

# Financial Performance – Q4FY19

---

May 04, 2019



# Agenda

---

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



# Financial Highlights – FY 2019

## Consolidated Revenues at INR 36,762 Mn

- Up 22.9% over last year
- Constant currency revenue growth at 17.6%

## Operating profits at INR 6,452 Mn

- Up 28.7% over last year
- Operating Margins at 17.6%, Up 80 bps over last year.

## Net Profits at INR 4,033 Mn

- Up 43.9% over last year
- Net Profit at 11%, Up 160 bps over last year

## Order Intake at \$646 Mn

- \$390 Mn of firm business executable over next 12 months

# Financial Highlights – Q4FY19

## Consolidated Revenues at INR 9,722 Mn

- Up 23.2% YoY, Flat QoQ
- Constant currency revenue growth 1.3%
- Constant currency growth excluding GIS is 2.1%

## Operating profits at INR 1,706 Mn

- Up 20.4% YoY, Down 5.5% QoQ
- Operating Margins at 17.6%, Down 42 bps YoY and 102 bps QoQ
- Operating Margins excluding non recurring cost is 18.1%, Constant currency operating margins at 18.3%

## Net Profits at INR 1,055 Mn

- Up 22.5% YoY, Up 5.2% QoQ
- Net Profit excluding non recurring cost at 1,143 Mn, Up 32.8% YoY, Up 14.1% QoQ

## Order Intake at \$170 Mn

- \$390 Mn of firm business executable over next 12 months

# Business Highlights for Q4FY19

---

- **Travel, Transportation & Hospitality(TTH) up 2.5% QoQ, Contributes 27.1% (LQ 26.5%)**
  - Growth in major accounts in US
  - One Large Deal signed
  - 4 New logos added
- **Insurance down 6.5% QoQ, Contributes 27.7% (LQ 29.6%)**
  - Lower revenues in NITL
  - 1 New logo added
- **BFS up 5.3% QoQ, Contributes 16.2% (LQ 15.4%)**
  - Higher revenue from customers in US and EMEA
  - 3 New logos added
  - 1 large deal signed
- **Others Vertical up 1.7% QoQ, Contribute 29.0% (LQ 28.5%)**
  - Higher revenue from customers in EMEA
  - GIS revenues decline on account of code of conduct due to general elections
  - 3 New logos added

# Consolidated Quarterly Income Statement

Particulars (INR Mn)	Q4FY19 (Reported)	Q4FY19 (Adjusted)	Q3FY19	QoQ% (Reported)	QoQ% (Adjusted)	Q4FY18	YoY% (Reported)	YoY% (Adjusted)
<b>Gross Revenues</b>	<b>9,722</b>	<b>9,722</b>	<b>9,717</b>	<b>0.0%</b>	<b>0.0%</b>	<b>7,888</b>	<b>23.2%</b>	<b>23.2%</b>
Direct Cost	6,293	6,270	6,280	0.2%	-0.2%	5,000	25.9%	25.4%
<b>Gross Profit</b>	<b>3,428</b>	<b>3,452</b>	<b>3,437</b>	<b>-0.3%</b>	<b>0.4%</b>	<b>2,888</b>	<b>18.7%</b>	<b>19.5%</b>
GM%	35.3%	35.5%	35.4%	-11 Bps	14 Bps	36.6%	-135 Bps	-110 Bps
Selling / General And Administration	1,722	1,689	1,632	5.5%	3.5%	1,470	17.1%	14.9%
<b>SG&amp;A to Revenue %</b>	<b>17.7%</b>	<b>17.4%</b>	<b>16.8%</b>	<b>92 Bps</b>	<b>58 Bps</b>	<b>18.6%</b>	<b>-93 Bps</b>	<b>-126 Bps</b>
<b>Operating Profit</b>	<b>1,706</b>	<b>1,763</b>	<b>1,805</b>	<b>-5.5%</b>	<b>-2.3%</b>	<b>1,417</b>	<b>20.4%</b>	<b>24.4%</b>
OM%	17.6%	18.1%	18.6%	-102 Bps	-44 Bps	18.0%	-42 Bps	16 Bps
Depreciation and Amortization	303	303	314	-3.3%	-3.3%	305	-0.7%	-0.7%
Other Income (net)	47	47	5	912.6%	912.6%	148	-68.0%	-68.0%
<b>Profit Before Tax (Before exceptional items)</b>	<b>1,451</b>	<b>1,507</b>	<b>1,496</b>	<b>-3.0%</b>	<b>0.7%</b>	<b>1,261</b>	<b>15.1%</b>	<b>19.5%</b>
PBT % (Before exceptional items)	14.9%	15.5%	15.4%	-47 Bps	11 Bps	16.0%	-106 Bps	-48 Bps
Exceptional items	56	-	-	NA	NA	-	NA	NA
<b>Profit Before Tax</b>	<b>1,395</b>	<b>1,507</b>	<b>1,496</b>	<b>-6.8%</b>	<b>0.7%</b>	<b>1,261</b>	<b>10.6%</b>	<b>19.5%</b>
PBT %	14.3%	15.5%	15.4%	-105 Bps	11 Bps	16.0%	-164 Bps	-48 Bps
Provision for Tax	296	320	445	-33.5%	-28.2%	288	2.8%	11.0%
Minority Interest	44	44	49	-9.4%	-9.4%	112	-60.5%	-60.5%
<b>Profit After Tax (after Minority Int.)</b>	<b>1,055</b>	<b>1,143</b>	<b>1,002</b>	<b>5.2%</b>	<b>14.1%</b>	<b>861</b>	<b>22.5%</b>	<b>32.8%</b>
PAT%	10.8%	11.8%	10.3%	53 Bps	144 Bps	10.9%	-7 Bps	84 Bps
<b>EPS - INR</b>								
Basic	17.1	18.6	16.3	5.1%	13.9%	14.0	22.2%	32.4%

