Financial Performance – Q3FY19
Jan 18, 2019
Agenda

- Financial Highlights
- Business Update
- Financial Statements
  - Income Statement
  - Balance Sheet
- Business Analysis
- Shareholding Pattern
Financial Highlights – Q3FY19

Consolidated Revenues at INR 9,717 Mn
- Up 28.5% YoY, Up 7.1% QoQ
- Constant currency revenue growth 4.2%

Operating profits at INR 1,805 Mn
- Up 39.4% YoY, Up 10.4% QoQ
- Operating Margins at 18.6%, Up 145 bps YoY, Up 56 bps QoQ

Net Profits at INR 1,002 Mn
- Up 32.6% YoY, down 10.3% QoQ
- Net Profit at 10.3%

Order Intake at $165 Mn
- $375 Mn of firm business executable over next 12 months
Business Highlights for Q2FY19

- **T&T up 5.4% QoQ, Contributes 26.5% (LQ 26.9%)**
  - Growth in Top accounts in Europe and US
  - 2 New logos added

- **Insurance up 9.8% QoQ, Contributes 29.6% (LQ 28.8%)**
  - Growth in large customers in US, and NITL
  - Signed a large $20 Mn+ deal in US
  - 3 New logos added

- **BFS up 1.7% QoQ, Contributes 15.4% (LQ 16.2%)**
  - 1 Large Deal of $20 mn+ signed with large BFS client in US
  - 1 New logo added

- **Others up 8.9% QoQ, Contribute 28.5% (LQ 28.0%)**
  - Scale up in GIS business
  - 4 New logos added
Consolidated Qtrly Income Statement

<table>
<thead>
<tr>
<th>Particulars (INR Mn)</th>
<th>Q3FY19</th>
<th>Q2FY19</th>
<th>QoQ%</th>
<th>Q3FY18</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenues</td>
<td>9,717</td>
<td>9,074</td>
<td>7.1%</td>
<td>7,565</td>
<td>28.5%</td>
</tr>
<tr>
<td>Direct Cost</td>
<td>6,280</td>
<td>5,897</td>
<td>6.5%</td>
<td>4,811</td>
<td>30.5%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>3,437</td>
<td>3,177</td>
<td>8.2%</td>
<td>2,753</td>
<td>24.8%</td>
</tr>
<tr>
<td>GM%</td>
<td>35.4%</td>
<td>35.0%</td>
<td>36 Bps</td>
<td>36.4%</td>
<td>-103 Bps</td>
</tr>
<tr>
<td>Selling / General And Administration</td>
<td>1,632</td>
<td>1,543</td>
<td>5.8%</td>
<td>1,458</td>
<td>11.9%</td>
</tr>
<tr>
<td>SG&amp;A to Revenue %</td>
<td>16.8%</td>
<td>17.0%</td>
<td>-20 Bps</td>
<td>19.3%</td>
<td>-248 Bps</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>1,805</td>
<td>1,634</td>
<td>10.4%</td>
<td>1,295</td>
<td>39.4%</td>
</tr>
<tr>
<td>OM%</td>
<td>18.6%</td>
<td>18.0%</td>
<td>56 Bps</td>
<td>17.1%</td>
<td>145 Bps</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>314</td>
<td>319</td>
<td>-1.8%</td>
<td>311</td>
<td>0.6%</td>
</tr>
<tr>
<td>Other Income (net)</td>
<td>5</td>
<td>215</td>
<td>-97.8%</td>
<td>5</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>1,496</td>
<td>1,530</td>
<td>-2.2%</td>
<td>989</td>
<td>51.3%</td>
</tr>
<tr>
<td>PBT %</td>
<td>15.4%</td>
<td>16.9%</td>
<td>-146 Bps</td>
<td>13.1%</td>
<td>233 Bps</td>
</tr>
<tr>
<td>Provision for Tax</td>
<td>445</td>
<td>363</td>
<td>22.7%</td>
<td>163</td>
<td>173.8%</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>49</td>
<td>49</td>
<td>-1.5%</td>
<td>70</td>
<td>-30.4%</td>
</tr>
<tr>
<td>Profit After Tax (after Minority Int.)</td>
<td>1,002</td>
<td>1,118</td>
<td>-10.3%</td>
<td>756</td>
<td>32.6%</td>
</tr>
<tr>
<td>PAT%</td>
<td>10.3%</td>
<td>12.3%</td>
<td>-200 Bps</td>
<td>10.0%</td>
<td>32 Bps</td>
</tr>
<tr>
<td>EPS - INR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>16.3</td>
<td>18.2</td>
<td>-10.3%</td>
<td>12.3</td>
<td>32.5%</td>
</tr>
</tbody>
</table>

- Growth across all business units resulted in higher margins
- Other income reflects loss on account of revaluation of current assets and liabilities at the qtr end
- ETR increased to 29.7% due to tax on dividend income from our foreign subsidiary. The normalized tax rate stood at 24.2%
### Balance Sheet

