

WNS (HOLDINGS) LTD
Form 20-F
May 05, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

.. REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2015

OR

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

OR

.. SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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Date of event requiring this shell company report

Commission file number 001-32945

WNS (Holdings) Limited

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Jersey, Channel Islands

(Jurisdiction of incorporation or organization)

Gate 4, Godrej & Boyce Complex

Pirojshanagar, Vikhroli(W)

Mumbai 400 079, India

(Address of principal executive offices)

Sanjay Puria

Group Chief Financial Officer

Gate 4, Godrej & Boyce Complex

Pirojshanagar, Vikhroli(W)

Mumbai 400 079, India

(91-22) 4095-2100

sanjay.puria@wns.com

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class **Name of each exchange on which registered**
American Depositary Shares, each represented by **The New York Stock Exchange**
one Ordinary Share, par value 10 pence per share
Securities registered or to be registered pursuant to Section 12(g) of the Act.

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As at March 31, 2015, 51,950,662 ordinary shares, par value 10 pence per share, were issued and outstanding, of which 51,770,634 ordinary shares were held in the form of American Depositary Shares, or ADSs. Each ADS represents one ordinary share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Note: Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued

Other

by the International Accounting Standards Board

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: Item 17 Item 18

If this report is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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Ex-4.12 Lease Deed commencing April 28, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 10th floor of Blocks A2 and A3 at World Tech Park.

Ex-4.13 Lease Deed commencing April 28, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 8th, 9th and 11th floors of Blocks A2 and A3 at World Tech Park.

Ex-8.1 List of subsidiaries of WNS (Holdings) Limited

Ex-12.1 Certification by the Chief Executive Officer to 17 CFR 240, 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Ex-12.2 Certification by the Chief Financial Officer to 17 CFR 240, 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Ex-13.1 Certification by the Chief Executive Officer to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Ex-13.2 Certification by the Chief Financial Officer to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Ex-15.1 Consent of Grant Thornton, independent registered public accounting firm

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CONVENTIONS USED IN THIS ANNUAL REPORT

In this annual report, references to US are to the United States of America, its territories and its possessions. References to UK are to the United Kingdom. References to India are to the Republic of India. References to China are to the People's Republic of China. References to South Africa are to the Republic of South Africa. References to \$ or dollars or US dollars are to the legal currency of the US, references to or rupees or Indian rupees are to the legal currency of India, references to pound sterling or £ are to the legal currency of the UK, references to pence are to the legal currency of Jersey, Channel Islands, references to Euro are to the legal currency of the European Monetary Union, references to South African rand or R or ZAR are to the legal currency of South Africa, references to A\$ or AUD or Australian dollars are to the legal currency of Australia and references to RMB are to the legal currency of China. Our financial statements are presented in US dollars. Prior to April 1, 2011, we prepared our financial statements in accordance with US generally accepted accounting principles, or US GAAP. With effect from April 1, 2011, we adopted the International Financial Reporting Standards and its interpretations, or IFRS, as issued by the International Accounting Standards Board, or the IASB. Our financial statements included in this annual report are prepared in accordance with IFRS, as issued by the IASB. Unless otherwise indicated, references to GAAP in this annual report are to IFRS, as issued by the IASB.

References to a particular fiscal year are to our fiscal year ended March 31 of that calendar year. Any discrepancies in any table between totals and sums of the amount listed are due to rounding.

In this annual report, unless otherwise specified or the context requires, the term WNS refers to WNS (Holdings) Limited, a public company incorporated under the laws of Jersey, Channel Islands, and the terms our company, we, our and us refer to WNS (Holdings) Limited and its subsidiaries.

In this annual report, references to Commission are to the United States Securities and Exchange Commission.

We also refer in various places within this annual report to revenue less repair payments, which is a non-GAAP financial measure that is calculated as (a) revenue less (b) in our auto claims business, payments to repair centers (1) for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients and (2) for non-fault repair cases with respect to one former client (whose contract with us was terminated with effect from April 18, 2012). This non-GAAP financial information is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP.

We also refer to information regarding the business process management, or BPM, industry, our company and our competitors from market research reports, analyst reports and other publicly available sources. Although we believe that this information is reliable, we have not independently verified the accuracy and completeness of the information. We caution you not to place undue reliance on this data. We previously described BPM as business process outsourcing, or BPO.

This annual report also includes information regarding the BPO market from the Gartner Inc., Forecast: IT Services, Worldwide, 2013-2019 1Q15 Update report dated March 16, 2015 by Gartner Inc. (which we refer to herein as the Gartner Report). *The Gartner Report described herein contains data, research opinions or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. (Gartner), and are not representations of fact. The Gartner Report speaks as of its original publication date (and not as of the date of this annual report) and the opinions expressed in the Gartner Report are subject to change without notice.*

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements that are based on our current expectations, assumptions, estimates and projections about our company and our industry. The forward-looking statements are subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as anticipate , believe , estimate , expect , intend , will , project , seek , should and similar. Those statements include, among other things, the discussions of our business strategy and expectations concerning our market position, future operations, margins, profitability, liquidity and capital resources, tax assessment orders and future capital expenditures. We caution you that reliance on any forward-looking statement inherently involves risks and uncertainties, and that although we believe that the assumptions on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate, and, as a result, the forward-looking statements based on those assumptions could be materially incorrect. These risks and uncertainties include but are not limited to:

worldwide economic and business conditions;

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political or economic instability in the jurisdictions where we have operations;

regulatory, legislative and judicial developments;

our ability to attract and retain clients;

technological innovation;

telecommunications or technology disruptions;

future regulatory actions and conditions in our operating areas;

our dependence on a limited number of clients in a limited number of industries;

our ability to expand our business or effectively manage growth;

our ability to hire and retain enough sufficiently trained employees to support our operations;

negative public reaction in the US or the UK to offshore outsourcing;

the effects of our different pricing strategies or those of our competitors;

increasing competition in the business process management industry;

our ability to successfully grow our revenue, expand our service offerings and market share and achieve accretive benefits from our acquisition of (1) Fusion Outsourcing Services (Proprietary) Limited, or Fusion (which we have renamed as WNS Global Services SA (Pty) Ltd following our acquisition) or (2) Aviva Global Services Singapore Pte. Ltd., or Aviva Global (which we have renamed as WNS Customer Solutions (Singapore) Private Limited, or WNS Global Singapore, following our acquisition) and our master services agreement with Aviva Global Services (Management Services) Private Limited, or Aviva MS, as described below;

our liability arising from fraud or unauthorized disclosure of sensitive or confidential client and customer data;

our ability to successfully consummate and integrate strategic acquisitions; and

volatility of our ADS price.

These and other factors are more fully discussed in Part I Item 3. Key Information D. Risk Factors , Part I Item 5. Operating and Financial Review and Prospects and elsewhere in this annual report. In light of these and other uncertainties, you should not conclude that we will necessarily achieve any plans, objectives or projected financial results referred to in any of the forward-looking statements. Except as required by law, we do not undertake to release revisions of any of these forward-looking statements to reflect future events or circumstances.

Table of Contents**PART I****ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION**A. Selected Financial Data**

Our consolidated financial statements as at and for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 have been prepared in conformity with IFRS, as issued by the IASB. Our consolidated financial statements as at and for the year ended March 31, 2011 were originally prepared in accordance with US GAAP and were restated in accordance with IFRS for comparative purposes only.

The following selected financial data should be read in conjunction with Part I Item 5. Operating and Financial Review and Prospects and our consolidated financial statements included elsewhere in this annual report.

The following selected consolidated statement of income data for fiscal 2015, 2014 and 2013 and selected consolidated statement of financial position data as at March 31, 2015 and March 31, 2014 have been derived from our audited consolidated financial statements included elsewhere in this annual report. The selected consolidated statement of income data for fiscal 2012 and 2011 and selected consolidated statement of financial position data as at March 31, 2013, March 31, 2012 and March 31, 2011 have been derived from our audited consolidated financial statements which are not included in this annual report.

	For the year ended March 31,				
	2015	2014	2013	2012	2011
	(US dollars in millions, except share and per share data)				
Consolidated Statement of Income Data:					
Revenue ⁽¹⁾	\$ 533.9	\$ 502.6	\$ 460.3	\$ 474.1	\$ 616.3
Cost of revenue ⁽¹⁾⁽²⁾	342.7	327.7	311.0	340.9	490.0
Gross profit	191.2	174.9	149.3	133.2	126.2
Operating expenses:					
Selling and marketing expenses ⁽²⁾	31.1	35.2	30.2	26.3	23.5
General and administrative expenses ⁽²⁾	70.0	55.4	57.1	51.3	56.4
Foreign exchange loss (gains), net	(4.6)	11.2	5.5	(1.9)	(15.1)
Amortization of intangible assets	24.2	23.8	26.4	29.5	31.8
Operating profit	70.5	49.4	30.1	28.0	29.7

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Other income, net	(11.9)	(9.5)	(4.8)		(1.1)
Finance expense	1.3	2.9	3.6	4.0	11.4
Profit before income taxes	81.0	55.9	31.3	24.0	19.4
Provision for income taxes	22.4	14.3	9.9	11.5	1.5
Profit	\$ 58.6	\$ 41.6	\$ 21.4	\$ 12.5	\$ 17.9
Earnings per share of ordinary share:					
Basic	\$ 1.14	\$ 0.82	\$ 0.43	\$ 0.28	\$ 0.40
Diluted	\$ 1.10	\$ 0.79	\$ 0.41	\$ 0.27	\$ 0.40
Basic weighted average ordinary shares outstanding	51,633,516	50,958,864	50,309,140	45,261,411	44,260,713
Diluted weighted average ordinary shares outstanding	53,428,981	52,689,157	51,711,532	46,504,282	45,232,413

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	As at March 31,				
	2015	2014	2013	2012	2011
	(US dollars in millions)				
Consolidated Statement of Financial Position Data:					
<i>Assets</i>					
Cash and cash equivalents	\$ 32.4	\$ 33.7	\$ 27.9	\$ 46.7	\$ 27.1
Investments	133.5	83.8	46.5	26.4	
Trade receivables including unbilled revenue, net	95.5	96.7	90.0	102.3	109.4
Other current assets ⁽³⁾	53.7	39.6	39.5	50.2	44.9
Total current assets	315.1	253.9	203.8	225.6	181.5
Goodwill and intangible assets, net	122.4	152.9	179.2	201.8	250.1
Property and equipment, net	48.2	45.2	48.4	45.4	47.2
Deferred tax assets	21.3	37.1	41.6	43.8	33.7
Investments		28.7	43.2		
Other non-current assets ⁽⁴⁾	23.3	20.8	18.6	8.4	10.3
Total non-current assets	215.2	284.6	331.1	299.5	341.3
Total assets	530.3	538.4	534.9	525.2	522.7
<i>Liabilities and equity</i>					
Current portion of long term debt	12.8	12.6	7.7	26.0	49.4
Trade payables	22.7	29.1	29.3	47.9	44.3
Other current liabilities ⁽⁵⁾	92.5	143.2	145.4	114.3	102.7
Total current liabilities	128.0	184.8	182.4	188.2	196.4
Long term debt		13.5	33.7	36.7	42.9
Other non-current liabilities ⁽⁶⁾	13.2	15.1	18.2	16.6	19.0
Total non-current liabilities	13.2	28.6	51.9	53.3	61.9
Share capital (ordinary shares \$0.16 (10 pence) par value, authorized 60,000,000 shares, issued: 51,950,662; 51,347,538; 50,588,044; 50,078,881; and 44,443,726 shares each as at March 31, 2015; March 31, 2014; March 31, 2013; March 31, 2012; and March 31, 2011, respectively)	8.1	8.0	7.9	7.8	7.0
Share premium	286.8	276.6	269.3	263.5	211.4
Other shareholders' equity ⁽⁷⁾	94.2	40.3	23.4	12.3	46.1
Total shareholders' equity	389.1	325.0	300.6	283.7	264.4
Total liabilities and equity	\$ 530.3	\$ 538.4	\$ 534.9	\$ 525.2	\$ 522.7

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The following table sets forth for the periods indicated selected consolidated financial data, non-GAAP financial data and operating data:

	2015	For the year ended March 31,			2011
		2014	2013	2012	
	(US dollars in millions, except percentages and employee data)				
Other Consolidated Financial Data:					
Revenue	\$ 533.9	\$ 502.6	\$ 460.3	\$ 474.1	\$ 616.3
Gross profit as a percentage of revenue	35.8%	34.8%	32.4%	28.1%	20.5%
Operating income as a percentage of revenue	13.2%	9.8%	6.5%	5.9%	4.8%
Non-GAAP Financial Data:					
Revenue less repair payments ⁽⁸⁾	\$ 503.0	\$ 471.5	\$ 436.1	\$ 395.1	\$ 369.4
Gross profit as a percentage of revenue less repair payments	38.0%	37.1%	34.2%	33.7%	34.2%
Operating income as a percentage of revenue less repair payments	14.0%	10.5%	6.9%	7.1%	8.0%
Operating Data:					
Number of employees (at year end)	28,890	27,020	25,520	23,874	21,523

Notes:

- (1) During fiscal 2012, we re-negotiated contracts with certain of our clients and repair centers in the auto claims business, whereby the primary responsibility for providing the services is borne by the repair centers instead of us and the credit risk that the client may not pay for the services is no longer borne by us. As a result of these changes, we are no longer considered to be the principal in providing the services. Accordingly, we no longer account for the amount received from these clients for payments to repair centers and the payments made to repair centers for cases referred by these clients as revenue and cost of revenue, respectively, resulting in lower revenue and cost of revenue. The contract re-negotiation process is ongoing and aimed at simplifying our accounting requirements.
- (2) Includes the following share-based compensation amounts:

	For the year ended March 31,				
	2015	2014	2013	2012	2011
	(US dollars in millions)				
Cost of revenue	\$ 0.8	\$ 1.3	\$ 1.0	\$ 1.0	\$ 0.7
Selling and marketing expenses	\$ 0.8	\$ 0.6	\$ 0.4	\$ 0.4	\$ 0.2
General and administrative expenses	\$ 7.9	\$ 5.0	\$ 3.9	\$ 3.9	\$ 2.3

- (3) Consists of funds held for clients, derivative assets and prepayments and other current assets.
- (4) Consists of non-current portion of derivative assets and other non-current assets.
- (5)

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Consists of provisions and accrued expenses, derivative liabilities, pension and other employee obligations, short term line of credit, deferred revenue, current taxes payable and other liabilities.

- (6) Consists of non-current portion of derivatives liabilities, pension and other employee obligations, deferred revenue, deferred tax liabilities and other non-current liabilities.
- (7) Consists of retained earnings and other components of equity.

