

November 09, 2020

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

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

Dear Sirs,

Sub: Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2020 - Regulations 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This has further reference to our letter of even date on outcome of Board Meeting.

We are enclosing herewith the following:

- Earning Press Release being issued by the Company
- Q2FY2021 & 1HFY2021 Financials & Fact Sheet

Kindly take the above documents on record.

Thanking you,

Yours truly,
For Hinduja Global Solutions Limited



Narendra Singh
Company Secretary

Encl: As above

HINDUJA GLOBAL SOLUTIONS LIMITED

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Corporate Office: Gold Hill Square Software Park, No. 690, 1st Floor, Hosur Road, Bommanahalli, Bengaluru - 560 068, India. Telephone: 91-80-4643 1000 / 4643 1222

Corporate Identity Number: L92199MH1995PLC084610



Q2 FY2021 EARNINGS PRESS RELEASE

HGS ANNOUNCES Q2 FY2021 RESULTS

Mumbai, India, November 9, 2020: Hinduja Global Solutions (HGS) (listed in BSE & NSE) today announced its unaudited Second Quarter Results for FY2021.

Speaking on the results, **Partha DeSarkar, Wholetime Executive Director and CEO of HGS** said: *“Led by robust healthcare volumes and strong performance in other verticals, HGS reported excellent results in Q2 FY2021. Overall revenues for Q2 stood at Rs. 13,326 million, an increase of 11.9% YoY on like-to-like basis. EBITDA grew by 19.8% YoY on like-to-like basis. EBITDA margins for Q2 FY2021 were at 14.0%, an expansion of 225 basis points over Q1 FY2021. PAT rose by 65.5% YoY to Rs. 813.2 million for the quarter, the highest-ever reported by the company. Profit was boosted by a one-time tax reversal charge.*

I am very proud of the way the HGS team continues to respond to the current scenario – be it in delivering services to clients without any disruption, expanding and winning new business, successfully shifting all functions including hiring, onboarding and training to the virtual mode, and engaging our people and community.

Despite the current market environment, we continue to see big demand from clients, showcasing our ability to be a true growth partner. We won new business or expanded contracts across verticals in Q2, including signing of one of HGS’ largest engagements in the UK public sector to be delivered in a Work@Home model.

Our sales pipeline for H2 looks strong, and with Open Enrollment and the Holiday Season coming up, we are confident of a good FY2021 performance.”

Financial Highlights for Q2 FY2021

- Q2 FY2021 revenues stood at Rs. 13,326 million. Revenue growth of 11.9% YoY on like-to-like basis (excluding pass-through revenues and India Domestic CRM business revenues included in Q2 FY2020)
- EBITDA was Rs. 1,871 million, a growth of 19.8% YoY on like-to-like basis (excluding India Domestic CRM business included in Q2 FY2020)
- EBITDA margins improved to 14.0% in Q2 FY2021, from 13.3% in Q2 of last year
- Net profit was Rs. 813.2 million, a growth of 65.5% YoY; Net margins stood at 6.1%
- Capital expenditure for the quarter was Rs. 226 million.
- Reduction in gross debt of Rs. 323 million in Q2 FY2021; As on 30th September, 2020, Net Cash stood at Rs. 624 million.
- Second Interim Dividend of Rs. 6/share

Q2 FY2021 EARNINGS PRESS RELEASE

Financial Highlights for H1 FY2021

- Net Sales increased to Rs. 25,685 million, a YoY growth of 10.3% YoY on like-to-like basis (excluding pass-through revenues and India Domestic CRM business revenues included in H1 FY2020)
- EBITDA stood at Rs. 3,329 million; EBITDA margin was 13.0%
- Net profit was Rs. 1,305 million; Net margins stood at 5.1%

