67.51 vs. FY'14 exit : 82.58

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$113.9 mm at average INR 68.51/\$; 100% forwards
 - 2.8 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	FY16	USD	\$17.3	69.1	\$58.6	65.9
		Euro	€ 2.4	95.3	€ 6.0	83.3
	Total FY16 – Equiv USD		\$19.9	71.6	\$65.1	67.0
	FY17	USD	NA	NA	\$25.1	68.6
		Euro	NA	NA	€ 3.5	83.3
	Total FY17 – Equiv USD		NA	NA	\$28.9	69.8
	TOTAL			\$19.9	71.6	\$94.0

Note: EUR / USD taken at 1.08

P&L Comparison: FY15 vs. FY14

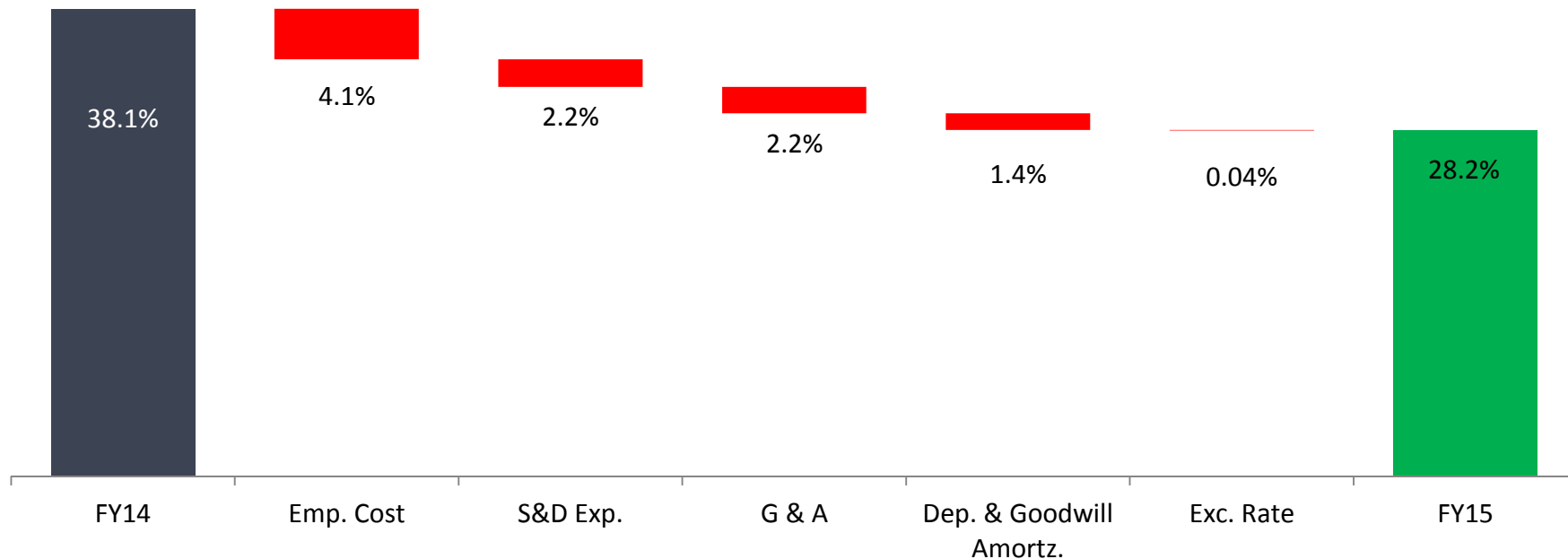


Figures in INR millions.