- Exceptional items includes reassessment of position in certain taxes in Australia
- Adjustment is due to full year FBT expense in Australia booked in the qtr and increase in non-recurring legal & professional expenses on account of M&A activities during the quarter. Constant currency adjusted operating margins at 18.3%

# Consolidated Income Statement FY19

Particulars (Amount in INR Mn)	FY 19 (Reported)	FY 19 (Excl GIS)	FY 18 (Reported)	FY 18 (Excl GIS)	YoY% (Reported)	YoY% (Excl GIS)
<b>Gross Revenues</b>	<b>36,762</b>	<b>35,297</b>	<b>29,914</b>	<b>28,579</b>	<b>22.9%</b>	<b>23.5%</b>
Direct Cost	23,908	23,163	19,179	18,509	24.7%	25.1%
<b>Gross Profit</b>	<b>12,854</b>	<b>12,134</b>	<b>10,736</b>	<b>10,069</b>	<b>19.7%</b>	<b>20.5%</b>
<b>GM%</b>	<b>35.0%</b>	<b>34.4%</b>	<b>35.9%</b>	<b>35.2%</b>	<b>-92 Bps</b>	<b>-86 Bps</b>
Selling / General And Administration	6,402	6,032	5,723	5,387	11.9%	12.0%
SG&A to Revenue %	<b>17.4%</b>	<b>17.1%</b>	<b>19.1%</b>	<b>18.8%</b>	<b>-172 Bps</b>	<b>-176 Bps</b>
<b>Operating Profit</b>	<b>6,452</b>	<b>6,102</b>	<b>5,012</b>	<b>4,683</b>	<b>28.7%</b>	<b>30.3%</b>
OM%	17.6%	17.3%	16.8%	16.4%	80 Bps	90 Bps
Depreciation and Amortization	1,248	1,229	1,274	1,257	-2.0%	-2.2%
Other Income (net)	476	476	298	283	59.7%	68.0%
<b>Profit Before Tax (Before exceptional items)</b>	<b>5,680</b>	<b>5,349</b>	<b>4,036</b>	<b>3,709</b>	<b>40.7%</b>	<b>44.2%</b>
PBT % (Before exceptional items)	15.5%	15.2%	13.5%	13.0%	196 Bps	218 Bps
Exceptional items	56	56	-	-		
<b>Profit Before Tax</b>	<b>5,624</b>	<b>5,293</b>	<b>4,036</b>	<b>3,709</b>	<b>39.3%</b>	<b>42.7%</b>
PBT %	15.3%	15.0%	13.5%	13.0%	181 Bps	202 Bps
Provision for Tax	1,403	1,286	949	883	47.8%	45.7%
Minority Interest	188	160	285	261	-34.1%	-38.4%
<b>Profit After Tax (after Minority Int.)</b>	<b>4,033</b>	<b>3,846</b>	<b>2,802</b>	<b>2,565</b>	<b>43.9%</b>	<b>50.0%</b>
PAT%	11.0%	10.9%	9.4%	9.0%	160 Bps	192 Bps
<b>EPS - INR</b>						
Basic	65.5	62.5	45.6	41.8	43.5%	49.5%

NTL Signed a definitive agreement for the sale of entire 88.99% stake in Esri India Technologies Ltd (GIS business) on April 6, 2019 and hence from FY20, the business will be monitored excluding GIS

