



Financial Performance FY15 H1



Data | Domain | Delivery

October 30, 2014



Financial Summary



Metrics		FY15 Q2	Q-o-Q	FY15 H1	Y-o-Y
Revenue	Total revenue (INR mm)	2,422	11%	4,605	11%
	OPG revenue (INR mm)	2,318	7%	4,492	11%
	OPG revenue (USD mm)	38.1	5%	74.3	11%
Profit	EBITDA (INR mm)	920	14%	1,729	-6%
	OPM (INR mm)	694	0%	1,388	-11%
	Net profit (INR mm)	623	17%	1,157	-10%
Margin	EBITDA (%)	38%	1%	38%	-7%
	OPM (%)	30%	-2%	31%	-8%
	Net profit (%)	26%	1%	25%	-6%
EPS	Basic (INR)	20.6	16%	38.2	-11%
	Diluted (INR)	20.1	16%	37.5	-12%

- USD revenue up 5.1% Q-o-Q (5.6% in constant currency); YoY 10.8%
- Q-o-Q OPM flat at INR 694 mm
- Net Profit increased by 17% Q-o-Q mainly due to forex gain
- EPS up by 16% Q-o-Q

Other Income



Other Income	FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3
Investment & Other Income	44.6	59.1	46.7	30.8
Hedge Gain / (Loss)	42.9	(43.6)	(18.0)	(48.3)
Revaluation and Realised Gain	16.4	(6.2)	(39.1)	23.8
Total	103.9	9.3	(10.4)	6.4

Figures in INR million

- Drop in investment income
 - Lower investible surplus due to early dividend payout in Jul-14
 - Reduction in yield in Q2
- **Fx Hedges**
 - \$18.9 mm hedges matured @ 63.83/\$ in Q2 vs. average spot of 61.09
 - Contracts pre AS30 – \$ 18.6 mm @ 63.88/\$ vs. average spot of 61.10
 - Under AS30 – \$0.3 mm @ 60.86/\$ vs. average spot of 60.36
 - \$17.0 mm hedges all pre AS30) matured @ 60.61/\$ in Q1 vs. average spot of 59.9
- **Revaluation and Realised Gain**
 - USD/INR Q2 exit : 61.61 vs. Q1 exit : 60.09
 - EUR/INR Q2 exit : 78.21 vs. Q1 exit : 82.01

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$93.8 mm at average INR 66.76/\$; 100% forwards
 - 2.5 times last quarter revenue vs. average of 2.6 times in preceding 4 quarters; likely to remain between 2.4 – 3.0

Contract	Year	Currency	Hedges pre AS30		Hedges under AS30	
			Amount (mm)	Average Rate (INR)	Amount (mm)	Average Rate (INR)
Forwards	H2 FY15	USD	\$27.4	65.1	\$3.7	62.5
		Euro	€ 3.9	81.5	€ 0.3	82.7
	Total H2 FY15 – Equiv USD		\$32.3	65.0	\$4.1	62.8
	FY16	USD	\$17.3	69.1	\$28.1	66.1
		Euro	€ 2.4	95.3	€ 3.1	88.8
	Total FY16 – Equiv USD		\$20.4	70.0	\$31.9	66.5
	FY17	USD	NA	NA	\$4.5	69.1
		Euro	NA	NA	€ 0.5	93.5
	Total FY17 – Equiv USD		NA	NA	\$5.1	69.7
	TOTAL			\$52.7	66.9	\$41.2

