HGS®
HINDUJA GLOBAL SOLUTIONS

June 02, 2017

BSE Limited
Corporate Relation Dept.
P. J. Towers, Dalal Street
Mumbai 400 001.
Scrip Code : 532859

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.
Symbol : HGS

Dear Sirs,

Sub: Intimation under Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

Pursuant to the Regulations 30 read with Schedule III (Part A) (15) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the senior management of the Company is scheduled to meet institutional investors in a series of group/ 1x1 meetings on June 5, 2017 in Mumbai as per below schedule.

Date	Event	Location
June 5, 2017	B & K Investors Conference	Trident Hotel, BKC, C – 56, G Block, Mumbai – 400098.

The schedule is subject to changes due to any exigencies on behalf of the investors or the Company.

We would like to inform further that the presentation to be made in the aforesaid meetings is attached herewith and will be available on the Company's website (http://www.teamhgs.com/investors/corporate-information).

We request you to kindly take the above on your records.

Thanking you,

Yours truly,
For **Hinduja Global Solutions Limited**

S. Mahadevan
Executive Vice President - Legal Compliance & Risk Management

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HINDUJA GLOBAL SOLUTIONS

Investor Presentation June, 2017

Get the Right Answer Fast™

DigiCX™

HGS DNA™ Digital Natural Assist

HealthCARE™ Partnering for Better Outcomes

Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the BPM industry including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-timeframe contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hinduja Global Solutions (HGS) has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. HGS may, from time to time, make additional written and oral forward-looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

HGS Overview

About the Company

HISTORY

- Part of the Hinduja Group, in the BPM business since 2000
- Erstwhile HTMT, IT & BPM business demerged October 1, 2006
- Rebranded as HGS in 2008

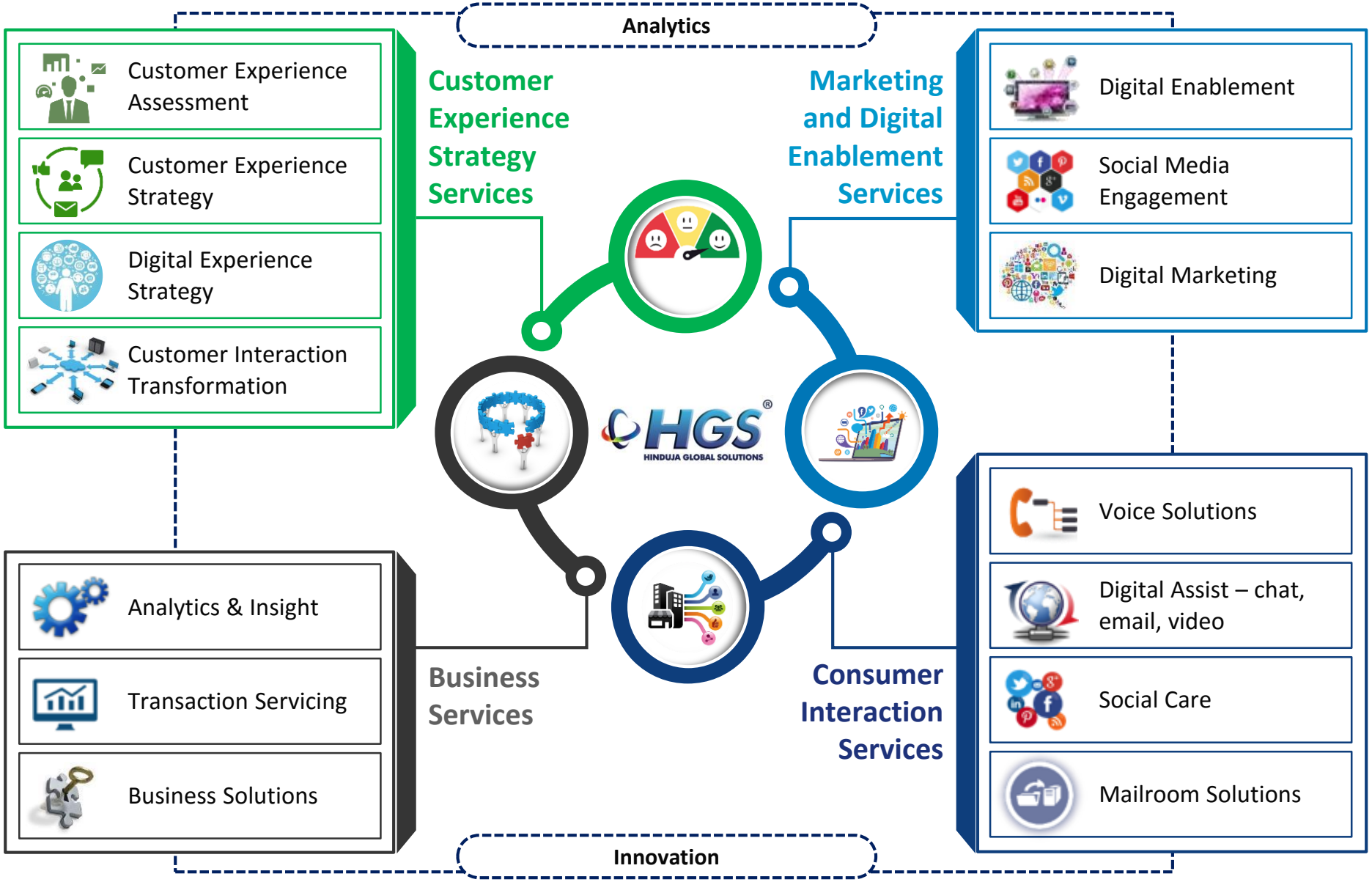
SNAPSHOT (FY'17)

- Revenues : INR **37,110 Mn** (US **$ 555 Mn)**
- EBITDA : INR **4,424 Mn** (US **$ 66 Mn)**
- EBITDA Margin : **11.9 %**
- **66** Worldwide Centers
- **44,200 +** employees (as on 31st March 2017)
- **183** active clients for the BPM business (additionally over 614 clients for Payroll & HRO Business)

VALUE PROPOSITION

- CAGR of 19% over last 5 years
- Strong balance sheet with low Net Debt/Equity ratio of **0.15x**
- Gross Debt Reduction of INR 1,953 Mn in the last 12 months
- Free Cash Flow/EBITDA of 48% for FY'17

HGS Core Capabilities to Enable the Unified Customer Experience



Relatively diversified business portfolio

Almost all HGS day to day activities relate to consumer transactions and interactions

Healthcare/ Insurance

- **58** Million transactions, **10** Million calls, **2.7** Million emails per annum
- Annual claim payout of **$11.5** billion USD and **$1.3** billion USD recoveries initiated for 4 of the Top 10 healthcare payers and several large hospitals/health systems in the US

Contributes 45% of HGS Revenue

Telecommunications

- Providing extensive consumer support for land lines, wireless, satellite, IPTV, hi-speed internet – from supporting the consumer from the point of purchase to end of service
- HGS ranked as a **leader** by Nelson Hall in Customer management service for Telecommunication, Cable and Satellite.

Contributes 24% of HGS Revenue

Consumer Products

- Supporting many consumer electronics manufacturers and distributors from purchase to post-warranty servicing
- Multi-channel service over telephone, white-mail, email, text and social media for a CPG client
- Provides services in the area if automation analytics and channel management to enhance customer experience

Contributes 14% of HGS Revenue

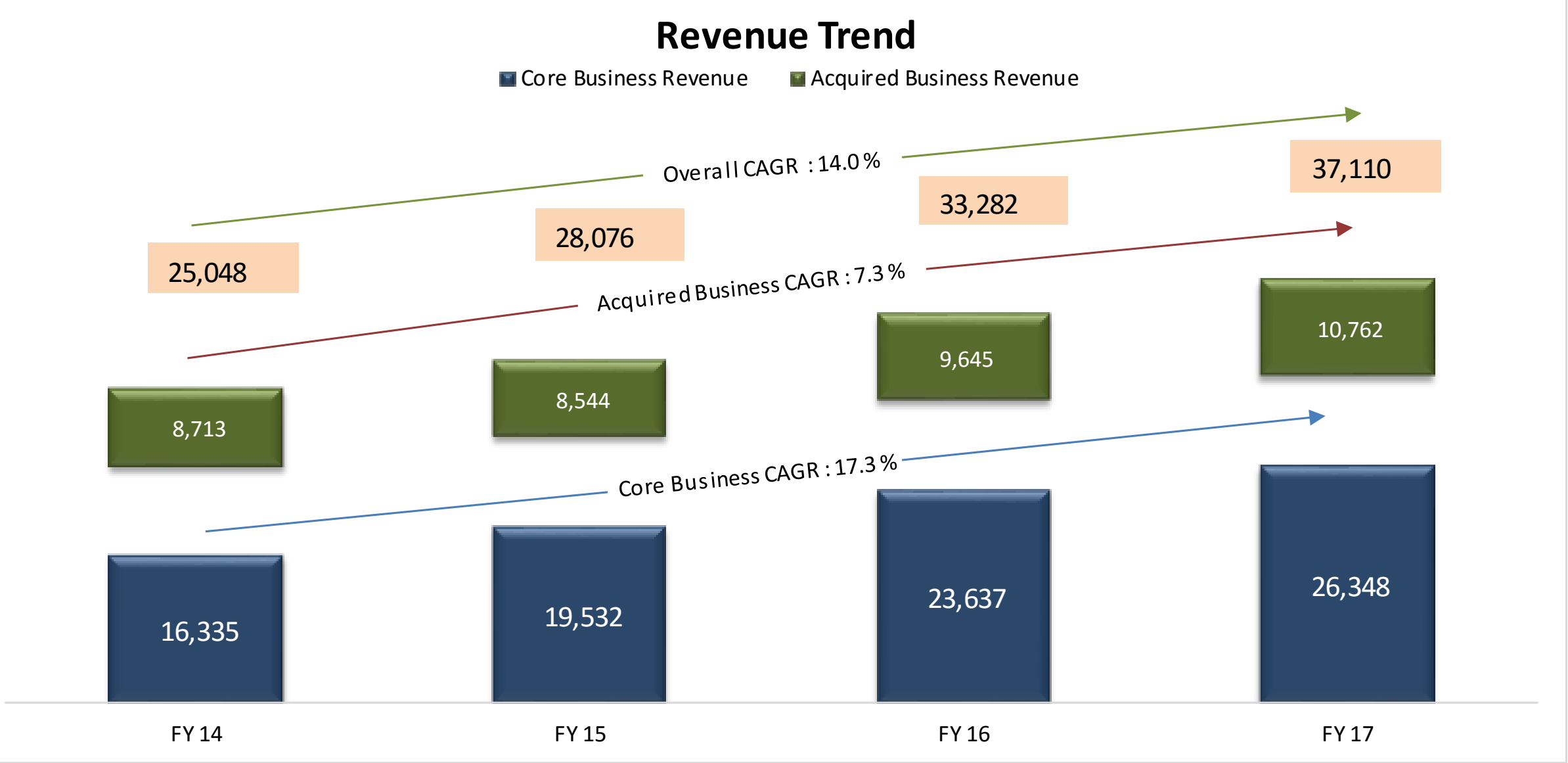
Financial Services

- Only credit card issuer to win the **J.D. Power Award for customer experience 6 consecutive years** driven by HGS's best in class NPS customer service - supporting all aspects of consumer financial transactions
- Providing support to a large Pubic sector financial services company in UK for their operations