# Consolidated Quarterly Income Statement (Excl. GIS)

Particulars (INR Mn)	Q4FY19 (Reported)	Q4FY19 (Adjusted)	Q3FY19	QoQ% (Reported)	QoQ% (Adjusted)	Q4FY18	YoY% (Reported)	YoY% (Adjusted)
<b>Gross Revenues</b>	<b>9,319</b>	<b>9,319</b>	<b>9,249</b>	<b>0.8%</b>	<b>0.8%</b>	<b>7,464</b>	<b>24.9%</b>	<b>24.9%</b>
Direct Costs	6,110	6,087	6,031	1.3%	0.9%	4,805	27.2%	26.7%
<b>Gross Profit</b>	<b>3,209</b>	<b>3,233</b>	<b>3,218</b>	<b>-0.3%</b>	<b>0.5%</b>	<b>2,659</b>	<b>20.7%</b>	<b>21.6%</b>
GM%	34.4%	34.7%	34.8%	-36 Bps	-10 Bps	35.6%	-119 Bps	-94 Bps
Selling / General And Administration	1,624	1,591	1,540	5.4%	3.3%	1,370	18.5%	16.1%
<b>SG&amp;A to Revenue %</b>	<b>17.4%</b>	<b>17.1%</b>	<b>16.7%</b>	<b>77 Bps</b>	<b>42 Bps</b>	<b>18.4%</b>	<b>-94 Bps</b>	<b>-129 Bps</b>
<b>Operating Profit</b>	<b>1,585</b>	<b>1,642</b>	<b>1,677</b>	<b>-5.5%</b>	<b>-2.1%</b>	<b>1,288</b>	<b>23.0%</b>	<b>27.4%</b>
OM%	17.0%	17.6%	18.1%	-112 Bps	-52 Bps	17.3%	-25 Bps	35 Bps
Depreciation and Amortization	298	298	309	-3.5%	-3.5%	300	-0.5%	-0.5%
Other Income (net)	45	45	5	869.9%	869.9%	143	-68.3%	-68.3%
<b>Profit Before Tax (Before exceptional items)</b>	<b>1,332</b>	<b>1,389</b>	<b>1,373</b>	<b>-2.9%</b>	<b>1.2%</b>	<b>1,132</b>	<b>17.7%</b>	<b>22.7%</b>
PBT % (Before exceptional items)	14.3%	14.9%	14.8%	-54 Bps	6 Bps	15.2%	-87 Bps	-26 Bps
Exceptional items	56	-	-	NA	NA	-	NA	NA
<b>Profit Before Tax</b>	<b>1,276</b>	<b>1,389</b>	<b>1,373</b>	<b>-7.0%</b>	<b>1.2%</b>	<b>1,132</b>	<b>12.8%</b>	<b>22.7%</b>
PBT %	13.7%	14.9%	14.8%	-115 Bps	6 Bps	15.2%	-147 Bps	-26 Bps
Provision for Tax	223	243	412	-45.8%	-41.1%	249	-10.3%	-2.4%
Minority Interest	34	34	39	-13.4%	-13.4%	102	-67.0%	-67.0%
<b>Profit After Tax (after Minority Int.)</b>	<b>1,020</b>	<b>1,112</b>	<b>922</b>	<b>10.6%</b>	<b>20.6%</b>	<b>781</b>	<b>30.5%</b>	<b>42.4%</b>
PAT%	10.9%	11.9%	10.3%	62 Bps	162 Bps	10.5%	47 Bps	147 Bps
<b>EPS - INR</b>								
Basic	16.6	18.1	16.3	1.6%	10.8%	12.7	30.2%	42.0%

NTL Signed a definitive agreement for the sale of entire 88.99% stake in Esri India Technologies Ltd (GIS business) on April 6, 2019 and hence from FY20, the business will be monitored excluding GIS.



# Balance Sheet

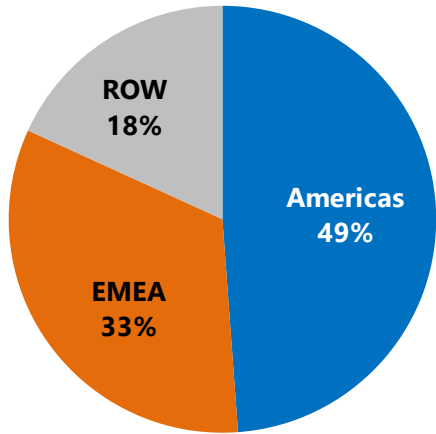
				INR Mn.			
Particulars	As at Mar 31 2019	As at Dec 31 2018	As at Mar 31 2018	Particulars	As at Mar 31 2019	As at Dec 31 2018	As at Mar 31 2018
Equity	618	616	615	Fixed Assets	4,223	4,267	4,500
Reserves & Surplus	20,105	18,979	17,126	Capital Work in Progress	14	12	7
<b>NET Worth</b>	<b>20,723</b>	<b>19,596</b>	<b>17,740</b>	Intangible Assets	3,996	4,107	4,293
Borrowings	134	155	224	<b>Current Assets</b>			
Deferred Tax Liability	395	448	455	Cash and Cash Equivalent	9,758	8,260	8,057
Minority Interest	75	80	222	Debtors	6,189	6,628	5,911
				Other Current Assets	3,428	2,866	2,701
				Current Liabilities	(5,453)	(5,168)	(5,115)
				Future Acquisition Liability	(1,954)	(1,850)	(2,943)
				Deferred Tax Assets	1,126	1,157	1,231
	<b>21,327</b>	<b>20,278</b>	<b>18,641</b>		<b>21,327</b>	<b>20,278</b>	<b>18,641</b>

- Reserves and Surplus up INR 1,126 Mn over LQ.

