

Financial Performance FY14



Data | Domain | Delivery

May 20, 2014



Financial Summary



Metrics	FY15 Q1	Q-o-Q	Y-o-Y
Total revenue (INR mm)	2,183	1%	9%
Revenue			
OPG revenue (INR mm)	2,174	0%	14%
OPG revenue (USD mm)	36.2	2%	10%
EBITDA (INR mm)	809	-12%	-10%
Profit			
OPM (INR mm)	694	-18%	-1%
Net profit (INR mm)	534	-17%	-13%
Margin			
EBITDA (%)	37%	-6%	-8%
OPM (%)	32%	-7%	-5%
Net profit (%)	24%	-5%	-6%
EPS			
Basic (INR)	17.7	-18%	-14%
Diluted (INR)	17.3	-17%	-15%

- USD revenue up 2.0% Q-o-Q (1.9% in constant currency); YoY 9.9%
- OPM at 32% & Net profit at 24.5% mainly due to increase in Salary, S&M cost and depreciation
- INR 86 mm impact due to Accounting change and INR 26 mm due to regulatory changes on PAT
 - OPM and PAT would be 33.1% and 28.6% respectively excluding above changes

Other Income FY15 Q1 vs. FY14 Q4



Other Income	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2
Investment & Other Income	59.1	46.7	30.8	33.5
Hedge Gain / (Loss)	(43.6)	(18.0)	(48.3)	(125.7)
Revaluation and Realised Gain	(6.2)	(39.1)	23.8	98.6
Total	9.3	(10.4)	6.4	6.4

June'14 exit – INR 60.09/\$ & INR 82.01/Euro

Figures in INR million

- Higher investible surplus and increase in yield in Q1 due to which Investment income have improved
- **Fx Hedges**
 - \$17.0 mm hedges matured @ 60.61/\$ in Q1 vs. average spot of 59.96
 - \$20.4 mm hedges matured @ 58.94/\$ in Q4 vs. average spot of 60.95
- **Revaluation and Realised Gain**
 - USD/INR Q1 exit : 60.09 vs. Q4 exit : 60.10

Hedge Updates



Current Hedge Status

- Total outstanding hedges now \$86.3 mm at average INR 65.5/\$; 100% forwards
 - 2.4 times last quarter revenue vs. average of 2.8 times in preceding 4 quarters; likely to remain between 2.4 – 3.0

Contract	Year	Currency	Amount (mm)	Average Rate (INR)
FY15		USD	\$45.1	64.7
		Euro	€ 5.9	80.9
Total FY15 Q2– Equiv USD			\$19.0	63.4
Total FY15 H2– Equiv USD			\$34.1	64.2
Total FY15 – Equiv USD			\$53.1	63.9
FY16		USD	\$26.7	68.1
		Euro	€ 3.7	93.6
Total FY16 – Equiv USD			\$31.7	68.1
FY17		USD	\$1.2	68.8
		Euro	€ 0.2	95.3
Total FY17 – Equiv USD			\$1.4	69.0

Note: EUR / USD taken at 1.36

- Early adoption of AS30 for hedge accounting in line with the evolving accounting standards
 - Likely to reduce P&L volatility once complete hedge book transitions to AS30
- One time impact of INR 54.3 mm (Loss) on hedges taken period to AS30 adoption has been reflected in other income this quarter
 - MTM profit of INR 142 mm (on contract prior to April 14) and
 - Reversal of accrued premium INR 197 mm (Loss)

Hedge Updates (For Board)



Current Hedge Status

- Total outstanding hedges now \$86.3 mm at average INR 65.5/\$; 100% forwards
 - 2.4 times last quarter revenue vs. average of 2.8 times in preceding 4 quarters; likely to remain between 2.4 – 3.0

Contract	Year	Currency	Amount (mm)	Average Rate (INR)
FY15		USD	\$45.1	64.7
		Euro	€ 5.9	80.9
Total FY15 Q2– Equiv USD			\$19.0	63.4
Total FY15 H2– Equiv USD			\$34.1	64.2
Total FY15 – Equiv USD			\$53.1	63.9
FY16		USD	\$26.7	68.1
		Euro	€ 3.7	93.6
Total FY16 – Equiv USD			\$31.7	68.1
FY17		USD	\$1.2	68.8
		Euro	€ 0.2	95.3
Total FY17 – Equiv USD			\$1.4	69.0