Contributes 7% of HGS Revenue

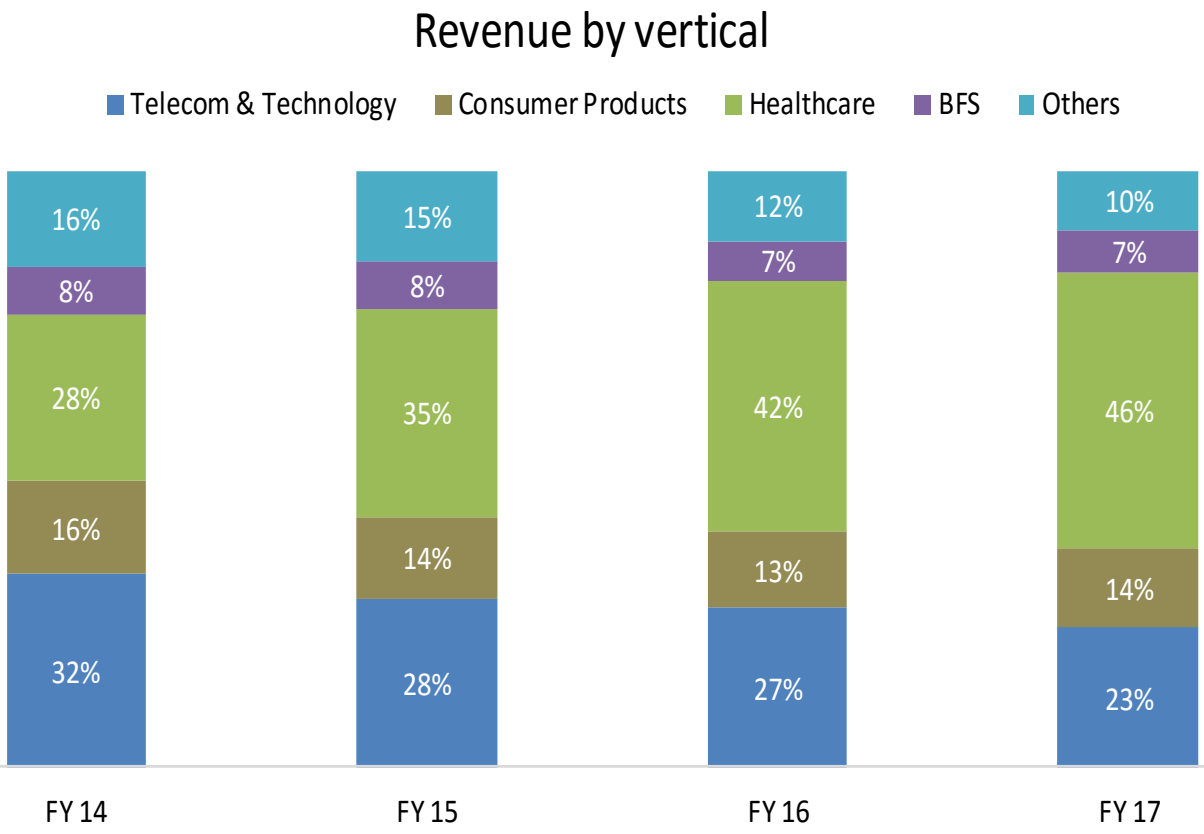
Based on YTD Dec'16 data

How have we grown

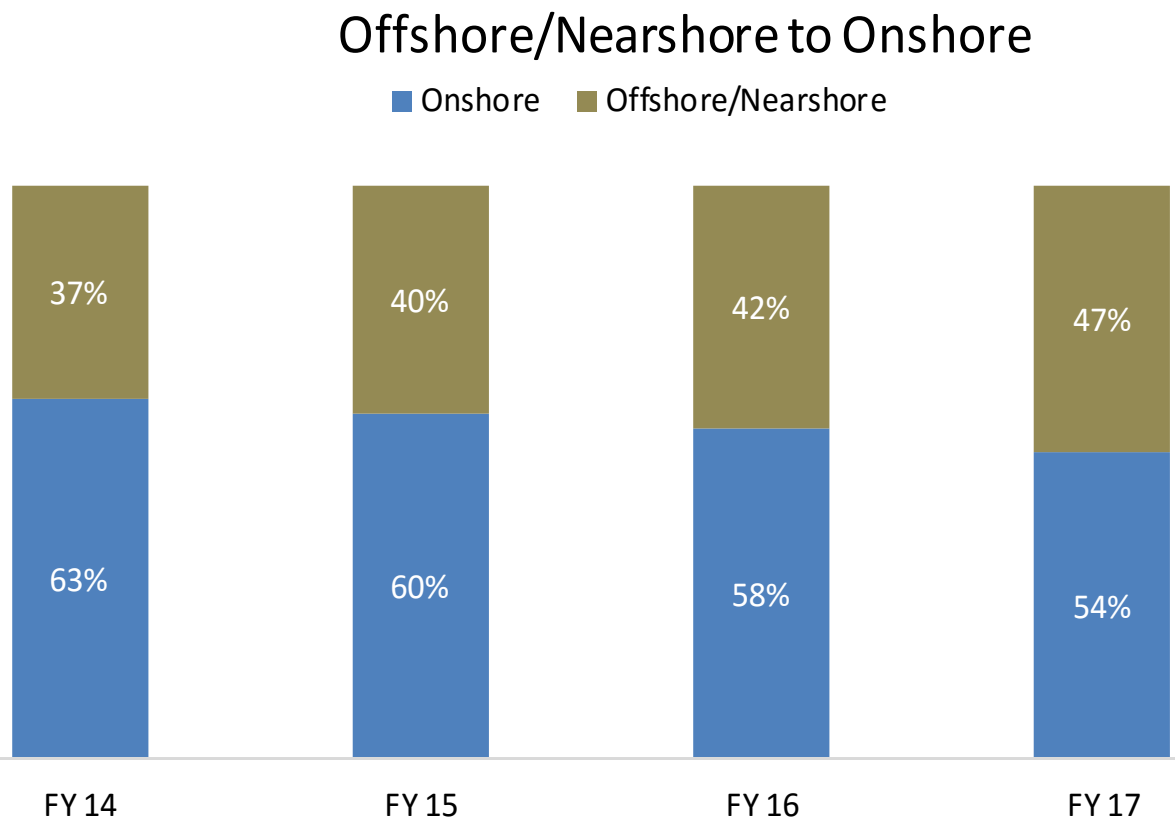


Revenue Composition

Revenue by Verticals

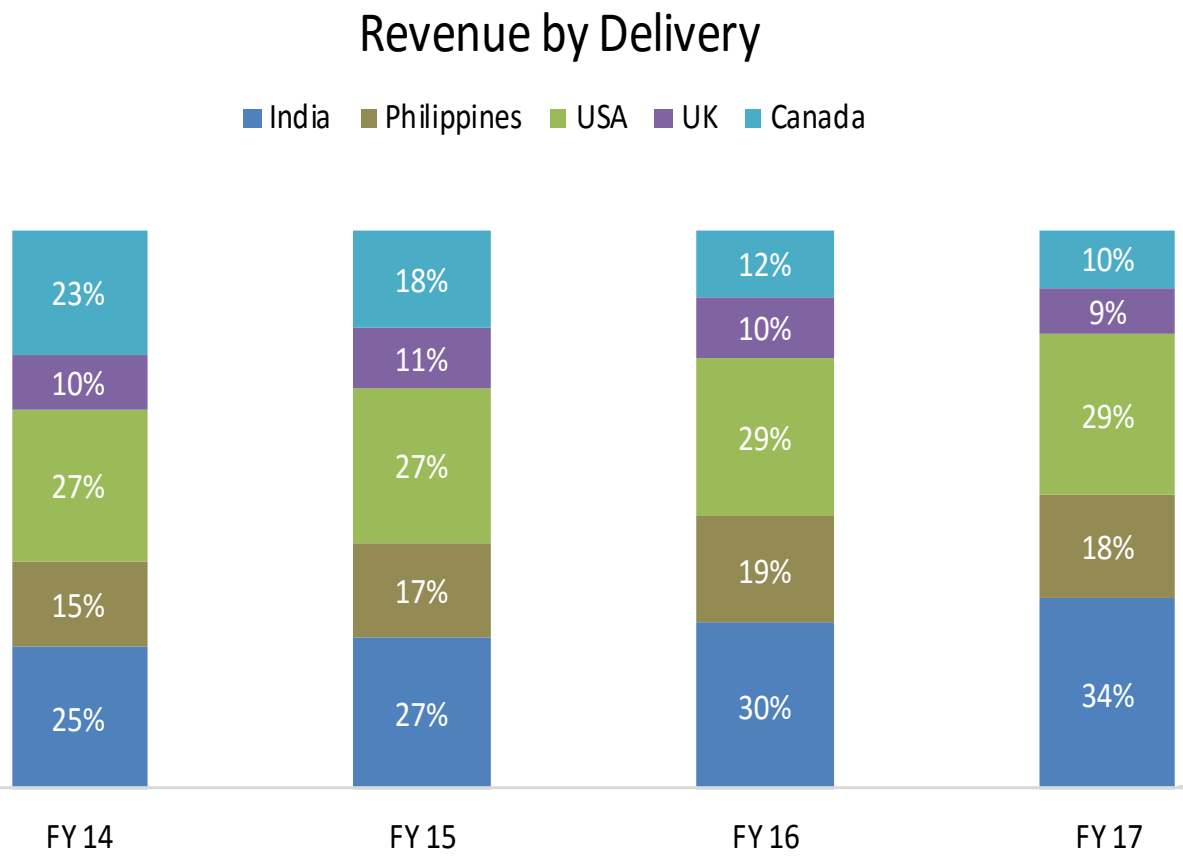


Offshore/Near-shore to Onshore

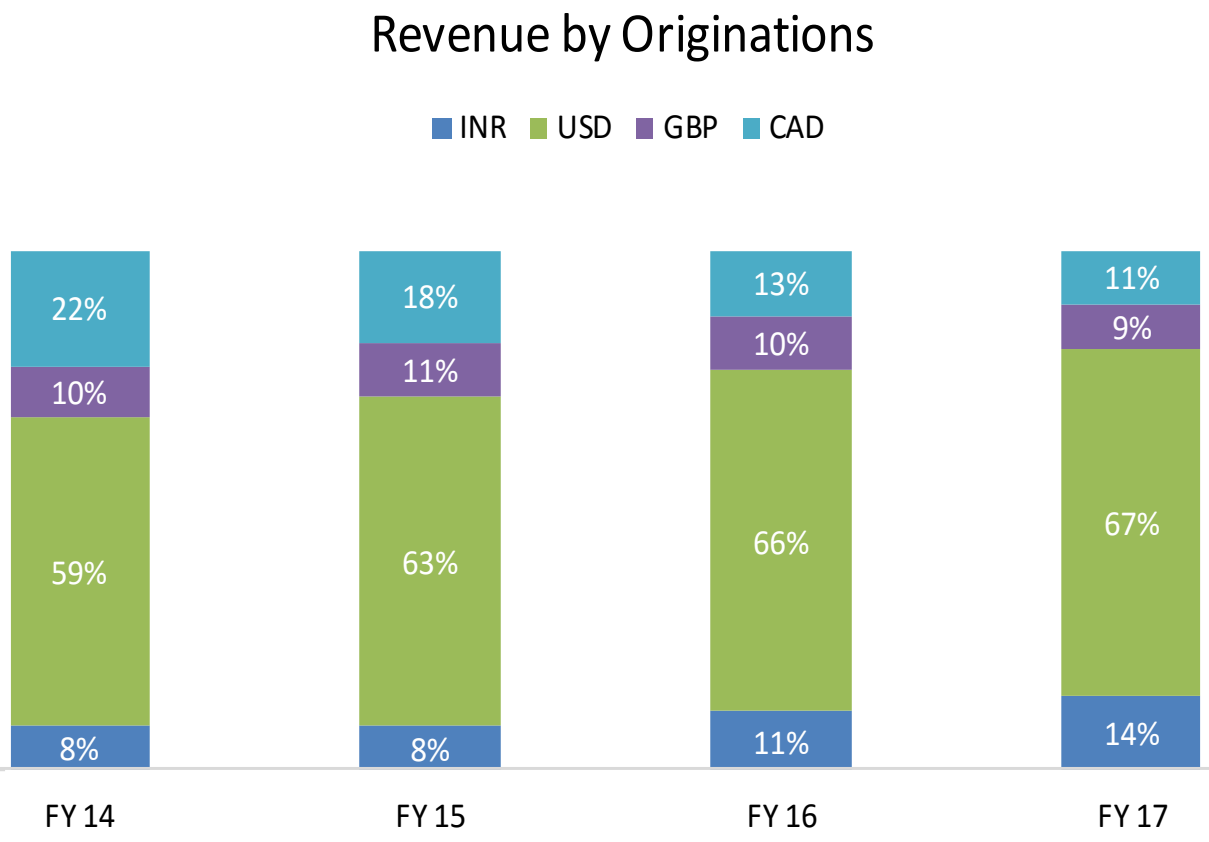


Revenue Composition

Revenue by Delivery

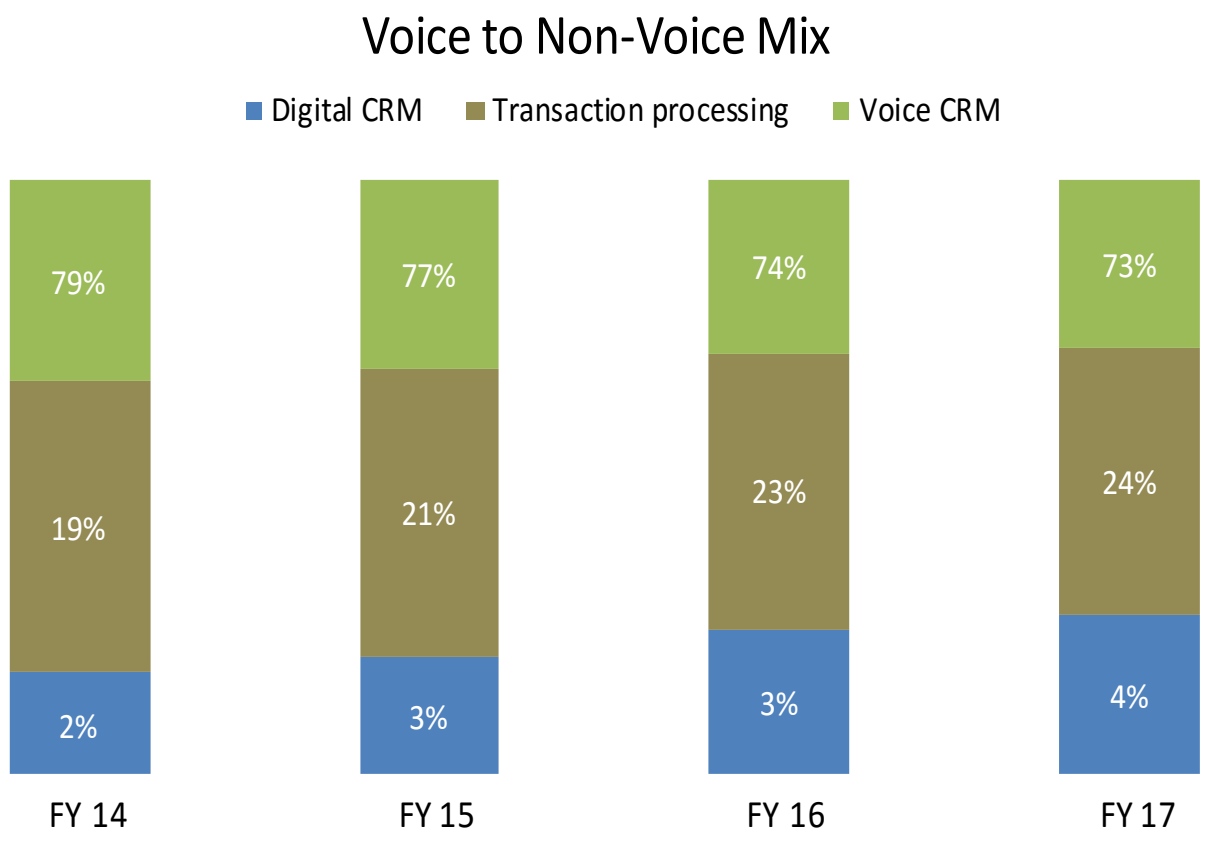


Revenue by Originations

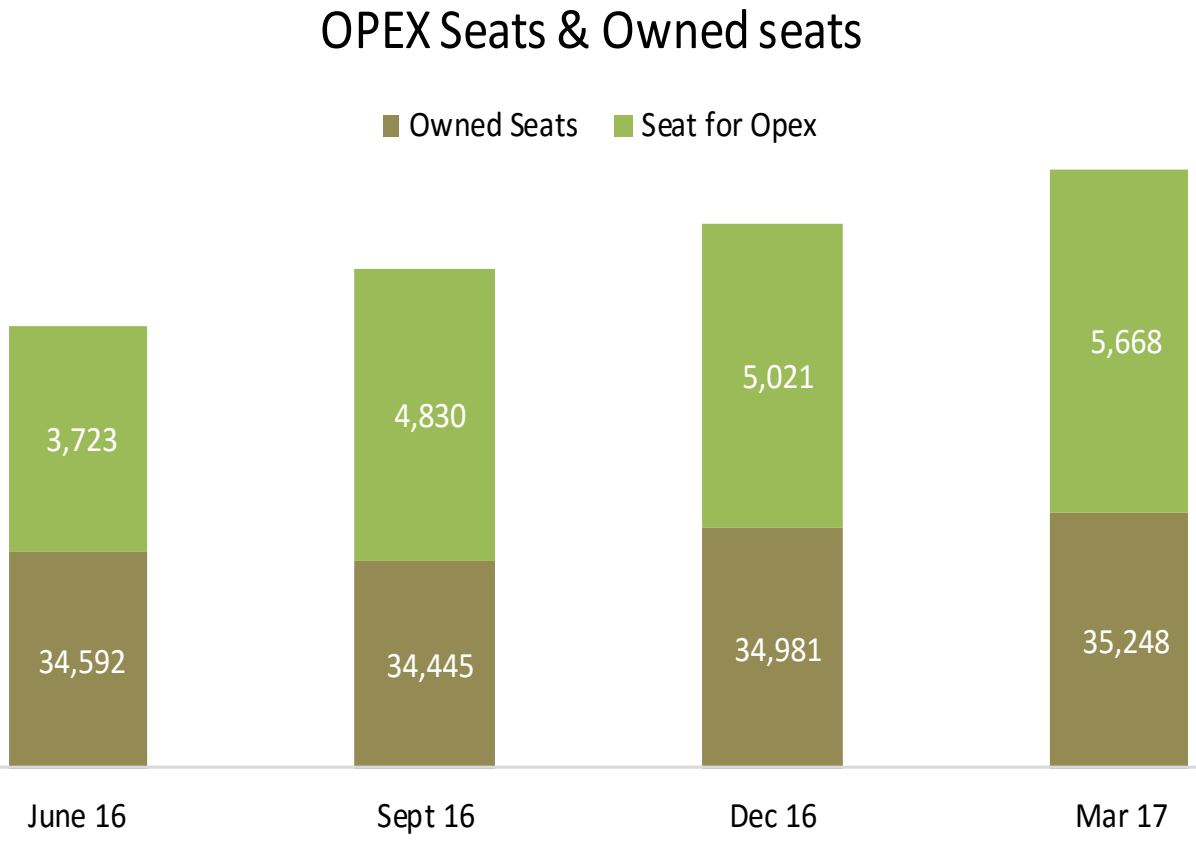


Revenue Composition

