

Presented to:



Financial Performance
FY16 >

May 20, 2016

Data | Domain | Delivery



Financial Summary



Metrics		FY16 Q4	Q-o-Q	FY16	Y-o-Y
Revenue	Total revenue (INR mm)	3,521	1%	13,547	39%
	OPG revenue (INR mm)	3,432	0%	13,143	40%
	OPG revenue (USD mm)	50.8	-2%	199.4	30%
Profit	EBITDA (INR mm)	1,497	16%	5,272	52%
	OPM (INR mm)	1,269	15%	4,361	64%
	Net profit (INR mm)	1,083	22%	3,630	58%
Margin	EBITDA (%)	43%	6%	39%	3%
	OPM (%)	37%	5%	33%	5%
	Net profit (%)	31%	5%	27%	3%

- Y-o-Y USD revenue up by 30% (Organic - 15%) and CC revenue up 34.0% (Organic - 18.8%)
 - Flattish revenue trend to continue in early part of FY17
- Intend to maintain historical payout ratio; recommended token dividend of INR 1/share; to explore other methods of cash distribution
- Reduction in the grantees of ESOPs; replaced by deferred cash incentives
 - FY17 P&L impact for cash incentives ~2-3 Cr
 - Max grants now limited to 0.8% of equity vs 2% previously; ESOPs may impact P&L under Ind-AS
- Employee ESOP trust being set up to minimize fresh issue against ESOPs

Other Income – FY16 vs. FY15



Other Income	FY16	FY15
Investment & Other Income	92.4	208.1
Hedge Gain / (Loss)	(11.51)	111.01
Revaluation and Realised Gain	322.7	4.5
Total	403.6	323.5

Figures in INR million

- Lower Investment Income due to lower investible surplus available post acquisition and fall in interest rates
- No Pre AS30 hedge outstanding.
- Gain from Pre AS30 Hedge is 128.3 mm; Net change in MTM ~140 mm (due to reversal of previous year gain from MTM)
- **Revaluation and Realised Gain**
 - USD/INR FY'16 exit : 66.33 vs. FY'15 exit : 62.59
 - EUR/INR FY'16 exit : 75.10 vs. FY'15 exit : 67.51

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$124.7 mm at average INR 70.73/\$; 100% forwards
 - 2.5 times quarter revenue vs. average of 2.4 times in preceding 4 quarters.
 - Since CLX has natural hedge, so effective hedge ratio will remain low

Contract	Year	Currency	Amount (mn)	Average Rate (INR)	
Forwards	FY17	USD	\$79.1	69.8	
		Euro	€ 13.0	79.8	
	Total FY17 H1– Equiv USD		\$51.8	69.1	
	Total FY17 H2– Equiv USD		\$42.1	70.9	
	Total FY17 – Equiv USD		\$93.9	69.9	
	FY18	USD	\$24.8	73.3	
		Euro	€ 5.3	82.7	
		Total FY18 H1– Equiv USD		\$24.1	72.8
		Total FY18 H2– Equiv USD		\$6.7	74.7
		Total FY18 – Equiv USD		\$30.9	73.2
Total			\$124.7	70.73	