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- (8) Revenue less repair payments is a non-GAAP financial measure which is calculated as (a) revenue less (b) in our auto claims business, payments to repair centers (1) for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients and (2) for non-fault repair cases with respect to one former client (whose contract with us was terminated with effect from April 18, 2012). The following table reconciles our revenue (a GAAP financial measure) to revenue less repair payments (a non-GAAP financial measure) for the indicated periods:

	For the year ended March 31,				
	2015	2014	2013	2012	2011
	(US dollars in millions)				
Revenue (GAAP)	\$ 533.9	\$ 502.6	\$ 460.3	\$ 474.1	\$ 616.3
Less: Payments to repair centers ^(a)	30.9	31.1	24.1	79.1	246.9
Revenue less repair payments (non-GAAP)	\$ 503.0	\$ 471.5	\$ 436.1	\$ 395.1	\$ 369.4

Note:

- (a) Consists of payments to repair centers in our auto claims business (1) for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients and (2) for non-fault repair cases with respect to one former client as discussed below.

We have two reportable segments for financial statement reporting purposes WNS Global BPM and WNS Auto Claims BPM. In our WNS Auto Claims BPM segment, we provide both fault and non-fault repairs. For fault repairs, we provide claims handling and repair management services, where we arrange for automobile repairs through a network of third party repair centers. In our repair management services, where we act as the principal in our dealings with the third party repair centers and our clients, the amounts which we invoice to our clients for payments made by us to third party repair centers are reported as revenue. Where we are not the principal in providing the services, we record revenue from repair services net of repair cost. Since we wholly subcontract the repairs to the repair centers, we evaluate the financial performance of our fault repair business based on revenue less repair payments to third party repair centers, which is a non-GAAP financial measure. We believe that revenue less repair payments for fault repairs reflects more accurately the value addition of the business process management services that we directly provide to our clients.

For our non-fault repairs business, we generally provide a consolidated suite of accident management services including credit hire and credit repair, and we believe that measurement of such business on a basis that includes repair payments in revenue is appropriate. Revenue including repair payments is therefore used as a primary measure to allocate resources and measure operating performance for accident management services provided in our non-fault repairs business. For one former client in our non-fault repairs business (whose contract with us was terminated with effect from April 18, 2012), we provided only repair management services where we wholly subcontracted the repairs to the repair centers (similar to our fault repairs). Accordingly, we evaluated the financial performance of our business with this former client in a manner similar to how we evaluate our financial performance for our fault repairs business, that is, based on revenue less repair payments. Our non-fault repairs business where we provide accident management services, accounts for a relatively small portion of our revenue for our WNS Auto Claims BPM segment.

This non-GAAP financial information is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP. We believe that the presentation of this non-GAAP financial measure in this annual report provides useful information for investors regarding the financial performance of our business and

our two reportable segments. Our revenue less repair payments may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

B. Capitalization and Indebtedness

Not applicable.

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Not applicable.

D. Risk Factors

This annual report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those described in the following risk factors and elsewhere in this annual report. If any of the following risks actually occur, our business, financial condition and results of operations could suffer and the trading price of our ADSs could decline.

Risks Related to Our Business

The global economic conditions have been challenging and have had, and may continue to have, an adverse effect on the financial markets and the economy in general, which has had, and may continue to have, a material adverse effect on our business, our financial performance and the prices of our equity shares and ADSs.

Global economic conditions have shown some signs of recovery, particularly in the US, but remain challenging as concerns remain on the sustainability of the recovery. Some key indicators of sustainable economic growth remain under pressure. Ongoing concerns over the sustainability of economic recovery in the US, its substantial debt burden and expected shift in monetary policy to increase short term interest rates, the low price of crude oil across the globe and the related implications for potential global deflation, as well as concerns of slower economic growth in the European Union, or EU, Russia, China and Japan, have contributed to market volatility and diminished expectations for the US, European and global economies. If countries in the Eurozone or other countries require additional financial support, if sovereign credit ratings continue to decline, or in the event of a default on sovereign debt obligations in certain countries including Greece, Argentina and Russia, yields on the sovereign debt of certain countries may continue to increase, the cost of borrowing may increase and credit may become more limited. In the US, there continue to be concerns over the failure to achieve a long term solution to the issues of government spending, the increasing US national debt and rising debt ceiling, and their negative impact on the US economy as well as concerns over potential increases in cost of borrowing and reduction in availability of credit as the US Federal Reserve ends its quantitative easing program. Further, there continue to be signs of economic weakness such as weaker economic growth and low inflation in the EU, Japan and China. Continuing conflicts and instability in various regions around the world may lead to additional acts of terrorism and armed conflict around the world, as well as the growing concerns over the sustained and drastic fall in the price of crude oil and the associated risk of global deflation, which may contribute to further economic instability in the global financial markets.

These economic conditions may affect our business in a number of ways. The general level of economic activity, such as decreases in business and consumer spending, could result in a decrease in demand for our services, thus reducing our revenue. The cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Continued turbulence or uncertainty in the European, US, Asian and international financial markets and economies may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our customers. If these market conditions continue or worsen, they may limit our ability to access financing or increase our cost of financing to meet liquidity needs, and affect the ability of our customers to use credit to purchase our services or to make timely payments to us, resulting in adverse effects on our financial condition and results of operations.

Furthermore, a weakening of the rate of exchange for the US dollar or the pound sterling (in which our revenue is principally denominated) against the Indian rupee (in which a significant portion of our costs are denominated) also adversely affects our results. Although the expected shift in US monetary policy to increase short term interest rates is likely to strengthen the US dollar against a number of currencies, particularly against emerging market currencies, fluctuations between the pound sterling or the Indian rupee and the US dollar also expose us to translation risk when transactions denominated in pound sterling or Indian rupees are translated to US dollars, our reporting currency. For example, the pound sterling appreciated against the US dollar by an average of 1.5% and 0.6% in fiscal 2015 and 2014, respectively. On the other hand, in fiscal 2015 and 2014, the Indian rupee depreciated against the US dollar by an average of 1.2% and 11.0%, respectively, the Australian dollar depreciated against the US dollar by an average of 6.1% and 9.6%, respectively, and the South African rand depreciated against the US dollar by an average 9.4% and 17.9%, respectively. The appreciation of the pound sterling and the depreciation of the Indian rupee and the South African rand against the US dollar positively impacted our results of operations in fiscal 2015 and 2014 whereas the depreciation of the Australian dollar negatively impacted our results of operations in fiscal 2015 and 2014.

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Uncertainty about current global economic conditions could also continue to increase the volatility of our share price. We cannot predict the timing or duration of an economic slowdown or the timing or strength of a subsequent economic recovery generally or in our targeted industries, including the travel and leisure and insurance industries. If macroeconomic conditions worsen or current global economic conditions continue for a prolonged period of time, we are not able to predict the impact that such worsening conditions will have on our targeted industries in general, and our results of operations specifically.

A few major clients account for a significant portion of our revenue and any loss of business from these clients could reduce our revenue and significantly harm our business.

We have derived and believe that we will continue to derive in the near term a significant portion of our revenue from a limited number of large clients. In fiscal 2015 and 2014, our five largest clients accounted for 33.0% and 36.9% of our revenue and 35.0% and 39.4% of our revenue less repair payments, respectively. In fiscal 2015 and 2014, our three largest clients accounted for 27.4% and 28.9% of our revenue and 29.0% and 30.8% of our revenue less repair payments, respectively. In fiscal 2015, our largest client, Aviva MS, individually accounted for 13.4% and 15.2% of our revenue and revenue less repair payments, respectively, as compared to 14.2% and 16.9% in fiscal 2014, respectively. Any loss of business from any major client could reduce our revenue and significantly harm our business.

For example, in line with our expectations, one of our top five clients by revenue contribution in fiscal 2014 and 2013, an online travel agency, or OTA, provided us with a lower volume of business in fiscal 2015. The client entered into a strategic marketing agreement with another OTA in August 2013 pursuant to which it over a period of time, from the fourth quarter of fiscal 2014 to the fourth quarter of fiscal 2015, moved its customer care and sales processes that were previously managed by us to a technology platform managed by the other OTA. As a result, we lost most of our business from our OTA client. Our OTA client accounted for 2.5%, 6.1% and 7.3% of our revenue and 2.6%, 6.5% and 7.7% of our revenue less repair payments in fiscal 2015, 2014 and 2013, respectively. The other OTA uses several BPM vendors to manage such processes on their technology platform. We are approved as one of the other OTA's providers of BPM services. We have managed to compete with incumbent BPM vendors for the other OTA's business and the other OTA has become one of our large clients. There can be no assurance that we will be able to offset the loss of business from our OTA client to a significant extent or at all.

Further, in early 2012, as a result of concerns that the UK Competition Commission, or UKCC, would ban the payment of referral fees by accident management companies to claims management companies and insurance companies in the provision of credit hire replacement vehicles and third party vehicle repairs, one of our largest auto claims clients by revenue contribution in fiscal 2012 terminated its contract with us with effect from April 18, 2012. This client accounted for 10.4% and 7.5% of our revenue and 1.3% and 1.9% of our revenue less repair payments in fiscal 2012 and 2011, respectively.

Our prior contracts with one of our major clients, Aviva International Holdings Limited, or Aviva, provided Aviva Global, which was Aviva's business process offshoring subsidiary, options to require us to transfer the relevant projects and operations of our facilities at Sri Lanka and Pune, India to Aviva Global. On January 1, 2007, Aviva Global exercised its call option requiring us to transfer the Sri Lanka facility to Aviva Global effective July 2, 2007. Effective July 2, 2007, we transferred the Sri Lanka facility to Aviva Global and we lost the revenue generated by the Sri Lanka facility. For the period from April 1, 2007 through July 2, 2007, the Sri Lanka facility contributed \$2.0 million of revenue and in fiscal 2007 it accounted for 1.9% of our revenue and 3.0% of our revenue less repair payments. We may, in the future, enter into contracts with other clients with similar call options that may result in the loss of revenue that may have a material impact on our business, results of operations, financial condition and cash flows, particularly during the quarter in which the option takes effect.

We have, through our acquisition of Aviva Global in July 2008, resumed ownership of the Sri Lanka facility and we have continued to retain ownership of the Pune facility. Revenue from Aviva MS under our current master services agreement with Aviva MS, or the Aviva master services agreement, accounts for a significant portion of our revenue and we expect our dependence on Aviva MS to continue for the foreseeable future. The terms of the Aviva master services agreement include termination at will provisions which permit Aviva MS to terminate the agreement without cause with 180 days notice upon payment of a termination fee.

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In addition, the volume of work performed for specific clients is likely to vary from year to year, particularly since we may not be the exclusive outside service provider for our clients. Thus, a major client in one year may not provide the same level of revenue in any subsequent year. The loss of some or all of the business of any large client could have a material adverse effect on our business, results of operations, financial condition and cash flows. A number of factors other than our performance could cause the loss of or reduction in business or revenue from a client, and these factors are not predictable. For example, a client may demand price reductions, change its outsourcing strategy or move work in-house. A client may also be acquired by a company with a different outsourcing strategy that intends to switch to another business process management service provider or return work in-house.

Our revenue is highly dependent on clients concentrated in a few industries, as well as clients located primarily in Europe and the US. Economic slowdowns or factors that affect these industries or the economic environment in Europe or the US could reduce our revenue and seriously harm our business.

A substantial portion of our clients are concentrated in the insurance industry and the travel and leisure industry. In fiscal 2015 and 2014, 35.8% and 36.7% of our revenue, respectively, and 31.7% and 32.6% of our revenue less repair payments, respectively, were derived from clients in the insurance industry. During the same periods, clients in the travel and leisure industry contributed 18.7% and 19.5% of our revenue, respectively, and 19.8% and 20.8% of our revenue less repair payments, respectively. Our business and growth largely depend on continued demand for our services from clients in these industries and other industries that we may target in the future, as well as on trends in these industries to outsource business processes. Global economic conditions have shown some signs of recovery, particularly in the US, but remain challenging as concerns remain on sustainability of the recovery. Some key indicators of sustainable economic growth remain under pressure. Ongoing concerns over the sustainability of economic recovery in the US, its substantial debt burden and expected shift in monetary policy to increase short term interest rates, the low price of crude oil across the globe and the related implications for potential global deflation, as well as concerns of slower economic growth in the EU, and Russia, have contributed to market volatility and diminished expectations for the US, European and global economies. If countries in the Eurozone or other countries require additional financial support, if sovereign credit ratings continue to decline, or in the event of a default on sovereign debt obligations in certain countries including Greece, Argentina and Russia, yields on the sovereign debt of certain countries may continue to increase, the cost of borrowing may increase and credit may become more limited. In the US, there continue to be concerns over the failure to achieve a long-term solution to the issues of government spending, the increasing US national debt and rising debt ceiling, and their negative impact on the US economy as well as concerns over potential increases in cost of borrowing and reduction in availability of credit when the US Federal Reserve ends its quantitative easing program. Further, there continue to be signs of economic weakness such as weaker economic growth and low inflation in the EU. Continuing conflicts and instability in various regions around the world may lead to additional acts of terrorism and armed conflict around the world, as well as the growing concerns over the sustained and drastic fall in the price of crude oil and the associated risk of global deflation, which may contribute to further economic instability in the global financial markets.

These economic conditions may affect our business in a number of ways. The general level of economic activity, such as decreases in business and consumer spending, could result in a decrease in demand for our services, thus reducing our revenue. The cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Continued turbulence or uncertainty in the European, the US and international financial markets and economies may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our customers. If these market conditions continue or worsen, they may limit our ability to access financing or increase our cost of financing to meet liquidity needs, and affect the ability of our customers to use credit to purchase our services or to make timely payments to us, resulting in adverse effects on our financial condition and results of operations.

Certain of our targeted industries are especially vulnerable to crises in the financial and credit markets and potential economic downturns. A downturn in any of our targeted industries, particularly the insurance or travel and leisure industries, a slowdown or reversal of the trend to outsource business processes in any of these industries or the introduction of regulation which restricts or discourages companies from outsourcing could result in a decrease in the demand for our services and adversely affect our results of operations. For example, as a result of the mortgage market crisis, in August 2007, First Magnus Financial Corporation, or FMFC, a US mortgage services client, filed a voluntary petition for relief under Chapter 11 of the US Bankruptcy Code. FMFC was a major client of Trinity Partners Inc. which we acquired in November 2005 from the First Magnus Group and became one of our major clients. In fiscal 2008 and 2007, FMFC accounted for 1.0% and 4.3% of our revenue, respectively, and 1.4% and 6.8% of our revenue less repair payments, respectively.