Voice to Non-Voice Mix

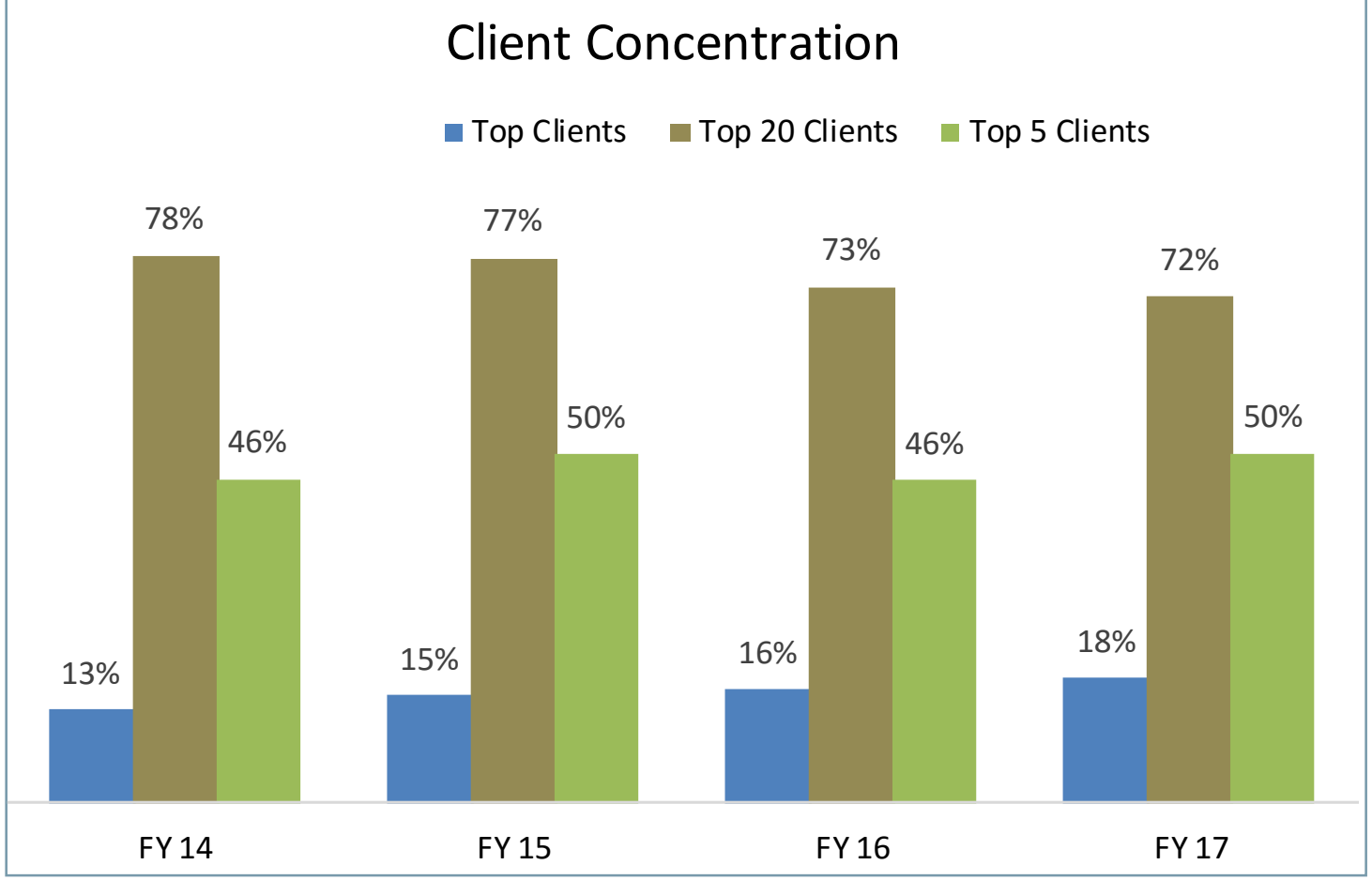


OPEX seats & Owned Seats

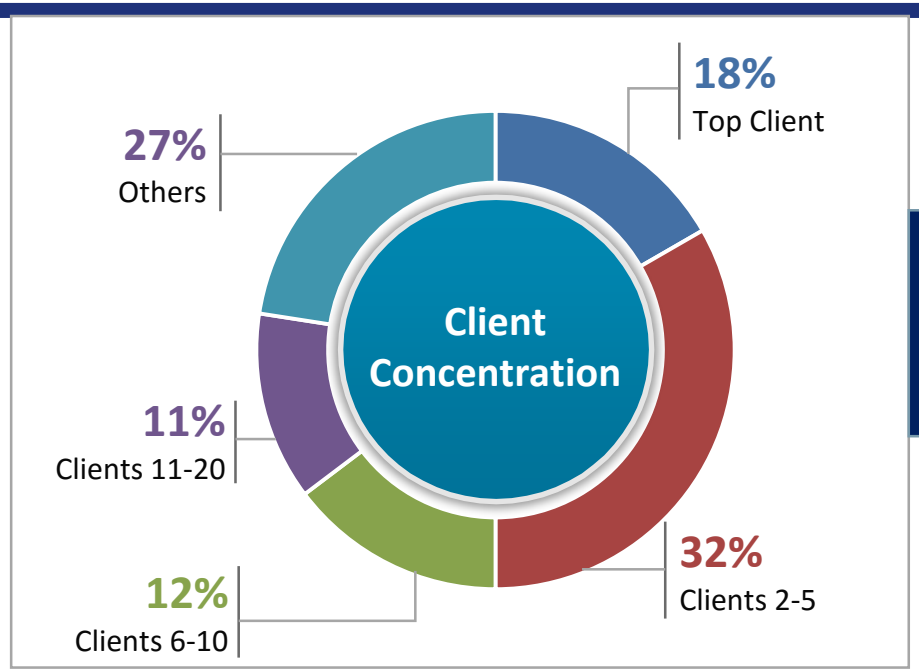


Revenue Composition

Client Concentration

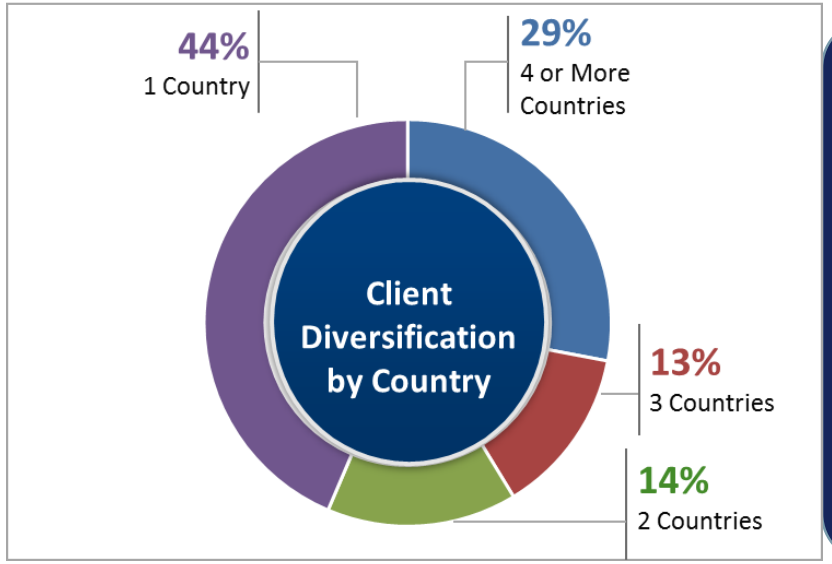


Strong and Tenured Client Relationships

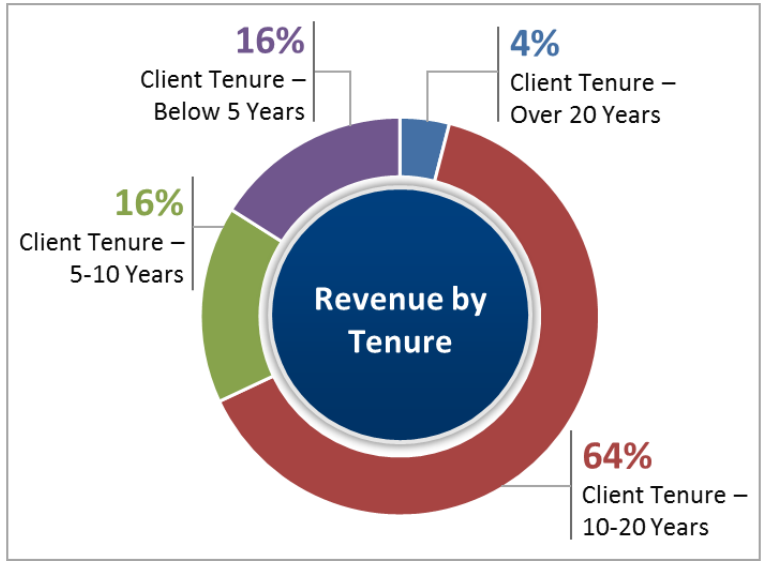


Top **20** clients contribute **72%** of the Total Revenue

**** Based on FY'17 Financials***



Strong Client relationships demonstrated by tenured and multi-geography engagements