Note: EUR / USD taken at 1.27

P&L Comparison: FY15 Q2 vs. FY15 Q1

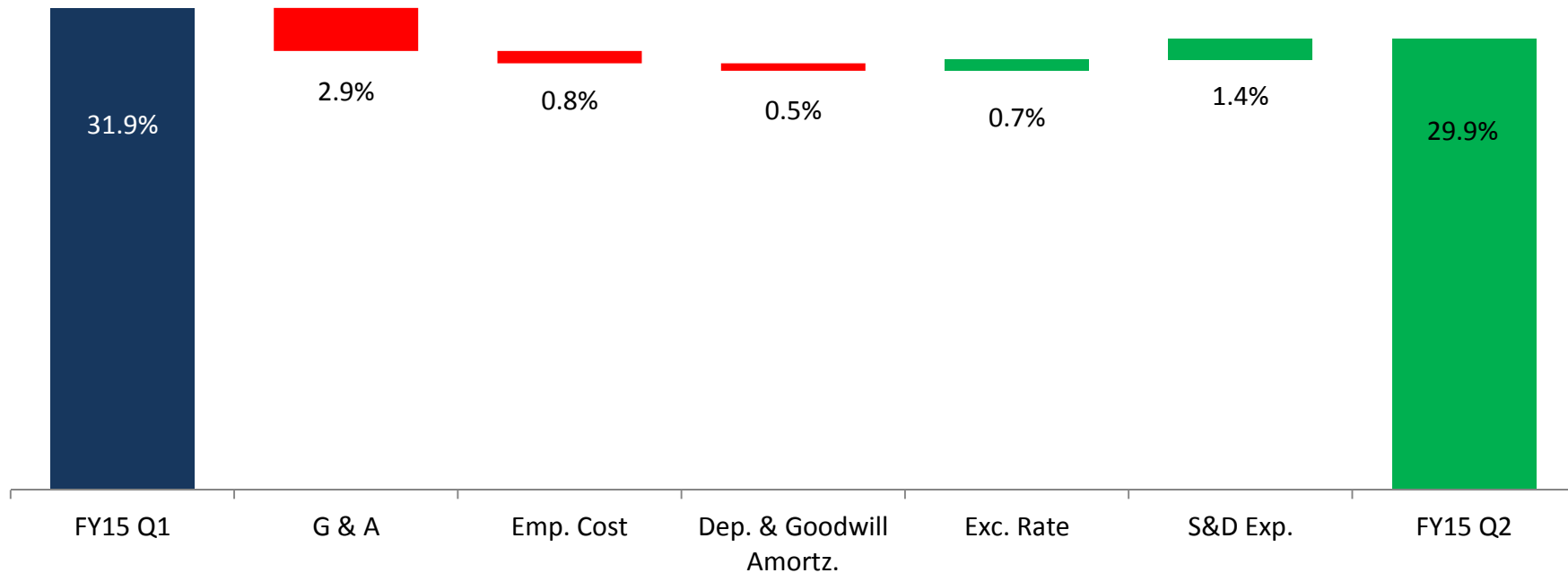


Figures in INR millions.

Operating P&L	FY15 Q2	OPR (%)	FY15 Q1	OPR (%)
Operating Revenue	2,318.3		2,173.8	
Cost of Revenues				
Employee Cost	847.5	36.6%	785.1	36.1%
General and Administrative Expenses				
Rent	91.7	4.0%	76.2	3.5%
Communication Expenses	41.4	1.8%	26.4	1.2%
Legal and Professional Fees	37.4	1.6%	35.3	1.6%
Electricity	22.2	1.0%	20.5	0.9%
Conveyance	16.3	0.7%	10.3	0.5%
Provision / Written off for Bad Debt	1.5	0.1%	–	0.0%
Others (including CSR)	98.1	4.2%	62.2	2.9%
Total G&A	308.6	13.3%	230.9	10.6%
Selling and Distribution*	346.4	14.9%	358.1	16.5%
Depreciation, Interest and Amortization	122.2	5.3%	105.3	4.8%
Total Operating Cost	1,624.6	70.1%	1,479.4	68.1%
Operating Profit	693.7	29.9%	694.4	31.9%
Avg Exchange Rate				
INR/USD	60.61		59.80	
INR/EUR	80.38		82.03	

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

OPM Bridging Analysis: FY15 Q2 vs. FY15 Q1



- Increase in G&A mainly due to CSR, under-utilization of facilities and increase in cost to support Cable growth
- Employee cost increase inspite of improved utilization due to growth in Cable
- S&D reduction mainly due to reimbursement for client funded travel