Business Highlights for Q2 FY2021

- **Client wins:**
 - Added 12 new logos across verticals for core BPM services and eight for HRO/ Payroll Processing
 - Signed 49 opportunities for expansion of business with existing clients
 - Signed engagements with 17 clients (new and existing) for HGS Digital services (RPA, digital, analytics and Social Care services)
- **Clientele:** As of 30th September, 2020, HGS had 235 core BPM clients and 699 HRO/Payroll processing clients.
- **New Services:** HGS' subsidiary, HGS Colibrium LLC, released its EDE Pathway solution, which enables health insurance plans to deploy the Enhanced Direct Enrollment (EDE) pathway to their prospective and current individual subscribers.
- **Employee Headcount:** 39,578 as of 30th September, 2020, up from 37,165 reported for the June quarter.
- **Delivery Centers:** Overall, HGS had 60 global delivery centers across seven countries as on 30th September, 2020.
- **Awards & Recognition in Q1 FY2021:**
 - Leader: Digital Operations and AI & Analytics Contact Center CX Services Global 2020, ISG
 - Major Contender: Revenue Cycle Management (RCM) Operations Services PEAK Matrix Assessment 2020, Everest Group
 - Leader: CX Improvement & Revenue Generation CX Services in Telecom & Media 2020 NEAT, Nelsonhall
 - Included In "Everest Group BPS Top 50 2020", Everest Group
 - Booming 15 – Service & Technology Provider Standouts – EMEA, ISG outsourcing Index Q2 2020
 - Recognized as Automation Anywhere's Innovation Partner of the Year 2020 for Payer Segment in India
 - Global Impact Sourcing Award 2020, IAOP

About Hinduja Global Solutions (HGS):

A global leader in business process management (BPM) and optimizing the customer experience lifecycle, HGS is helping make its clients more competitive every day. HGS combines technology-powered services in automation, analytics and digital with domain expertise focusing on back office processing, contact centers and HRO solutions to deliver transformational impact to clients. Part of the multi-billion dollar conglomerate Hinduja Group, HGS takes a true "globally local" approach, with over 39,578 employees across 60 delivery centers in seven countries making a difference to some of the world's leading brands across nine key verticals. For the year ended 31st March 2020, HGS had revenues of Rs. 52,354 million (US\$ 737 million).

Visit www.teamhgs.com to learn how HGS can help make your business more competitive.

Q2 FY2021 EARNINGS PRESS RELEASE

Safe Harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause our actual results to differ materially from those in such forward-looking statements. We do not undertake to update any forward-looking statement that may be made from time to time by us or on our behalf.

For more information, visit us at www.teamhgs.com or contact:

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HGS Q2FY2021 & 1HFY2021 FINANCIALS AND FACT SHEET

Hinduja Global Solutions Limited					
Consolidated Quarterly Profit & Loss Account			Unaudited		
(Rs Million)					
Particulars	Q2FY20	Q1FY21	Q2FY21	QQ Growth	YY Growth
Operating Revenues	12,179.0	12,358.9	13,325.9	7.8%	9.4%
Other Operating Income	0.0	0.0	0.0		
Revenues From Operations	12,179.0	12,358.9	13,325.9	7.8%	9.4%
Employee Costs	8,146.7	8,596.4	8,999.7	4.7%	10.5%
Other Operating Expenses	2,470.0	2,304.5	2,454.8	6.5%	-0.6%
Total Operating Expenses	10,616.7	10,900.9	11,454.5	5.1%	7.9%
Op Profit/EBITDA	1,562.3	1,458.0	1,871.4	28.4%	19.8%
EBITDA Margin	12.8%	11.8%	14.0%		
Depreciation & Amortisation	691.6	773.8	745.5	-3.7%	7.8%
Interest & Finance Charges	230.6	237.0	223.9	-5.5%	-2.9%
Other Income	233.6	307.7	150.2	-51.2%	-35.7%
Exceptional Item	0.0	0.0	147.9		
Profit Before Tax	873.8	754.9	904.3	19.8%	3.5%
Provision for Taxation	407.2	262.7	91.0	-65.4%	-77.7%
Profit from Discontd Operations	24.6	0.0	0.0		
Net Profit/(Loss)	491.3	492.2	813.3	65.2%	65.6%
Shares Outstanding (Mn)	20.84	20.87	20.87		
Earnings/Share (Rs)	22.90	22.97	39.02		
Dividend/Share (Rs)	2.50	6.00	6.00		

