



Analytical Review of Q2 2017 Results

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Key Highlights – Q2 2017



- Revenue Rs. 147.92 crores (US\$ 22.91 mn) compared to Rs. 148.85 crores (US\$ 22.25 mn) in Q2, 2016 and Rs. 144.30 crores (US\$ 21.56 mn) in Q1, 2017.
- EBITDA Rs. 5.74 crores (US\$ 0.89 mn) compared to Rs. 22.19 crores (US\$ 3.31 mn) in Q2, 2016 and Rs. 7.57 crores (US\$ 1.13 mn) in Q1, 2017.
- Profit After Tax Rs. 4.66 crores (US\$ 0.72 mn) compared to Rs. 16.69 crores (US\$ 2.49 mn) in Q2, 2016 and Rs. 5.26 crores (US\$ 0.79 mn) in Q1, 2017.
- Earnings per share of Re. 0.38 as against Rs. 1.32 in Q2, 2016 and Re. 0.42 in Q1, 2017.

Key Highlights (Continues...)



- Telecom and Digital Media continues to be our largest industry vertical with ~ 29% share of revenues.
- Serving 21 million dollar plus customers on run rate basis.
- 5 key wins during the quarter.
- Q2 margins were impacted by the strengthening of the INR, conservative AR provisions and investment in sales and marketing.
- Strong Balance Sheet with:
 - Share Holder Funds - Rs. 286.84 crores or \$ 44.42 mn.
 - Cash & bank balances - Rs. 135.09 crores or \$ 20.92 mn.

Financial Performance - Contribution Analysis – Q2 2017



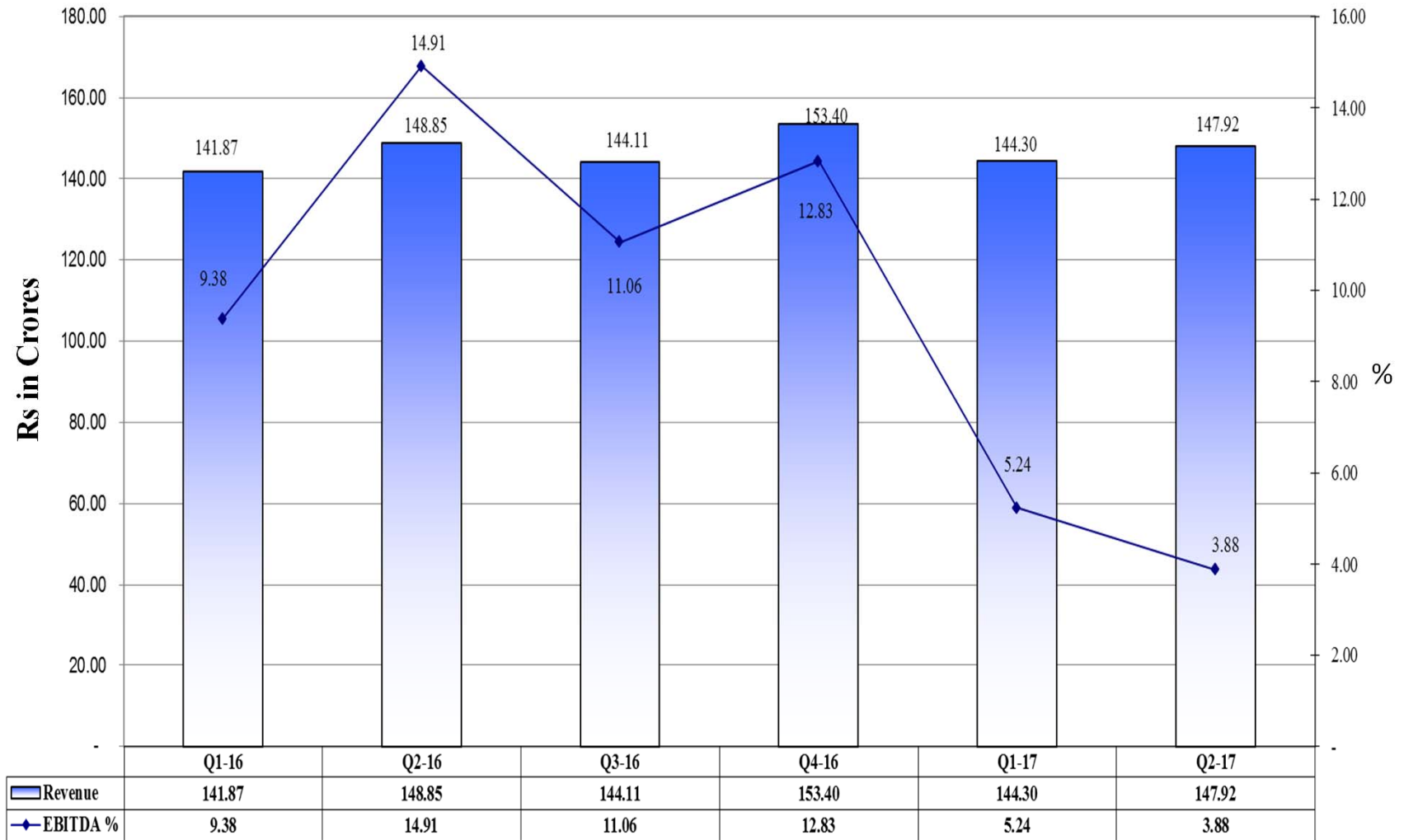
(Figures in mn)