Note:

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

Balance Sheet & Other Updates



- Total Cash and Cash equivalents of INR 3,004 mm vs. INR 3,794 mm last quarter; zero debt
 - Dividend payment (including DDT) of INR 1,240mm in July 14
 - Equivalent to INR 99.1 per share
- Trailing 12 months EPS
 - Basic: INR 80.5; Diluted: INR 78.7
- Current book value per share of INR 234.5 vs. INR 212.9 last quarter

Facility Update

- Facility consolidation in Mumbai ; One facility rolled off and one new facility added
- Signed LOI for additional space in Chandigarh, will be operational in Q4 FY15

CSR Update

- Total H1 spend INR 24 mn for existing and new projects taken in H1; ~50% of FY15 plan
- Areas covered : Health & Child Education
- Total Life touched / benefited ~9K

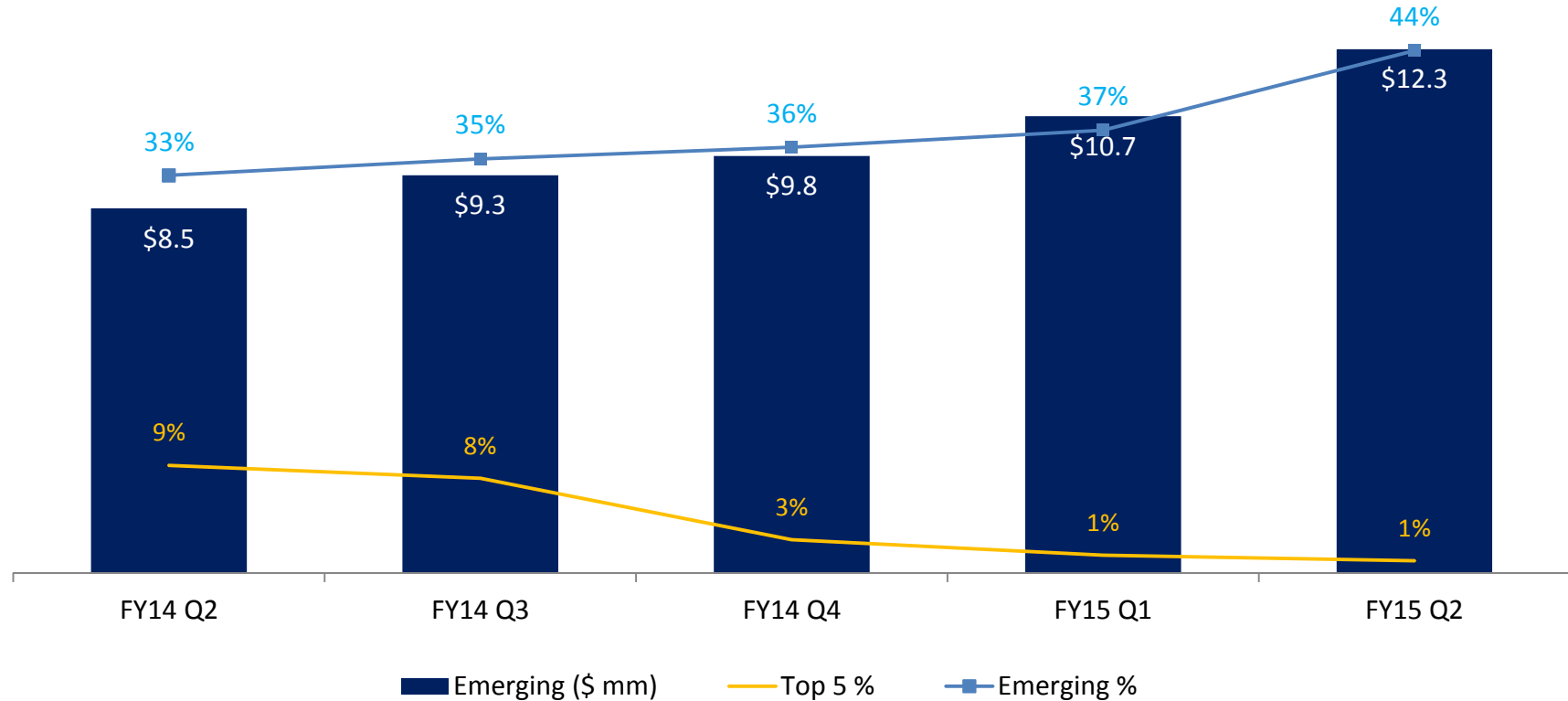
Key Business Metrics