BPO/BPM Market

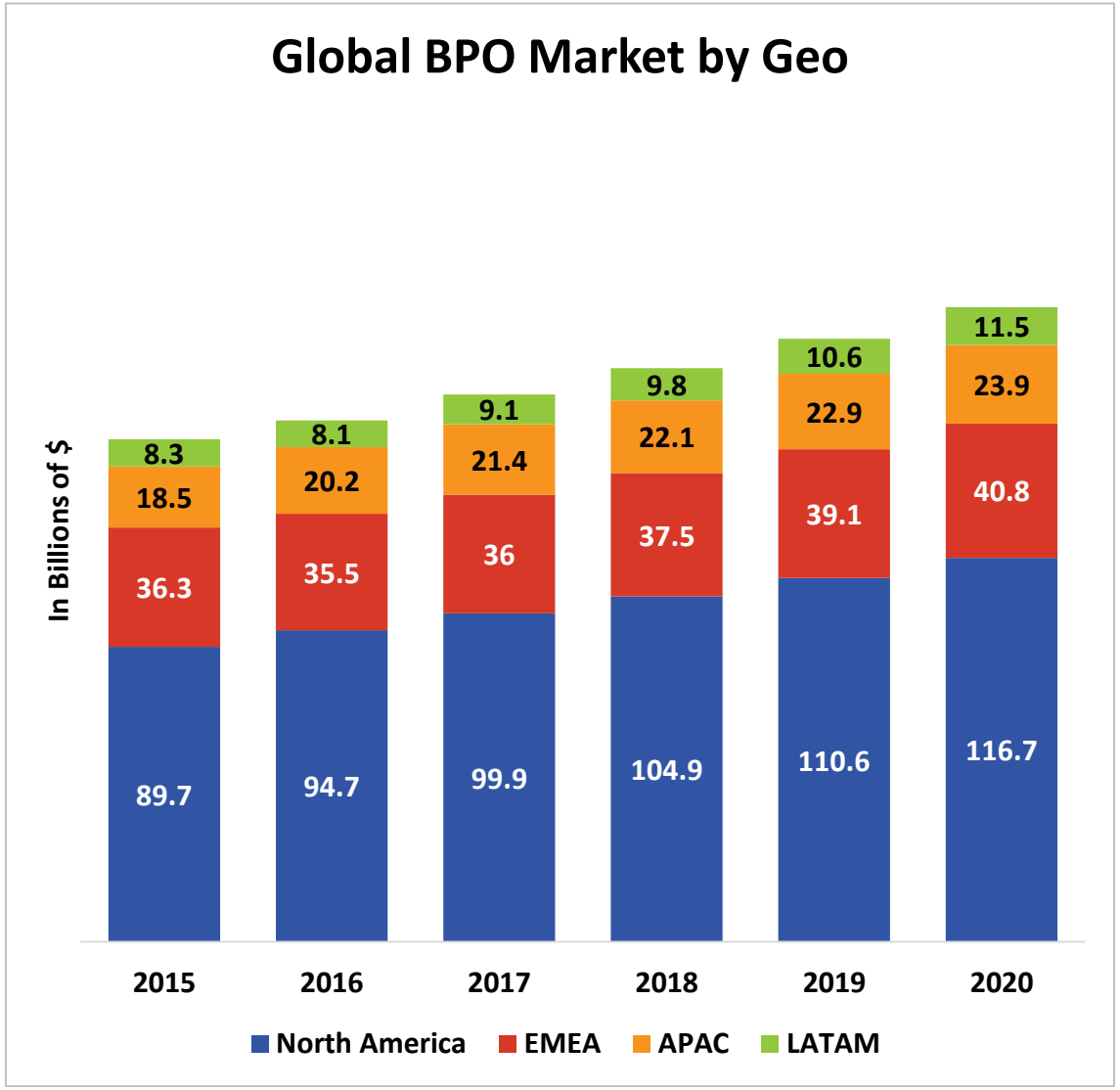
The BPO/BPM Marketplace

Marketplace Dynamics

- Total BPM market is over $160 billion
- In-house BPM 4 times the size of the outsourced BPM market
- Next 5 year CAGR for BPM expected to be 5.9% (Gartner Q1, 2013 forecast)
- Billion Dollar Plus players in this are still only a handful, who grew between 5% to 20%
- Essentially a large, fragmented but growing market, enough for everybody to play in

Source: Gartner

Global BPO/BPM Market: Industry Estimates for Growth



Source: Gartner BPO Revenue Forecast 2013 -2019

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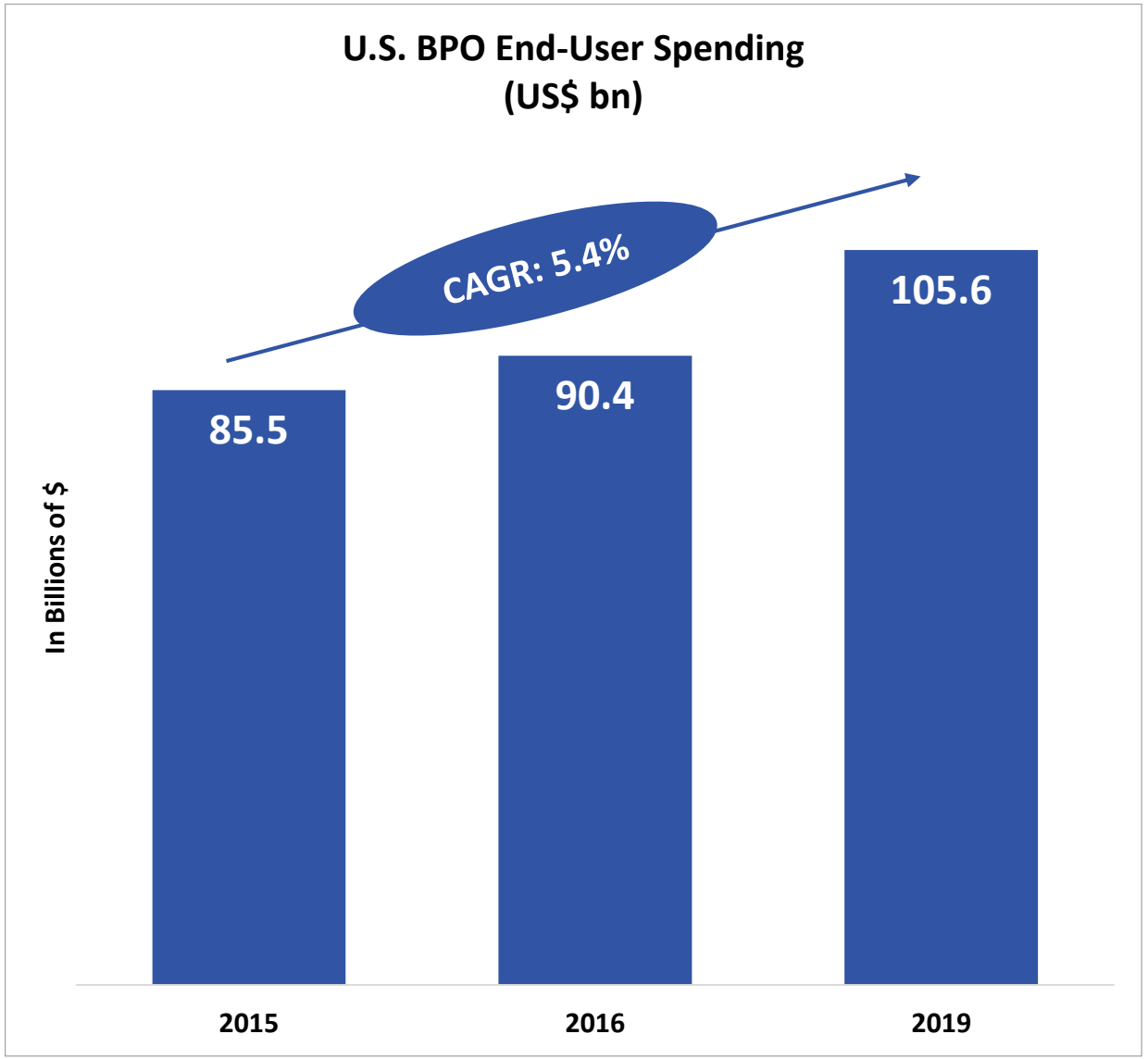
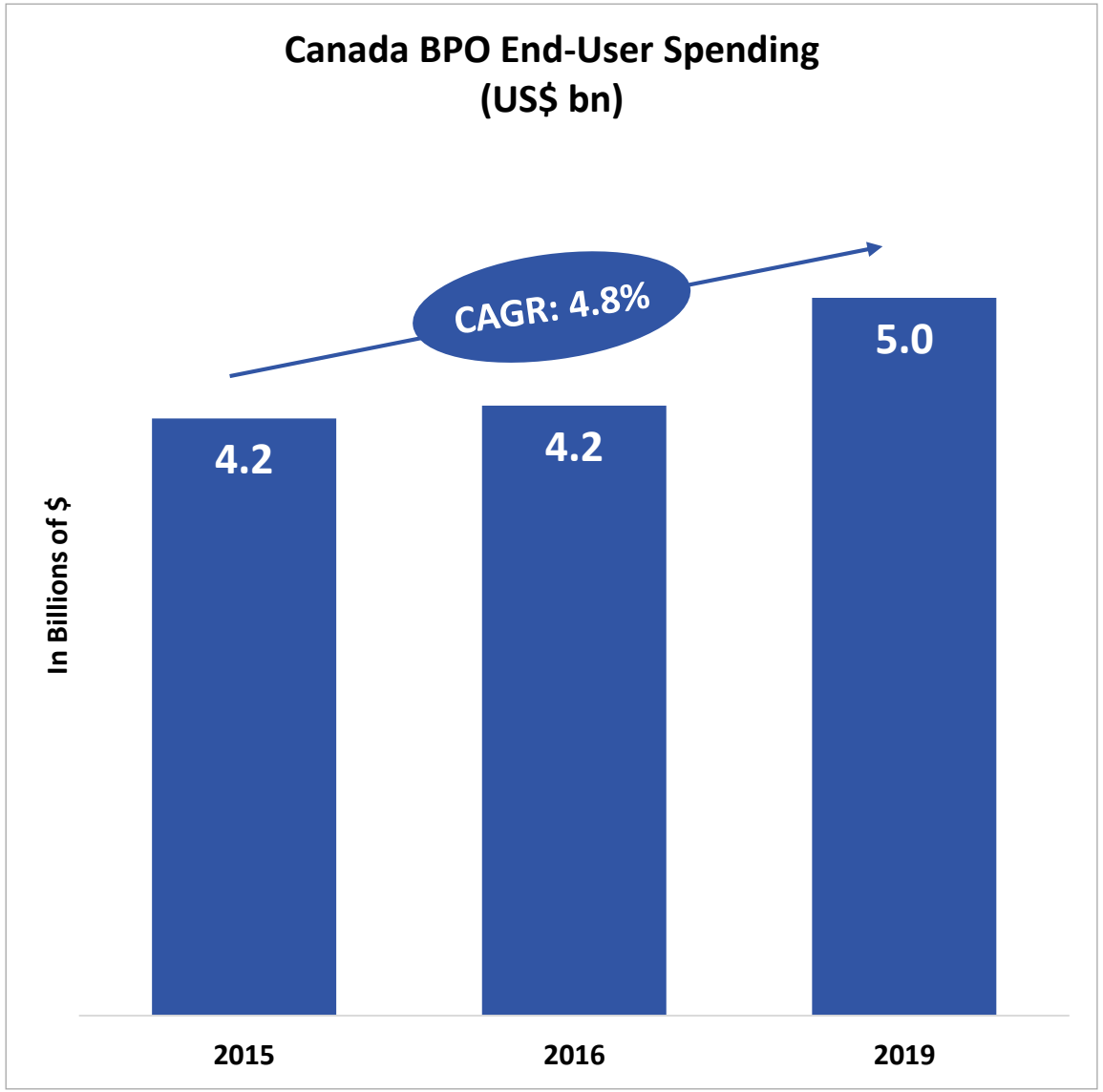
North America BPO Spending Macro Market Overview