Hinduja Global Solutions Limited			
Consolidated Half Year Profit & Loss Account (Rs Million)		Unaudited	
Particulars	1HFY2020	1HFY2021	YY Growth
Operating Revenues	24,359.8	25,684.8	5.4%
Other Operating Income	0.0	0.0	
Revenues From Operations	24,359.8	25,684.8	5.4%
Employee Costs	15,959.1	17,596.1	10.3%
Other Operating Expenses	5,446.7	4,759.3	-12.6%
Total Operating Expenses	21,405.8	22,355.4	4.4%
Op Profit/EBITDA	2,954.0	3,329.4	12.7%
EBITDA Margin	12.1%	13.0%	
Depreciation & Amortisation	1,361.3	1,519.3	11.6%
Interest & Finance Charges	451.4	461.1	2.1%
Other Income	299.4	457.9	52.9%
Exceptional Item	0.0	147.9	
Profit Before Tax	1,440.8	1,659.0	15.1%
Provision for Taxation	571.5	353.7	-38.1%
Profit from Discontd Operations	26.5	0.0	
Net Profit/(Loss)	895.8	1,305.3	45.7%
Shares Outstanding (Mn)	20.84	20.87	
Earnings/Share (Rs)	40.59	61.99	
Dividend/Share (Rs)	5.0	12.0	

HINDUJA GLOBAL SOLUTIONS

Hinduja Global Solutions					
Leverage Profile		Unaudited			
(Rs Million)					
Particulars	Q2FY20	Q3FY20	Q4FY20	Q1FY21	Q2FY21
Total Gross Bank Debt (Excl. Lease Liabilities)	5,726.0	5,546.0	6,042.2	5,776.8	5,453.8
Less: Cash and cash equivalents	6,024.0	5,222.3	5,308.2	6,405.7	6,078.0
Net Bank Debt/(Net Cash)	(298.0)	323.7	734.0	(628.8)	(624.1)
Networth	16,641.3	17,463.0	17,318.4	18,051.3	19,106.9
Net Bank Debt/TTM EBITDA	(0.1)	0.0	0.1	(0.1)	(0.1)
Gross Bank Debt/ TTM EBITDA	1.0	0.8	0.9	0.8	0.8
Net Bank Debt/Equity	(0.0)	0.0	0.0	(0.0)	(0.0)

Hinduja Global Solutions			
Summary Balance Sheet		Unaudited	
(Rs Million)			
Particulars	Q2FY20	Q1FY21	Q2FY21
Shareholders' Funds	16,641.3	18,051.3	19,106.9
Total Gross Bank Debt (Excl. Lease Liabilities)	5,726.5	5,776.8	5,453.8
Other Current & Non-Current Liabilities	15,993.2	17,918.5	17,684.7
Capital Employed	38,361.0	41,746.6	42,245.5
Fixed Assets & Intangibles	17,440.8	9,685.1	9,270.9
Other Non-Current Assets	3,602.0	10,076.9	9,938.7
Total Non-Current Assets	21,042.8	19,762.0	19,209.7
Sundry Debtors & Other Current Assets	11,293.8	15,578.9	16,957.9
Cash and cash equivalents	6,024.3	6,405.7	6,078.0
Total Current Assets	17,318.2	21,984.6	23,035.8
Capital Deployed	38,361.0	41,746.6	42,245.5

Hinduja Global Solutions			
Summary Cash Flow Statement		Unaudited	
(Rs Million)			
Particulars	1HFY20	FY2020	1HFY2021
Cash Flow From Ops. & After WC Changes	4,859.3	8,837.5	3,627.4
Cash Flow Due to Net Capital Expenditure	(439.4)	(1,176.4)	(575.8)
Cash Flow Due to Other Investing Activities	0.0	(3,093.8)	(870.8)
Other Items	5.5	115.1	75.3
Cash Flow From Investing Activities	4,425.4	4,682.4	2,256.1
Proceeds/(Repayment) of Debt	(1,006.0)	(300.0)	(476.1)
Cash from Interest & Others	(503.0)	(2,127.3)	(1,014.3)
Dividends Paid	(62.8)	(565.9)	0.5
Proceeds From Share Issuance	5.3	10.6	3.6
Cash Flow From Financing Activities	(1,566.4)	(2,982.6)	(1,486.4)
Net Inc./(Dec) in Cash & Cash Equivalents	2,858.9	1,699.7	769.7
Cash and cash equivalents at BOP	3,165.4	3,608.5	5,308.2
Cash and cash equivalents at EOP	6,024.3	5,308.2	6,077.9