Note: EUR / USD taken at 1.36

- MTM as of June 2014 end USD (+) 2.3 mm; No cross currency hedges; No forward contracts cancelled in FY15 Q1
- Early adoption of AS30 for hedge accounting in line with the evolving accounting standards
 - Likely to reduce P&L volatility once complete hedge book transitions to AS30
- One time impact of INR 54.3 mm (Loss) on hedges taken period to AS30 adoption has been reflected in other income this quarter
 - MTM profit of INR 142 mm (on contract prior to April 14) and
 - Reversal of accrued premium INR 197 mm (Loss)

Balance Sheet & Other Updates (For Board) 1/2



- Total Cash and Cash equivalents of INR 3,794 mm before Dividend; zero debt
- Equivalent to INR 125.3 per share; Dividend payout of INR 35 per share excluding DDT
- Trailing 12 months EPS
 - Basic: INR 82.6; Diluted: INR 80.8
- Current book value per share of INR 213.1 vs. INR 195.2 last quarter

Facility Update

- 2nd new floor at Airoli for consolidation ready now
- Notice for vacation served to one of Ghatkopar facilities

Buy Back Update

- SEBI waived forfeiture of INR 10 mm deposit. Reversal reflected in G&A in Q1.

Agilyst Update

- Civil notice served by ex-employee on Agilyst India for withholding of dues and harassment
 - The hearing scheduled for August 2014

Other

- S.R. Batliboi & Associates LLP appointed as Statutory Auditor for FY15
- Adopted AS30 for hedge accounting from FY15

Balance Sheet & Other Updates (For Board) 2/2



Tax Update

Figures in INR millions.

FY	Service Tax Paid incl. Cenvat Credit	Refund Claimed	Refund Received	Rejected by Dept.*	Demand from Dept.*	Remarks
FY08	18	17	17	0.1	-	
FY09	16	16	16	-	-	
FY10	105	53	3	50	34	INR 47 mm claimed in FY11
FY11	63	110	-	110	49	Includes INR 7 mm pertaining to demand raised by Anti Evasion
FY12	93	82	-	82	24	Assessment pending (KPMG)
FY13	146	122	-	NA	16	Up to June 2014
FY14	113	116.7 [#]	-	24.8	-	
FY15 (Jun)	14.8	-	-	-	-	
Total	568.8	516.7	36	266.9	123	

*Based on SCN issued by Service Tax dept. on the basis of audit objections pertaining to CSSI.

[#] Refund claim of Rs. 54.65 is yet to be filed.

- Petition filed by IT dept. in Supreme Court for FY07 on issue of computation of export turnover and total turnover (INR 3.5 mm demand); Petition is yet to come for hearing
- ST Appeal process completed against refund rejection of INR 241.5 mm; Partly allowing Rebate / Refund of INR 158.4 mm being the Service Tax amount involved on the Services Exported for STPI & rejecting refund by SEZ Unit of INR 83.1 mm (for FY10 H2, FY11 & FY12)
- Response to SCN for FY13 is submitted, refund is under process
- FY14 Q1 STPI refunds of Rs 23 mm expected by end August 2014

Balance Sheet & Other Updates



- Total Cash and Cash equivalents of INR 3,794 mm before dividend; zero debt
- Equivalent to INR 125.3 per share; INR 84.3 post dividend
- Trailing 12 months EPS
 - Basic: INR 82.3; Diluted: INR 80.6
- Current book value per share of INR 212.9 vs. INR 195.2 last quarter

Facility Update

- Majority of new Airolis space now operational as per the consolidation plan

Accounting

- S.R. Batliboi & Associates LLP appointed as Statutory Auditor for FY15
- Adopted AS30 for hedge accounting from FY15 in line with evolving accounting standards; MTM impact in Other Income for hedges booked prior to April 14
- Other changes proposed in Companies Act 2013 implemented (depreciation, CSR)

P&L Comparison: FY15 Q1 vs. FY14 Q4



Figures in INR millions.