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Further, the uncertainty in worldwide economic and business conditions has resulted in a few of our clients reducing or postponing their outsourced business requirements, which in turn has decreased the demand for our services and adversely affected our results of operations. In particular, our revenue is highly dependent on the economic environments in Europe and the US, which continue to show signs of economic weakness, particularly weaker economic growth and low inflation in the EU and continued uncertainty in the US. In fiscal 2015 and 2014, 52.8% and 52.8% of our revenue, respectively, and 49.9% and 49.6% of our revenue less repair payments, respectively, were derived from clients located in the UK. During the same periods, 25.9% and 27.3% of our revenue, respectively, and 27.5% and 29.1% of our revenue less repair payments, respectively, were derived from clients located in North America (primarily the US). Further, during the same periods, 5.4% and 5.3% of our revenue, respectively, and 5.7% and 5.7% of our revenue less repair payments, respectively, were derived from clients in the rest of Europe. Any further weakening of or uncertainty in the European or US economy will likely have a further adverse impact on our revenue.

Other developments may also lead to a decline in the demand for our services in these industries. Significant changes in the financial services industry or any of the other industries on which we focus, or a consolidation in any of these industries or acquisitions, particularly involving our clients, may decrease the potential number of buyers of our services and have an adverse impact on our profitability. Any significant reduction in or the elimination of the use of the services we provide within any of these industries would result in reduced revenue and harm our business. Our clients may experience rapid changes in their prospects, substantial price competition and pressure on their profitability. Although such pressures can encourage outsourcing as a cost reduction measure, they may also result in increasing pressure on us from clients in these key industries to lower our prices which could negatively affect our business, results of operations, financial condition and cash flows.

We may fail to attract and retain enough sufficiently trained employees to support our operations, as competition for highly skilled personnel is significant and we experience significant employee attrition. These factors could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The business process management industry relies on large numbers of skilled employees, and our success depends to a significant extent on our ability to attract, hire, train and retain qualified employees. The business process management industry, including our company, experiences high employee attrition. During fiscal 2015, 2014 and 2013, the attrition rate for our employees who have completed six months of employment with us was 34%, 33% and 35%, respectively. We cannot assure you that our attrition rate will not continue to increase in the future. There is significant competition in the jurisdictions where our operation centers are located, including India, the Philippines, Romania and Sri Lanka, for professionals with the skills necessary to perform the services we offer to our clients. Increased competition for these professionals, in the business process management industry or otherwise, could have an adverse effect on us. A significant increase in the attrition rate among employees with specialized skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our services.

In addition, our ability to maintain and renew existing engagements and obtain new business will depend largely on our ability to attract, train and retain personnel with skills that enable us to keep pace with growing demands for outsourcing, evolving industry standards and changing client preferences. Our failure either to attract, train and retain personnel with the qualifications necessary to fulfill the needs of our existing and future clients or to assimilate new employees successfully could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Currency fluctuations among the Indian rupee, the pound sterling, the US dollar, the Australian dollar and the South African rand could have a material adverse effect on our results of operations.

Although substantially all of our revenue is denominated in pound sterling, the US dollars or Australian dollars, a significant portion of our expenses (other than payments to repair centers, which are primarily denominated in pound sterling) are incurred and paid in Indian rupees and to a lesser extent, in South African rand. We report our financial results in US dollars and our results of operations would be adversely affected if the Indian rupee or the South African rand appreciates against the US dollar or the pound sterling or Australian dollar depreciates against the US dollar. The exchange rates between each of the Indian rupee, pound sterling, Australian dollar and South African rand and the US dollar have changed substantially in recent years and may fluctuate substantially in the future.

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The average Indian rupee to US dollar exchange rate was approximately 61.12 per \$1.00 in fiscal 2015, which represented a depreciation of the Indian rupee by an average of 1.2% as compared with the average exchange rate of approximately 60.38 per \$1.00 in fiscal 2014, which in turn represented a depreciation of the Indian rupee by an average of 11.0% as compared with the average exchange rate of approximately 54.38 per \$1.00 in fiscal 2013.

The average pound sterling to US dollar exchange rate was approximately £0.62 per \$1.00 in fiscal 2015, which represented an appreciation of the pound sterling by an average of 1.5% as compared with the average exchange rate of approximately £0.63 per \$1.00 in fiscal 2014, which in turn represented an appreciation of the pound sterling by an average of 0.6% as compared with the average exchange rate of approximately £0.63 per \$1.00 in fiscal 2013.

Our results of operations may be adversely affected if the Indian rupee appreciates significantly against the pound sterling or the US dollar or if the pound sterling depreciates against the US dollar. We hedge a portion of our foreign currency exposures using options and forward contracts. We cannot assure you that our hedging strategy will be successful or will mitigate our exposure to currency risk.

We may be unable to effectively manage our growth and maintain effective internal controls, which could have a material adverse effect on our operations, results of operations and financial condition.

Since we were founded in April 1996, and especially since Warburg Pincus acquired a controlling stake in our company in May 2002, we have experienced growth and significantly expanded our operations. For example, over the last five fiscal years, our employees have increased to 28,890 as at March 31, 2015 from 21,958 as at March 31, 2010. In fiscal 2011, we expanded our delivery center in Romania. In fiscal 2013, we opened new facilities in Poland and Vishakhapatnam, or Vizag. In fiscal 2014, our facilities in China and Sri Lanka became operational. In fiscal 2015, our delivery centers in South Carolina and Pennsylvania, in the US, as well as in South Africa, became fully operational, as did our newest facility in China. We now have delivery centers across 10 countries in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US. Further, in February 2011, we received in-principle approval for the allotment of a piece of land on lease for a term of 99 years, measuring 5 acres in Tiruchirappalli Navalpattu, special economic zone, or SEZ, in the state of Tamil Nadu, India from Electronics Corporation of Tamil Nadu Limited, or ELCOT for setting up delivery centers in the future. We intend to further expand our global delivery capability, and we are exploring plans to do so in Asia Pacific and Latin America.

We have also completed numerous acquisitions. For example, in June 2012, we acquired Fusion, a leading BPM provider based in South Africa. Fusion provides a range of outsourcing services, including contact center, customer care and business continuity services, to both South African and international clients. With operations in Cape Town and Johannesburg, Fusion employed approximately 1,500 people as at June 30, 2012, which increased to 2,330 people as at March 31, 2015.

This growth places significant demands on our management and operational resources. In order to manage growth effectively, we must implement and improve operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, we may not be able to service our clients' needs, hire and retain new employees, pursue new business, complete future acquisitions or operate our business effectively. Failure to effectively transfer new client business to our delivery centers, properly budget transfer costs or accurately estimate operational costs associated with new contracts could result in delays in executing client contracts, trigger service level penalties or cause our profit margins not to meet our expectations or our historical profit margins. As a result of any of these problems associated with expansion, our business, results of operations, financial condition and cash flows could be materially and adversely affected.

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We may face difficulties as we expand our operations to establish delivery centers in onshore locations and offshore in countries in which we have limited or no prior operating experience.

In June 2012, we acquired Fusion, a leading BPM provider with two delivery centers in South Africa. In April 2014 our delivery center in South Carolina in the US became fully operational. We also opened an additional delivery center in Pennsylvania in the US in September 2014. In October 2014, we moved our operations from one site in Gurgaon to another and opened another delivery center in South Africa. We intend to continue to expand our global footprint in order to maintain an appropriate cost structure and meet our clients' delivery needs. We plan to establish additional offshore delivery centers in Africa, the Asia Pacific and Latin America, which may involve expanding into countries other than those in which we currently operate. Our expansion plans may also involve expanding into less developed countries, which may have less political, social or economic stability and less developed infrastructure and legal systems. As we expand our business into new countries we may encounter regulatory, personnel, technological and other difficulties that increase our expenses or delay our ability to start up our operations or become profitable in such countries. This may affect our relationships with our clients and could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our loan agreements impose operating and financial restrictions on us and our subsidiaries.

Our loan agreements contain a number of covenants and other provisions that, among other things, impose operating and financial restrictions on us and our subsidiaries. These restrictions could put a strain on our financial position. For example:

they may increase our vulnerability to general adverse economic and industry conditions;

they may require us to dedicate a substantial portion of our cash flow from operations to payments on our loans, thereby reducing the availability of our cash flow to fund capital expenditure, working capital and other general corporate purposes;

they may require us to seek lenders' consent prior to paying dividends on our ordinary shares;

they may limit our ability to incur additional borrowings or raise additional financing through equity or debt instruments;

they impose certain financial covenants on us that we may not be able to meet, which may cause the lenders to accelerate the repayment of the balance loan outstanding; and

a reduction in revenue by more than 10% in two succeeding quarters due to a change in the largest shareholder of the company may also constitute an event of default under certain of our loan agreements.

Further, the restrictions contained in our loan agreements could limit our ability to plan for or react to market conditions, meet capital needs or make acquisitions or otherwise restrict our activities or business plans. Our ability to comply with the covenants of our loan agreements may be affected by events beyond our control, and any material

deviations from our forecasts could require us to seek waivers or amendments of covenants or alternative sources of financing or to reduce expenditures. We cannot assure you that such waivers, amendments or alternative financing could be obtained, or if obtained, would be on terms acceptable to us.

To service our indebtedness and other potential liquidity requirements, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control and we may need to access the credit market to meet our liquidity requirements.

Our ability to make payments on our loans and to fund planned capital expenditures will depend on our ability to generate cash in the future. This, to a large extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Furthermore, given that the uncertainty over global economic conditions remains, there can be no assurance that our business activity will be maintained at our expected level to generate the anticipated cash flows from operations or that our credit facilities would be available or sufficient. If global economic uncertainties continue, we may experience a decrease in demand for our services, resulting in our cash flows from operations being lower than anticipated. This may in turn result in our need to obtain additional financing.

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If we cannot service our loan agreements, we may have to take actions such as seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions and investments. We cannot assure you that any such actions, if necessary, could be effected on commercially reasonable terms or at all.

The international nature of our business exposes us to several risks, such as significant currency fluctuations and unexpected changes in the regulatory requirements of multiple jurisdictions.

We have operations in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US, and we service clients across Asia, Europe, South Africa, Australia and North America. Our corporate structure also spans multiple jurisdictions, with our parent holding company incorporated in Jersey, Channel Islands, and intermediate and operating subsidiaries (including branch offices) incorporated in Australia, China, Costa Rica, India, Mauritius, the Netherlands, the Philippines, Romania, South Africa, Singapore, Sri Lanka, the United Arab Emirates, the UK and the US. As a result, we are exposed to risks typically associated with conducting business internationally, many of which are beyond our control. These risks include:

significant currency fluctuations between the US dollar and the pound sterling (in which our revenue is principally denominated) and the Indian rupee (in which a significant portion of our costs are denominated), for more information, see Currency fluctuations among the Indian rupee, the pound sterling and the US dollar could have a material adverse effect on our results of operations ;

legal uncertainty owing to the overlap of different legal regimes, and problems in asserting contractual or other rights across international borders;

potentially adverse tax consequences, such as scrutiny of transfer pricing arrangements by authorities in the countries in which we operate;

potential tariffs and other trade barriers;

unexpected changes in regulatory requirements;

the burden and expense of complying with the laws and regulations of various jurisdictions; and

terrorist attacks and other acts of violence or war.

The occurrence of any of these events could have a material adverse effect on our results of operations and financial condition.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent or detect fraud. As a result, current and potential investors could lose confidence in our financial reporting, which could harm our business and have an adverse effect on our ADS price.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports. The effective internal controls together with adequate disclosure controls and procedures are designed to prevent or detect fraud. Deficiencies in our internal controls may adversely affect our management's ability to record, process, summarize, and report financial data on a timely basis. As a public company, we are required by Section 404 of the Sarbanes-Oxley Act of 2002 to include a report of management's assessment on our internal control over financial reporting and an auditor's attestation report on our internal control over financial reporting in our annual report on Form 20-F.

Although management concluded that our company's disclosure controls and procedures and internal control over financial reporting were effective as at March 31, 2015 and 2014, it is possible that, in the future, material weaknesses could be identified in our internal controls over financial reporting and we could be required to further implement remedial measures. If we fail to maintain effective disclosure controls and procedures or internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which could have a material adverse effect on our ADS price.

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We have applied for a license in the UK to provide legal services to clients as part of our auto claims service offerings and any failure to obtain this license in a timely manner, or at all, may have a material and adverse effect on our auto claims business.

There is an established and continuing trend for our clients in the UK to bundle some of the services ordinarily provided by our auto claims business with legal services. We have made an application to the UK Solicitors Regulatory Authority for a license to provide such legal services to our clients. We expect a decision on this application during fiscal 2016. If we are unable to obtain this license in a timely manner, or at all, our ability to win future business from clients who seek to bundle these services together may be materially and adversely affected, which would in turn have a material and adverse effect on our auto claims business.

Our business may not develop in ways that we currently anticipate due to negative public reaction to offshore outsourcing, proposed legislation or otherwise.

We have based our strategy of future growth on certain assumptions regarding our industry, services and future demand in the market for such services. However, the trend to outsource business processes may not continue and could reverse. Offshore outsourcing is a politically sensitive topic in the UK, the US and elsewhere. For example, many organizations and public figures in the UK and the US have publicly expressed concern about a perceived association between offshore outsourcing providers and the loss of jobs in their home countries.

Such concerns have led to proposed measures in the US that are aimed at limiting or restricting outsourcing. There is also legislation that has been enacted or is pending at the state level in the US, with regard to limiting outsourcing. The measures that have been enacted to date are generally directed at restricting the ability of government agencies to outsource work to offshore business service providers. These measures have not had a significant effect on our business because governmental agencies are not a focus of our operations. However, some legislative proposals would, for example, require contact centers to disclose their geographic locations, require notice to individuals whose personal information is disclosed to non-US affiliates or subcontractors, require disclosures of companies' foreign outsourcing practices, or restrict US private sector companies that have federal government contracts, federal grants or guaranteed loan programs from outsourcing their services to offshore service providers. Such legislation could have an adverse impact on the economics of outsourcing for private companies in the US, which could in turn have an adverse impact on our business with US clients.

Such concerns have also led the UK and other EU jurisdictions to enact regulations which allow employees who are dismissed as a result of transfer of services, which may include outsourcing to non-UK or EU companies, to seek compensation either from the company from which they were dismissed or from the company to which the work was transferred. This could discourage EU companies from outsourcing work offshore and/or could result in increased operating costs for us.

In addition, there has been publicity about the negative experiences, such as theft and misappropriation of sensitive client data, of various companies that use offshore outsourcing, particularly in India.

Current or prospective clients may elect to perform such services themselves or may be discouraged from transferring these services from onshore to offshore providers to avoid negative perceptions that may be associated with using an offshore provider. Any slowdown or reversal of existing industry trends towards offshore outsourcing would seriously harm our ability to compete effectively with competitors that operate out of facilities located in the UK or the US.

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Our executive and senior management team and other key team members in our business units are critical to our continued success and the loss of such personnel could harm our business.