REVENUE BY CURRENCY										
Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
From USD	9,444.1	73.2%	9,765.2	73.1%	9,954.4	75.5%	9,156.9	74.1%	9,784.0	73.4%
From CAD	1,403.6	10.9%	1,549.7	11.6%	1,499.8	11.4%	1,448.1	11.7%	1,572.0	11.8%
From GBP	758.6	5.9%	726.5	5.4%	746.8	5.7%	1,173.7	9.5%	1,382.4	10.4%
From INR	1,299.7	10.1%	1,316.1	9.9%	984.4	7.5%	580.1	4.7%	587.6	4.4%

Note: Q1FY2021 and Q2FY2021 numbers are unaudited

REVENUE BY DELIVERY										
Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
USA & Jamaica	4,808.3	37.3%	4,679.5	35.0%	4,962.6	37.6%	4,735.7	38.3%	4,781.7	35.9%
India (Domestic)	1,299.7	10.1%	1,316.1	9.9%	984.5	7.5%	580.1	4.7%	587.6	4.4%
India (International)	2,457.5	19.0%	2,703.9	20.2%	2,702.5	20.5%	2,545.4	20.6%	2,785.7	20.9%
India Operations *	3,757.3	29.1%	4,020.0	30.1%	3,687.0	28.0%	3,125.5	25.3%	3,373.3	25.3%
Philippines	2,162.5	16.8%	2,305.2	17.3%	2,282.7	17.3%	2,100.6	17.0%	2,487.6	18.7%
Canada	1,403.6	10.9%	1,549.7	11.6%	1,499.8	11.4%	1,448.1	11.7%	1,572.0	11.8%
UK/EU	758.6	5.9%	726.5	5.4%	746.8	5.7%	937.6	7.6%	1,087.5	8.2%
Middle East	15.7	0.1%	76.7	0.6%	6.6	0.1%	11.3	0.1%	23.9	0.2%

Note: Q1FY21 & Q2FY21 numbers are unaudited. From Q2 to Q4FY20, India Operation does include revenues of India Domestic CRM which were sold on Jan-30th,2020

REVENUE BY VERTICALS										
Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Technology & Telecom	2,050.5	15.9%	2,173.7	16.3%	1,943.1	14.7%	1,800.2	14.6%	1,898.6	14.2%
Healthcare & Insurance	6,670.7	51.7%	7,260.2	54.4%	7,600.7	57.6%	6,935.2	56.1%	7,394.7	55.5%
Consumer & Retail	1,403.4	10.9%	1,417.2	10.6%	1,345.2	10.2%	1,361.8	11.0%	1,408.9	10.6%
Banking & Financials	1,165.4	9.0%	1,258.4	9.4%	1,138.1	8.6%	1,038.6	8.4%	1,099.5	8.3%
Media & Entertainment	272.5	2.1%	296.3	2.2%	298.6	2.3%	285.0	2.3%	346.8	2.6%
Chemicals & Biotech	165.7	1.3%	160.2	1.2%	177.9	1.3%	203.2	1.6%	215.7	1.6%
Misc & Others	1,177.9	9.1%	791.5	5.9%	681.8	5.2%	734.8	5.9%	961.8	7.2%