Operating P&L	FY15 Q1	OPR (%)	FY14 Q4	OPR (%)
Operating Revenue	2,173.8		2,169.4	
Cost of Revenues				
Employee Cost	785.1	36.1%	656.3	30.3%
General and Administrative Expenses				
Rent	76.2	3.5%	82.2	3.8%
Communication Expenses	26.4	1.2%	35.8	1.6%
Legal and Professional Fees	35.3	1.6%	39.8	1.8%
Electricity	20.5	0.9%	16.1	0.7%
Conveyance	10.3	0.5%	10.8	0.5%
Provision / Written off for Bad Debt	-	0.0%	0.9	0.0%
Others	62.2	2.9%	92.8	4.3%
Total G&A	230.9	10.6%	278.2	12.8%
Selling and Distribution*	358.1	16.5%	305.6	14.1%
Depreciation, Interest and Amortization	105.3	4.8%	83.5	3.9%
Total Operating Cost	1,479.4	68.1%	1,323.7	61.0%
Operating Profit	694.4	31.9%	845.7	39.0%
Avg Exchange Rate				
INR/USD	59.80		61.78	
INR/EUR	82.03		84.64	

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

Selling and Distribution Break-up (For Board)

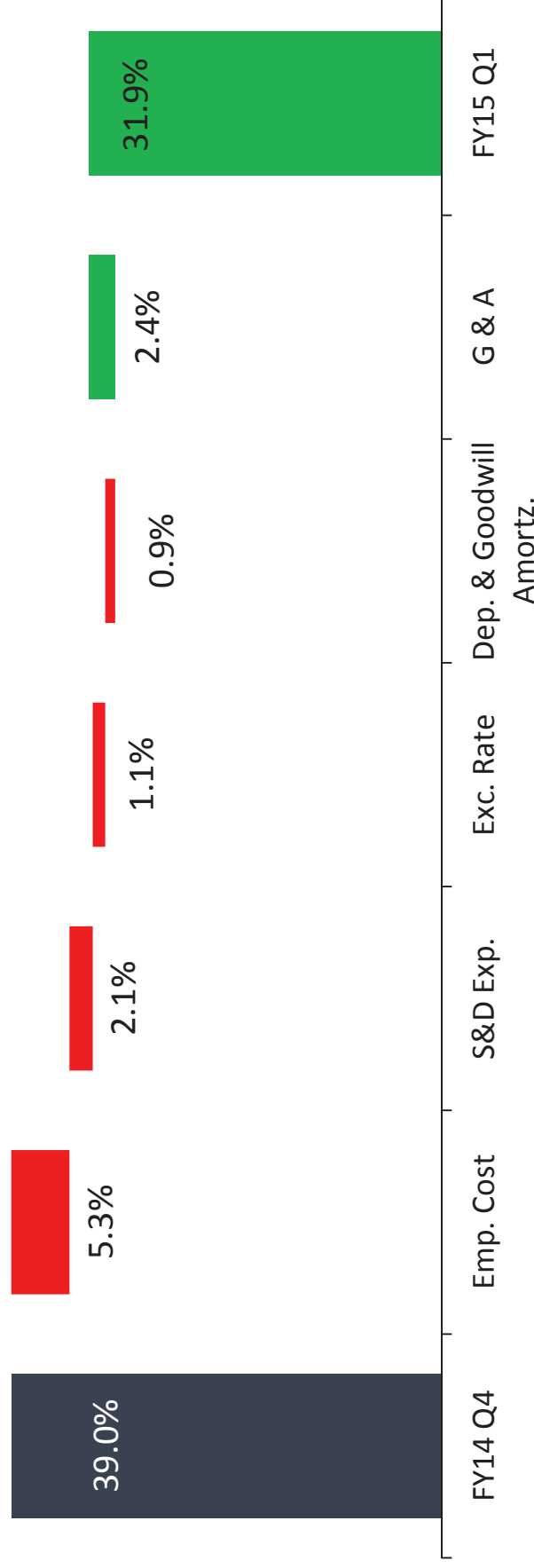


Figures in INR millions.