Metrics		FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2
Currency Contribution* (%)	USD	82%	81%	80%	81%	81%
	EURO	13%	14%	14%	14%	14%
	GBP	5%	5%	5%	5%	4%
Geographic Concentration*	North America	74%	73%	74%	74%	74%
	Europe	23%	22%	22%	21%	21%
Debtors (including unbilled)	DSO	82 days	77 days	75 days	70 days	76 days
Client Concentration	Client Billed	74	65	64	64	65
	Top 5 contribution	68%	71%	73%	74%	75%
	New client added	6	4	4	2	5
Billing Mix	FTE	94%	94%	94%	95%	95%
	SEZ Revenue	68%	61%	60%	60%	60%
Staff Utilization		64%	61%	64%	66%	65%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	3	6	6	5	6
	US\$ 1mm+ Clients	9	7	6	6	5
	US\$ 5mm+ Clients	6	6	6	6	6

* Other smaller currencies, geographies and client contribution not shown

Revenue Mix Trends

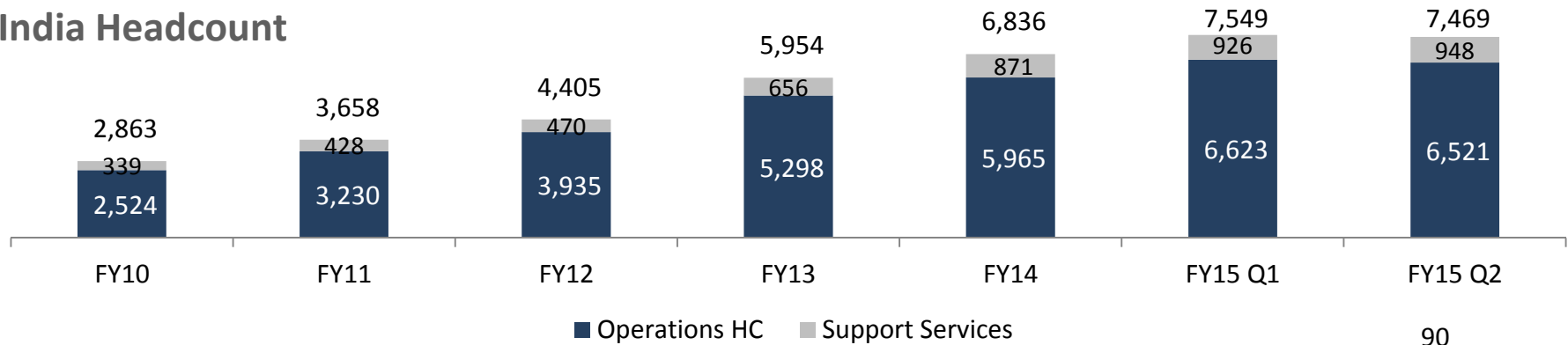


- Emerging Accounts continue to grow at a faster pace in line with company strategy