Our future success substantially depends on the performance of the members of our executive and senior management team and other key team members in each of our business units. These personnel possess technical and business capabilities including domain expertise that are difficult to replace. There is intense competition for experienced senior management and personnel with technical and industry expertise in the business process management industry, and we may not be able to retain our key personnel due to various reasons, including the compensation philosophy followed by our company as described in Part I Item 6. Directors, Senior Management and Employees Compensation . Although we have entered into employment contracts with our executive officers, certain terms of those agreements may not be enforceable and in any event these agreements do not ensure the continued service of these executive officers. In the event of a loss of any key personnel, there is no assurance that we will be able to find suitable replacements for our key personnel within a reasonable time. The loss of key members of our senior management or other key team members, particularly to competitors, could have a material adverse effect on our business, results of operations, financial condition and cash flows. A loss of several members of our senior management at the same time or within a short period may lead to a disruption in the business of our company, which could materially adversely affect our performance.

Wage increases may prevent us from sustaining our competitive advantage and may reduce our profit margin.

Salaries and related benefits of our operations staff and other employees in countries where we have delivery centers, in particular India, are among our most significant costs. Wage costs in India have historically been significantly lower than wage costs in the US and Europe for comparably skilled professionals, which has been one of our competitive advantages. However, rapid economic growth in India, increased demand for business process management outsourcing to India, and increased competition for skilled employees in India may reduce this competitive advantage. In addition, if the US dollar or the pound sterling declines in value against the Indian rupee, wages in the US or the UK will further decrease relative to wages in India, which may further reduce our competitive advantage. We may need to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the quantity and quality of employees that our business requires. Wage increases may reduce our profit margins and have a material adverse effect on our financial condition and cash flows.

Further, following our acquisitions of Aviva Global, Business Applications Associates Limited, or BizAps, and Chang Limited, our operations in the UK have expanded and our wage costs for employees located in the UK and the US now represent a larger proportion of our total wage costs. Wage increases in the UK and the US may therefore also reduce our profit margins and have a material adverse effect on our financial condition and cash flows.

Our operating results may differ from period to period, which may make it difficult for us to prepare accurate internal financial forecasts and respond in a timely manner to offset such period to period fluctuations.

Our operating results may differ significantly from period to period due to factors such as client losses, variations in the volume of business from clients resulting from changes in our clients' operations, the business decisions of our clients regarding the use of our services, delays or difficulties in expanding our operational facilities and infrastructure, changes to our pricing structure or that of our competitors, inaccurate estimates of resources and time required to complete ongoing projects, currency fluctuations and seasonal changes in the operations of our clients. For example, our clients in the travel and leisure industry experience seasonal changes in their operations in connection with the US summer holiday season, as well as episodic factors such as adverse weather conditions. Transaction volumes can be impacted by market conditions affecting the travel and insurance industries, including natural disasters, outbreak of infectious diseases or other serious public health concerns in Asia or elsewhere (such as the

outbreak of the Influenza A (H7N9) virus in various parts of the world) and terrorist attacks. In addition, our contracts do not generally commit our clients to providing us with a specific volume of business.

In addition, the long sales cycle for our services, which typically ranges from three to 12 months, and the internal budget and approval processes of our prospective clients make it difficult to predict the timing of new client engagements. Commencement of work and ramping up of volume of work with certain new and existing clients have been slower than we had expected. Revenue is recognized upon actual provision of services and when the criteria for recognition are achieved. Accordingly, the financial benefit of gaining a new client may be delayed due to delays in the implementation of our services. These factors may make it difficult for us to prepare accurate internal financial forecasts or replace anticipated revenue that we do not receive as a result of those delays. Due to the above factors, it is possible that in some future quarters our operating results may be significantly below the expectations of the public market, analysts and investors.

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Employee strikes and other labor-related disruptions may adversely affect our operations.

Our business depends on a large number of employees executing client operations. Strikes or labor disputes with our employees at our delivery centers may adversely affect our ability to conduct business. Our employees are not unionized, although they may in the future form unions. We cannot assure you that there will not be any strike, lock out or material labor dispute in the future. Work interruptions or stoppages could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Failure to adhere to the regulations that govern our business could result in us being unable to effectively perform our services. Failure to adhere to regulations that govern our clients' businesses could result in breaches of contract with our clients.

Our clients' business operations are subject to certain rules and regulations such as the Gramm-Leach-Bliley Act, the Health Insurance Portability and Accountability Act and Health Information Technology for Economic and Clinical Health Act in the US and the Financial Services Act in the UK. Our clients may contractually require that we perform our services in a manner that would enable them to comply with such rules and regulations. Failure to perform our services in such a manner could result in breaches of contract with our clients and, in some limited circumstances, civil fines and criminal penalties for us. In addition, we are required under various Indian laws to obtain and maintain permits and licenses for the conduct of our business. If we fail to comply with any applicable rules or regulations, or if we do not maintain our licenses or other qualifications to provide our services, we may not be able to provide services to existing clients or be able to attract new clients and could lose revenue, which could have a material adverse effect on our business.

Our clients may terminate contracts before completion or choose not to renew contracts which could adversely affect our business and reduce our revenue.

The terms of our client contracts typically range from three to five years. Many of our client contracts can be terminated by our clients with or without cause, with three to six months' notice and, in most cases, without penalty. The termination of a substantial percentage of these contracts could adversely affect our business and reduce our revenue. Contracts that will expire on or before March 31, 2016 (including work orders/statement of works that will expire on or before March 31, 2016) represented approximately 22% of our revenue and 20% of our revenue less repair payments from our clients in fiscal 2015. Failure to meet contractual requirements could result in cancellation or non-renewal of a contract. Some of our contracts may be terminated by the client if certain of our key personnel working on the client project leave our employment and we are unable to find suitable replacements. In addition, a contract termination or significant reduction in work assigned to us by a major client could cause us to experience a higher than expected number of unassigned employees, which would increase our cost of revenue as a percentage of revenue until we are able to reduce or reallocate our headcount. We may not be able to replace any client that elects to terminate or not renew its contract with us, which would adversely affect our business and revenue.

For example, one of our largest auto claims clients by revenue contribution in fiscal 2012 terminated its contract with us with effect from April 18, 2012. This client accounted for 10.4% and 7.5% of our revenue and 1.3% and 1.9% of our revenue less repair payments in fiscal 2012 and 2011, respectively.

In addition, one of our top five clients by revenue contribution in fiscal 2014 and 2013, an OTA client provided us with a lower volume of business in fiscal 2015. The client entered into a strategic marketing agreement with another OTA in August 2013 pursuant to which it over a period of time, from the fourth quarter of fiscal 2014 to the fourth quarter of fiscal 2015, moved its customer care and sales processes that were previously managed by us to a technology platform managed by the other OTA. As a result, we lost most of our business from our OTA client. Our

OTA client accounted for 2.5%, 6.1% and 7.3% of our revenue and 2.6%, 6.5% and 7.7% of our revenue less repair payments in fiscal 2015, 2014 and 2013, respectively. The other OTA uses several BPM vendors to manage such processes on their technology platform. We are approved as one of the other OTA s providers of BPM services. We have managed to compete with incumbent BPM vendors for the other OTA s business and the other OTA has become one of our large clients. There can be no assurance that we will be able to offset the loss of business from our OTA client to a significant extent or at all. For more information, see A few major clients account for a significant portion of our revenue and any loss of business from these clients could reduce our revenue and significantly harm our business.

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Some of our client contracts contain provisions which, if triggered, could result in lower future revenue and have an adverse effect on our business.

In many of our client contracts, we agree to include certain provisions which provide for downward revision of our prices under certain circumstances. For example, certain contracts allow a client in certain limited circumstances to request a benchmark study comparing our pricing and performance with that of an agreed list of other service providers for comparable services. Based on the results of the study and depending on the reasons for any unfavorable variance, we may be required to make improvements in the service we provide or to reduce the pricing for services to be performed under the remaining term of the contract. Some of our contracts also provide that, during the term of the contract and for a certain period thereafter ranging from six to 12 months, we may not provide similar services to certain or any of their competitors using the same personnel. These restrictions may hamper our ability to compete for and provide services to other clients in the same industry, which may result in lower future revenue and profitability.

Some of our contracts specify that if a change in control of our company occurs during the term of the contract, the client has the right to terminate the contract. These provisions may result in our contracts being terminated if there is such a change in control, resulting in a potential loss of revenue. Some of our client contracts also contain provisions that would require us to pay penalties to our clients if we do not meet pre-agreed service level requirements. Failure to meet these requirements could result in the payment of significant penalties by us to our clients which in turn could have an adverse effect on our business, results of operations, financial condition and cash flows.

If our pricing structures do not accurately anticipate the cost and complexity of performing our work, our profitability may be negatively affected.

The terms of our client contracts typically range from three to five years. In many of our contracts, we commit to long-term pricing with our clients, and we negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, these include input-based pricing (such as full-time equivalent-based pricing arrangements), fixed-price arrangements, output-based pricing (such as transaction-based pricing), outcome-based pricing, and contracts with features of all these pricing models. Our pricing is highly dependent on our internal forecasts and predictions about our projects and the marketplace, which are largely based on limited data and could turn out to be inaccurate. If we do not accurately estimate the costs and timing for completing projects, our contracts could prove unprofitable for us or yield lower profit margins than anticipated. Some of our client contracts do not allow us to terminate the contracts except in the case of non-payment by our client. If any contract turns out to be economically non-viable for us, we may still be liable to continue to provide services under the contract.

We intend to focus on increasing our service offerings that are based on non-linear pricing models (such as fixed-price and outcome-based pricing models) that allow us to price our services based on the value we deliver to our clients rather than the headcount deployed to deliver the services to them. Non-linear revenues may be subject to short term pressure on margins as initiatives in developing the products and services take time to deliver. The risk of entering into non-linear pricing arrangements is that if we fail to properly estimate the appropriate pricing for a project, we may incur lower profits or losses as a result of being unable to execute projects with the amount of labor we expected or at a margin sufficient to recover our initial investments in our solutions. While non-linear pricing models are expected to result in higher revenue productivity per employee and improved margins, they also mean that we continue to bear the risk of cost overruns, wage inflation, fluctuations in currency exchange rates and failure to achieve clients' business objectives in connection with these projects. Although we use our internally developed methodologies and processes and past project experience to reduce the risks associated with estimating, planning and performing transaction-based pricing, fixed-price and outcome-based pricing projects, if we fail to estimate accurately the resources required for a project, future wage inflation rates or currency exchange rates, or if we fail to meet

defined performance goals or objectives, our profitability may suffer.

We have in the past and may in the future enter into subcontracting arrangements for the delivery of services. For example, in China, in addition to delivering services from our own delivery center, we used to deliver services through a subcontractor's delivery center. We could face greater risk when pricing our outsourcing contracts, as our outsourcing projects typically entail the coordination of operations and workforces with our subcontractor, and utilizing workforces with different skill sets and competencies. Furthermore, when outsourcing work we assume responsibility for our subcontractors' performance. Our pricing, cost and profit margin estimates on outsourced work may include anticipated long-term cost savings from transformational and other initiatives that we expect to achieve and sustain over the life of the outsourcing contract. There is a risk that we will underprice our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, delays or failures to achieve anticipated cost savings, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside our control, could make these contracts less profitable or unprofitable, which could have an adverse effect on our profit margin.

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Our profitability will suffer if we are not able to maintain our pricing and asset utilization levels and control our costs.

Our profit margin, and therefore our profitability, is largely a function of our asset utilization and the rates we are able to recover for our services. An important component of our asset utilization is our seat utilization rate, which is the average number of work shifts per day, out of a maximum of three, for which we are able to utilize our work stations, or seats. During fiscal 2015 and 2014, we incurred significant expenditures to increase our number of seats by establishing additional delivery centers or expanding production capacities in our existing delivery centers. During fiscal 2015, we incurred costs to move our operations from one site in Gurgaon to another. If we are not able to maintain the pricing for our services or an appropriate seat utilization rate, without corresponding cost reductions, our profitability will suffer. The rates we are able to recover for our services are affected by a number of factors, including our clients' perceptions of our ability to add value through our services, competition, introduction of new services or products by us or our competitors, our ability to accurately estimate, attain and sustain revenue from client contracts, margins and cash flows over increasingly longer contract periods and general economic and political conditions.

Our profitability is also a function of our ability to control our costs and improve our efficiency. As we increase the number of our employees and execute our strategies for growth, we may not be able to manage the significantly larger and more geographically diverse workforce that may result, which could adversely affect our ability to control our costs or improve our efficiency. Further, because there is no certainty that our business will ramp up at the rate that we anticipate, we may incur expenses for the increased capacity for a significant period of time without a corresponding growth in our revenues. Commencement of work and ramping up of volume of work with certain new and existing clients have been slower than we had expected. If our revenue does not grow at our expected rate, we may not be able to maintain or improve our profitability.

We face competition from onshore and offshore business process management companies and from information technology companies that also offer business process management services. Our clients may also choose to run their business processes themselves, either in their home countries or through captive units located offshore.

The market for outsourcing services is very competitive and we expect competition to intensify and increase from a number of sources. We believe that the principal competitive factors in our markets are price, service quality, sales and marketing skills, and industry expertise. We face significant competition from our clients' own in-house groups including, in some cases, in-house departments operating offshore or captive units. Clients who currently outsource a significant proportion of their business processes or information technology services to vendors in India may, for various reasons, including diversifying geographic risk, seek to reduce their dependence on any one country. We also face competition from onshore and offshore business process management and information technology services companies. In addition, the trend toward offshore outsourcing, international expansion by foreign and domestic competitors and continuing technological changes will result in new and different competitors entering our markets. These competitors may include entrants from the communications, software and data networking industries or entrants in geographic locations with lower costs than those in which we operate. Technological changes include the development of complex automated systems for the processing of transactions that are formerly labor intensive, which may reduce or replace the need for outsourcing such transaction processing.

Some of these existing and future competitors have greater financial, human and other resources, longer operating histories, greater technological expertise, more recognizable brand names and more established relationships in the industries that we currently serve or may serve in the future. In addition, some of our competitors may enter into strategic or commercial relationships among themselves or with larger, more established companies in order to increase their ability to address client needs, or enter into similar arrangements with potential clients. Increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could

result in reduced operating margins which could harm our business, results of operations, financial condition and cash flows.

We have incurred losses in the past. We may not be profitable in the future.

We incurred losses in each of the three fiscal years from fiscal 2003 through fiscal 2005. We expect our selling and marketing expenses and general and administrative expenses to increase in future periods. If our revenue does not grow at a faster rate than these expected increases in our expenses, or if our operating expenses are higher than we anticipate, we may not be profitable and we may incur losses.

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If we cause disruptions to our clients' businesses, provide inadequate service or are in breach of our representations or obligations, our clients may have claims for substantial damages against us. Our insurance coverage may be inadequate to cover these claims and, as a result, our profits may be substantially reduced.