Selling and Distribution*	FY15 Q1	OPR (%)	FY14 Q4	OPR (%)	FY14 Q3	OPR (%)	FY14 Q2	OPR (%)
Onsite Employee Cost	221.3	10.2%	223.1	10.3%	236.4	10.8%	203.8	9.5%
Salary	197.4	9.1%	210.4	9.7%	188.5	8.6%	176.8	8.2%
Bonus / Commission	23.8	1.1%	12.7	0.6%	47.9	2.2%	27.0	1.3%
Selling and Marketing Cost	136.9	6.3%	82.5	3.8%	101.4	4.6%	82.3	3.8%
Travelling Expense	116.4	5.4%	64.3	3.0%	85.9	3.9%	65.7	3.1%
Marketing	20.5	0.9%	18.2	0.8%	15.6	0.7%	16.6	0.8%
Total	358.1	16.5%	305.6	14.1%	337.8	15.4%	286.1	13.3%

- Travel increase due to scoping work INR 35 mm & QBR related travel INR 8.8 mm
- Expected to get client reimbursement through revenue INR 19 mm

OPM Bridging Analysis: FY15 Q1 vs. FY14 Q4



- Employee Cost 530 bps is contributed by regular wage hike, special hikes and utilization change in 2.7%:1.5%:1.1%
- S&D increased of 210 bps largely due to increase in travel

Note: Bridging analysis is in constant currency; impact of currency movements on revenue is shown as Exc. rate.

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

Key Business Metrics



Metrics	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1
Currency Contribution (%)					
USD	81%	80%	81%	81%	81%
EURO	14%	14%	14%	14%	15%
GBP	5%	5%	5%	4%	3%
Geographic Concentration					
North America	73%	74%	74%	74%	74%
Europe	22%	22%	21%	21%	21%
Debtors					
DSO	41 days	38 days	33 days	41 days	35 days
Client Concentration					
Top 5 contribution	71%	73%	74%	75%	76%
New client added	4	4	2	5	5
Billing Mix					
Client Billed	65	64	64	65	61
FTE	94%	94%	95%	95%	94%
SEZ Revenue	61%	60%	60%	60%	60%
Staff Utilization					
	61%	64%	66%	65%	66%

* Other smaller currencies and geographies not shown

- Lower utilization due to ramp-up of CTS

Key Business Metrics (for Board only)



Metrics	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1
Currency Contribution (%)					
USD	81%	80%	81%	81%	81%
EURO	14%	14%	14%	14%	15%
GBP	5%	5%	5%	4%	3%
Geographic Concentration					
North America	73%	74%	74%	74%	74%
Europe	22%	22%	21%	21%	21%
Debtors	41 days	38 days	33 days	41 days	35 days
Client Concentration					
Top 5 contribution	71%	73%	74%	75%	76%
New client added	4	4	2	5	5
Client Billed	65	64	64	65	61
Billing Mix					
FTE	94%	94%	95%	95%	94%
SEZ Revenue	61%	60%	60%	60%	60%
Roll-off	5%	4%	6%	7%	5%
Staff Utilization	61%	64%	66%	65%	66%