Particulars	Q2 2017		Q2 2016		Q1 2017	
	INR	US\$	INR	US\$	INR	US\$
Revenues	1,479.24	22.91	1,488.53	22.25	1,442.98	21.56
Cost of revenues	1,026.48	15.90	948.43	14.18	1,008.17	15.06
Gross margin	452.76	7.01	540.10	8.07	434.81	6.50
SG & A	<i>30.61%</i>		<i>36.28%</i>		<i>30.13%</i>	
Expenses	395.38	6.12	318.16	4.76	359.16	5.37
	<i>26.73%</i>		<i>21.37%</i>		<i>24.89%</i>	
EBITDA	57.38	0.89	221.94	3.31	75.65	1.13
	<i>3.88%</i>		<i>14.91%</i>		<i>5.24%</i>	
Depreciation and amortization	30.39	0.47	28.03	0.42	28.43	0.42
Income from operations	26.99	0.42	193.91	2.89	47.22	0.71
Interest expense	(0.65)	(0.01)	(0.32)	(0.01)	(2.31)	(0.03)
Other income (net)	31.31	0.49	27.36	0.42	53.98	0.80
Income before income tax	57.65	0.90	220.95	3.30	98.89	1.48
Income tax provision	11.02	0.18	54.09	0.81	46.26	0.69
Net earnings	46.63	0.72	166.86	2.49	52.63	0.79

Movement in Gross Margin % Q2-17 Vs Q1-17

Gross Margin % in Q1-17	30.13
Impact of higher utilization	0.79
Impact of decrease in COGS	0.45
Impact of rupee appreciation	(0.76)
Gross Margin % in Q2-17	30.61