Most of our contracts with clients contain service level and performance requirements, including requirements relating to the quality of our services and the timing and quality of responses to the client's customer inquiries. In some cases, the quality of services that we provide is measured by quality assurance ratings and surveys which are based in part on the results of direct monitoring by our clients of interactions between our employees and our client's customers. Failure to consistently meet service requirements of a client or errors made by our associates in the course of delivering services to our clients could disrupt the client's business and result in a reduction in revenue or a claim for substantial damages against us. For example, some of our agreements stipulate standards of service that, if not met by us, will result in lower payment to us. In addition, in connection with acquiring new business from a client or entering into client contracts, our employees may make various representations, including representations relating to the quality of our services, abilities of our associates and our project management techniques. A failure or inability to meet a contractual requirement or our representations could seriously damage our reputation and affect our ability to attract new business or result in a claim for substantial damages against us.

Our dependence on our offshore delivery centers requires us to maintain active data and voice communications between our main delivery centers in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US, our international technology hubs in the UK and the US and our clients' offices. Although we maintain redundant facilities and communications links, disruptions could result from, among other things, technical and electricity breakdowns, computer glitches and viruses and adverse weather conditions. Any significant failure of our equipment or systems, or any major disruption to basic infrastructure like power and telecommunications in the locations in which we operate, could impede our ability to provide services to our clients, have a negative impact on our reputation, cause us to lose clients, reduce our revenue and harm our business.

Under our contracts with our clients, our liability for breach of our obligations is generally limited to actual damages suffered by the client and capped at a portion of the fees paid or payable to us under the relevant contract. Although our contracts contain limitations on liability, such limitations may be unenforceable or otherwise may not protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. Further, although we have professional indemnity insurance coverage, the coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims and our insurers may disclaim coverage as to any future claims. The successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

We are liable to our clients for damages caused by unauthorized disclosure of sensitive or confidential information, whether through a breach or circumvention of our or our clients' computer systems and processes, through our employees or otherwise.

We are typically required to manage, utilize and store sensitive or confidential client data in connection with the services we provide. Under the terms of our client contracts, we are required to keep such information strictly confidential. Our client contracts do not include any limitation on our liability to them with respect to breaches of our obligation to maintain confidentiality on the information we receive from them. Although we seek to implement measures to protect sensitive and confidential client data, there can be no assurance that we would be able to prevent breaches of security. Further, some of our projects require us to conduct business functions and computer operations

using our clients' systems over which we do not have control and which may not be compliant with industry security standards. In addition, some of the client designed processes that we are contractually required to follow for delivering services to them and which we are unable to unilaterally change, could be designed in a manner that allows for control weaknesses to exist and be exploited. Any vulnerability in a client's system or client designed process, if exploited, could result in breaches of security or unauthorized transactions and result in a claim for substantial damages against us. If any person, including any of our employees, penetrates our or our clients' network security or otherwise mismanages or misappropriates sensitive or confidential client data, we could be subject to significant liability and lawsuits from our clients or their customers for breaching contractual confidentiality provisions or privacy laws. Although we have insurance coverage for mismanagement or misappropriation of such information by our employees, that coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims against us, and our insurers may disclaim coverage as to any future claims. Penetration of the network security of our or our clients' data centers or computer systems or unauthorized use or disclosure of sensitive or confidential client data, whether through breach of our or our clients' computer systems, systems failure, loss or theft of assets containing confidential information or otherwise, could also have a negative impact on our reputation which would harm our business.

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Our business is dependent on the secure and reliable operation of our information systems, including those used to operate and manage our business and our clients' information systems, whether operated by our clients themselves or by us in connection with our provision of services to them. Although we take adequate measures to safeguard against system-related and other fraud, there can be no assurance that we would be able to prevent fraud or even detect them on a timely basis, particularly where it relates to our clients' information systems which are not managed by us. For example, we have identified incidences where our employees have allegedly exploited weaknesses in information systems as well as processes in order to misappropriate confidential client data and used such confidential data to record fraudulent transactions. We are generally required to indemnify our clients from third party claims arising out of such fraudulent transactions and our client contracts generally do not include any limitation on our liability to our clients' losses arising from fraudulent activities by our employees. Accordingly, we may have significant liability arising from such fraudulent transactions which may materially affect our business and financial results. Although we have professional indemnity insurance coverage for losses arising from fraudulent activities by our employees, that coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims against us, and our insurers may also disclaim coverage as to any future claims. We may also suffer reputational harm as a result of fraud committed by our employees, or by our perceived inability to properly manage fraud related risks, which could in turn lead to enhanced regulatory oversight and scrutiny.

Our expansion into new markets may create additional challenges with respect to managing the risk of fraud due to the increased geographical dispersion and use of intermediaries. Our business also requires the appropriate and secure utilization of client and other sensitive information. We cannot be certain that advances in criminal capabilities (including cyber-attacks or cyber intrusions over the internet, malware, computer viruses and the like), discovery of new vulnerabilities or attempts to exploit existing vulnerabilities in our or our clients' systems, other data thefts, physical system or network break-ins or inappropriate access, or other developments will not compromise or breach the technology protecting our or our clients' computer systems and networks that access and store sensitive information. Cyber threats, such as phishing and trojans, could intrude into our or our clients' network to steal data or to seek sensitive information. Any intrusion into our network or our clients' network (to the extent attributed to us or perceived to be attributed to us) that results in any breach of security could cause damage to our reputation and adversely impact our business and financial results. Although we have implemented security technology and operational procedures to prevent such occurrences, there can be no assurance that these security measures will be successful. A significant failure in security measures could have a material adverse effect on our business, reputation, results of operations and financial condition.

Changes in technology could lead to changes in our clients' businesses as well as their requirements for business process services, which may adversely impact our business and results of operations.

Proliferation of accessible technology, such as smartphones and internet, has had an impact on the manner in which customers and businesses interact with each other. Companies are increasingly adopting social media platforms, online self-help portals and mobile applications for communicating with and servicing their customers rather than utilizing business process management companies such as ourselves to manage these interactions. Our clients also continue to invest in technology by upgrading their platforms and application capabilities towards increased automation of transactions. Advances in software, such as robotic process automation and voice recognition, have the potential to reduce dependency on human processing transactions. Such developments and other innovations, such as autonomous vehicles, have the potential to significantly change the way our clients' businesses operate and may reduce their dependency on business process management companies, including our company, for managing their business processes. We are therefore subject to a risk of disintermediation on account of such changes in technology, which

could impact our future growth prospects and may require continued investments in our business.

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Our business could be materially and adversely affected if we do not protect our intellectual property or if our services are found to infringe on the intellectual property of others.

Our success depends in part on certain methodologies, practices, tools and technical expertise we utilize in designing, developing, implementing and maintaining applications and other proprietary intellectual property rights. In order to protect our rights in such intellectual properties, we rely upon a combination of nondisclosure and other contractual arrangements as well as trade secret, copyright and trademark laws. We also generally enter into confidentiality agreements with our employees, consultants, clients and potential clients, and limit access to and distribution of our proprietary information to the extent required for our business purpose.

India is a member of the Berne Convention, an international intellectual property treaty, and has agreed to recognize protections on intellectual property rights conferred under the laws of other foreign countries, including the laws of the United States. There can be no assurance that the laws, rules, regulations and treaties in effect in the United States, India and the other jurisdictions in which we operate and the contractual and other protective measures we take, are adequate to protect us from misappropriation or unauthorized use of our intellectual property, or that such laws will not change. We may not be able to detect unauthorized use and take appropriate steps to enforce our rights, and any such steps may not be successful. Infringement by others of our intellectual property, including the costs of enforcing our intellectual property rights, may have a material adverse effect on our business, results of operations and financial condition.

Our clients may provide us with access to, and require us to use, third party software in connection with our delivery of services to them. Our client contracts generally require our clients to indemnify us for any infringement of intellectual property rights or licenses to third party software when our clients provide such access to us. If the indemnities under our client contracts are inadequate to cover the damages and losses we suffer due to infringement of third party intellectual property rights or licenses to third party software to which we were given access, our business and results of operations could be adversely affected. We are also generally required, by our client contracts, to indemnify our clients for any breaches of intellectual property rights by our services. Although we believe that we are not infringing on the intellectual property rights of others, claims may nonetheless be successfully asserted against us in the future. The costs of defending any such claims could be significant, and any successful claim may require us to modify, discontinue or rename any of our services. Any such changes may have a material adverse effect on our business, results of operations and financial condition.

We may not succeed in identifying suitable acquisition targets or integrating any acquired business into our operations, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our growth strategy involves gaining new clients and expanding our service offerings, both organically and through strategic acquisitions. It is possible that in the future we may not succeed in identifying suitable acquisition targets available for sale or investments on reasonable terms, have access to the capital required to finance potential acquisitions or investments, or be able to consummate any acquisition or investments. Future acquisitions or joint ventures may also result in the incurrence of indebtedness or the issuance of additional equity securities, which may present difficulties in financing the acquisition or joint venture on attractive terms. The inability to identify suitable acquisition targets or investments or the inability to complete such transactions may affect our competitiveness and our growth prospects.

Historically, we have expanded some of our service offerings and gained new clients through strategic acquisitions. For example, in November 2011, we acquired the shareholding of Advanced Contact Solutions, Inc., or ACS, our former joint venture partner in WNS Philippines Inc. and increased our share ownership from 65% to 100%. The lack

of profitability of any of our acquisitions or joint ventures could have a material adverse effect on our operating results.

In addition, our management may not be able to successfully integrate any acquired business into our operations or benefit from any joint ventures that we enter into, and any acquisition we do complete or any joint venture we do enter into may not result in long-term benefits to us. For instance, if we acquire a company, we could experience difficulties in assimilating that company's personnel, operations, technology and software, or the key personnel of the acquired company may decide not to work for us. In June 2012, we acquired Fusion, a leading BPM provider based in South Africa. Fusion provides a range of outsourcing services, including contact center, customer care and business continuity services, to both South African and international clients. With operations in Cape Town and Johannesburg, Fusion employed approximately 1,500 people as at June 30, 2012 which increased to 2,330 people as at March 31, 2015. We cannot assure you that we will be able to successfully integrate Fusion's business operations with ours, or that we will be able to successfully leverage Fusion's assets to grow our revenue, expand our service offerings and market share or achieve accretive benefits from our acquisition of Fusion.

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Further, we may receive claims or demands by the sellers of the entities acquired by us on the indemnities that we have provided to them for losses or damages arising from any breach of contract by us. Conversely, while we may be able to claim against the sellers on their indemnities to us for breach of contract or breach of the representations and warranties given by the sellers in respect of the entities acquired by us, there can be no assurance that our claims will succeed, or if they do, that we will be able to successfully enforce our claims against the sellers at a reasonable cost. Acquisitions and joint ventures also typically involve a number of other risks, including diversion of management's attention, legal liabilities and the need to amortize acquired intangible assets, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We recorded a significant impairment charge to our earnings in fiscal 2008 and may be required to record another significant charge to earnings in the future when we review our goodwill, intangible or other assets for potential impairment.

As at March 31, 2015, we had goodwill and intangible assets of approximately \$79.1 million and \$43.3 million, respectively, which primarily resulted from the purchases of Aviva Global, BizAps, Chang Limited, Flovate Technologies Limited, or Flovate, Fusion, Marketics Technologies (India) Private Limited, or Marketics, Town & Country Assistance Limited (which we subsequently rebranded as WNS Assistance), and WNS Global Services Private Limited, or WNS Global. Of the \$43.3 million of intangible assets as at March 31, 2015, \$34.0 million pertain to our purchase of Aviva Global. Under IFRS, we are required to review our goodwill, intangibles or other assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. In addition, goodwill, intangible or other assets with indefinite lives are required to be tested for impairment at least annually. We performed an impairment review and recorded a significant impairment charge to our earnings in fiscal 2008 relating to Trinity Partners Inc. If, for example, the insurance industry experiences a significant decline in business and we determine that we will not be able to achieve the cash flows that we had expected from our acquisition of Aviva Global, we may have to record an impairment of all or a portion of the \$34.0 million of intangible assets relating to our purchase of Aviva Global. Although our impairment review of goodwill and intangible assets in fiscal 2015, 2014 and 2013 did not indicate any impairment, we may be required in the future to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill or other intangible assets is determined. Such charges may have a significant adverse impact on our results of operations.

Any changes in accounting standards can be difficult to predict and can materially impact how we report our financial results.

We have adopted IFRS, as issued by the IASB, with effect from April 1, 2011. From time to time, the IASB changes its standards that govern the preparation of our financial statements. Changes in accounting standards are difficult to anticipate and can significantly impact our reported financial condition and the results of our operations.

Our facilities are at risk of damage by natural disasters.

Our operational facilities and communication hubs may be damaged in natural disasters such as earthquakes, floods, heavy rains, tsunamis and cyclones. For example, during floods caused by typhoons in Manila, Philippines in September 2009, our delivery center was rendered inaccessible and our associates were not able to commute to the delivery center for a few days, thereby adversely impacting our provision of services to our clients. During the floods in Mumbai in July 2005, our operations were adversely affected as a result of the disruption of the city's public utility and transport services making it difficult for our associates to commute to our office. Such natural disasters may also lead to disruption to information systems and telephone service for sustained periods. Damage or destruction that interrupts our provision of BPM services could damage our relationships with our clients and may cause us to incur substantial additional expenses to repair or replace damaged equipment or facilities. We may also be liable to our

clients for disruption in service resulting from such damage or destruction. Although we have implemented business continuity planning and infrastructure resiliency measures which are designed to minimize the impact of natural disasters on our business, such measures may be rendered less effective in certain circumstances. While we currently have property damage insurance and business interruption insurance, our insurance coverage may not be sufficient. Furthermore, we may be unable to secure such insurance coverage at premiums acceptable to us in the future or secure such insurance coverage at all. Prolonged disruption of our services as a result of natural disasters would also entitle our clients to terminate their contracts with us.

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We are incorporated in Jersey, Channel Islands and are subject to Jersey rules and regulations. If the tax benefits enjoyed by our company are withdrawn or changed, we may be liable for higher tax, thereby reducing our profitability.

As a company incorporated in Jersey, Channel Islands, we are currently subject to a Jersey income tax rate of 0%. Although we continue to enjoy the benefits of the Jersey business tax regime, if Jersey tax laws change or the tax benefits we enjoy are otherwise withdrawn or changed, we may become liable for higher tax, thereby reducing our profitability.

Risks Related to Key Delivery Locations

A substantial portion of our assets and operations are located in India and we are subject to regulatory, economic, social and political uncertainties in India.