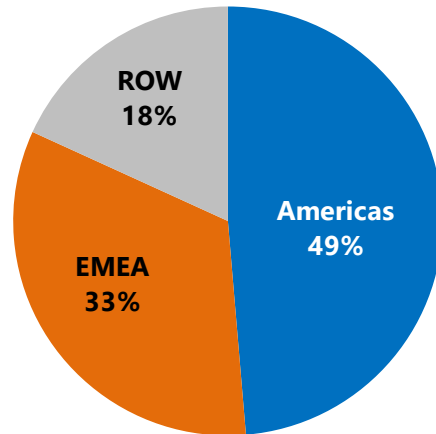
- Cash and Bank Balances up by INR 1,498 Mn over LQ
- DSO – 62 days (LQ 69 days).
- Capex during the Qtr – INR 143 Mn, (INR 695 Mn for the year)

# Geography Mix

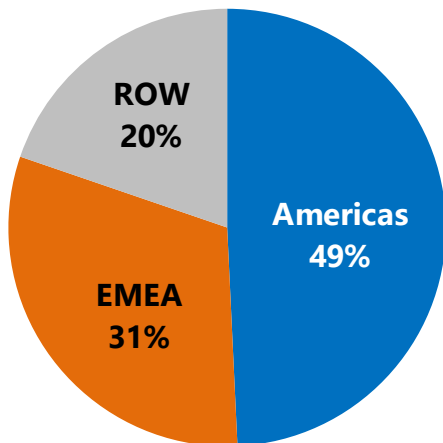
Q3 FY19



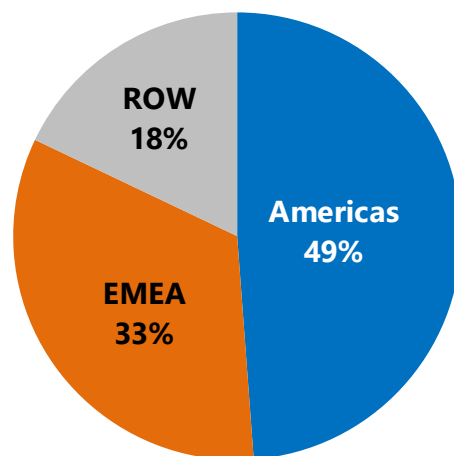
Q4 FY19



FY'18



FY'19



## Q4FY19:

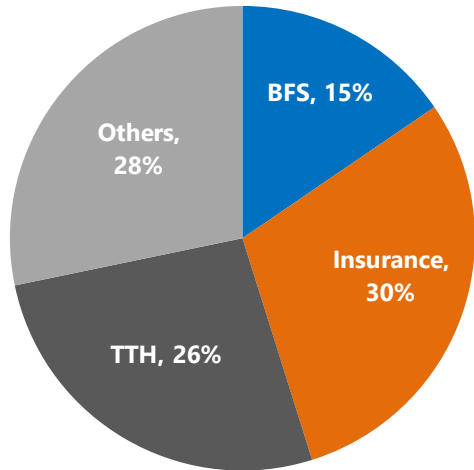
- Growth in US due to higher revenue in TTH & BFS
- Decline in EMEA due to lower revenue from NITL
- ROW decline on account of lower revenue in ESRI

## FY 2019:

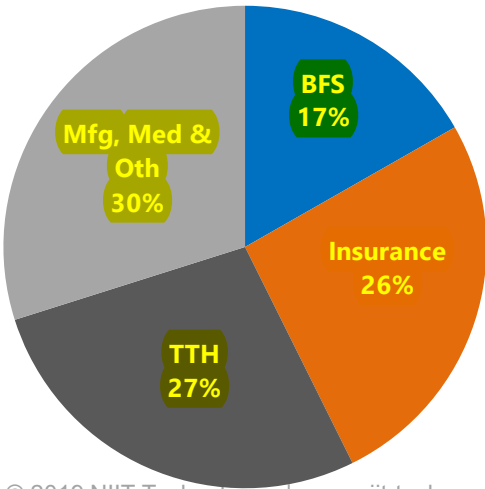
- Growth in US due to higher revenue in all three verticals (Insurance, BFS and Travel)
- Growth in EMEA due to Digital engagements & IMS
- ROW increase majorly on account of higher revenue in Digital engagements in APAC region