Gartner Forecast: IT Services by Geography, 2014-2020

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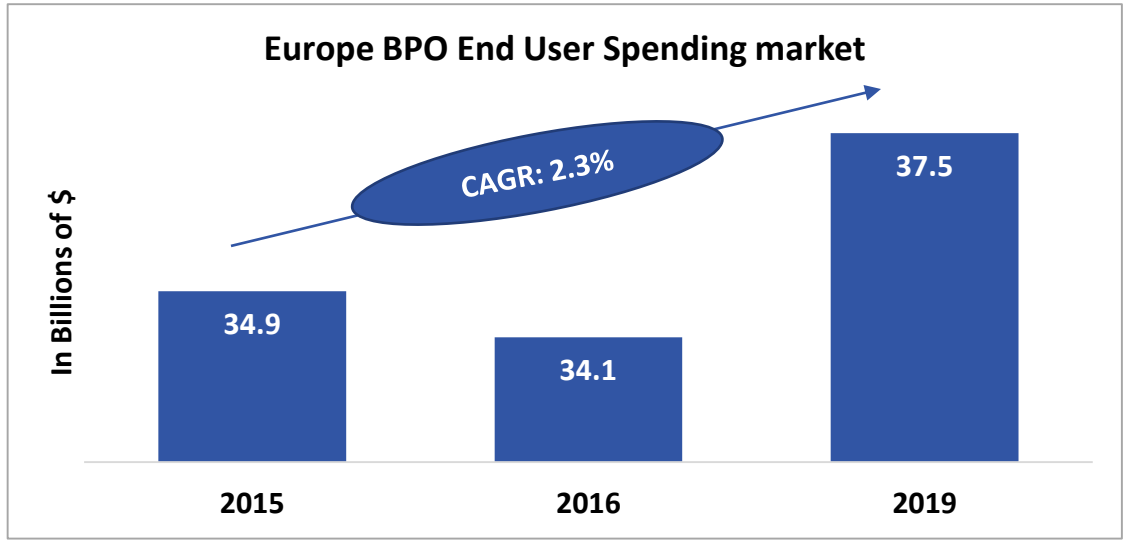
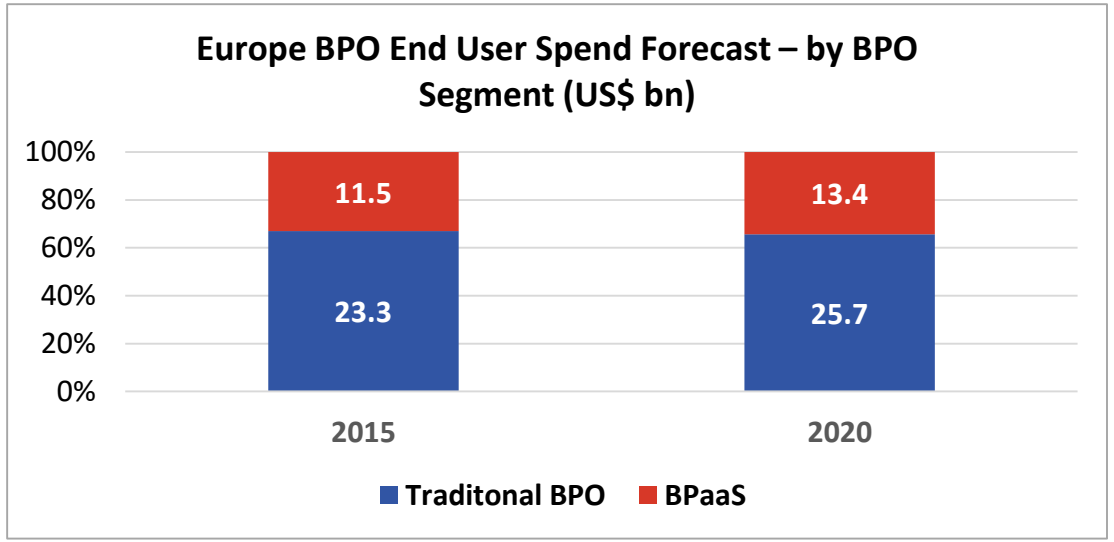
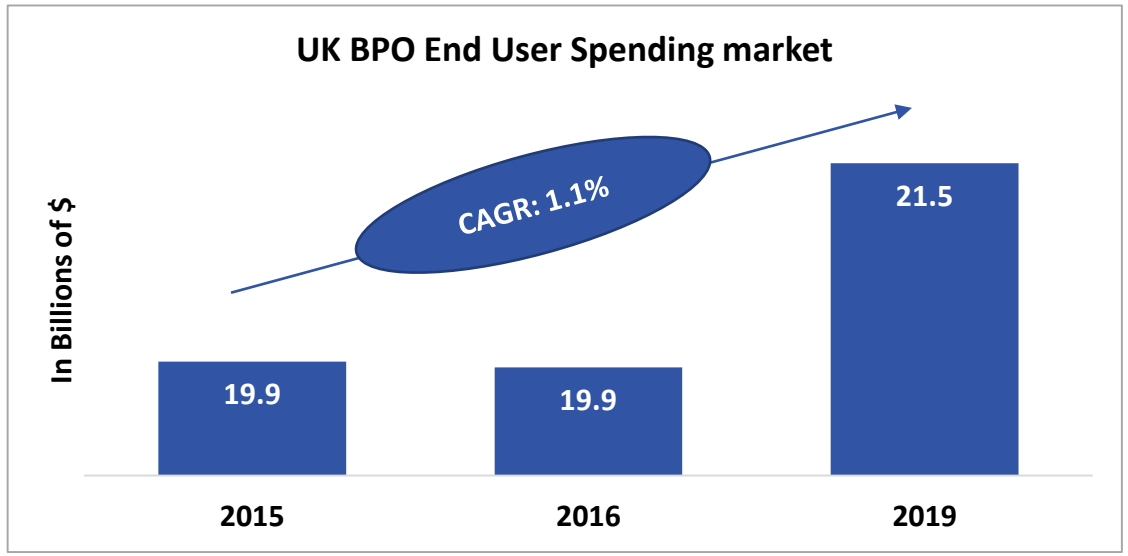
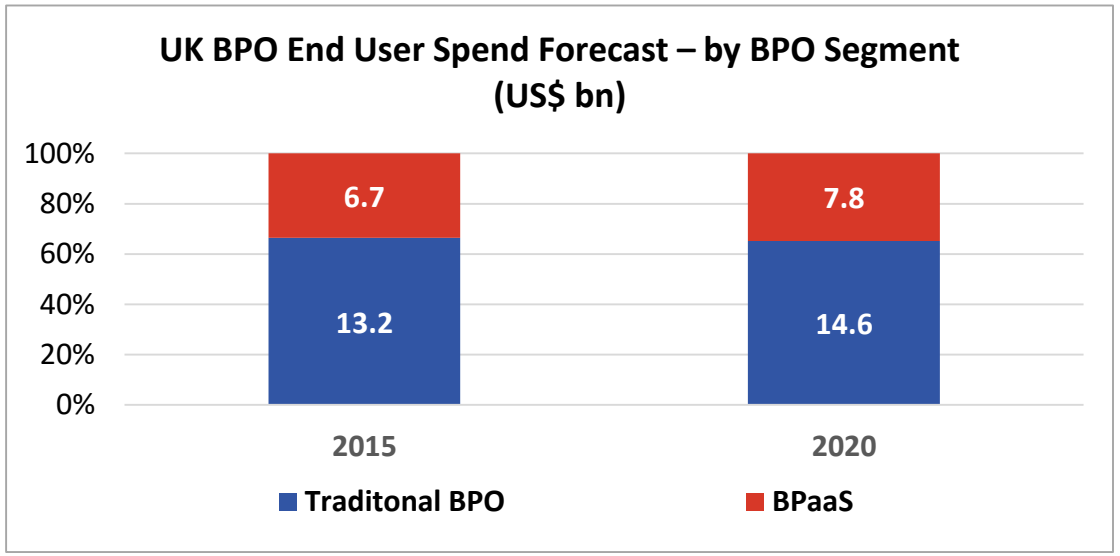
Europe – UK BPO Spending Macro Market Overview









Gartner Forecast: IT Services by Geography, 2014-2020

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Philippines and Jamaica as Delivery Destinations

Why clients prefer Philippines?

Scalable Educated Talent Pool

- 3rd largest English speaking country, 101M+ population with 96% literacy rate
- Western-based legal, education, accounting curriculum & certification

Cost Competitiveness

- Labor cost for English speaking professional among the lowest in the world
- Predictable & Manageable inflation

Government Support

- Government support in education (TESDA, CHED), locator support (PEZA, BOI), industry development (ICTO)
- Income tax holiday (4-8 years), 5% tax on gross income post holiday, VAT exemption

Filipino Workforce

- Service Culture & Adaptability
- Loyal, Compassionate & caring by nature

Excellent Infrastructure

- Abundant low-cost & high quality real estate in several urban areas
- Reliable, redundant, low cost telco infrastructure, reliable power & building 100% - 200% back-up as a standard

Proven Track Record

- No. 1 in voice: customer care, tech, financial services, sales, collections
- Mature growing industry specific & cross industry capabilities: IT, F&A, HR, Healthcare BPM, Procurement, Banking, Utilities, Telco, Media, Analytics & KPO capabilities

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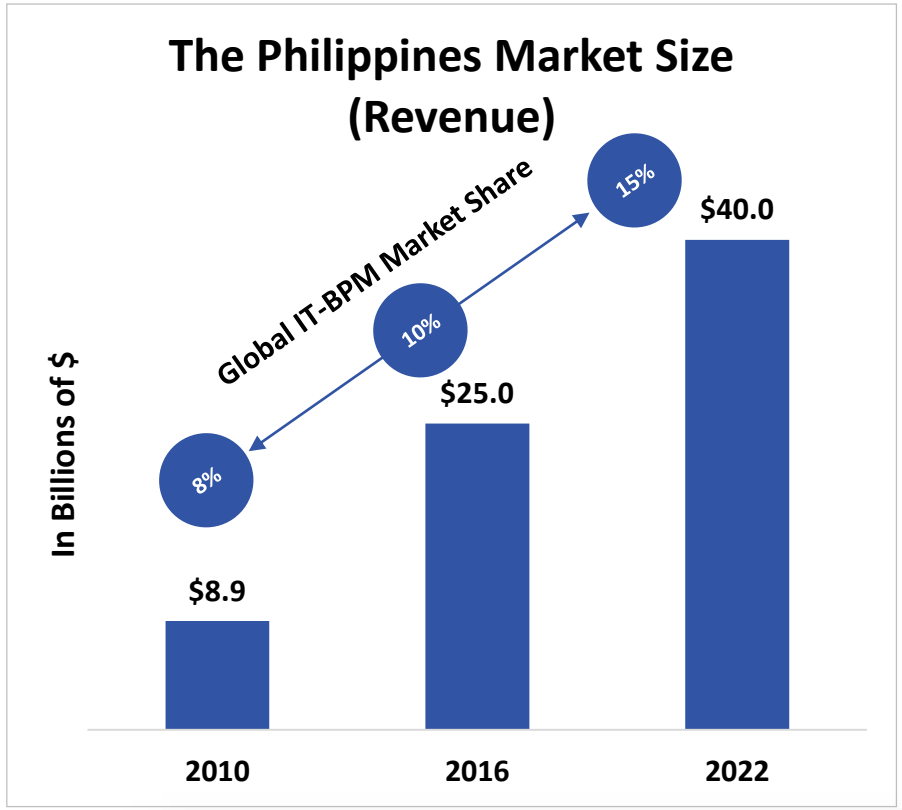
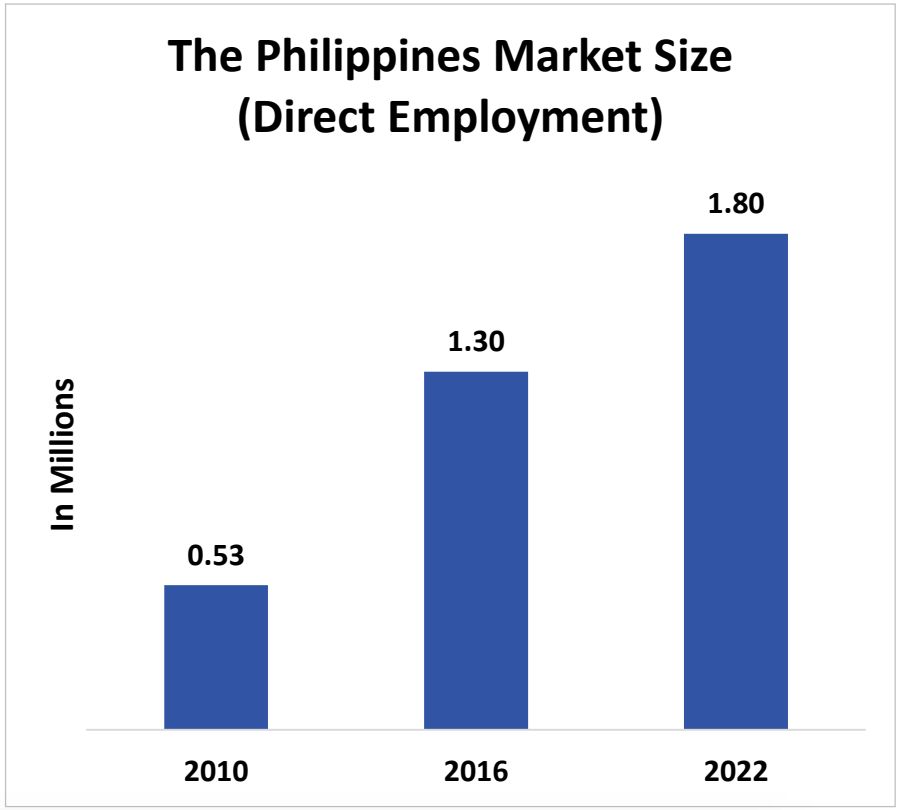
The Philippines - Roadmap to 2022





Total Population	GDP per Capita	Life Expectancy at Birth	Unemployment Rate	Adult Literacy Rate
101 MILLION	$2,899	68 years	7.1%	96.62%

Source: IT-BPM Industry Road Map 2016 (public version) & http://itbpm-roadmap2022.ibpap.org/ & http://country-facts.findthedata.com/compare/111-122/Philippines-vs-India

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Jamaica Demographics

TALENT

- 2.7 million population
  - **1.3** million English-speaking workforce

LOCATION

Kingston is strategically located with several **1.5 to 3.5 hours** direct flights from key US destinations

Unemployment & Attrition

- Youth unemployment rate is **29%**
- **30% - 35%** annualized attrition (industry best)

BPO Data

- BPO companies in Jamaica employ more than **20,500** people

Economic Indicators

- GDP (PPP): $24.58 billion (2014 est.), GDP Growth Rate: 1.5% (2014)
- Interest rate: 5.5%, 1USD = 129 JMD
- Literacy rate - **91%** and Inflation - 8%

Recognition by World Bank in DBR (Doing Business Report)

- Moved up 36 places in the ranking (from 94 in 2014)
- Jamaica is the highest ranking performer among its CARICOM neighbors

Doing Business Index

Jamaica ranks 58th

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Advantages of Jamaica for BPO service

Confidence

- Jamaicans carry pride on their shoulders, which brings out confidence clearly in their conversations.
- Their innate curiosity to ask questions around not just 'WHAT' they have to do but also 'WHY?' enables them to have a deeper understanding of what they are learning.