Our primary operating subsidiary, WNS Global, is incorporated in India, and a substantial portion of our assets and employees are located in India. We intend to continue to develop and expand our facilities in India. The Government of India, however, has exercised and continues to exercise significant influence over many aspects of the Indian economy. The Government of India has provided significant tax incentives and relaxed certain regulatory restrictions in order to encourage foreign investment in specified sectors of the economy, including the business process management industry. Those programs that have benefited us include tax holidays, liberalized import and export duties and preferential rules on foreign investment and repatriation. We cannot assure you that such liberalization policies will continue. The Government of India may also enact new tax legislation or amend the existing legislation that could impact the way we are taxed in the future. For more information, see [New tax legislation and the results of actions by taxing authorities](#) may have an adverse effect on our operations and our overall tax rate. Our financial performance and the market price of our ADSs may be adversely affected by changes in inflation, exchange rates and controls, interest rates, Government of India policies (including taxation regulations and policies), social stability or other political, economic or diplomatic developments affecting India in the future.

India has witnessed communal clashes in the past. Although such clashes in India have, in the recent past, been sporadic and have been contained within reasonably short periods of time, any such civil disturbance in the future could result in disruptions in transportation or communication networks, as well as have adverse implications for general economic conditions in India. Such events could have a material adverse effect on our business, the value of our ADSs and your investment in our ADSs.

If the tax benefits and other incentives that we currently enjoy are reduced or withdrawn or not available for any other reason, our financial condition would be negatively affected.

We have benefitted from, and continue to benefit from, certain tax holidays and exemptions in various jurisdictions in which we have operations.

In fiscal 2015, 2014 and 2013, our tax rate in India and Sri Lanka impacted our effective tax rate. We would have incurred approximately \$3.0 million, \$1.7 million and \$0.8 million in additional income tax expense on our operations in Sri Lanka and on our SEZ operations in India for fiscal 2015, 2014 and 2013, respectively, if the tax holidays and exemptions as described below had not been available for the respective periods.

We expect our tax rate in India and Sri Lanka and, to a lesser extent, the Philippines to continue to impact our effective tax rate. Our tax rate in India have been impacted by the reduction in the tax exemption enjoyed by our delivery center located in Gurgaon under the SEZ scheme from 100.0% to 50.0% which started in fiscal 2013.

However, we expect to expand the operations in our delivery centers located in other SEZs that are still in their initial five years of operations and therefore eligible for 100.0% income tax exemption.

For example, in the past, the majority of our Indian operations were eligible to claim income tax exemption with respect to profits earned from export revenue from operating units registered under the Software Technology Parks of India, or STPI. The benefit was available for a period of 10 years from the date of commencement of operations, but not beyond March 31, 2011. Effective April 1, 2011, upon the expiration of this tax exemption, income derived from our operations in India became subject to the prevailing annual tax rate, which is currently 33.99%. For further details on our tax benefits, see Item 4B. Business Overview Regulations .

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When any of our tax holidays or exemptions expire or terminate, or if the applicable government withdraws or reduces the benefits of a tax holiday or exemption that we enjoy, our tax expense may materially increase and this increase may have a material impact on our results of operations. The applicable tax authorities may also disallow deductions claimed by us and assess additional taxable income on us in connection with their review of our tax returns.

New tax legislation and the results of actions by taxing authorities may have an adverse effect on our operations and our overall tax rate.

The Government of India may enact new tax legislation that could impact the way we are taxed in the future. For example, the Government of India has clarified that, with retrospective effect from April 1, 1962, any income accruing or arising directly or indirectly through the transfer of capital assets situated in India will be taxable in India. If any of our transactions are deemed to involve the direct or indirect transfer of a capital asset located in India, such transactions could be investigated by the Indian tax authorities, which could lead to the issuance of tax assessment orders and a material increase in our tax liability. For example, we received a request from the relevant income tax authority in India for information relating to our acquisition in July 2008 from Aviva of all the shares of Aviva Global, which owned subsidiaries with assets in India and Sri Lanka. No allegation or demand for payment of additional tax relating to that transaction has been made yet. The Government of India has issued guidelines on General Anti Avoidance Rule, or the GAAR, which is currently expected to be effective April 1, 2017, and which is intended to curb sophisticated tax avoidance. Under the GAAR, a business arrangement will be deemed an impermissible avoidance arrangement if the main purpose of the arrangement is to obtain tax benefits. Although the full implications of the GAAR are presently still unclear, if we are deemed to have violated any of its provisions, we may face an increase to our tax liability.

Further, the Government of India, pursuant to the Indian Finance Act 2014, stipulated that any income arising from unlisted securities and units (other than equity oriented funds) after July 10, 2014 would only be considered as a long term capital gain if held for more than 36 months as compared to the current period of 12 months. Income from a long term capital asset is currently taxed at 10% as compared to 33.99% for income from short term capital assets. We have invested in a number of debt oriented fixed maturity plans, or FMPs, that were categorized as long term capital assets under the previous rules but are now categorized as short term capital assets under the current rules. As a result, our investment in such FMPs resulted in an increase in income tax payable by \$1.7 million in fiscal 2015, which reduced our net profit by the same amount for that fiscal year.

The Government of India, the US or other jurisdictions where we have a presence could enact new tax legislation which would have a material adverse effect on our business, results of operations and financial condition. In addition, our ability to repatriate surplus earnings from our delivery centers in a tax-efficient manner is dependent upon interpretations of local laws, possible changes in such laws and the renegotiation of existing double tax avoidance treaties. Changes to any of these may adversely affect our overall tax rate, or the cost of our services to our clients, which would have a material adverse effect on our business, results of operations and financial condition.

We are subject to transfer pricing and other tax related regulations and any determination that we have failed to comply with them could materially adversely affect our profitability.

Transfer pricing regulations to which we are subject require that any international transaction among our company and its subsidiaries, or the WNS group enterprises, be on arm's-length terms. Transfer pricing regulations in India have been extended to cover specified Indian domestic transactions as well. We believe that the international and India domestic transactions among the WNS group enterprises are on arm's-length terms. If, however, the applicable tax authorities determine that the transactions among the WNS group enterprises do not meet arm's length criteria, we may incur increased tax liability, including accrued interest and penalties. This would cause our tax expense to increase,

possibly materially, thereby reducing our profitability and cash flows.

We may be required to pay additional taxes in connection with audits by the Indian tax authorities.

From time to time, we receive orders of assessment from Indian tax authorities assessing additional taxable income on us and/or our subsidiaries in connection with their review of our tax returns. We currently have orders of assessment for fiscal 2003 through fiscal 2012 pending before various appellate authorities. These orders assess additional taxable income that could in the aggregate give rise to an estimated 3,046.6 million (\$48.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 1,078.9 million (\$17.2 million based on the exchange rate on March 31, 2015).

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These orders of assessment allege that the transfer prices we applied to certain of the international transactions between WNS Global or WNS Business Consulting Services Private Limited, or WNS BCS, each of which is our Indian subsidiary, as the case may be, and our other wholly-owned subsidiaries were not on arm's length terms, disallow a tax holiday benefit claimed by us, deny the set off of brought forward business losses and unabsorbed depreciation and disallow certain expenses claimed as tax deductible by WNS Global or WNS BCS, as the case may be. As at March 31, 2015 we have provided a tax reserve of 906.8 million (\$14.5 million based on the exchange rate on March 31, 2015) primarily on account of the Indian tax authorities' denying the set off of brought forward business losses and unabsorbed depreciation. We have appealed against these orders of assessment before higher appellate authorities. For more details on these assessments, see Part I Item 5 Operating and Financial Review and Prospects Tax Assessment Orders.

In addition, we currently have orders of assessment pertaining to similar issues that have been decided in our favor by first level appellate authorities, vacating tax demands of 2,482.2 million (\$39.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 770.5 million (\$12.3 million based on the exchange rate on March 31, 2015). The income tax authorities have filed appeals against these orders at higher appellate authorities.

In case of disputes, the Indian tax authorities may require us to deposit with them all or a portion of the disputed amounts pending resolution of the matters on appeal. Any amount paid by us as deposits will be refunded to us with interest if we succeed in our appeals. We have deposited a portion of the disputed amount with the tax authorities and may be required to deposit the remaining portion of the disputed amount with the tax authorities pending final resolution of the respective matters.

As at March 31, 2015, corporate tax returns for fiscal years 2012 (for certain legal entities) and thereafter remain subject to examination by tax authorities in India.

After consultation with our Indian tax advisors and based on the facts of these cases, certain legal opinions from counsel, the nature of the tax authorities' disallowances and the orders from first level appellate authorities deciding similar issues in our favor in respect of assessment orders for earlier fiscal years, we believe these orders are unlikely to be sustained at the higher appellate authorities and we intend to vigorously dispute the orders of assessment.

In March 2009, we also received an assessment order from the Indian Service Tax Authority demanding payment of 348.1 million (\$5.6 million based on the exchange rate on March 31, 2015) of service tax and related penalty for the period from March 1, 2003 to January 31, 2005. The assessment order alleges that service tax is payable in India on BPM services provided by WNS Global to clients based abroad as the export proceeds are repatriated outside India by WNS Global. In response to an appeal filed by us with the appellate tribunal against the assessment order in April 2009, the appellate tribunal has remanded the matter back to the lower tax authorities to be adjudicated afresh. Based on consultations with our Indian tax advisors, we believe this order of assessment is more likely than not to be upheld in our favor. We intend to continue to vigorously dispute the assessment.

No assurance can be given, however, that we will prevail in our tax disputes. If we do not prevail, payment of additional taxes, interest and penalties may adversely affect our results of operations, financial condition and cash flows. There can also be no assurance that we will not receive similar or additional orders of assessment in the future.

Terrorist attacks and other acts of violence involving India or its neighboring countries could adversely affect our operations, resulting in a loss of client confidence and materially adversely affecting our business, results of operations, financial condition and cash flows.

Terrorist attacks and other acts of violence or war involving India or its neighboring countries may adversely affect worldwide financial markets and could potentially lead to economic recession, which could adversely affect our business, results of operations, financial condition and cash flows. South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries, including India and Pakistan. In previous years, military confrontations between India and Pakistan have occurred in the region of Kashmir and along the India/Pakistan border. There have also been incidents in and near India such as the bombings of the Taj Mahal Hotel and Oberoi Hotel in Mumbai in 2008, a terrorist attack on the Indian Parliament, troop mobilizations along the India/Pakistan border and an aggravated geopolitical situation in the region. Such military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult. Resulting political tensions could create a greater perception that investments in Indian companies involve a high degree of risk. Such political tensions could similarly create a perception that there is a risk of disruption of services provided by India-based companies, which could have a material adverse effect on the market for our services. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that were protracted or involved the threat or use of nuclear weapons, we might not be able to continue our operations.

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Restrictions on entry visas may affect our ability to compete for and provide services to clients in the US and the UK, which could have a material adverse effect on future revenue.

The vast majority of our employees are Indian nationals. The ability of some of our executives to work with and meet our European and North American clients and our clients from other countries depends on the ability of our senior managers and employees to obtain the necessary visas and entry permits. In response to previous terrorist attacks and global unrest, US and European immigration authorities have increased the level of scrutiny in granting visas. Immigration laws in those countries may also require us to meet certain other legal requirements as a condition to obtaining or maintaining entry visas. These restrictions have significantly lengthened the time requirements to obtain visas for our personnel, which has in the past resulted, and may continue to result, in delays in the ability of our personnel to meet with our clients. In addition, immigration laws are subject to legislative change and varying standards of application and enforcement due to political forces, economic conditions or other events, including terrorist attacks. We cannot predict the political or economic events that could affect immigration laws or any restrictive impact those events could have on obtaining or monitoring entry visas for our personnel. If we are unable to obtain the necessary visas for personnel who need to visit our clients' sites or, if such visas are delayed, we may not be able to provide services to our clients or to continue to provide services on a timely basis, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

If more stringent labor laws become applicable to us, our profitability may be adversely affected.

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. Though we are exempt from a number of these labor laws at present, there can be no assurance that such laws will not become applicable to the business process management industry in India in the future. In addition, our employees may in the future form unions. If these labor laws become applicable to our workers or if our employees unionize, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, and our profitability may be adversely affected.

Most of our delivery centers operate on leasehold property and our inability to renew our leases on commercially acceptable terms or at all may adversely affect our results of operations.

Most of our delivery centers operate on leasehold property. Our leases are subject to renewal and we may be unable to renew such leases on commercially acceptable terms or at all. Our inability to renew our leases, or a renewal of our leases with a rental rate higher than the prevailing rate under the applicable lease prior to expiration, may have an adverse impact on our operations, including disrupting our operations or increasing our cost of operations. In addition, in the event of non-renewal of our leases, we may be unable to locate suitable replacement properties for our delivery centers or we may experience delays in relocation that could lead to a disruption in our operations. Any disruption in our operations could have an adverse effect on our results of operation.

Risks Related to our ADSs

Substantial future sales of our shares or ADSs in the public market could cause our ADS price to fall.

Sales by us or our shareholders of a substantial number of our ADSs in the public market, or the perception that these sales could occur, could cause the market price of our ADSs to decline. These sales, or the perception that these sales could occur, also might make it more difficult for us to sell securities in the future at a time or at a price that we deem appropriate or to pay for acquisitions using our equity securities. As at March 31, 2015, we had 51,950,662 ordinary shares outstanding, including 51,770,634 shares represented by 51,770,634 ADSs. In addition, as at March 31, 2015, a

total of 3,160,306 ordinary shares or ADSs are issuable upon the exercise or vesting of options and restricted share units, or RSUs, outstanding under our 2002 Stock Incentive Plan and our Third Amended and Restated 2006 Incentive Award Plan. All ADSs are freely transferable, except that ADSs owned by our affiliates may only be sold in the US if they are registered or qualify for an exemption from registration, including pursuant to Rule 144 under the Securities Act of 1933, as amended, or the Securities Act. The remaining ordinary shares outstanding may also only be sold in the US if they are registered or qualify for an exemption from registration, including pursuant to Rule 144 under the Securities Act.

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The market price for our ADSs may be volatile.

The market price for our ADSs is likely to be highly volatile and subject to wide fluctuations in response to factors including the following:

announcements of technological developments;

regulatory developments in our target markets affecting us, our clients or our competitors;

actual or anticipated fluctuations in our operating results;

changes in financial estimates by securities research analysts;

changes in the economic performance or market valuations of other companies engaged in business process management;

addition or loss of executive officers or key employees;

sales or expected sales of additional shares or ADSs;

loss of one or more significant clients; and

a change in control, or possible change of control, of our company.

In addition, securities markets generally and from time to time experience significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also have a material adverse effect on the market price of our ADSs.

We may not be able to pay any dividends on our shares and ADSs.

We have never declared or paid any dividends on our ordinary shares. We cannot give any assurance that we will declare dividends of any amount, at any rate or at all. Because we are a holding company, we rely principally on dividends, if any, paid by our subsidiaries to us to fund our dividend payments, if any, to our shareholders. Any limitation on the ability of our subsidiaries to pay dividends to us could have a material adverse effect on our ability to pay dividends to you.