Revenues and Margins, Historical Trend



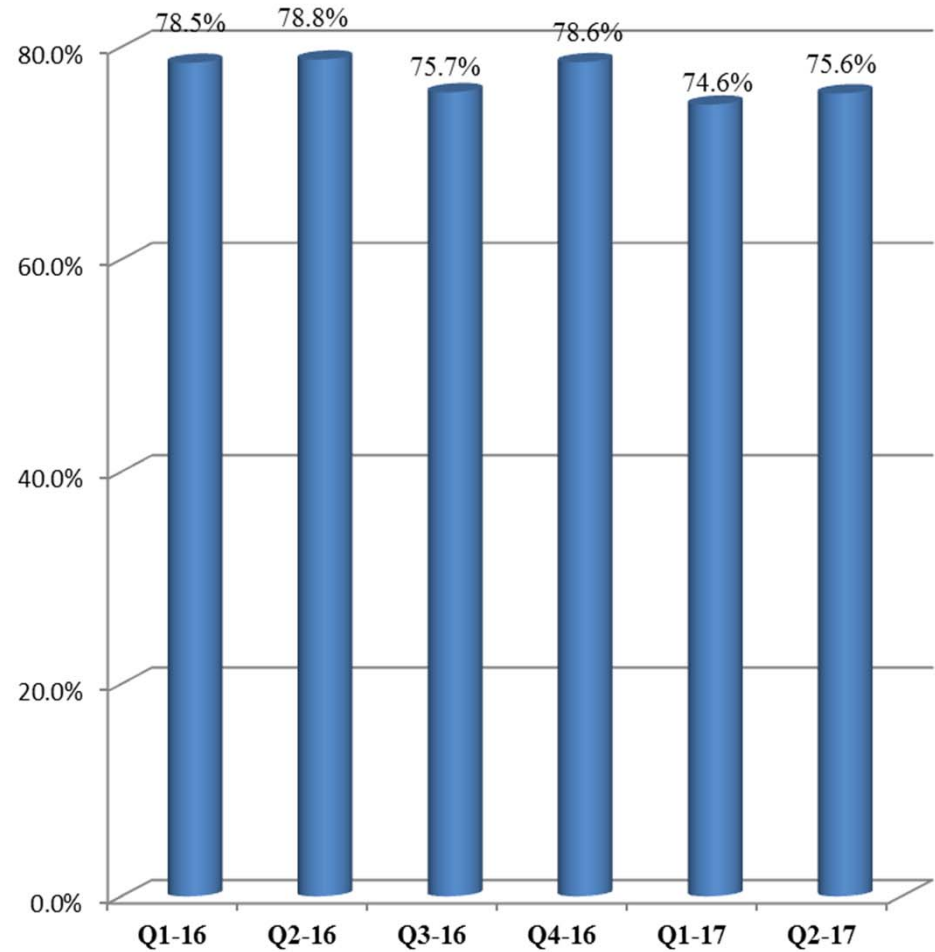
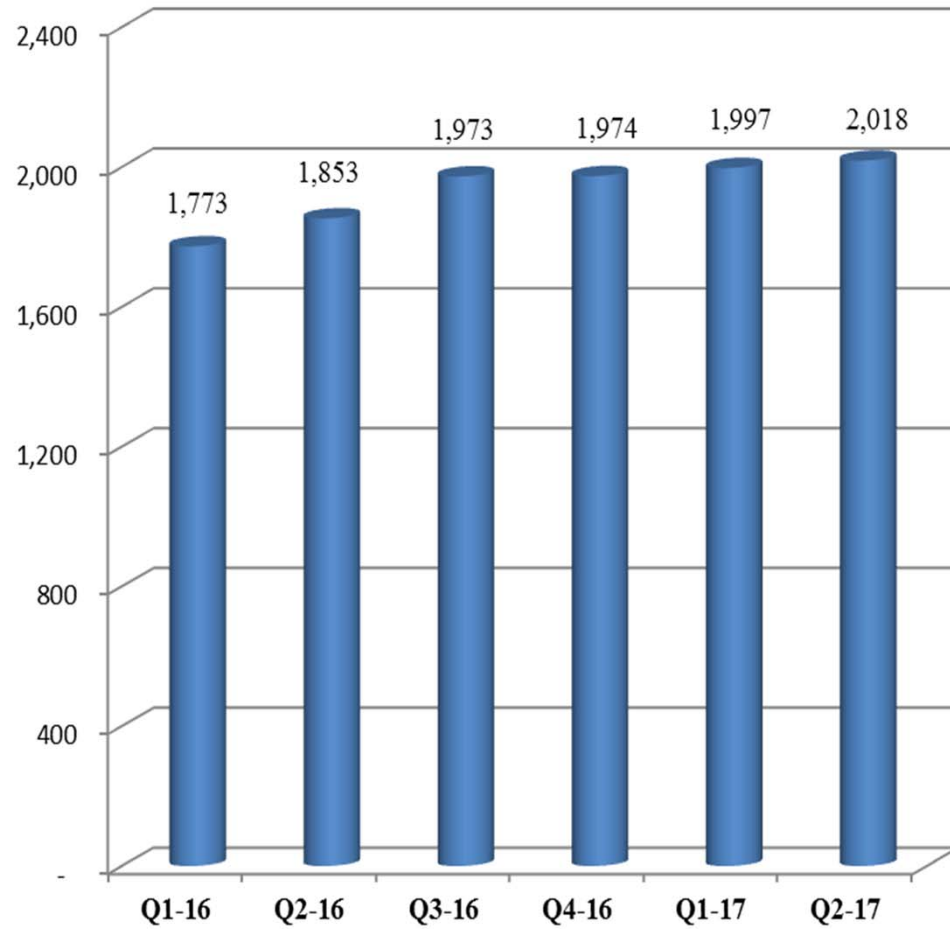
Consolidated Key Balance Sheet Data