Conversational skill

- Being near shore to the USA, Jamaicans have a higher exposure to American culture.
- Jamaicans consume the same media as Americans do; be it 'dancing with moms', The Voice', 'Scandal', they know it all. They use the same consumer products as Americans do.
- Many of these aspects enables Jamaicans to have a natural conversation with Americans.

Location Advantages

- **Cultural affinity** with North America
- **Natural conversational** ability and **confidence**
- Global and reliable connectivity
- Truly near-shore to North America

HGS Jamaica Advantages

- HGS is a **preferred employer** in Jamaica with highest base pay compensation.
- **Deeper engagement with employees**
- Fast ramp-up capabilities

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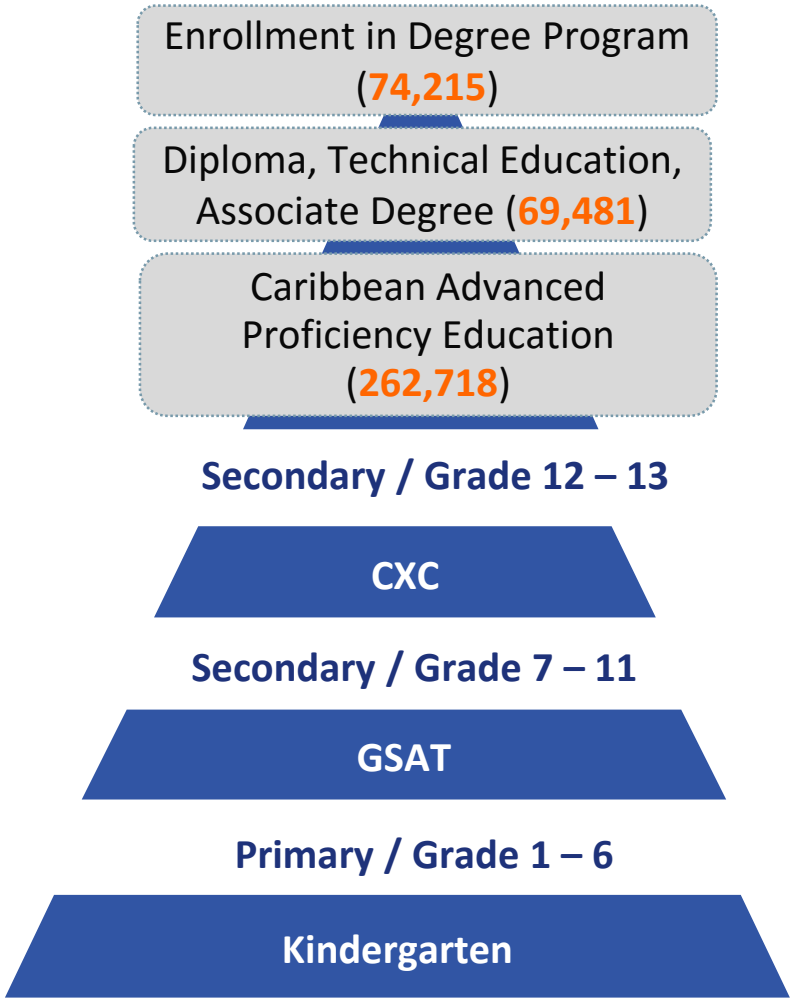
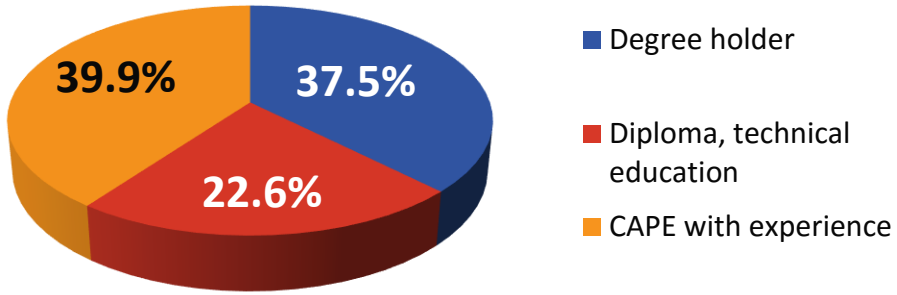
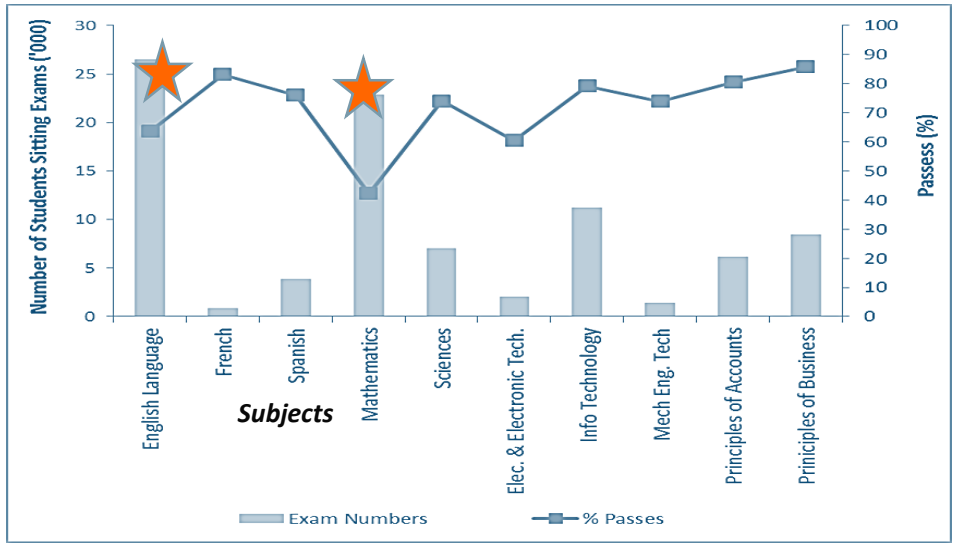
Well educated Jamaican labour force



Current HGS Jamaica employees qualification split





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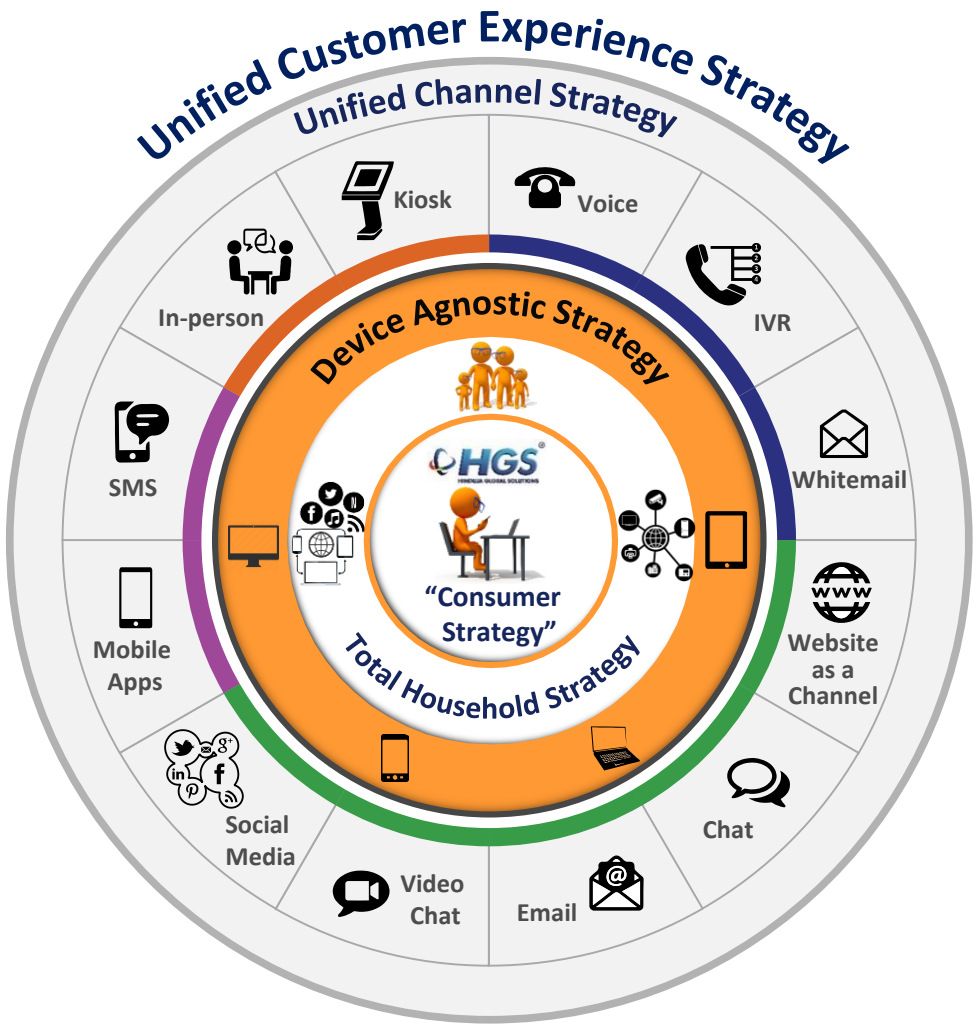
Digital and Automation/RPA

HGS is developing industry leading Digital Customer Experience solutions, creating value for our clients, and their customers

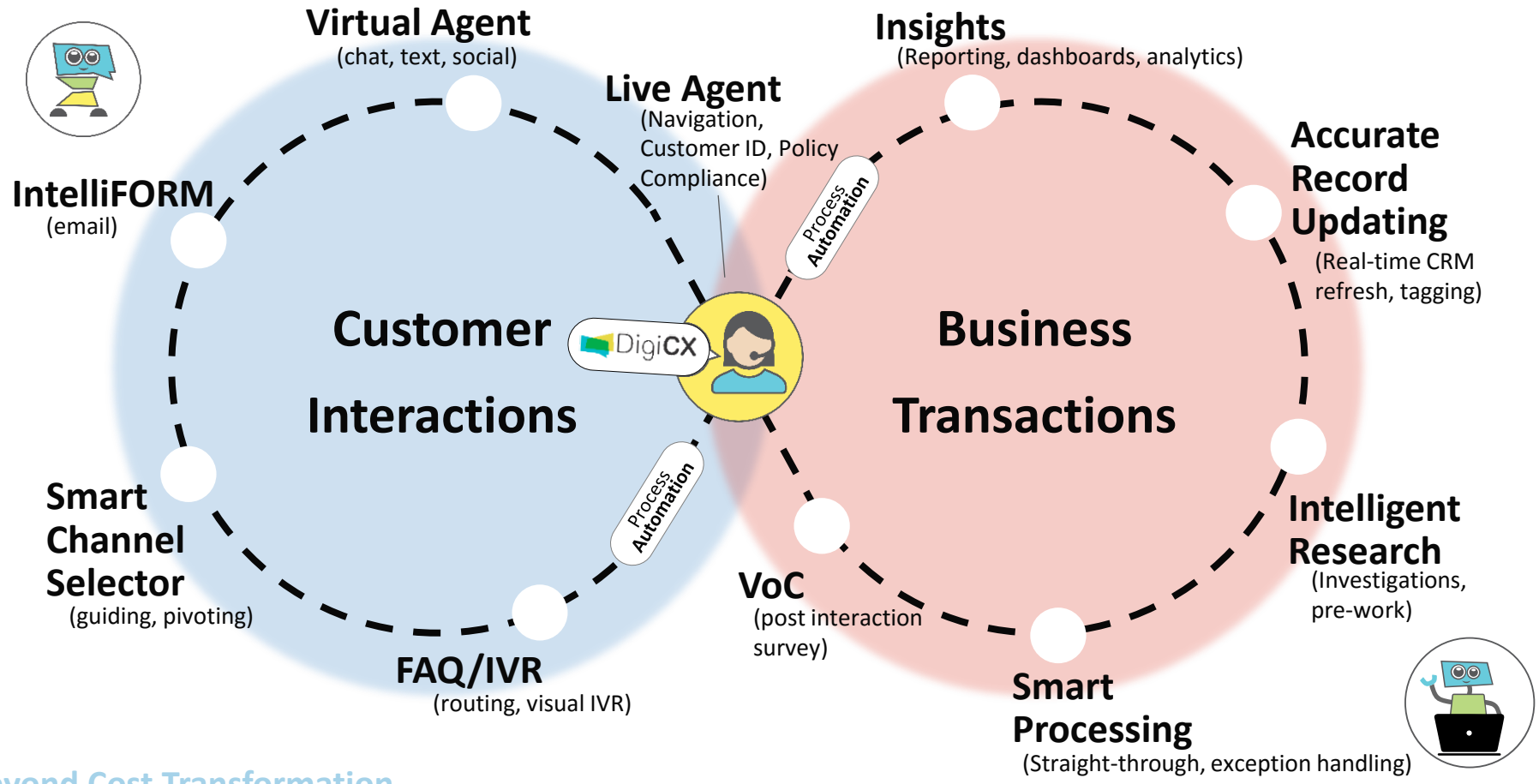
Enabling the Optimized Consumer Journey… with clear objectives in mind