Any future determination to pay cash dividends will be at the discretion of our Board of Directors and will be dependent upon our results of operations and cash flows, our financial position and capital requirements, general business conditions, legal, tax, regulatory and any contractual restrictions on the payment of dividends and any other

factors our Board of Directors deems relevant at the time.

Subject to the provisions of the Companies (Jersey) Law 1991, or the 1991 Law, and our Articles of Association, we may by ordinary resolution declare annual dividends to be paid to our shareholders according to their respective rights and interests in our distributable reserves. Any dividends we may declare must not exceed the amount recommended by our Board of Directors. Our board may also declare and pay an interim dividend or dividends, including a dividend payable at a fixed rate, if paying an interim dividend or dividends appears to the Board to be justified by our distributable reserves. We can only declare dividends if our directors who are to authorize the distribution make a prior statement that, having made full enquiry into our affairs and prospects, they have formed the opinion that:

immediately following the date on which the distribution is proposed to be made, we will be able to discharge our liabilities as they fall due; and

having regard to our prospects and to the intentions of our directors with respect to the management of our business and to the amount and character of the financial resources that will in their view be available to us, we will be able to continue to carry on business and we will be able to discharge our liabilities as they fall due until the expiry of the period of 12 months immediately following the date on which the distribution is proposed to be made or until we are dissolved under Article 150 of the 1991 Law, whichever first occurs.

Subject to the deposit agreement governing the issuance of our ADSs, holders of ADSs will be entitled to receive dividends paid on the ordinary shares represented by such ADSs. See [Risks Related to Our Business](#) Our loan agreements impose operating and financial restrictions on us and our subsidiaries.

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Holders of ADSs may be restricted in their ability to exercise voting rights.

At our request, the depository of the ADSs will mail to you any notice of shareholders' meeting received from us together with information explaining how to instruct the depository to exercise the voting rights of the ordinary shares represented by ADSs. If the depository timely receives voting instructions from you, it will endeavor to vote the ordinary shares represented by your ADSs in accordance with such voting instructions. However, the ability of the depository to carry out voting instructions may be limited by practical and legal limitations and the terms of the ordinary shares on deposit. We cannot assure you that you will receive voting materials in time to enable you to return voting instructions to the depository in a timely manner. Ordinary shares for which no voting instructions have been received will not be voted.

As a foreign private issuer, we are not subject to the proxy rules of the Commission, which regulate the form and content of solicitations by US-based issuers of proxies from their shareholders. The form of notice and proxy statement that we have been using does not include all of the information that would be provided under the Commission's proxy rules.

Holders of ADSs may be subject to limitations on transfers of their ADSs.

The ADSs are transferable on the books of the depository. However, the depository may close its transfer books at any time or from time to time when it deems necessary or advisable in connection with the performance of its duties. In addition, the depository may refuse to deliver, transfer or register transfers of ADSs generally when the transfer books of the depository are closed, or at any time or from time to time if we or the depository deem it necessary or advisable to do so because of any requirement of law or of any government or governmental body or commission or any securities exchange on which the American Depositary Receipts or our ordinary shares are listed, or under any provision of the deposit agreement or provisions of or governing the deposited shares, or any meeting of our shareholders, or for any other reason.

Holders of ADSs may not be able to participate in rights offerings or elect to receive share dividends and may experience dilution of their holdings, and the sale, deposit, cancellation and transfer of our ADSs issued after exercise of rights may be restricted.

If we offer our shareholders any rights to subscribe for additional shares or any other rights, the depository may make these rights available to them after consultation with us. We cannot make rights available to holders of our ADSs in the US unless we register the rights and the securities to which the rights relate under the Securities Act, or an exemption from the registration requirements is available. In addition, under the deposit agreement, the depository will not distribute rights to holders of our ADSs unless we have requested that such rights be made available to them and the depository has determined that such distribution of rights is lawful and reasonably practicable. We can give no assurance that we can establish an exemption from the registration requirements under the Securities Act, and we are under no obligation to file a registration statement with respect to these rights or underlying securities or to endeavor to have a registration statement declared effective. Accordingly, holders of our ADSs may be unable to participate in our rights offerings and may experience dilution of your holdings as a result. The depository may allow rights that are not distributed or sold to lapse. In that case, holders of our ADSs will receive no value for them. In addition, US securities laws may restrict the sale, deposit, cancellation and transfer of ADSs issued after exercise of rights.

We may be classified as a passive foreign investment company, which could result in adverse US federal income tax consequences to US Holders of our ADSs or ordinary shares.

Based on our financial statements and relevant market and shareholder data, we believe that we should not be treated as a passive foreign investment company for US federal income tax purposes, or PFIC, with respect to our most recently closed taxable year. However, the application of the PFIC rules is subject to uncertainty in several respects, and we cannot assure you that we will not be a PFIC for any taxable year. A non-US corporation will be a PFIC for any taxable year if either (i) at least 75% of its gross income for such year is passive income or (ii) at least 50% of the value of its assets (based on an average of the quarterly values of the assets) during such year is attributable to assets that produce passive income or are held for the production of passive income. A separate determination must be made after the close of each taxable year as to whether we were a PFIC for that year. Because the value of our assets for purposes of the PFIC test will generally be determined by reference to the market price of our ADSs and ordinary shares, fluctuations in the market price of the ADSs and ordinary shares may cause us to become a PFIC. In addition, changes in the composition of our income or assets may cause us to become a PFIC. If we are a PFIC for any taxable year during which a US Holder (as defined in Part I Item 10. Additional Information E. Taxation US Federal Income Taxation) holds an ADS or ordinary share, certain adverse US federal income tax consequences could apply to such US Holder.

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Our share repurchase program could affect the price of our ADSs.

Our Board of Directors and shareholders have authorized the repurchase of up to 1.1 million of our ADSs, each representing one ordinary share, at a price range of \$10 to \$30 per ADS from time to time for 12 months from April 1, 2015. Any repurchases pursuant to our repurchase program could affect the price of our ADSs and increase their volatility. The existence of a repurchase program could also cause the price of our ADSs to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity of our ADSs. There can be no assurance that any repurchases will enhance shareholder value because the market price of our ADSs may decline below the levels at which we repurchase any ADSs. In addition, although our repurchase program is intended to enhance long-term shareholder value, short-term price fluctuations in our ADSs could reduce the program's effectiveness. Significant changes in the price of our ADSs and our ability to fund our proposed repurchase program with cash on hand could impact our ability to repurchase ADSs. The timing and amount of future repurchases is dependent on our cash flows from operations, available cash on hand and the market price of our ADSs. Furthermore, the program does not obligate our Company to repurchase any dollar amount or number of ADSs and may be suspended or discontinued at any time, and any suspension or discontinuation could cause the market price of our ADSs to decline.

We have certain anti-takeover provisions in our Articles of Association that may discourage a change in control.

Our Articles of Association contain anti-takeover provisions that could make it more difficult for a third party to acquire us without the consent of our Board of Directors. These provisions include:

a classified Board of Directors with staggered three-year terms; and

the ability of our Board of Directors to determine the rights, preferences and privileges of our preferred shares and to issue the preferred shares without shareholder approval, which could be exercised by our Board of Directors to increase the number of outstanding shares and prevent or delay a takeover attempt.

These provisions could make it more difficult for a third party to acquire us, even if the third party's offer may be considered beneficial by many shareholders. As a result, shareholders may be limited in their ability to obtain a premium for their shares.

It may be difficult for you to effect service of process and enforce legal judgments against us or our affiliates.

We are incorporated in Jersey, Channel Islands, and our primary operating subsidiary, WNS Global, is incorporated in India. A majority of our directors and senior executives are not residents of the US and virtually all of our assets and the assets of those persons are located outside the US. As a result, it may not be possible for you to effect service of process within the US upon those persons or us. In addition, you may be unable to enforce judgments obtained in courts of the US against those persons outside the jurisdiction of their residence, including judgments predicated solely upon the securities laws of the US.

Table of Contents**ITEM 4. INFORMATION ON THE COMPANY****A. History and Development of our Company**

WNS (Holdings) Limited was incorporated as a private liability company on February 18, 2002 under the laws of Jersey, Channel Islands, and maintains a registered office in Jersey at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES. We converted from a private limited company to a public limited company on January 4, 2006 when we acquired more than 30 shareholders as calculated in accordance with Article 17A of the 1991 Law. We gave notice of this to the Jersey Financial Services Commission, or JFSC, in accordance with Article 17(3) of the 1991 Law on January 12, 2006. Our principal executive office is located at Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli (W), Mumbai 400 079, India, and the telephone number for this office is (91-22) 4095-2100. Our website address is www.wns.com. **Information contained on our website does not constitute part of this annual report.** Our agent for service in the US is our subsidiary, WNS North America Inc., 15 Exchange Place, 3rd Floor, Suite 310, Jersey City, New Jersey 07302, US.

We began operations as an in-house unit of British Airways in 1996 and became a business process outsourcing service provider for third parties in fiscal 2003. Warburg Pincus acquired a controlling stake in our company from British Airways in May 2002 and inducted a new senior management team.

In July 2006, we completed our initial public offering, whereupon our ADSs became listed on the New York Stock Exchange, or the NYSE, under the symbol WNS . In February 2012, in connection with our follow-on offering, we issued new ordinary shares in the form of ADSs, at a price of \$9.25 per ADS, aggregating approximately \$50.0 million and at the same time, Warburg Pincus divested 6,847,500 ordinary shares in the form of ADSs. In February 2013, Warburg Pincus sold its remaining 14,519,144 ordinary shares in the form of ADSs, thereby divesting its entire stake in our company.

From 2004 to July 2007, we provided business process outsourcing services to Aviva, a major client, pursuant to build-operate-transfer contracts from facilities in Colombo, Sri Lanka and Pune, India. The contracts at that time granted Aviva Global the option to require us to transfer our facilities in Sri Lanka and Pune to Aviva Global, which was the business process offshoring subsidiary of Aviva at that time. In 2007, Aviva Global exercised its call option requiring us to transfer the Sri Lanka facility to Aviva Global and the transfer was effective in July 2007. In July 2008, we acquired Aviva Global from Aviva and resumed ownership of the Sri Lanka facility. In connection with our acquisition of Aviva Global, we also entered into a master services agreement with Aviva MS in 2008, or the 2008 Aviva master services agreement, which we recently replaced with the Aviva master services agreement, pursuant to which we provide BPM services to Aviva's UK business and Aviva's Irish subsidiary, Hibernian Aviva Direct Limited, and certain of its affiliates. See Part I Item 5. Operating and Financial Review and Prospects Revenue Our Contracts for more details on this transaction.

We have made a number of acquisitions since fiscal 2003, including our acquisition of Town & Country Assistance Limited, a UK-based automobile claims handling company, thereby extending our service portfolio beyond the travel and leisure industry to include insurance-based automobile claims processing. We subsequently rebranded the company as WNS Assistance, which is part of WNS Auto Claims BPM, our reportable segment for financial statement purposes. In fiscal 2004, we acquired the health claims management business of Greensnow Inc. In fiscal 2006, we acquired Trinity Partners Inc. (which we merged into our subsidiary, WNS North America Inc.), a provider of BPM services to financial institutions, focusing on mortgage banking. In August 2006, we acquired from PRG Airlines Services Limited, or PRG Airlines, its fare audit services business. In September 2006, we acquired from GHS Holdings LLC, or GHS, its financial accounting business. In May 2007, we acquired Marketics, a provider of offshore analytics services. In June 2007, we acquired Flovate, a company engaged in the development and

maintenance of software products and solutions, which we subsequently renamed as WNS Workflow Technologies Limited. In March 2008, we entered into a joint venture with ACS, a provider in BPO services and customer care in the Philippines, to form WNS Philippines Inc. and in November 2011, we acquired ACS's shareholding in WNS Philippines Inc., which became our wholly-owned subsidiary. In April 2008, we acquired Chang Limited, an auto insurance claims processing services provider in the UK, through its wholly-owned subsidiary, Accidents Happen Assistance Limited, or AHA (formerly known as Call 24-7 Limited, or Call 24-7). In June 2008, we acquired BizAps, a provider of Systems Applications and Products, or SAP®, solutions to optimize the enterprise resource planning functionality for our finance and accounting processes. In June 2012, we acquired Fusion, a provider of a range of outsourcing services, including contact center, customer care and business continuity services, to both South African and international clients. Following our acquisition of Fusion, we have renamed it as WNS Global Services SA (Pty) Ltd.

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In fiscal 2010, we restructured our organizational structure in order to streamline our administrative operations, achieve operational and financial synergies, and reduce the costs and expenses relating to regulatory compliance. This restructuring involved the merger of the following seven Indian subsidiaries of WNS Global into WNS Global through a Scheme of Amalgamation approved by an order of the Bombay High Court passed in August 2009 pursuant to the Indian Companies Act, 1956: Customer Operational Services (Chennai) Private Limited, Marketics, Noida Customer Operations Private Limited, or Noida, NTrance Customer Services Private Limited, WNS Customer Solutions (Private) Limited, or WNS Customer Solutions, WNS Customer Solutions Shared Services Private Limited and WNS Workflow Technologies (India) Private Limited. In another restructuring exercise, three of our subsidiaries, First Offshoring Technologies Private Limited, Hi-Tech Offshoring Services Private Limited and Servicesource Offshore Technologies Private Limited, were merged into WNS Global through a Scheme of Amalgamation approved by an order of the Bombay High Court passed in March 2010 pursuant to the Indian Companies Act, 1956. In fiscal 2011 and 2012, we restructured and rationalized our UK and US group companies, wherein three of our UK-based non-operating subsidiaries, Chang Limited, Town & Country Assistance Limited and BizAps, were voluntarily dissolved. In the US, two of our subsidiaries, WNS Customer Solutions North America Inc. and Business Application Associates Inc. were merged with and into WNS North America Inc. In fiscal 2012, we also incorporated a new subsidiary in the US, WNS Global Services Inc., established a new branch of WNS (Mauritius) Limited in the Dubai Airport Free Zone, United Arab Emirates, WNS Mauritius Limited ME (Branch), and de-registered our existing subsidiary WNS Global FZE in the Ras-Al-Khaimah Free Trade Zone, United Arab Emirates or UAE. In fiscal 2013, as part of our restructuring activities, WNS Philippines Inc. was merged into WNS Global Services Philippines, Inc. and ownership of our Costa Rican subsidiary, WNS BPO Services Costa Rica, S.R.L. (formerly known as WNS BPO Services Costa Rica, S.A.), was transferred and is now a subsidiary of WNS North America Inc. In May 2012, WNS Global Services (UK) Limited, or WNS UK, established a branch in Poland, WNS Global Services (UK) Limited (Spółka Z Ograniczoną Odpowiedzialnością) Oddział W Polsce, Gdańsk. In March 2013, we also established a new branch of Business Applications Associates Beijing Ltd. in Guangzhou, China named Business Applications Associates Beijing Limited Guangzhou Branch. In January 2014, we incorporated a new subsidiary of WNS (Mauritius) Limited in China, WNS Global Services (Dalian) Co. Ltd. In March 2014, we incorporated WNS Legal Assistance LLP in the UK under the Limited Liability Partnership Act, 2000. In November 2014, we established a new branch of WNS Global Services Private Limited in Singapore, WNS Global Services Private Limited (Singapore Branch). Our organizational structure now comprises 23 entities in 16 countries, and four branches in Poland, UAE, China and Singapore. Of these 23 entities, WNS Cares Foundation, which is a wholly-owned subsidiary of WNS Global, is a not-for-profit organization registered under formerly Section 25 of the Indian Companies Act, 1956 (which has become Section 8 of the Indian Companies Act, 2013), India formed for the purpose of promoting corporate social responsibilities and not considered for the purpose of preparing our consolidated financial statements.