# Vertical Mix

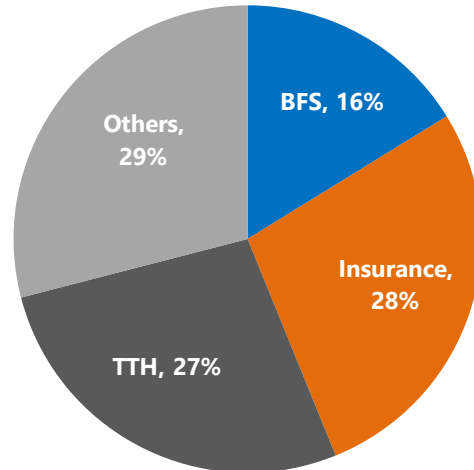
Q3 FY19



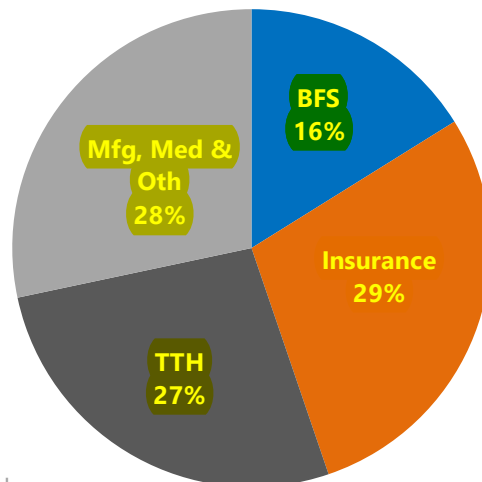
FY 2018



Q4 FY19



FY 2019



## Q4FY19:

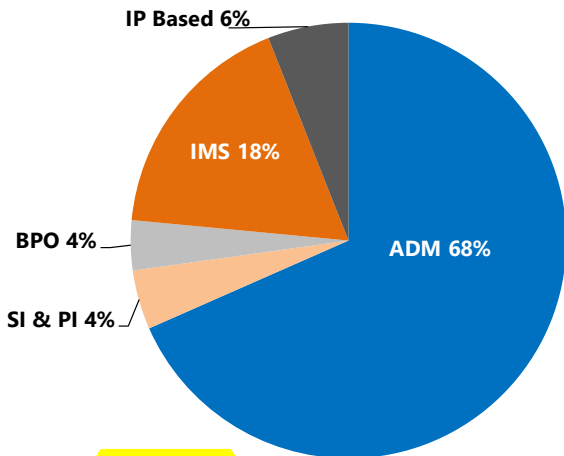
- Growth in T&T due to continued ramp up in top accounts in US and EMEA
- Growth in BFS on account of higher revenue in US and EMEA
- Insurance decline on account of lower product revenue from NITL
- Revenues from Others segment increased on account of growth in Digital and IMS

## FY 2019:

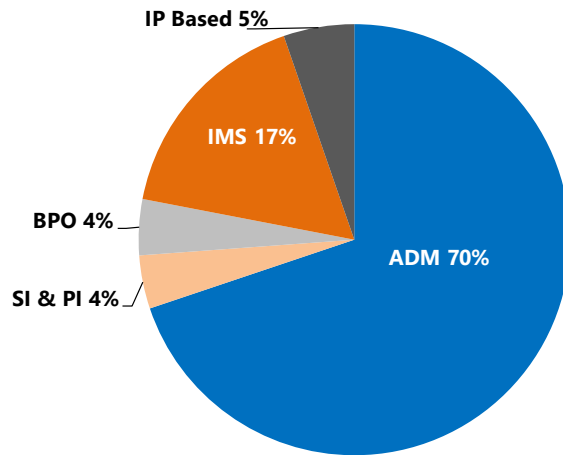
- Growth in Insurance on account of ramp up in top accounts and scale up in new logos acquired last year
- Growth in accounts in US and Europe
- Other vertical decline on account of ramp down in Morris post acquisition by Gatehouse Media