Operating P&L	FY15	OPR (%)	FY14	OPR (%)
Operating Revenue	9,421.2		8,409.9	
Cost of Revenues				
Employee Cost	3,464.1	36.8%	2,743.5	32.6%
General and Administrative Expenses				
Rent	364.5	3.9%	310.7	3.7%
Communication Expenses	138.8	1.5%	106.9	1.3%
Legal and Professional Fees	232.6	2.5%	146.7	1.7%
Electricity	101.0	1.1%	73.5	0.9%
Conveyance	66.2	0.7%	45.8	0.5%
Provision / Written off for Bad Debt	3.1	0.0%	0.9	0.0%
CSR & Donation	50.5	0.5%	14.4	0.2%
Others	321.4	3.4%	258.8	3.1%
Total G&A	1,278.1	13.6%	957.5	11.4%
Selling and Distribution*	1,523.0	16.2%	1,173.1	13.9%
Depreciation, Interest and Amortization	500.2	5.3%	330.3	3.9%
Total Operating Cost	6,765.4	71.8%	5,204.4	61.9%
Operating Profit	2,655.8	28.2%	3,205.6	38.1%
INR/USD	61.14		60.50	
INR/EUR	77.52		81.17	

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

OPM Bridging Analysis: FY15 vs. FY14



- Emp. Cost: Increase due to Pay restructuring, Change in Business Mix & increase in benefits
- S&D : Increase in bonus & Commission due to emerging growth and travel
- G&A : Increase cost mainly due to CLX M&A related cost, Increase in CSR Expenditure as per change in Companies act, change in business mix & Facility consolidation
- Depreciation increase due to regulatory changes and addition/consolidation of facility

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 4,408 mm; zero debt
 - Equivalent to INR 145.2 per share;
 - ~INR 1800 mm from above utilized towards CLX acquisition in April'15
 - ~INR 1300 mm from above to be utilized for Dividend (& taxes) payout in July'15
- Trailing 12 months EPS
 - Basic: INR 75.9; Diluted: INR 74.3
- Current book value per share of INR 235.6 vs. INR 195.2 last year

Facility Update

- New Facility
 - FY'15 - No of seat added in Mumbai – gross ~2,100; Net ~800
 - FY'16 – Go-lives of previously leased spaces across 3 cities expected in H1

CSR Update

- Total spend INR 46.4 mm for existing and new projects in FY15 related to India
- Areas covered : Health, Education, Child Labour Protection
- Total Life touched / benefited ~18K