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at Dec 31 2018</th>
<th>As at Sep 30 2018</th>
<th>As at Dec 31 2017</th>
<th>Particulars</th>
<th>As at Dec 31 2018</th>
<th>As at Sep 30 2018</th>
<th>As at Dec 31 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>616</td>
<td>616</td>
<td>614</td>
<td>Fixed Assets</td>
<td>4,267</td>
<td>4,352</td>
<td>4,471</td>
</tr>
<tr>
<td>Reserves &amp; Surplus</td>
<td>18,979</td>
<td>18,080</td>
<td>16,881</td>
<td>Capital Work in Progress</td>
<td>12</td>
<td>11</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Intangible Assets</td>
<td>4,107</td>
<td>4,353</td>
<td>4,289</td>
</tr>
<tr>
<td><strong>NET Worth</strong></td>
<td><strong>19,596</strong></td>
<td><strong>18,696</strong></td>
<td><strong>17,495</strong></td>
<td><strong>Cash and Cash Equivalent</strong></td>
<td><strong>8,260</strong></td>
<td><strong>7,556</strong></td>
<td><strong>6,906</strong></td>
</tr>
<tr>
<td>Borrowings</td>
<td>155</td>
<td>187</td>
<td>233</td>
<td>Debtors</td>
<td>6,628</td>
<td>6,526</td>
<td>5,672</td>
</tr>
<tr>
<td>Deferred Tax Liability</td>
<td>448</td>
<td>470</td>
<td>460</td>
<td>Other Current Assets</td>
<td>2,866</td>
<td>2,465</td>
<td>2,644</td>
</tr>
<tr>
<td>Minority Interest</td>
<td>80</td>
<td>193</td>
<td>197</td>
<td>Current Liabilities</td>
<td>(5,168)</td>
<td>(5,215)</td>
<td>(4,752)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Future Acquisition Liability</td>
<td>(1,850)</td>
<td>(1,835)</td>
<td>(2,059)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Deferred Tax Assets</td>
<td>1,157</td>
<td>1,333</td>
<td>1,156</td>
</tr>
<tr>
<td></td>
<td><strong>20,278</strong></td>
<td><strong>19,546</strong></td>
<td><strong>18,385</strong></td>
<td><strong>20,278</strong></td>
<td><strong>19,546</strong></td>
<td><strong>18,385</strong></td>
<td></td>
</tr>
</tbody>
</table>

- Reserves and Surplus up INR 899 Mn over LQ.
- Cash and Bank Balances up by INR 704 Mn over LQ
- DSO – 69 days (LQ 73 days).
- Capex during the Qtr – INR 130 Mn
Q3FY19:
• Strong Growth in US due to growth across all major verticals
• Strong Growth in EMEA due to Digital engagements & IMS execution
• Scale up in GIS
Vertical Mix

Q2 FY19

- BFS, 16%
- Insurance, 29%
- T&T, 27%
- Others, 28%

Q3 FY19

- BFS, 15%
- Insurance, 30%
- T&T, 26%
- Others, 29%

Q3FY19:

- Growth in TTL due to continued ramp up in top accounts in US and EMEA
- Growth in BFS on account of higher revenue in US and EMEA
- Growth in Insurance on account of key accounts across US & Europe and Digital engagements
- Revenues from Others segment increased due to GIS and IMS accounts in EMEA
Q3FY19:
- Digital revenues at 29%, reflecting sequential growth of 12% and YoY growth of 52%
- Growth in ADM due to all round growth in major verticals (BFS, Insurance & T&T)
- Growth in IMS due to ramp up in recent acquired accounts in EMEA
• 10 new customers added: 8 in US and 2 in ROW
• $165 Mn order intake in the quarter leading to $375 Mn of firm business executable over next 12 months
• Geographical breakdown of order intake – US (96 Mn), EMEA (42Mn), ROW (27 Mn)
Top Client Mix

MM $ Clients: Q2’19: 88, Q3’19: 90
People Resources

People Data

<table>
<thead>
<tr>
<th></th>
<th>Mar'18</th>
<th>Jun'18</th>
<th>Sep'18</th>
<th>Dec'18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Additions</td>
<td>342</td>
<td>341</td>
<td>261</td>
<td>119</td>
</tr>
<tr>
<td>Attrition%</td>
<td>10.47%</td>
<td>10.08%</td>
<td>10.78%</td>
<td>11.65%</td>
</tr>
<tr>
<td>Utilization</td>
<td>79.50%</td>
<td>80.10%</td>
<td>80.40%</td>
<td>79.00%</td>
</tr>
</tbody>
</table>
Shareholding Pattern

Dec'17 | Mar'18 | Jun'18 | Sep'18 | Dec'18
--- | --- | --- | --- | ---
14% | 15% | 14% | 14% | 15%
31% | 31% | 31% | 31% | 31%
16% | 14% | 14% | 14% | 16%
39% | 41% | 41% | 41% | 38%

- Others
- Promoters
- Banks/MF/FI's
- FII's
Thank You