Note: EUR / USD taken at 1.13

P&L Comparison: FY16 vs. FY15

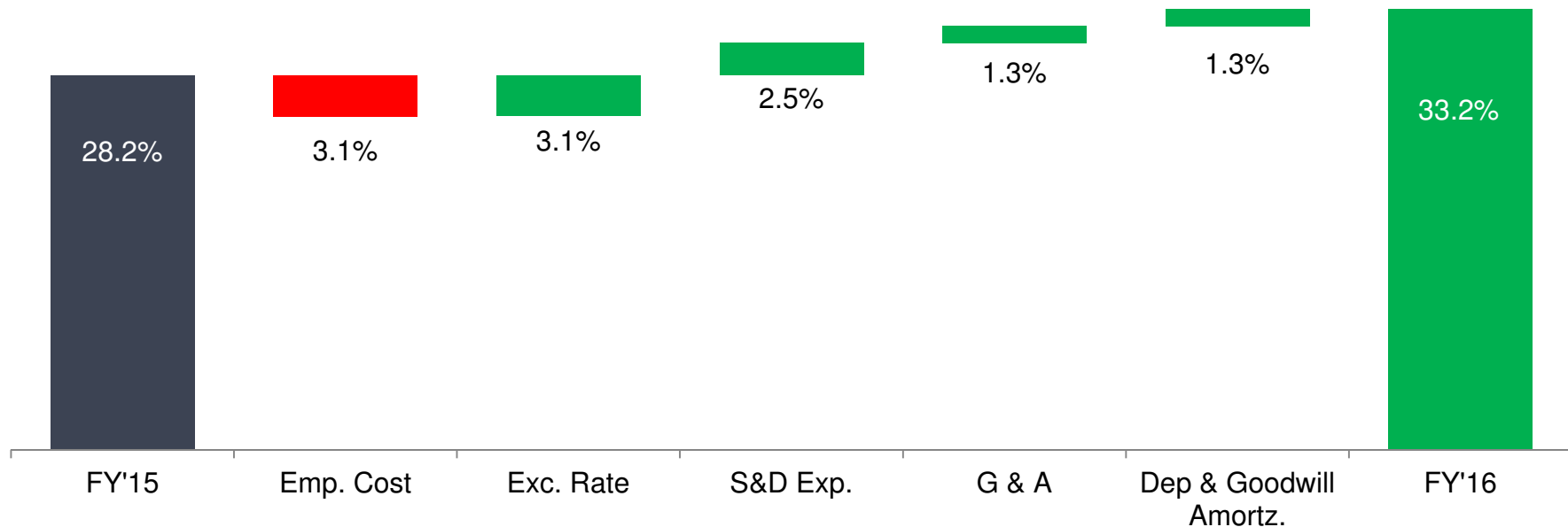


Operating P&L	FY16	OPR (%)	FY15	OPR (%)
Operating Revenue	13,143.2		9,421.2	
Cost of Revenues				
Employee Cost	5,007.1	38.1%	3,464.1	36.8%
General and Administrative Expenses				
Rent	474.7	3.6%	364.5	3.9%
Communication Expenses	181.8	1.4%	138.8	1.5%
Legal and Professional Fees	184.3	1.4%	232.6	2.5%
Electricity	114.3	0.9%	101.0	1.1%
Conveyance	74.7	0.6%	66.2	0.7%
Provision / Written off for Bad Debt	0.0	0.0%	3.1	0.0%
CSR & Donation	57.7	0.4%	50.5	0.5%
Others	457.9	3.5%	321.4	3.4%
Total G&A	1,545.5	11.8%	1,278.1	13.6%
Selling and Distribution*	1,722.4	13.1%	1,523.0	16.2%
Depreciation and Amortization	507.0	3.9%	500.2	5.3%
Total Operating Cost	8,782.0	66.8%	6,765.4	71.8%
Operating Profit	4,361.1	33.2%	2,655.8	28.2%
INR/USD	65.47		61.14	
INR/EUR	72.29		77.52	

Figures in INR millions.

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

OPM Bridging Analysis: FY16 vs. FY15



- Emp Cost: Increase in employee cost due to integration of CLX
- S&D: Lower Bonus and lower Travel & Marketing expenses for CLX compared to rest of eClerx
- G&A – Lower Legal & Professional fees as compared to FY'15 as it contains cost relating to CLX acquisition. Also CLX has lower G&A expenses compared to rest of eClerx
- Dep & Amortz: In FY'16 change in accounting policy of amortization of Goodwill

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 5,447.9 mm; vs INR 4,408 mm for FY'15
 - Equivalent to INR 133.6 per share vs INR 108.9 for FY'15
 - Net operating cash flow in FY'16 is INR 4,254.4 mm vs 2,431.7 FY'15
 - Capex during FY'16 is INR 485.1 mm (FY'15 INR 485.0 mm)
- Trailing 12 months EPS
 - Basic: INR 89.4; Diluted: INR 87.7
 - Growth of 57% compared to FY'15 EPS
- Current book value per share of INR 266.5 vs. INR 235.6 last year (post bonus)

CSR Update

- Provided of INR 51.7 mn for existing and new projects in FY16 related to India
- Areas covered: Health, Education, Child Labour Protection, drought relief
- Total Life touched / benefited ~21k
- CSR budget for FY'17 ~ INR 65 mm