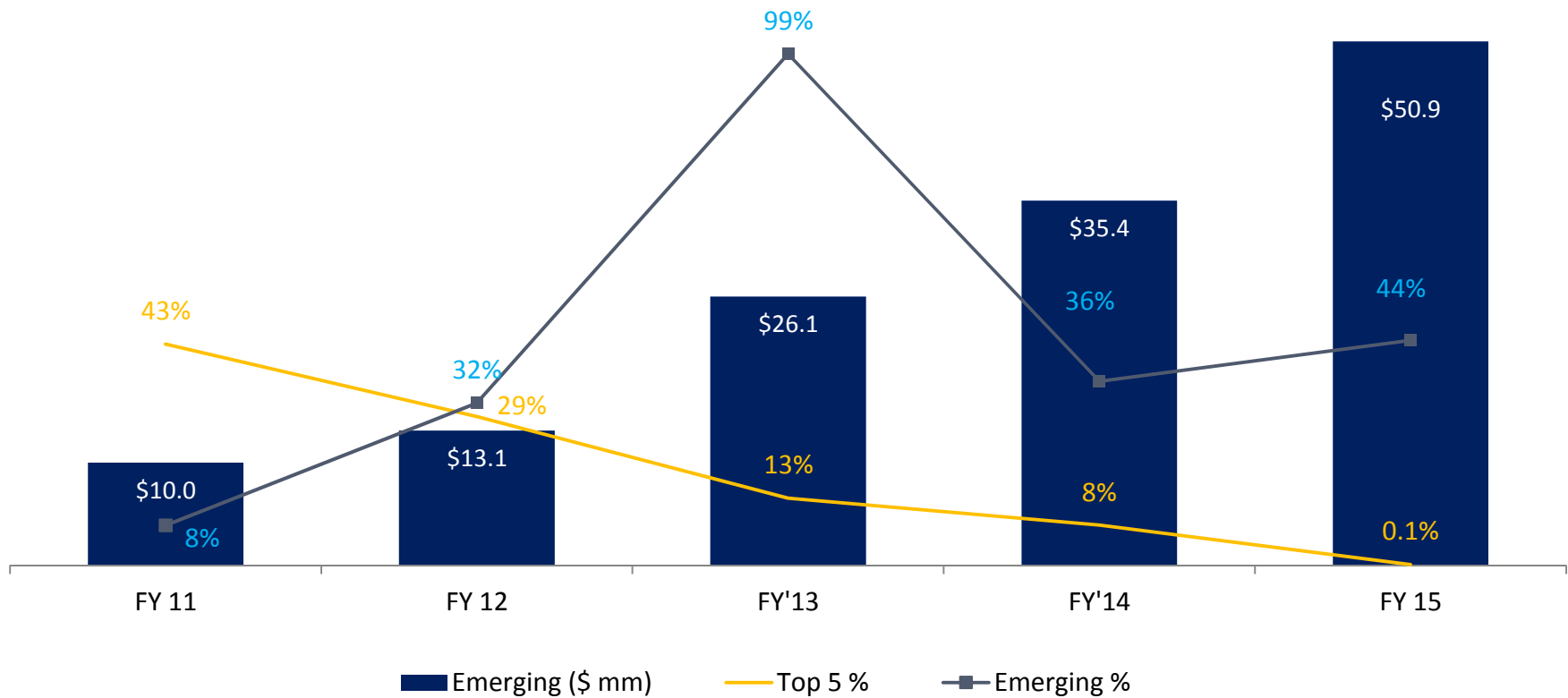
Key Business Metrics



Metrics		FY15	FY14	FY13	FY12	FY11
Currency Contribution* (%)	USD	83%	81%	82%	78%	75%
	EURO	12%	14%	13%	18%	21%
	GBP	5%	5%	4%	3%	3%
Geographic Concentration*	North America	76%	74%	74%	67%	61%
	Europe	20%	22%	20%	26%	32%
Debtors (including unbilled)	DSO	81 days	70 days	82 days	77 days	75 days
Client Concentration	Client Billed	90	75	73	55	57
	Top 5 contribution	67%	74%	79%	86%	87%
	New client added	24	16	25	10	15
Billing Mix	FTE	95%	94%	92%	94%	88%
	SEZ Revenue	69%	60%	60%	67%	59%
Staff Utilization		64%	65%	69%	71%	71%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	7	6	5	5	3
	US\$ 1mm+ Clients	7	6	5	3	2
	US\$ 5mm+ Clients	7	6	6	5	4

* Other smaller currencies, geographies and client contribution not shown

Revenue Mix Trends – FY

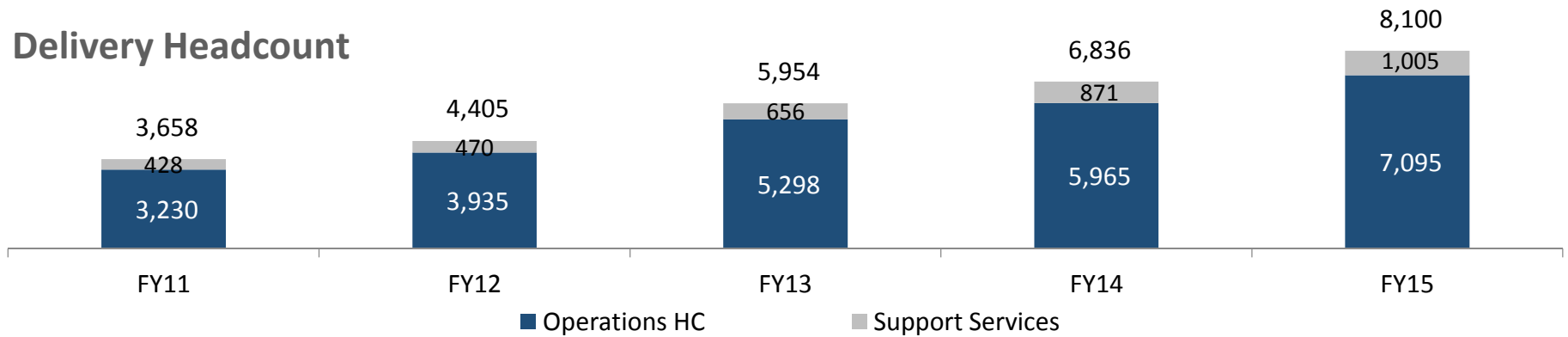


- Emerging Accounts continue to accelerate in line with company strategy
 - Inflection in FY13 due to Agilyst addition