# Service Mix

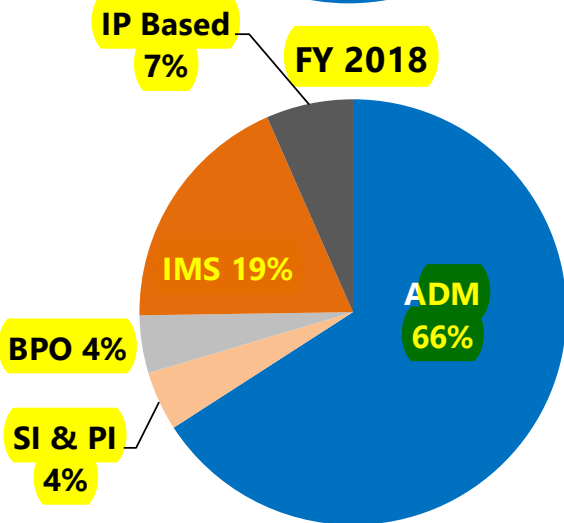
Q3 FY19



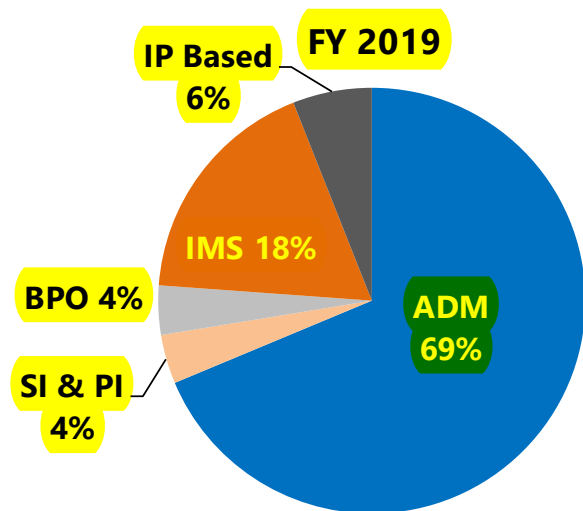
Q4 FY19



FY 2018



FY 2019



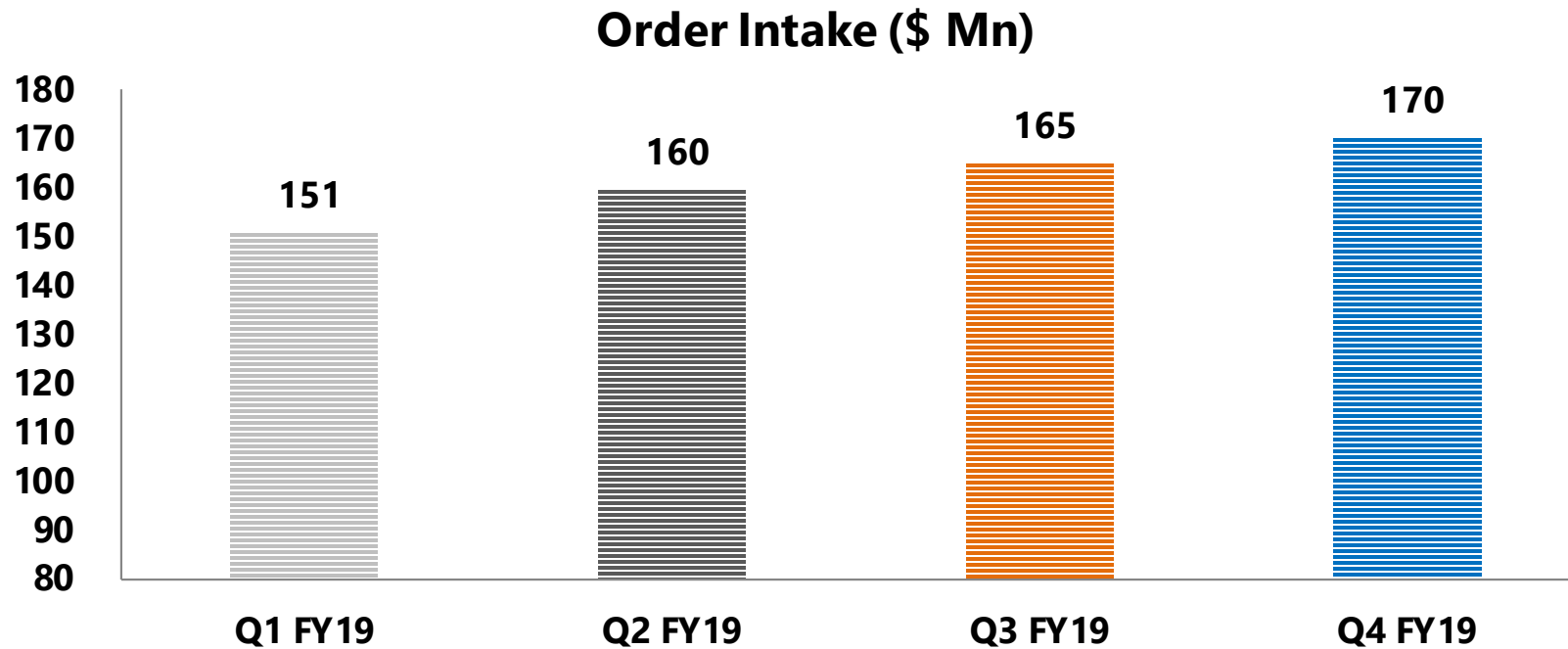
## Q4FY19:

- Growth in ADM due to all round growth in major verticals (BFS, Insurance & T&T)
- Digital revenues at 30%, reflecting sequential growth of 4% and YoY growth of 45%
- Decline in IMS due to lower revenue India Govt business
- Decline in IP based due to lower revenue in NITL