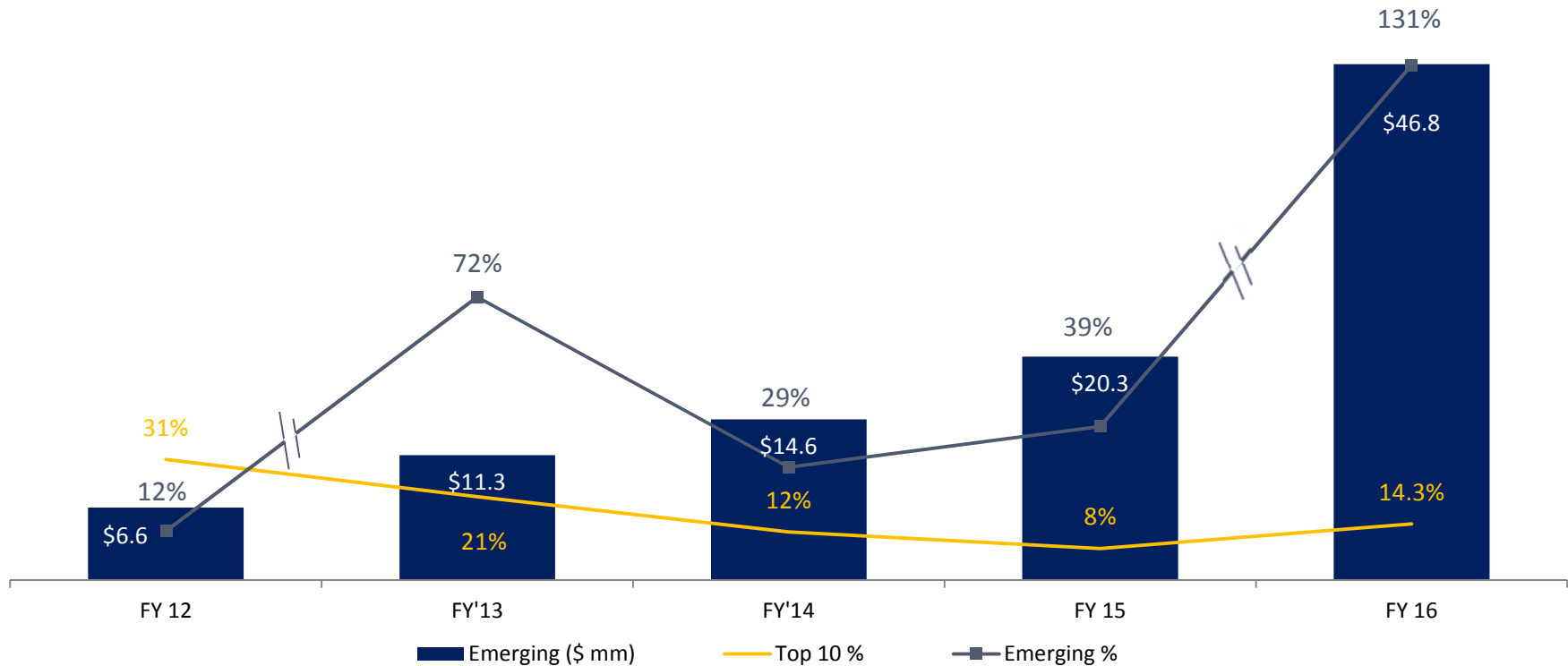
Key Business Metrics



Metrics		FY 16	FY15	FY14	FY13	FY12	FY11
Currency Contribution* (%)	USD	74%	83%	81%	82%	78%	75%
	EURO	18%	12%	14%	13%	18%	21%
	GBP	8%	5%	5%	4%	3%	3%
Geographic Concentration*	North America	68%	76%	74%	74%	67%	61%
	Europe	28%	20%	22%	20%	26%	32%
Debtors (including unbilled)	DSO	73 days	81 days	70 days	82 days	77 days	75 days
Client Concentration	Top 5 contribution	57%	67%	74%	79%	86%	87%
	Top 10 contribution	77%	87%	89%	91%	93%	92%
Billing Mix	FTE	82%	95%	94%	92%	94%	88%
	SEZ Revenue	67%	69%	60%	60%	67%	59%
Staff Utilization		67%	64%	65%	69%	71%	71%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	16	7	6	5	5	3
	US\$ 1mm+ Clients	17	7	6	5	3	2
	US\$ 5mm+ Clients	7	7	6	6	5	4