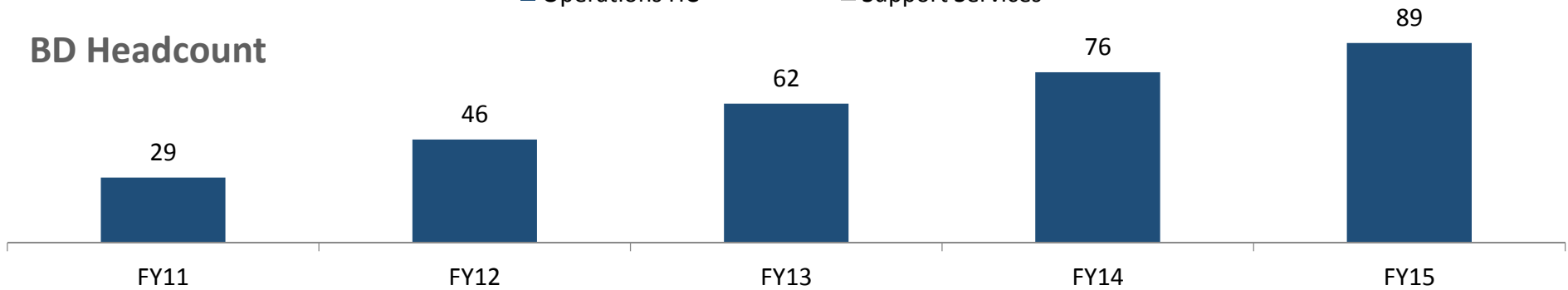
Human Resources Update



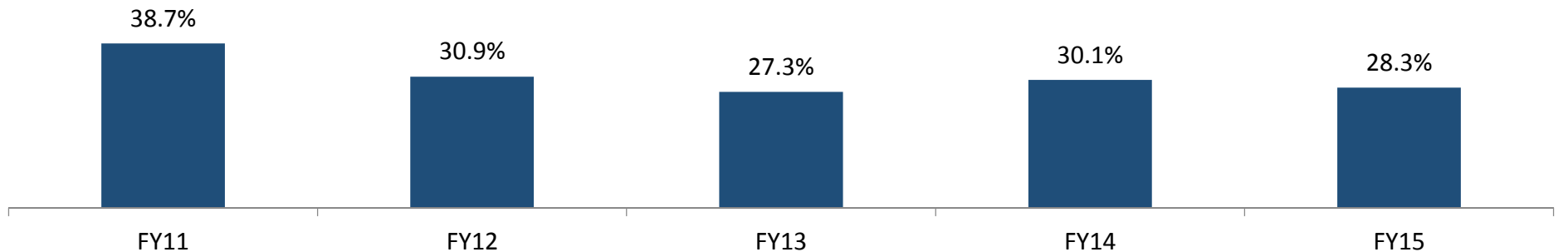
Delivery Headcount



BD Headcount



India Attrition



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Thank You

Balance Sheet Abstract



Figures in INR millions.