## FY 2019:

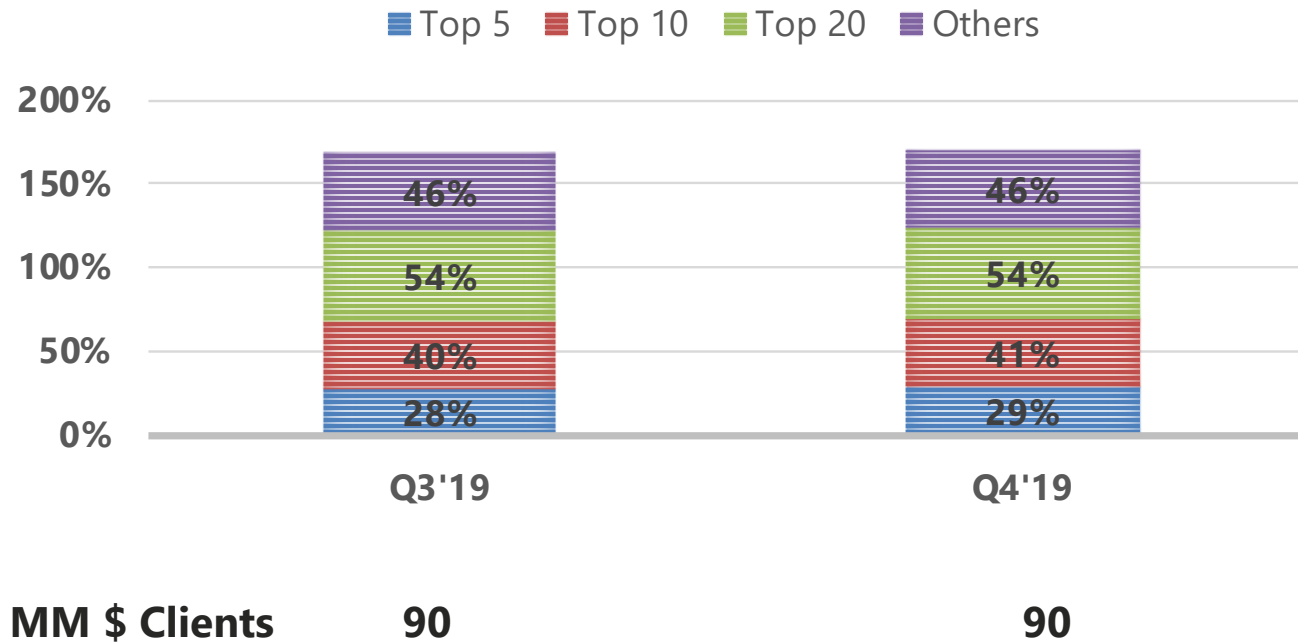
- Growth in ADM due to all round growth in digital engagements
- Digital revenues at 29%, reflecting annual growth of 47%
- Decline in IMS due to ramp down in Morris post acquisition by Gatehouse Media

# Order Intake



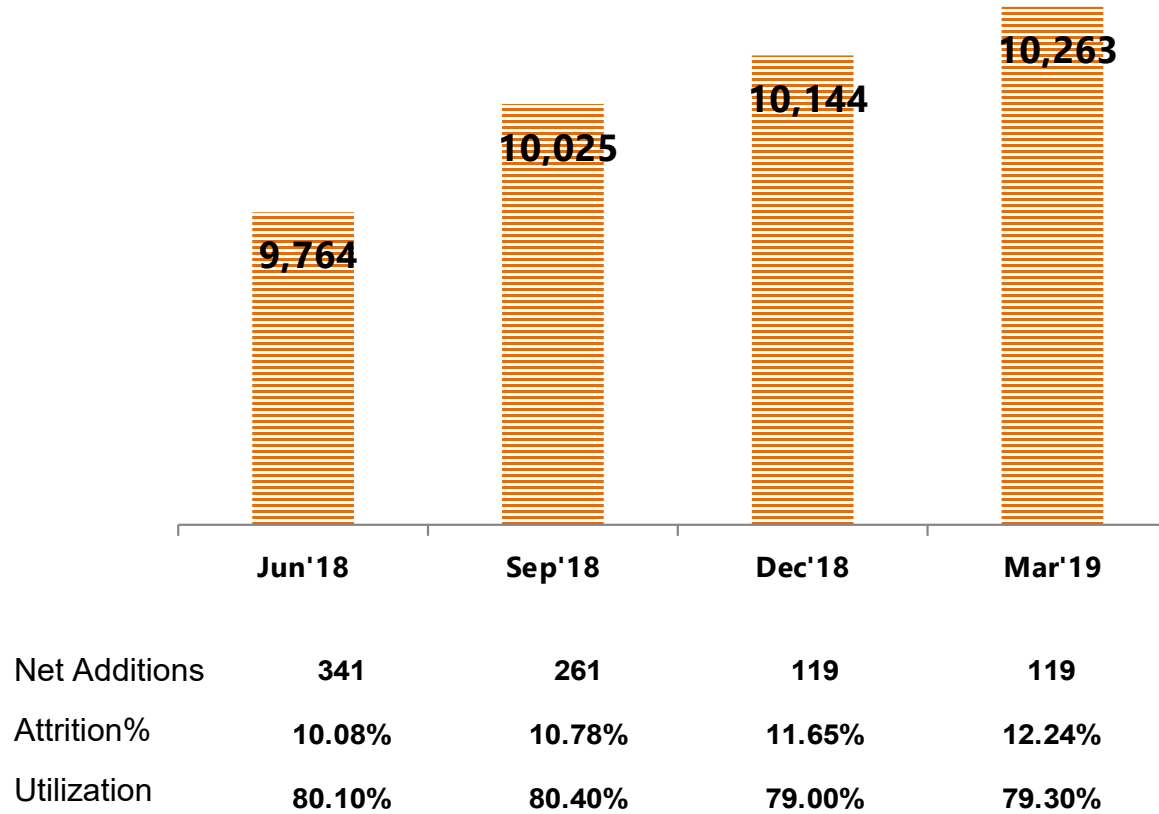
- 11 new customers added: 6 in US and 5 in ROW
- \$170 Mn order intake in the quarter leading to \$ 390 Mn of firm business executable over next 12 months
- Geographical breakdown of order intake – US (94 Mn), EMEA (45 Mn), ROW (31 Mn)