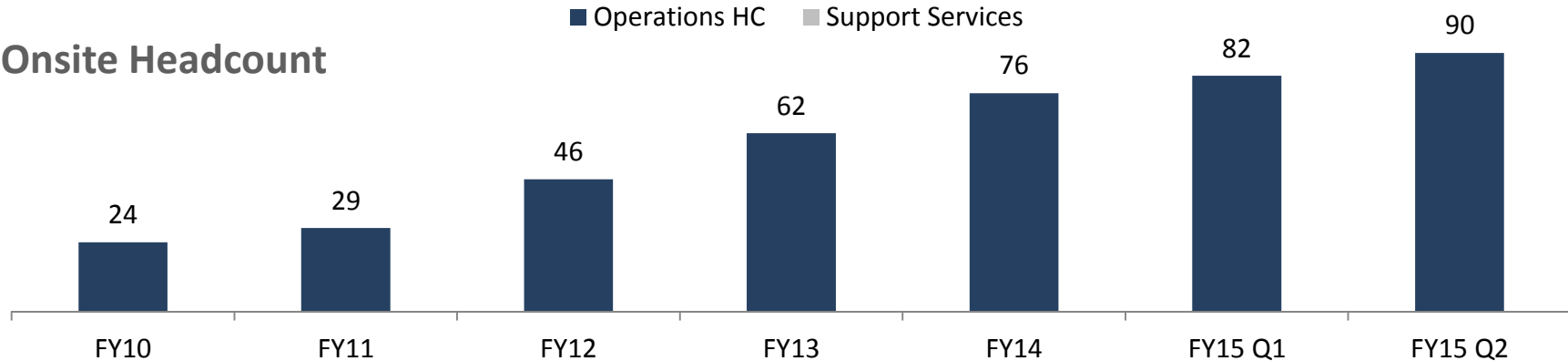
Human Resources Update



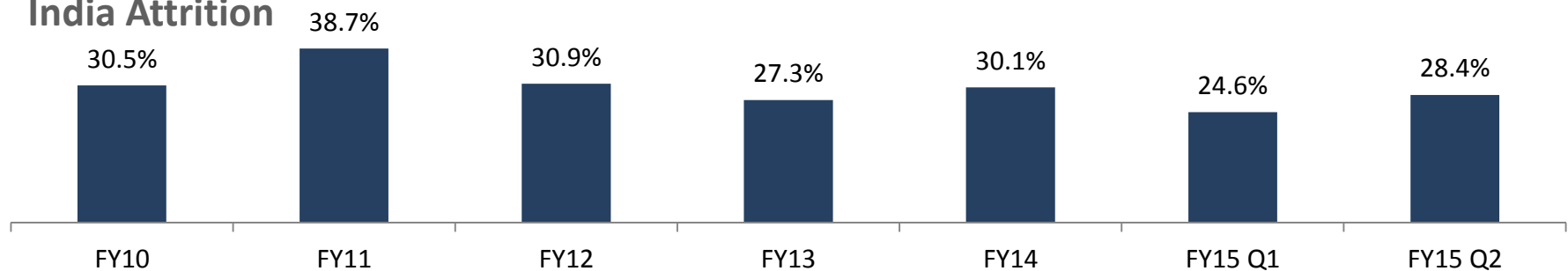
India Headcount



Onsite Headcount



India Attrition



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Thank You

Balance Sheet Abstract



Figures in INR millions.

Particulars	September 30, 2014	June 30, 2014	% of Change
Shareholder's Funds			
Capital	303.0	302.9	0.1%
Reserves and Surplus	6,803.0	6,146.2	11%
Total Shareholder's Funds	7,106.0	6,449.1	10%
Application of Funds			
Fixed Assets	1,672.7	1,640.2	2%
Deferred Tax Assets (net)	27.3	21.0	30%
Net Current Assets and Investments (Liquid)	5,406.0	4,787.9	13%
Total Application of Funds	7,106.0	6,449.1	10%

Financial Summary – Quarterly View



Metrics		FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2
Revenue	Total Revenue (INR mm)	2,422	2,183	2,159	2,202	2,152
	Opg Revenue (INR mm)	2,318	2,174	2,169	2,195	2,146
	Opg Revenue (USD mm)	38.1	36.2	35.5	35.7	34.1
Profit	EBITDA (INR mm)	920	809	919	894	934
	OPM (INR mm)	694	694	846	805	854
	Net Profit (INR mm)	623	534	645	623	672
Margin	EBITDA	38%	37%	43%	41%	43%
	OPM	30%	32%	39%	37%	40%
	Net Profit	26%	24%	30%	28%	31%
EPS	Basic	20.6	17.7	21.5	20.8	22.4
	Diluted	20.1	17.3	20.9	20.3	22.1

P&L Comparison – Quarterly View



Figures in INR millions.