Rupees in Crores except "DSO"

	As at Jun 30, 2017	As at Mar 31, 2017
Share Holders' Funds	286.84	278.28
Receivables	103.63	105.30
Receivables in days "DSO" for the quarter	48	52
Cash & Bank	135.09	126.35
Fixed Assets	33.82	35.47

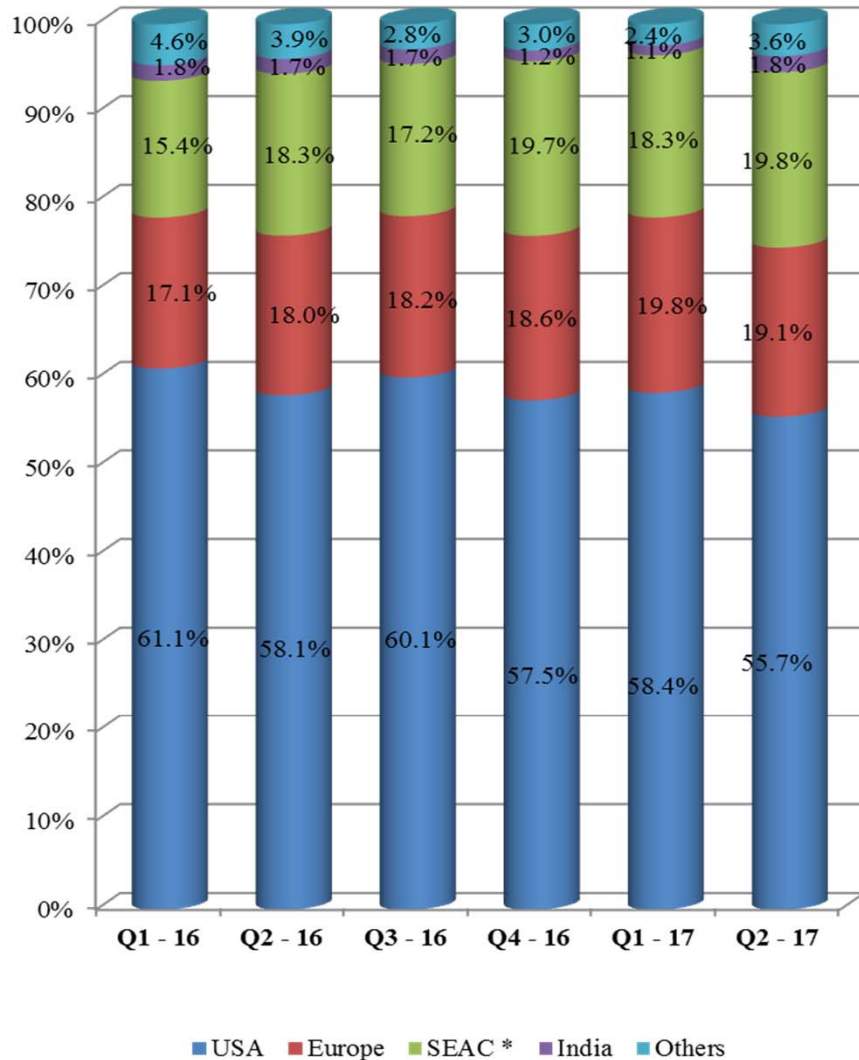
Billable Head Count and Utilization



Yearly Revenue Break-Down

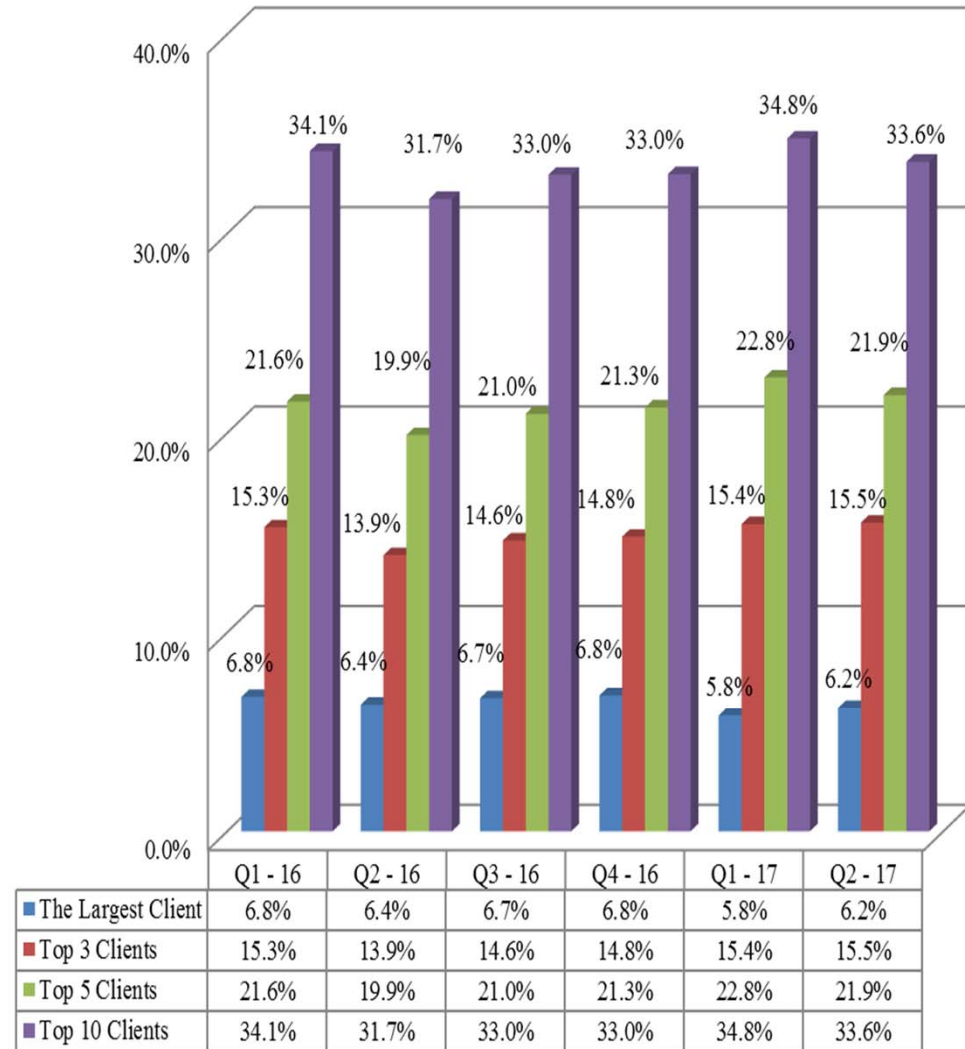


By Geography



* South East Asian Countries

Client Concentration



- Q2 2017 was a mixed quarter where revenue grew by 6% in US\$ terms but reported thin margins.
- Rupee appreciation is impacting our margin.
- Although digital is fuelling the new business but will take a quarter or so to report normalized margins.
- Continue Focus for H2 2017:
 - Partnering with clients in building robust and agile digital ecosystems;
 - Strengthening offerings around digital technologies;
 - Software engineering to be the driver for profitable growth.
 - Strong balance sheet to invest for future growth.

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**Thank You
For Your Support**