- ↑ Revenue generation and optimization
- ↑ Customer Experience – with NPS/RTF measure of loyalty
- ↑ Availability – Always open
- ↑ Ease of doing business – How the customer prefers
- ↑ Brand management across consumer channels
- ↓ Business and cost transformation

The Automated Enterprise

Automation everywhere enables each touchpoint through the digital end-to-end journey



Beyond Cost Transformation…

Get the *Right Answer Fast*

- Always Open
- Agile Business
- Reduce Errors
- Reduce Time
- Optimize CX

Automation – Evolution

Characteristics of Data, Information & Process

- Trigger-based
- Rules-based
- Structured Data
- Unstructured data - Patterns
- Unstructured data – No Patterns

Basic Automation	Unified Desktop	Robotic Process Automation	Artificial Intelligence Cognitive Robotics / Virtual Agents
Mostly back office application, e.g., basic scripts, macros etc.	Helped in unifying screens to save toggling time	Automation of processes where robots emulate human beings	Self Learning and Self Healing system

HGS expertise in Automation Design

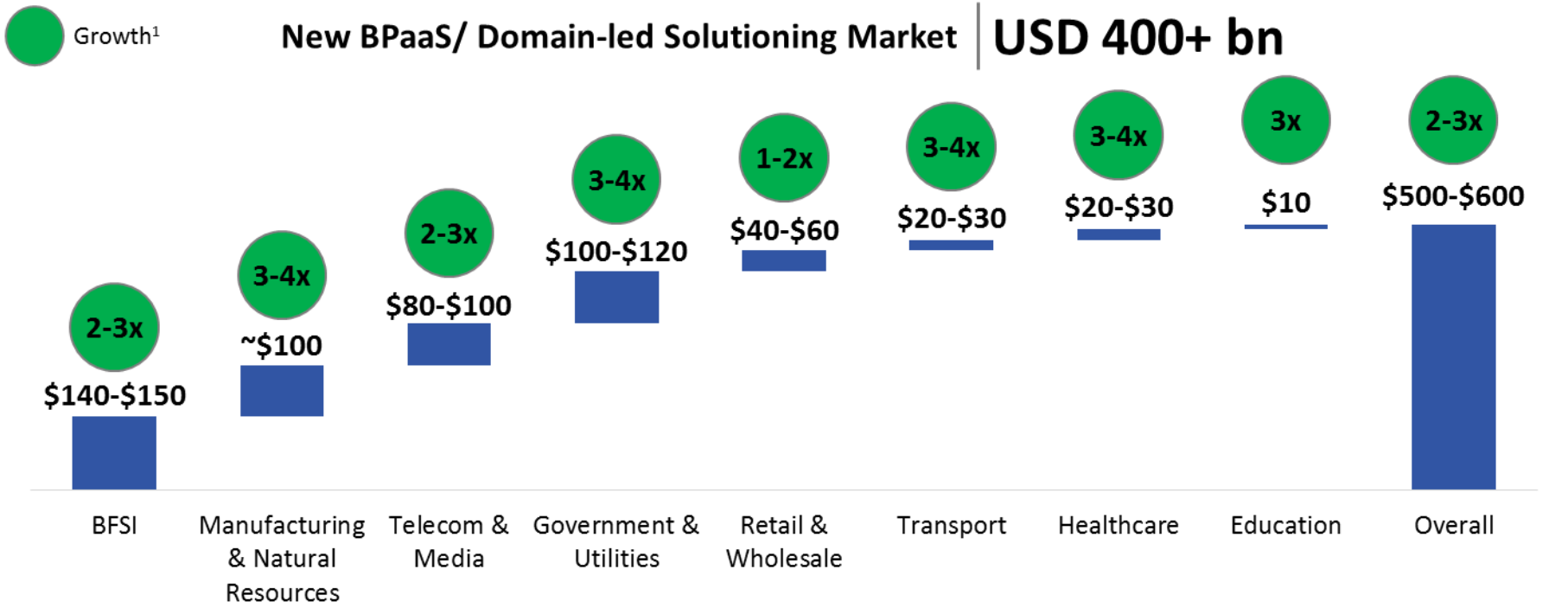
What does it mean for our Business - Opportunities

AI will help BPaaS penetrate into the core, "heart of the business" processes

Current scope of BPM/ BPaaS

AI to expand the scope of BPM/ BPaaS 2-3x

AI-led addressable market – BPaaS/ Domain-led solutioning (USD billion)



1 As a multiple of current market size
Sources: NASSCOM, BCG analysis

Key Highlights of HGS Process Automation Solution

Easy to set-up

- **No need to Replace** - uses existing enterprise applications
- **No need to Integrate** - Non-invasive technology solution
- **No need to wait for long** - Set up in weeks with minimal IT time
- **No need for Big Budgets** - No complex IT development project
- **No dependence on one technology**

+

Easy to use & change

- **Easy to Train** - can work 24/7 and does not quit
- **Easy to Run** - keeps running with minimal intervention
- **Easy to Monitor** - maintain logs and runtime results
- **Easy to Manage** - Control room feature
- **Easy to Change** - non-program instructions from business users

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High returns

- **15-50%** Cost reduction
- **50-75%** TAT reduction
- Consistently **high accuracy**
- **Agile & Flexible** way to scale operation up/ down
- **Better compliance**/ Eliminates fraud
- **Reduced long term training needs**

Healthcare Practice overview

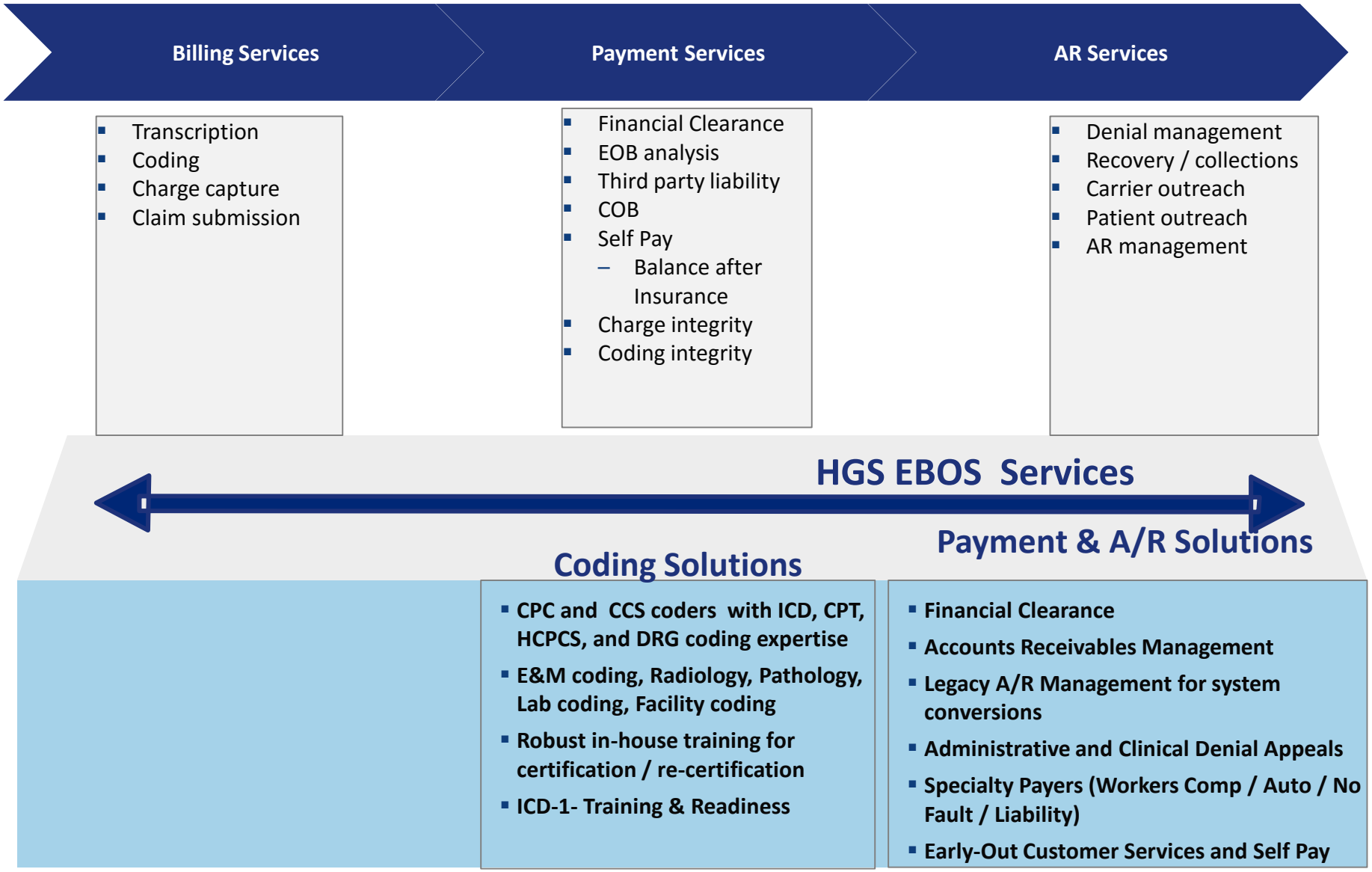
HGS Payer Capabilities

Sales & Distribution	Policy Administration	Claims Management	Patient Care Management	Provider Network Management
▪ Lead management ▪ Tele-marketing ▪ Promotional campaigns ▪ Sales ▪ Payment	▪ Plan Setup ▪ Policy Maintenance ▪ Enrollment ▪ Eligibility	▪ Fulfillment services ▪ Adjudication ▪ Re-pricing ▪ Financial recovery ▪ FWA services	▪ Nurse triage ▪ Utilization mgmt. ▪ Pre-payment clinical reviews ▪ Care management ▪ Wellness care support ▪ Outreach services	▪ Provider credentialing ▪ Contract review ▪ Database management ▪ Online directory services ▪ Outreach services ▪ Pre-authorization

HGS Colibrium

HGS Core Healthcare Services

Provider Services Value Chain



Financial Overview

Q4 FY 17 Actuals

Quarterly Performance - Consolidated Figures in Rs Mn unless otherwise indicated	Actual QE Mar'17	Actual QE Dec '16	QoQ Growth %	Actual QE Mar'16	YoY Growth %
Revenue	9,400	9,563	-2%	9,139	3%
Operating Costs (excl Dep)	8,152	8,418	3%	8,158	0%
EBITDA	1,248	1,145	9%	981	27%
EBITDA %	13.3%	12.0%		10.7%	
Depreciation	369	355	-4%	364	-1%
Interest Expense	97	104	6%	104	7%
Other income	(201)	34		100	
PBT	581	720	-19%	613	-5%
PBT %	6.2%	7.5%		6.7%	
Tax	154	248		205	
PAT	427	472	-10%	408	5%
PAT %	4.5%	4.9%		4.5%	