Particulars	March 31, 2015	March 31, 2014	% of Change
Shareholder's Funds			
Capital	303.5	301.8	0.6%
Reserves and Surplus	6,846.5	5,587.8	23%
Total Shareholder's Funds	7,150.0	5,889.5	21%
Application of Funds			
Fixed Assets	1,681.8	1,558.4	8%
Deferred Tax Assets (net)	51.6	18.3	182%
Net Current Assets and Investments (Liquid)	5,416.6	4,312.8	26%
Total Application of Funds	7,150.0	5,889.5	21%

Financial Summary – Quarterly View



Metrics		FY15 Q4	FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4
Revenue	Total Revenue (INR mm)	2,610	2,530	2,422	2,183	2,159
	Opg Revenue (INR mm)	2,513	2,416	2,318	2,174	2,169
	Opg Revenue (USD mm)	40.7	38.9	38.1	36.2	35.5
Profit	EBITDA (INR mm)	826	924	920	809	919
	OPM (INR mm)	584	683	694	694	846
	Net Profit (INR mm)	532	608	623	534	645
Margin	EBITDA	32%	37%	38%	37%	43%
	OPM	23%	28%	30%	32%	39%
	Net Profit	20%	24%	26%	24%	30%
EPS	Basic	17.6	20.1	20.6	17.7	21.5
	Diluted	17.2	19.7	20.2	17.3	20.9

P&L Comparison – Quarterly View



Figures in INR millions.

Operating P&L	FY15 Q4 OPR (%)		FY15 Q3 OPR (%)		FY15 Q2 OPR (%)		FY15 Q1 OPR (%)		FY14 Q4 OPR (%)	
Operating Revenue	2,513		2,416		2,318		2,174		2,169	
Cost of Revenues										
Employee Cost	949	38%	883	37%	847	37%	785	36%	656	30%
General and Administrative Expenses										
Rent	90	4%	107	4%	92	4%	76	4%	82	4%
Communication Expenses	36	1%	34	1%	41	2%	26	1%	36	2%
Legal and Professional Fees	115	5%	45	2%	37	2%	35	2%	40	2%
Electricity	35	1%	24	1%	22	1%	20	1%	16	1%
Conveyance	14	0.6%	25	1.1%	16	0.7%	10	0.5%	11	0.5%
Provision for Bad Debt	2	0%	-	0%	2	0%	-	0%	1	0%
Others (including CSR)	107	4%	104	4%	98	4%	62	3%	93	4%
Total G&A	399	16%	340	14%	309	13%	231	11%	278	13%
Selling and Distribution*	436	17%	383	16%	346	15%	358	16%	306	14%
Depreciation, Interest and Amortization	146	6%	127	5%	122	5%	105	5%	84	4%
Total Operating Cost	1,929	77%	1,733	72%	1,625	70%	1,479	68%	1,324	61%
Operating Profit	584	23%	683	28%	694	30%	694	32%	846	39%

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

Revenue Quality – Quarterly View



Metrics		FY15 Q4	FY15 Q3	FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1
Revenue Growth (%)	USD	4.6%	2.1%	5.1%	2.0%	-0.4%	4.7%	3.4%	2.2%
	Constant Currency	6.3%	3.1%	5.6%	1.9%	-0.6%	4.0%	3.1%	2.4%
Currency Concentration (%)	USD	85%	83%	82%	81%	80%	81%	81%	81%
	EURO	10%	12%	13%	14%	14%	14%	14%	15%
	GBP	5%	5%	5%	5%	5%	5%	4%	3%
	Other	0%	0%	0%	0%	1%	0%	1%	1%
Geographic Concentration	North America	78%	78%	74%	73%	74%	74%	74%	74%
	Europe	18%	18%	23%	22%	22%	21%	21%	21%
	ROW	4%	3%	3%	5%	4%	5%	5%	5%
Debtors	DSO	47 days	36 days	46 days	41 days	38 days	33 days	41 days	35 days
	DSO (including Un-billed)	81 days	70 days	82 days	77 days	75 days	70 days	76 days	71 days
Client	Clients Billed	82	74	74	65	64	64	65	61
	Top 5 Contribution	64%	66%	68%	71%	73%	74%	75%	76%
	New Client Added	7	7	6	4	4	2	5	5
Billing Mix	FTE	95%	95%	94%	94%	94%	95%	95%	94%
	SEZ Revenue	73%	72%	68%	61%	60%	60%	60%	60%
Seat Count		7640	7,439	7,341	7,073	6,391	6,385	6,317	5,954
Staff Utilization		65%	65%	64%	61%	64%	66%	65%	66%