* Other smaller currencies and geographies not shown

- Lower utilization due to ramp-up of CTS

Revenue Mix Trends

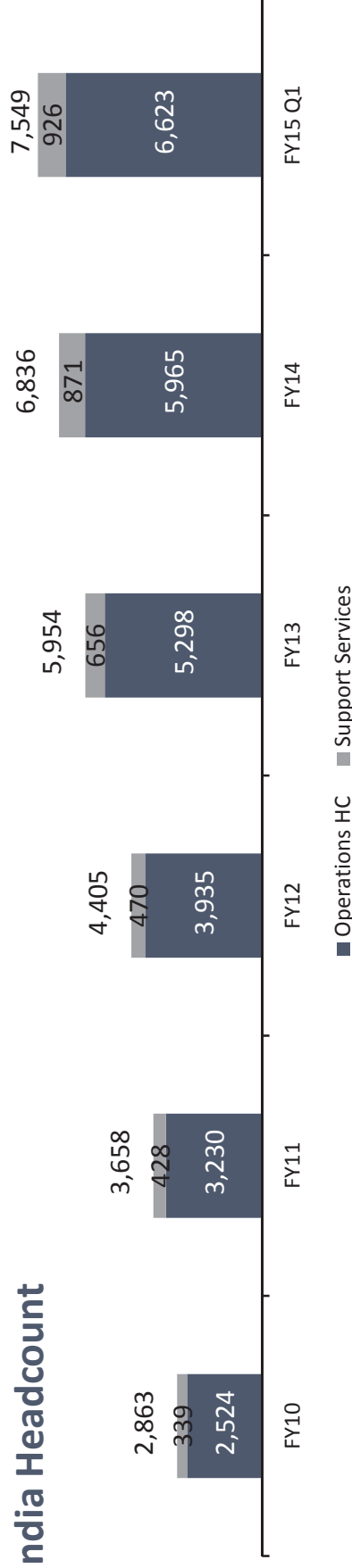


- Revenue growth YoY: Top 5 – 1%, Emerging – 37%
- Emerging revenue has continued to outpace growth, strategic clients in line with firm strategy

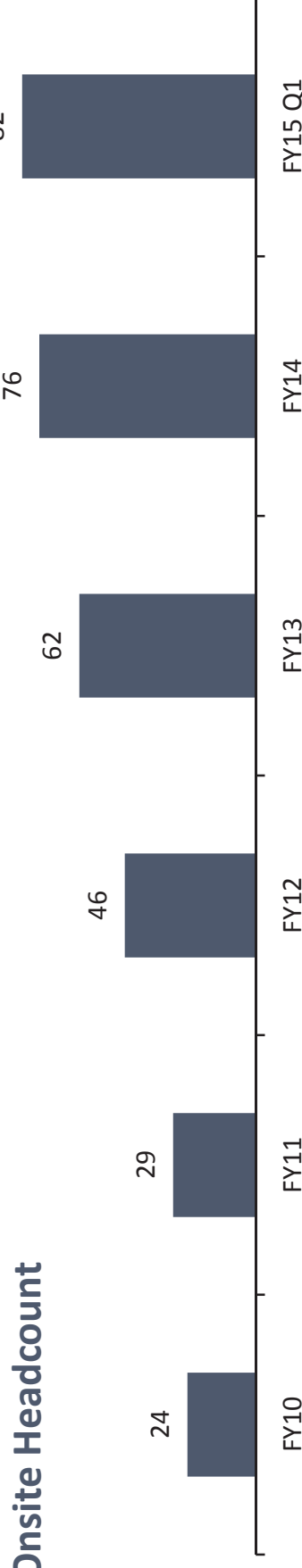
Human Resources Update



India Headcount



Onsite Headcount



India Attrition



Accolades in FY15 (for Board)




Winner of the **OTC Infrastructure Initiative Award** – CSA Scrub Solution by **Risk Magazine**



Listed in the **Top 100 Best Outsourcing Providers** list – **Global Services 100**



Selected as an honoree for **CIO** magazine's 27th annual **CIO 100 Awards**



Won the **Knowledge Management Leadership** award – World Education Congress



Featured in Outlook Business' 'Fastest Growing Companies' list



Won the **NOA International Contract of the Year** award – Global Reference Data Operations



Won the EOA (European Outsourcing Association) **Outsourcing Works** – Award for **Delivering Business Value in a Pan-European Outsourcing Project**



Recognized in the 2014 IAOP Global Outsourcing 100 ranking and included in their '**Best 10 Companies – Marketing Services**' and the '**Best 20 Companies – Financial Management Services**' sub-lists

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	June 30, 2014	March 31, 2014	% of Change
Shareholder's Funds			
Capital	302.9	301.8	0.4%
Reserves and Surplus	6,146.2	5,587.8	10%
Total Shareholder's Funds	6,449.1	5,889.5	10%
Application of Funds			
Fixed Assets	1,640.2	1,559.5	5%
Deferred Tax Assets (net)	21.0	18.3	15%
Net Current Assets and Investments (Liquid)	4,787.9	4,311.7	11%
Total Application of Funds	6,449.1	5,889.5	10%