Operating P&L	FY15 Q2	OPR	FY15 Q1	OPR	FY14 Q4	OPR	FY14 Q3	OPR	FY14 Q2	OPR
Operating Revenue	2,318		2,174		2,169		2,195		2,146	
Cost of Revenues										
Employee Cost	847	37%	785	36%	656	30%	721	33%	701	33%
General and Administrative Expenses										
Rent	92	4%	76	4%	82	4%	78	4%	78	4%
Communication Expenses	41	2%	26	1%	36	2%	26	1%	20	1%
Legal and Professional Fees	37	2%	35	2%	40	2%	35	2%	47	2%
Electricity	22	1%	20	1%	16	1%	21	1%	20	1%
Conveyance	16	0.7%	10	0%	11	0%	11	0%	11	1%
Provision for Bad Debt	2	0%	–	0%	1	0%	–	0%	–	0%
Others (Including CSR)	98	4%	62	3%	93	4%	76	3%	56	3%
Total G&A	309	13%	231	11%	278	13%	248	11%	231	11%
Selling and Distribution*	346	15%	358	16%	306	14%	338	15%	286	13%
Depreciation, Interest and Amortization	122	5%	105	5%	84	4%	83	4%	74	3%
Total Operating Cost	1,625	70%	1,479	68%	1,324	61%	1,390	63%	1,293	60%
Operating Profit	694	30%	694	32%	846	39%	805	37%	854	39.8%

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

Revenue Quality – Quarterly View



Metrics		FY15 Q2	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1	FY13 Q4	FY13 Q3
Revenue Growth (%)	USD	5.1%	2.0%	-0.4%	4.7%	3.4%	2.2%	2.9%	5.0%
	Constant Currency	5.6%	1.9%	-0.6%	4.0%	3.1%	2.4%	3.6%	4.5%
Currency Concentration (%)	USD	82%	81%	80%	81%	81%	81%	81%	82%
	EURO	13%	14%	14%	14%	14%	15%	15%	12%
	GBP	5%	5%	5%	5%	4%	3%	4%	5%
	Other	0%	0%	1%	0%	1%	1%	0%	1%
Geographic Concentration	North America	74%	73%	74%	74%	74%	74%	74%	75%
	Europe	23%	22%	22%	21%	21%	21%	21%	18%
	ROW	3%	5%	4%	5%	5%	5%	5%	7%
Debtors	DSO	46 days	41 days	38 days	33 days	41 days	35 days	33 days	31 days
	DSO (including Un-billed)	82 days	77 days	75 days	70 days	76 days	71 days	NA	NA
Client	Clients Billed	74	65	64	64	65	61	61	58
	Top 5 Contribution	68%	71%	73%	74%	75%	76%	78%	78%
	New Client Added	6	4	4	2	5	5	6	7
Billing Mix	FTE	94%	94%	94%	95%	95%	94%	91%	92%
	SEZ Revenue	68%	61%	60%	60%	60%	60%	60%	59%
Seat Count		7,341	7,073	6,391	6,385	6,317	5,954	5,831	5,415
Staff Utilization		64%	61%	64%	66%	65%	66%	69%	69%
Client Contribution* (based on 12 month accrued revenue)	US\$ 500k+ Clients	3	6	6	5	6	4	5	5
	US\$ 1mm+ Clients	9	7	6	6	5	6	5	4
	US\$ 5mm+ Clients	6	6	6	6	6	6	6	6