*Other smaller currencies, geographies and client contribution not shown

Revenue Mix Trends

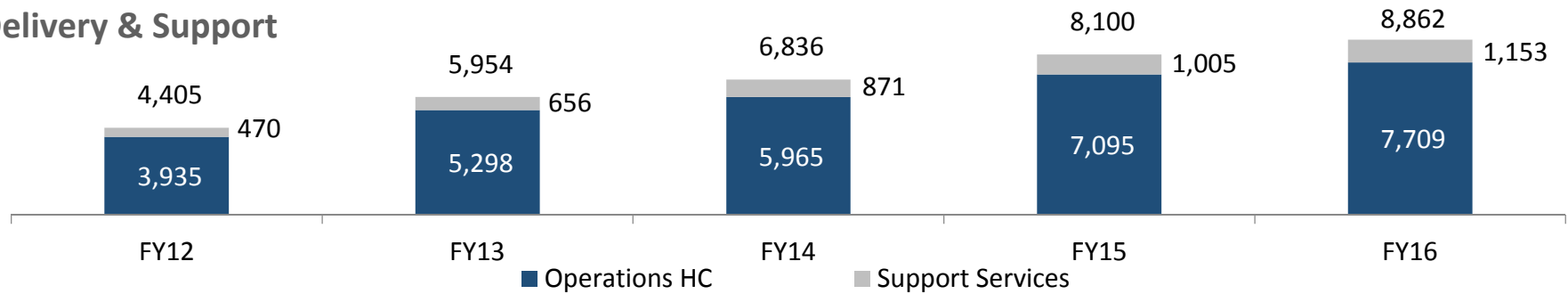


- Top 10 client Y-o-Y USD growth of 14.3% (Organic 11.8%)
- Top 10 client Y-o-Y CC growth of 16.8% (Organic 14.2%)
- Emerging client Y-o-Y USD growth of 131% (Organic 35.8%)
- Emerging client Y-o-Y CC growth of 145.6% (Organic 38.2%)

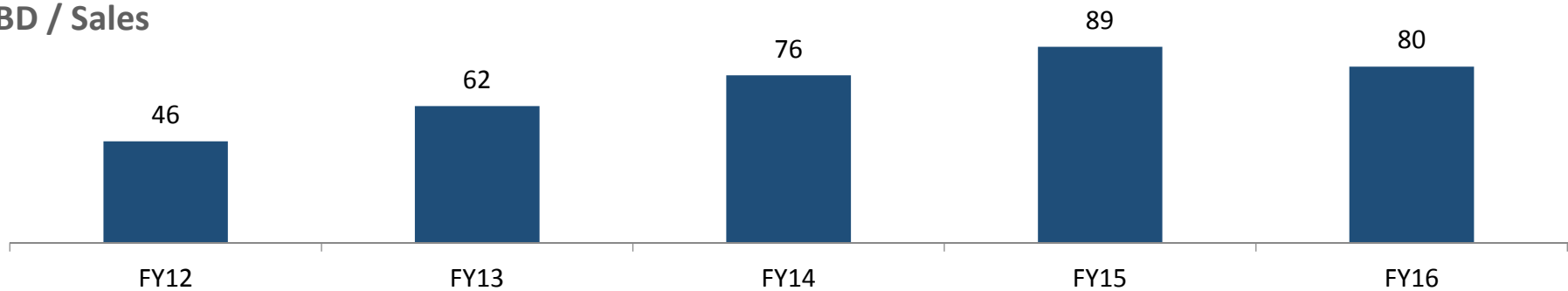
Human Resources Update



Delivery & Support

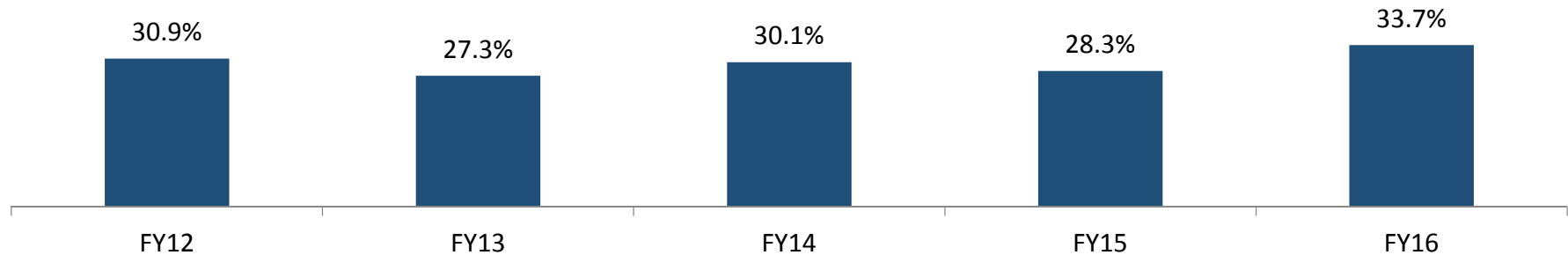


BD / Sales



* FY16 Q1 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	March 31, 2016	March 31, 2015	% of Change
Shareholder's Funds			
Capital	407.9	303.5	34.4%
Minority Interest	5.9	-	-
Reserves and Surplus	10,455.2	6,846.5	53%
Total Shareholder's Funds	10,868.9	7,150.0	52%
Application of Funds			
Fixed Assets	3,397.8	1,681.8	102%
Deferred Tax Assets (net)	-6.9	51.6	-113%
Net Current Assets and Investments (Liquid)	7,478.0	5,416.6	38%
Total Application of Funds	10,868.9	7,150.0	52%

Figures in INR millions.