# Top Client Mix

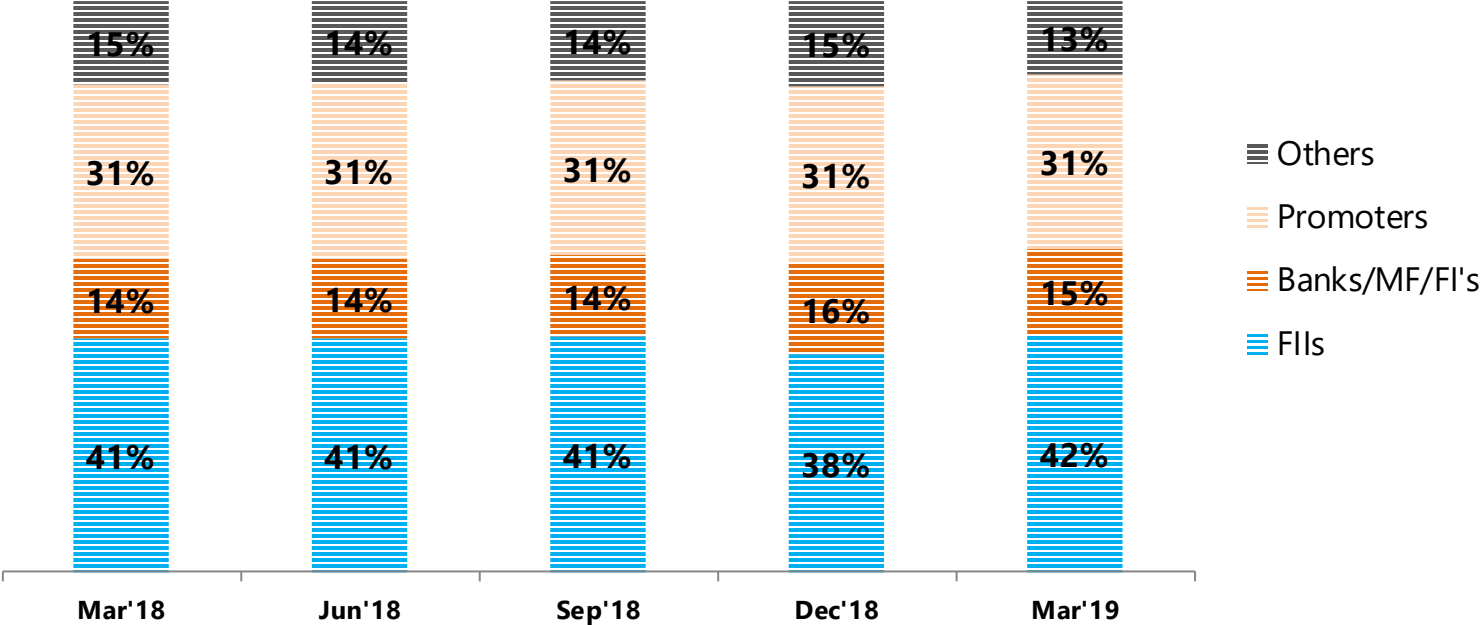


# People Resources

## People Data



# Shareholding Pattern





End of Document  
in [f](#) [t](#) [v](#)