Financial Summary – Quarterly View



Metrics	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1
Total Revenue (INR mm)	2,183	2,159	2,202	2,152	2,007
Revenue					
Opg Revenue (INR mm)	2,174	2,169	2,195	2,146	1,899
Opg Revenue (USD mm)	36.2	35.5	35.7	34.1	33.0
EBITDA (INR mm)	809	919	894	934	898
Profit					
OPM (INR mm)	694	846	805	854	701
Net Profit (INR mm)	534	645	623	672	617
EBITDA	37%	43%	41%	43%	45%
Margin					
OPM	32%	39%	37%	40%	37%
Net Profit	24%	30%	28%	31%	31%
EPS					
Basic	17.7	21.5	20.8	22.4	20.6
Diluted	17.3	20.9	20.3	22.1	20.4

P&L Comparison – Quarterly View



Figures in INR millions.

Operating P&L	FY15 Q1	OPR	FY14 Q4	OPR	FY14 Q3	OPR	FY14 Q2	OPR	FY14 Q1	OPR
Operating Revenue	2,174		2,169		2,195		2,146		1,899	
Cost of Revenues										
Employee Cost	785	36%	656	30%	721	33%	701	33%	665	35%
General and Administrative Expenses										
Rent	76	4%	82	4%	78	4%	78	4%	73	4%
Communication Expenses	26	1%	36	2%	26	1%	20	1%	25	1%
Legal and Professional Fees	35	2%	40	2%	35	2%	47	2%	25	1%
Electricity	20	1%	16	1%	21	1%	20	1%	16	1%
Conveyance	10	0%	11	0%	11	0%	11	1%	13	1%
Provision for Bad Debt	-	0%	1	0%	-	0%	-	0%	-	0%
Others	62	3%	93	4%	76	3%	56	3%	48	3%
Total G&A	231	11%	278	13%	248	11%	231	11%	200	11%
Selling and Distribution*	358	16%	306	14%	338	15%	286	13%	244	13%
Depreciation, Interest and Amortization	105	5%	84	4%	83	4%	74	3%	90	5%
Total Operating Cost	1,479	68%	1,324	61%	1,390	63%	1,293	60%	1,198	63%
Operating Profit	694	32%	846	39%	805	37%	854	39.8%	701	36.9%

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

Revenue Quality – Quarterly View



Metrics	FY15 Q1	FY14 Q4	FY14 Q3	FY14 Q2	FY14 Q1	FY13 Q4	FY13 Q3	FY13 Q2
Revenue Growth (%)	2.0%	-0.4%	4.7%	3.4%	2.2%	2.9%	5.0%	NA
Constant Currency	1.9%	-0.6%	4.0%	3.1%	2.4%	3.6%	4.5%	NA
Currency	USD	81%	80%	81%	81%	81%	82%	83%
Concentration (%)	EURO	14%	14%	14%	15%	15%	12%	13%
	GBP	5%	5%	4%	3%	4%	5%	3%
	Other	0%	1%	0%	1%	0%	1%	1%
Geographic Concentration	North America	73%	74%	74%	74%	74%	75%	75%
	Europe	22%	22%	21%	21%	21%	18%	19%
	ROW	4%	4%	5%	5%	5%	7%	6%
Debtors	DSO	41 days	38 days	33 days	41 days	35 days	31 days	41 days
	Top 5 Contribution	71%	73%	74%	75%	76%	78%	79%
Client	New Client Added	4	4	2	5	5	6	4
	Clients Billed	65	64	64	65	61	58	54
Billing Mix	FTE	94%	94%	95%	95%	94%	92%	93%
	SEZ Revenue	61%	60%	60%	60%	60%	59%	58%
Seat Count		7,073	6,391	6,385	6,317	5,954	5,415	5,369
Staff Utilization		61%	64%	66%	65%	66%	69%	68%

Forecast vs. Actual – FY15 Q1 (For Board)