Note: Q1FY21 & Q2FY21 numbers are unaudited

CLIENT CONCENTRATION										
Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Revenue from Top Customer	2,330.4	18.1%	2,650.3	19.8%	2,686.8	20.4%	2,737.1	22.1%	2,976.3	22.3%
Revenue from Top-5 Customers	5,937.5	46.0%	6,681.5	50.0%	6,791.4	51.5%	6,373.3	51.6%	6,946.5	52.1%
Revenue from Top-10 Customers	7,392.9	57.3%	7,871.8	58.9%	7,950.5	60.3%	7,549.0	61.1%	8,312.5	62.4%
Revenue from Top-20 Customers	9,057.3	70.2%	9,307.7	69.7%	9,294.5	70.5%	8,963.3	72.5%	9,812.4	73.6%

Note: Q1FY21 & Q2FY21 numbers are unaudited

ONSHORE to OFFSHORE REVENUE MIX										
Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms	Rs Million	% terms
Onshore Revenues	7,140.0	55.3%	7,156.8	53.6%	6,742.3	51.1%	6,142.4	49.7%	6,409.8	48.1%
Offshore Revenues *	5,766.1	44.7%	6,200.7	46.4%	6,443.2	48.9%	6,216.5	50.3%	6,916.2	51.9%

Note: Q1FY21 & Q2FY21 numbers are unaudited. Offshore includes Nearshore as well.

REGIONWISE EMPLOYEE/HEADCOUNT TRENDS

Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Numbers	% terms	Numbers	% terms	Numbers	% terms	Numbers	% terms	Numbers	% terms
India	24,836	56.2%	25,851	56.9%	18,106	48.3%	17,674	47.6%	17,809	45.0%
Philippines	9,268	21.0%	9,792	21.6%	9,351	25.0%	9,315	25.1%	9,871	24.9%
US/Jamaica	6,298	14.2%	6,315	13.9%	6,165	16.5%	5,872	15.8%	7,427	18.8%
Canada	2,562	5.8%	2,396	5.3%	2,760	7.4%	2,732	7.4%	2,914	7.4%
UK/Europe	1,254	2.8%	1,081	2.4%	1,078	2.9%	1,572	4.2%	1,557	3.9%
Total Headcount	44,218		45,435		37,460		37,165		39,578	

Note: Q1FY2021 and Q2FY2021 numbers are unaudited

CAPEX to OPEX SEATS

Particulars	Q2Y2020		Q3FY2020		Q4FY2020		Q1FY2021		Q2FY2021	
	Numbers	% terms	Numbers	% terms	Numbers	% terms	Numbers	% terms	Numbers	% terms
Capex Seats	33,577	76.6%	33,973	76.0%	21,738	61.7%	21,745	62.2%	20,958	60.9%
Opex Seats	10,238	23.4%	10,726	24.0%	13,479	38.3%	13,209	37.8%	13,448	39.1%
Total Headcount	43,815		44,699		35,217		34,954		34,406	

Note: Q1FY2021 and Q2FY2021 numbers are unaudited

REVENUE RUN RATE (Numbers)

	Q2FY2020	Q3FY2020	Q4FY2020	Q1FY2021	Q2FY2021
Above Rs200mn/Quarter	12	11	9	9	9
Above Rs150mn/Quarter	17	12	14	14	15
Above Rs100mn/Quarter	24	23	19	21	23
Above Rs50mn/Quarter	40	40	44	40	37
Above Rs10mn/Quarter	95	96	88	80	83

Note: Q1FY2021 & Q2FY2021 numbers are unaudited

AVERAGE MONTHLY REVENUE PER EMPLOYEE (RUPEES)

	Q2FY2020	Q3FY2020	Q4FY2020	Q1FY2021	Q2FY2021
India Overall	50,854	52,874	55,918	58,236	63,383
Philippines	80,235	80,629	79,497	75,025	86,439
Jamaica	82,634	86,241	92,813	96,008	97,511
US Domestic *	388,197	353,401	384,293	388,432	352,231
UK/Europe	213,655	207,436	230,612	235,876	231,700
Canada	192,777	208,371	193,917	175,789	185,618
Overall	99,366	99,328	106,042	110,409	115,762

*Note: All numbers are un audited. * - US includes US Domestic + Colibrium + AxisPoint + Elements*