Financial Summary – Quarterly View



Metrics		FY16 Q4	FY16 Q3	FY16 Q2	FY16 Q1	FY15 Q4
Revenue	Total Revenue (INR mn)	3,521	3,485	3,399	3,142	2,610
	Opg Revenue (INR mn)	3,432	3,443	3,285	2,983	2,513
	Opg Revenue (USD mn)	50.8	51.8	50.2	46.4	40.7
Profit	EBITDA (INR mn)	1,497	1,288	1,335	1,152	826
	OPM (INR mn)	1,269	1,107	1,094	891	584
	Net Profit (INR mn)	1,083	887	927	732	532
Margin	EBITDA	43%	37%	39%	37%	32%
	OPM	37%	32%	33%	30%	23%
	Net Profit	31%	25%	27%	23%	20%
EPS	Basic	26.6	21.8	22.9	18.1	13.2
	Diluted	26.1	21.4	22.4	17.8	12.9

P&L Comparison – Quarterly View



Operating P&L	FY16 Q4	OPR (%)	FY16 Q3	OPR (%)	FY16 Q2	OPR (%)	FY16 Q1	OPR (%)	FY15 Q4	OPR (%)
Operating Revenue	3,432		3,443		3,285		2,983		2,513	
Cost of Revenues										
Employee Cost	1,189	35%	1,361	40%	1,266	39%	1,191	40%	949	38%
General and Administrative Expenses										
Rent	113	3%	131	4%	115	3%	116	4%	90	4%
Communication Expenses	43	1%	52	2%	44	1%	43	1%	36	1%
Legal and Professional Fees	56	2%	54	2%	38	1%	36	1%	115	5%
Electricity	28	1%	31	1%	27	1%	28	1%	35	1%
Conveyance	17	0.5%	18	0.5%	22	0.7%	18	0.6%	14	0.6%
Provision for Bad Debt	-	0%	-	0%	-	0%	-	0%	2	0%
Others (including CSR)	150	4%	106	3%	136	4%	123	4%	107	4%
Total G&A	406	12%	392	11%	383	12%	364	12%	399	16%
Selling and Distribution*	429	13%	444	13%	415	13%	434	15%	436	17%
Depreciation, Interest and Amortization	138	4%	139	4%	127	4%	102	3%	146	6%
Total Operating Cost	2,162	63%	2,336	68%	2,191	67%	2,092	70%	1,929	77%
Operating Profit	1,269	37%	1,107	32%	1,094	33%	891	30%	584	23%

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

Figures in INR millions.

Revenue Quality – Quarterly View



Metrics		FY16 Q4	FY16 Q3	FY16 Q2	FY16 Q1	FY15 Q4	FY15 Q3	FY15 Q2	FY15 Q1
Revenue Growth (%)	USD	-2.0%	3.2%	8.1%	14.2%	4.6%	2.1%	5.1%	2.0%
	Constant Currency	-2.5%	4.2%	7.7%	4.0%	6.3%	3.1%	5.6%	1.9%
Currency Concentration (%)	USD	72%	73%	74%	76%	85%	83%	82%	81%
	EURO	19%	18%	18%	15%	10%	12%	13%	14%
	GBP	9%	9%	8%	9%	5%	5%	5%	5%
	Other	0%	0%	0%	0%	0%	0%	0%	0%
Geographic Concentration	North America	66%	67%	67%	72%	78%	78%	74%	73%
	Europe	30%	29%	29%	25%	18%	18%	23%	22%
	ROW	3%	4%	4%	3%	4%	3%	3%	5%
Debtors	DSO (including Un-billed)	73 days	71 days	80 days	78 days	81 days	70 days	82 days	77 days
Client	Top 5 contribution	58%	58%	56%	57%	64%	66%	68%	71%
	Top 10 contribution	76%	77%	75%	78%	86%	87%	87%	88%
Billing Mix	FTE	80%	82%	81%	85%	95%	95%	94%	94%
	SEZ Revenue	66%	66%	67%	69%	73%	72%	68%	61%
Seat Count		8,574	8,522	8,601	7,806	7,640	7,439	7,341	7,073
Staff Utilization		68%	69%	67%	65%	65%	65%	64%	61%