QE Mar'17 and QE Dec'16 EBITDA computed on the same basis as for QE Mar'16

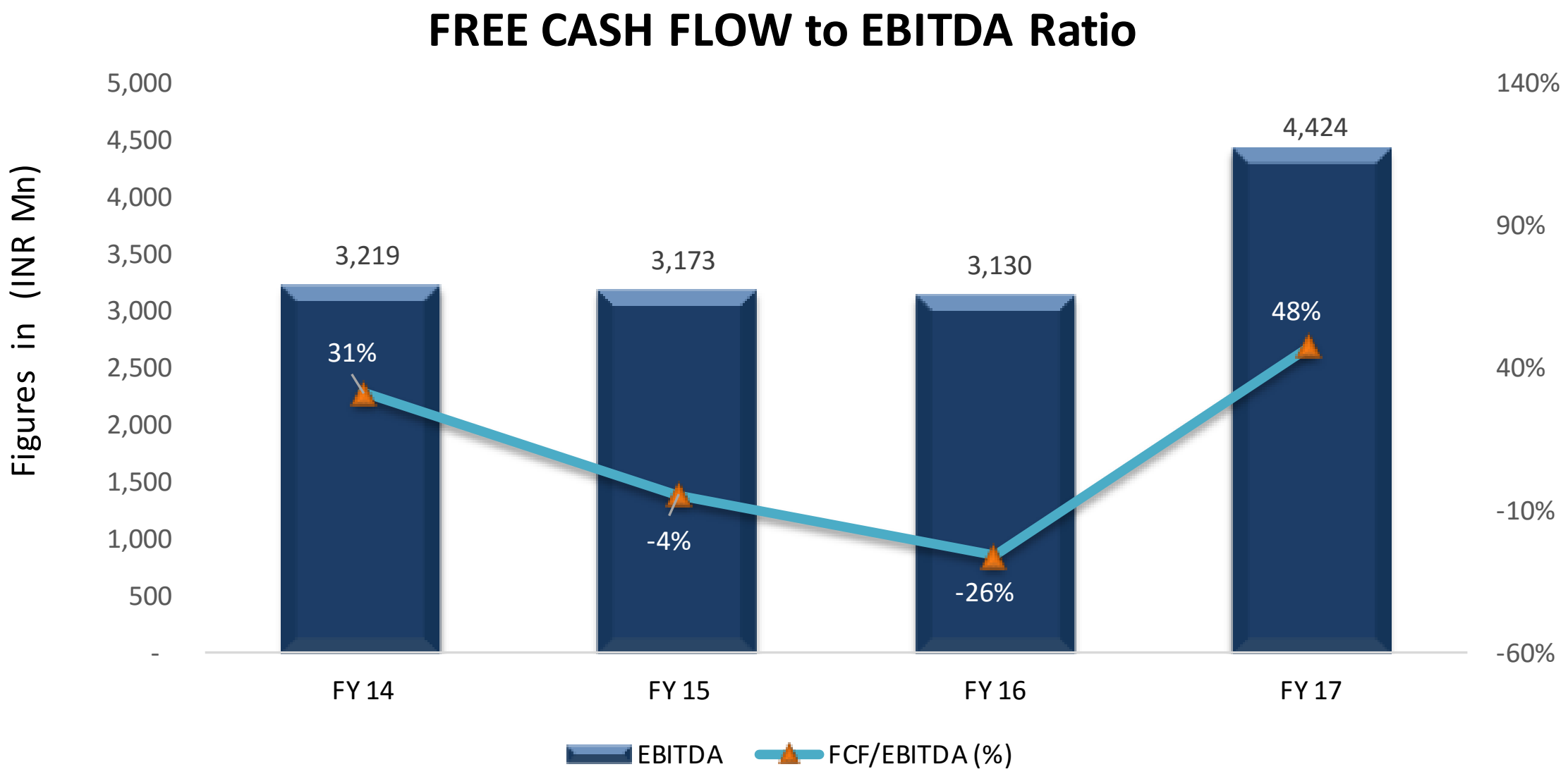
FY 17 Actuals vs FY 16 Actuals

YTD Performance - Consolidated Figures in Rs Mn unless otherwise indicated	Actual FY 17	Actual FY 16	YoY Growth %
Revenue	37,110	33,210	12%
Operating Costs (excl Dep)	32,686	30,103	
EBITDA	4,424	3,107	42%
EBITDA %	11.9%	9.4%	
Depreciation	1,432	1,364	5%
Interest Expense	429	404	6%
Other income	(16)	264	
PBT	2,547	1,602	59%
PBT %	6.9%	4.8%	
Tax	755	598	
PAT	1,792	1,004	79%
PAT %	4.8%	3.0%	

- ***For FY 17 Organic growth of 9.1%, Forex impact of 0.3% and Inorganic growth of 2.1% as compared to FY 16***

FY'17 computed on the same basis as for FY'16

Free Cash Flow to EBITDA Conversion



Summary Cash Flow Statement

(Rs. Million)	FY 2014	FY 2015	FY 2016	FY 2017
Cash flow from Operations and after working capital changes	**2,352**	**1,924**	**1,589**	**4,031**
Cash Flow due to Capex (net)	(1,137)	(1,621)	(2,472)	(1,779)
Total Cash Flow from Operations and Regular Capex	**1,215**	**303**	**(883)**	**2,252**
For Purchase of building	(400)	0	(44)	---
Cash Flow paid for acquisition of business	0	(890)	(153)	---
Cash Flow due other investing activities	192	451	269	138
Total Cash Flow from Operations and Investing	**1,007**	**(136)**	**(811)**	**2,390**
Proceeds from share allotment under ESOP scheme	9	36	3	---
Proceeds/(Repayment) from Borrowings	877	112	1,990	(1,823)
Capital Lease Taken Pursuant to Acquisition		(49)		---
Cash from Interest payment and others	(1022)	(997)	(872)	(636)
Total Cash Flow from Financing Activities	**(1,36)**	**(898)**	**1,121**	**(2,459)**
Net Increase/ (Decrease) in Cash and Cash Equivalents	**871**	**(1,034)**	**310**	**(69)**

Key Highlights – FY17 Performance

- **Robust Growth -** Revenue growth of 11.5 % over FY 16. Volume growth of 9.1 %, 0.3 % due to FX effect and 2.1 % due to timing difference on the Mphasis BPO Acquisition made in Sept 15

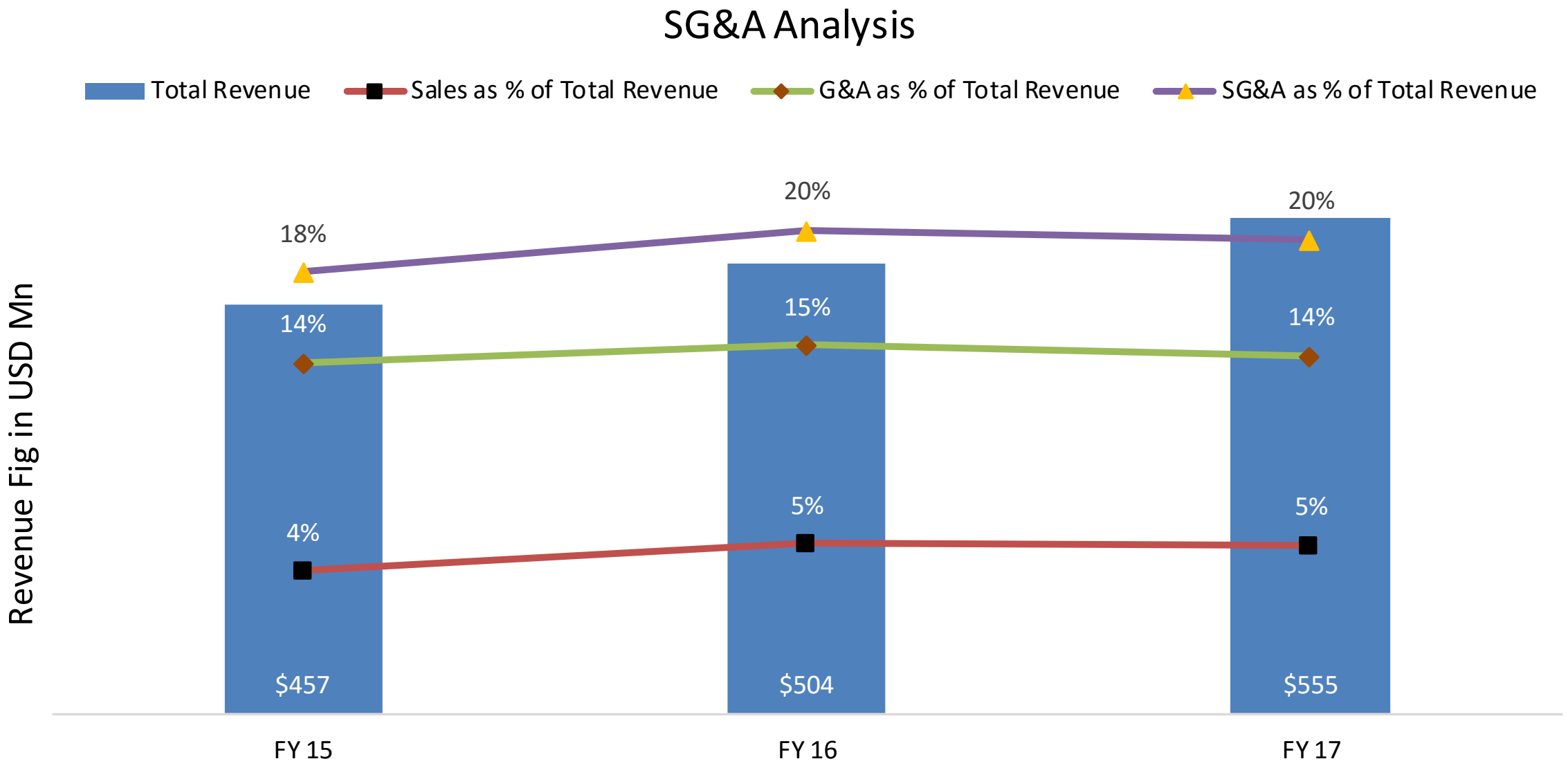
- **Margin Expansion -** EBITDA Margin of 11.9% as compared to 9.4 % in FY 16. EBITDA growth driven by the following factors –
  - HGS Canada profitability has improved - Driven by new contractual terms with the largest client
  - Mphasis BPO integration – Completion of integration of the Mphasis domestic BPO with the existing domestic BPO resulting in cost synergies
  - Improvement in India Domestic business
  - Strong performance of the Healthcare Sector – Driven by growth in India, Philippines & Jamaica.
  - Cost Control Measures – HGS has implemented various cost control measures in FY 16, which have started bringing results

Summary Financial Profile – As at 31st March 2017

Particulars	HGSL	
	Rs.	*USD*
Net Worth *(in millions)*	**13,192.0**	**197.0**
Book value per share	**636.0**	**9.5**
Price per share	**526.0**	**7.9**
Dividend per share (FY 17)	**2.5**	**0.04**
EPS (TTM)	**86.4**	**1.3**
P/E Ratio (TTM)	**6.09**	**6.1**
Gross Debt *(in millions)*	**6,555**	**97.9**
Total Cash *(in millions)*	**4,576**	**68.3**
Net Debt (Net Cash) *(in millions)*	**1,979**	**29.6**
Net Debt/EBITDA	**0.45x**	**0.45x**
Total Debt/Equity	**0.50x**	**0.50x**

- Book Value taken is as reported on QE Mar 2017
- Stock prices and USD/INR exchange rate latest available prices
- Total Debt includes foreign currency debt taken at applicable exchange rates

HGS SG&A Trend



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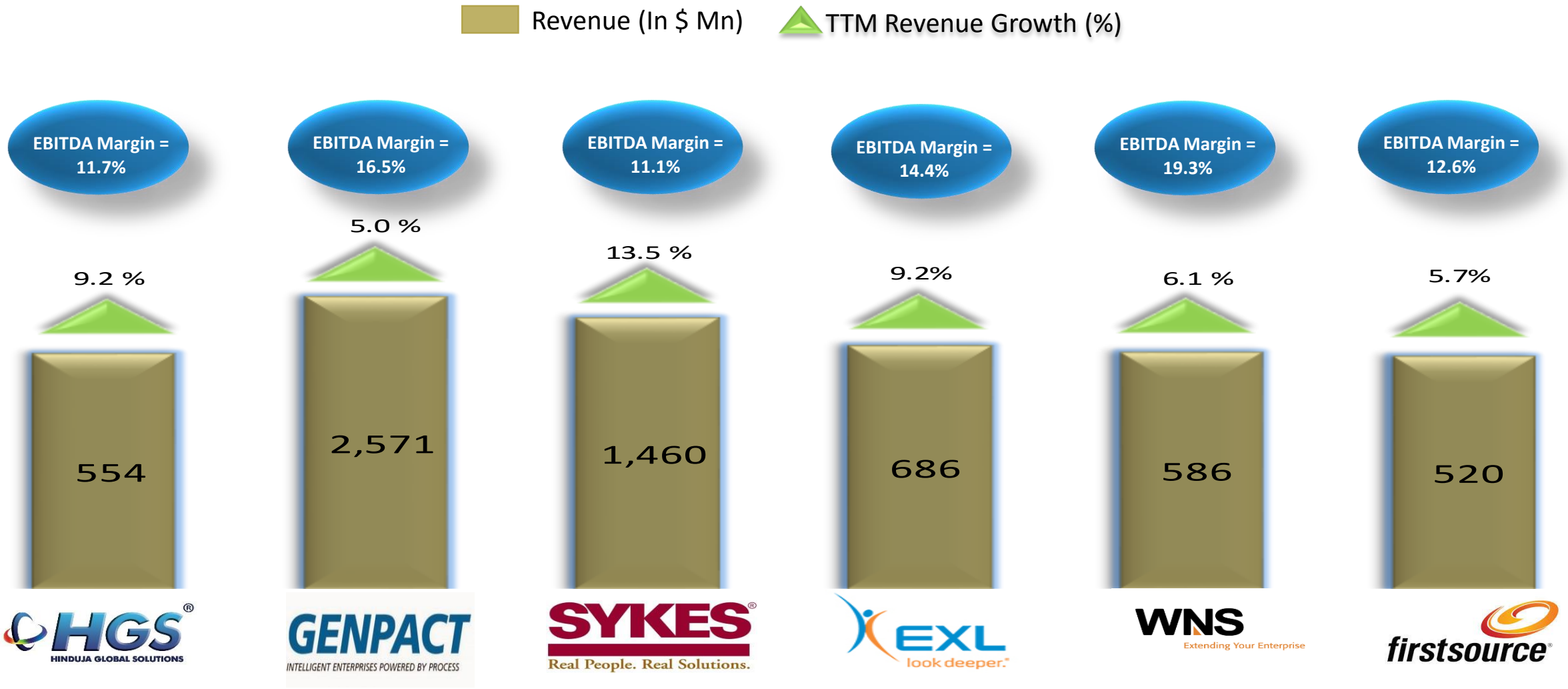
Peer Comparison

Peer Comparison: TTM Ending Mar 2017



** $/RE exchange rate used – INR 66.97 to the dollar (average for the period Mar'16 to Mar'17)*

Thank You