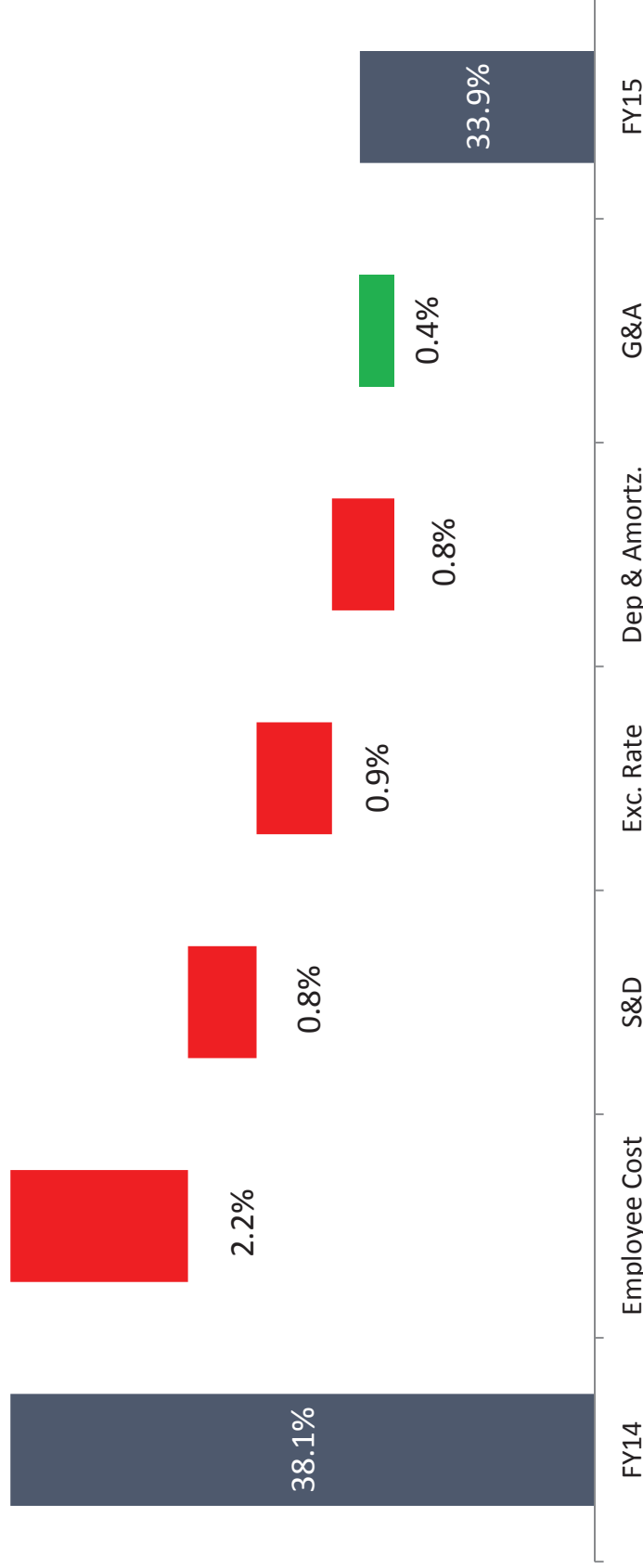


Figures in INR millions.

Operating P&L	Base Case	Best Case	Actual
Operating Revenue (\$ mm)	36.4	37.5	36.2
Operating Revenue	2,204	2,251	2,174
Other Income	101	101	9
Total Income	2,306	2,352	2,183
Cost of Revenues			
Employee Cost	718	721	785
General and Administrative Expenses	281	282	231
Selling and Distribution	351	352	358
Depreciation, Interest and Amortization	72	72	105
Total Operating Cost (as % of OPR)	1,422 (65%)	1,427 (63%)	1,479 (68%)
Operating Profit (as % of OPR)	782 (35%)	824 (37%)	694 (32%)
Provision for Tax	182	187	170
PAT (%)	702 (30%)	738 (37%)	534 (24%)

- Operating Revenue: Budgeted rate INR 60.0/\$ vs. actual of INR 59.95/\$; Budgeted Eur / USD – 1.37 vs actual of 1.38
- Employee Cost: Budgeted utilization of 69% vs actual of 61%
- S&D: Increase due to scoping related travel

OPM Bridging (Projected): FY15 vs. FY14 (for Board)



Note: Bridging analysis is in constant currency; impact of currency movements on revenue is shown as Exc. rate.

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