We are headquartered in Mumbai, India, and we have client service offices in Dubai (United Arab Emirates), Jersey City, (the US), Sydney, (Australia), London (the UK), and Singapore and delivery centers in San Jose (Costa Rica), Bangalore, Chennai, Gurgaon, Mumbai, Nashik, Pune and Vizag (India), Manila (the Philippines), Gydnia (Poland), Bucharest (Romania), Cape Town and Johannesburg (South Africa), Colombo (Sri Lanka), Ipswich, Manchester and Mansfield (the UK), and Columbia, South Carolina (the US) and Guangzhou (China).

Our capital expenditures in fiscal 2015, 2014 and 2013 amounted to \$22.9 million, \$19.6 million and \$21.2 million, respectively. Our principal capital expenditure were incurred for the purposes of setting up new delivery centers, expanding existing delivery centers and developing new technology-enabled solutions to enable execution and management of clients' business processes. We expect our capital expenditure needs in fiscal 2016 to be between \$21.0 million to \$25.0 million, a significant amount of which we expect to spend on infrastructure build-out, technology-enablement and the streamlining of our operations. The geographical distribution, timing and volume of our capital expenditures in the future will depend on new client contracts we may enter into or the expansion of our business under our existing client contracts. As at March 31, 2015, we had commitments for capital expenditures of

\$3.1 million relating to the purchase of property and equipment for our delivery centers. Of this committed amount, we plan to spend approximately \$2.3 million in India, approximately \$0.2 million in the UK, approximately \$0.2 million in Europe (excluding the UK), approximately \$0.1 million in South Africa and approximately \$0.3 million in the rest of the world. We expect to fund these estimated capital expenditures from cash generated from operating activities, existing cash and cash equivalents and the use of existing credit facilities. See Part I Item 5. Operating and Financial Review and Prospects Liquidity and Capital Resources for more information.

Table of Contents**B. Business Overview**

We are a leading global provider of BPM services, offering comprehensive data, voice, analytical and business transformation services. We reengineer, transform and manage business processes to help make our clients more efficient and competitive through a blended onshore, nearshore and offshore delivery model. We transfer the business processes of our clients to our delivery centers and manage the business processes of our clients from these delivery centers, located in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US with a view to offer cost savings, operational flexibility, improved quality and actionable insights to our clients. We seek to help our clients transform their businesses by identifying business and process optimization opportunities through technology-enabled solutions, process design improvements, analytics and improved business understanding.

We win outsourcing engagements from our clients based on our domain knowledge of their business, our experience in managing the specific processes they seek to outsource and our customer-centric approach. Our company is organized into vertical business units in order to provide more specialized focus on each of the industries that we target, to more effectively manage our clients' business processes and to offer customized solutions and business insights designed to improve their competitive positioning. The major industry verticals we currently focus on are insurance; travel and leisure; diversified businesses including manufacturing, retail, consumer packaged goods, or CPG, media and entertainment and telecommunication or telecom; utilities; consulting and professional services; banking and financial services; healthcare; and shipping and logistics; as well as the public sector.

Our portfolio of services includes industry-specific processes that are tailored to address our clients' specific business and industry practices. In addition, we offer a set of shared services that are common across multiple industries, including contact center, finance and accounting, research and analytics, technology services, legal services, and human resources outsourcing.

We monitor our execution of our clients' business processes against multiple performance parameters, and we aim to consistently meet and exceed these parameters in order to maintain and expand our client relationships. We aim to build long-term client relationships, and we typically sign multi-year contracts with our clients that provide us with recurring revenue. In fiscal 2015, 83 and 75 clients contributed more than \$1 million to our revenue and revenue less repair payments, respectively. In fiscal 2014, 76 and 70 clients contributed more than \$1 million to our revenue and revenue less repair payments, respectively.

As of March 31, 2015, we had 28,890 employees executing approximately 700 business processes for our 292 clients.

In fiscal 2015, our revenue was \$533.9 million, our revenue less repair payments was \$503.0 million and our profit was \$58.6 million. Our revenue less repair payments is a non-GAAP financial measure. For a discussion of our revenue less repair payments and a reconciliation of our revenue less repair payments to revenue, see Part I Item 5. Operating and Financial Review and Prospects Overview.

Industry Overview

Companies are outsourcing a growing proportion of their business processes in order to reduce costs, increase process quality, increase flexibility, and improve business outcomes. Companies have shifted their BPM requirements from simpler processes such as contact center related activities to a wider range of more complex business processes, including finance and accounting, research and analytics and industry-specific solutions. Companies are also asking their BPM providers to deliver higher-value services, such as process re-engineering and transformation services, which increase competitive advantage and have an impact on revenues as well as profits. In order to provide complex

services and transformational capabilities, providers must increasingly leverage technology platform solutions, analytics and industry-specific knowledge to deliver improved business processes and business outcomes. These companies are also asking for more flexible business models that align the interests of the provider with those of the company. Transaction and outcome-based engagements are two examples of such models. Many companies are outsourcing to offshore locations such as China, India and the Philippines to access a large, high quality and cost-effective workforce. They are also outsourcing to nearshore and onshore locations across the globe to mitigate risks and to take advantage of language capabilities and cultural alignment. We are a leading global provider in the BPM industry and believe that we are well-positioned to benefit from these outsourcing trends with our blend of onshore, nearshore and offshore delivery capabilities.

The global business process management industry is a large and growing industry. According to the Gartner Report, the worldwide BPO market is estimated to have grown to \$150.393 billion in 2014. Gartner has estimated that the revenue for the worldwide BPO market will grow from \$150.393 billion in 2014 to \$194.193 billion in 2019 at a compounded annual growth rate of 5.25% (compounded annual growth rate calculated by WNS Global).

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The following chart sets forth the estimated growth in revenue generated from worldwide BPO services:

Chart created by WNS Global based on Gartner research.

Source: Gartner, Inc., Forecast: IT Services, Worldwide, 2013-2019, 1Q15 Update. Dated: 16 March 2015.

Business process management typically requires a long-term strategic commitment for companies. The processes that companies outsource frequently are complex in nature, and tightly integrated with their core operations. These processes require a high degree of customization and, often, a multi-stage outsource transfer program. Companies therefore would incur high switching and other costs to transfer these processes back to their internal operations or to other business process outsourcing providers, whether onshore or offshore. As a result, once a business process outsourcing provider gains the confidence of a client, the resulting business relationship usually is characterized by multi-year contracts with predictable annual revenue.

Given the long-term, strategic nature of these engagements, companies undertake a rigorous process in evaluating their business process management provider. Based on our experience, a client typically seeks several key attributes in a business process management provider, including:

Domain knowledge and industry-specific expertise;

Process expertise across horizontal service offerings;

Ability to innovate, add new operational expertise and drive down costs;

Demonstrated ability to execute a diverse range of mission-critical and often complex business processes;

Analytical capabilities to deliver actionable business insights;

Technology-enabled services and solutions;

Global presence via onshore, nearshore and offshore delivery centers;

Capability to scale employees and infrastructure without a diminution in quality of service; and

Established reputation and industry leadership.

As the business process management industry evolves further, we believe that industry-specific knowledge, higher-value process expertise, analytical capabilities, technology-enabled solutions, a global delivery platform, scale, reputation and leadership will become increasingly important factors in this selection process.

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We believe that non-linear pricing models which allow BPM providers to price their services based on volume of transactions processed or the value delivered to companies will replace, in certain engagements, pricing models that are primarily based on headcount (often referred to as full-time equivalents, or FTEs), as companies look to align revenues and costs by paying for the value delivered to them rather than the efforts deployed to provide the services to them. Non-linear pricing models therefore create the incentive for BPM providers to improve the productivity of their employees, increase the use of technology and improve the overall efficiency of their operations.

Competitive Strengths

We believe that we have the competitive strengths necessary to maintain and enhance our position as a leading global provider of BPM services:

Well positioned for the evolving BPM market

The BPM industry, which started with the first wave of outsourced processes, such as contact center customer service activities, has now expanded to include higher-value services that involve process re-engineering, management of mission-critical operations and business transformation. We believe that as companies have become more experienced with outsourcing, they generally look to outsource an increasing number of processes and to outsource increasingly complex and more industry-specific processes. We believe that our industry-specific expertise, comprehensive portfolio of complex services, transformation capabilities, technology-enabled solutions and customer-centric approach position us at the forefront of the evolving BPM market. In addition, as companies increasingly look to diverse global delivery locations for their BPM services to mitigate risk and leverage language capabilities and cultural alignment, we believe we are well positioned to benefit from this trend with our blend of onshore, nearshore and offshore delivery capabilities.

Deep industry expertise

We have established deep expertise in the industries we target as a result of our legacy client relationships, acquisitions and the hiring of management with specific industry knowledge. We have developed methodologies, proprietary knowledge and industry-specific technology platforms applicable to our target industries that allow us to provide industry-focused solutions and be more responsive to customer needs within these industries.

In addition, we have organized our company into business units aligned along each of the industries on which we focus. By doing so, we are able to approach clients in each of our target industries with a combined sales, marketing and delivery effort that leverages our in-depth industry knowledge and industry-specific technology platforms.

For example, in our insurance vertical, we have specialized expertise in multiple insurance sub-sectors including property and casualty, auto and life. We offer various insurance-specific processes such as premium and policy administration, claims management, actuarial services and underwriting.

We have received numerous recognitions for our industry leadership. Our 2015 and 2014 awards and recognitions are set forth below:

General:

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Skoch Order-of-Merit at the 38th Skoch Summit recognizing WNS best practices in the fields of governance, finance, banking, technology, corporate citizenship, economics and inclusive growth

Asia Pacific Entrepreneurship Award under the Outstanding Category for sustainable leadership and continuous innovation presented to our Group CEO, Keshav R. Muruges

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Insurance:

Everest Group's 2014 Insurance BPO PEAK Matrix Positioned as a Leader

NelsonHall NEAT Assessment for Property and Casualty BPO in overall category in the Automotive Sector
Ranked as a Leader

NelsonHall NEAT Rankings for Property and Casualty Insurance BPO in the Automotive Sector Ranked as
a Leader in Claims Focus, E2E Auto BPO, Reducing Customer Churn and Upping the Underwriter

Finance and Accounting:

Gartner 2014 Magic Quadrant for Finance and Accounting BPO Positioned in the Leaders Quadrant

HfS Research Recognized as a High Performer in Progressive Finance and Accounting BPO Services in
2015

Everest Group's 2014 Finance and Accounting Outsourcing Service Provider Landscape with PEAK
Matrix™ Assessment Positioned as a Major Contender

Everest Group's 2014 Record-to-Report BPO Service Provider Landscape with PEAK Matrix™ Assessment
Positioned as a Major Contender

Everest Group's 2014 Order-to-Cash BPO Service Provider Landscape with PEAK Matrix™ Assessment
Positioned as a Major Contender

Banking and Financial Services:

NelsonHall NEAT Rankings 2015 for overall Mortgage and Loan Ranked as a Leader

NelsonHall NEAT Rankings 2015 for Mortgage and Loan Servicing BPO Ranked as a Leader in Mortgage
Loan Secondary Market Services, Mortgage Loan Origination, Mortgage Loan Default Management and
Mortgage Loan Servicing BPO

Everest Group's PEAK Matrix™ Assessment 2014 for Banking Service Provider Landscape Positioned as a
Major Contender

Everest Group's PEAK Matrix™ Assessment 2015 for Capital Markets Service Provider Landscape
Positioned as a Major Contender

Customer Care:

Everest Group's Contact Center Outsourcing for the Banking, Financial Services and Insurances Industry
Service Provider Landscape with PEAK Matrix™ Assessment 2014 Positioned as a Major Contender

Everest Group's Contact Center Outsourcing Market for the Healthcare Industry Service Provider Landscape
with PEAK Matrix™ Assessment 2014 Positioned as a Major Contender

Procurement and Supply Chain:

Everest Group's Procurement Outsourcing Service Provider Landscape for Europe with PEAK Matrix™
Assessment 2015 Positioned as a Major Contender

Analytics:

Everest Group's Analytics Business Process Services Service Provider Landscape with PEAK Matrix™
Assessment 2015 Positioned as a Major Contender

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HRO:

People Matters Talent Acquisition Leadership League Award 2014 Best in Recruitment Re-engineering in recognition of WNS talent acquisition best practices

Technology:

International Business Awards 2014 (8th Annual Stevie Awards) Gold for Best New Product or Service of the Year- Software Web Services Solution for ProGenieSM

International Business Awards 2014 (8th Annual Stevie Awards) Bronze for Best New Product or Service of the Year- Software Big Data Solution for WNS Analytics Decision Engine (WADESM)

Data Security Council of India Excellence Award for Security in BPM Large

Winner at the National Case Study Competition Service Track in Operational Excellence in Insurance in IndiZEN 2015, organized by Kaizen Institute India

Quality:

National Institute for Quality and Reliability Lean Six-Sigma Case Study Presentation Platinum Award - Insurance sector for Improved Fraud Conversion rate and Silver Award Travel sector for Improved Transactional Quality

Learning and Development:

The American Society for Training & Development s BEST Learning and Development Award Domain University

Shared Services & Outsourcing Network s Excellence Award 2014 Winner in Talent Management & Leadership Development Category

Shared Services & Outsourcing Network s Excellence Award 2014 Runner-up Award in Culture Creation Category

Corporate Social Responsibility:

The Golden Peacock Global Award for Corporate Social Responsibility, 2015

The Chief Marketing Officer Asia Outsourcing Excellence Award for Corporate Social Responsibility and Excellence in Culture Creation

International Business Awards 2014 (8th Annual Stevie Awards) Bronze Corporate Social Responsibility Program of the Year (Asia, Australia and New Zealand) for the WNS Cares Foundation

Table of Contents***Comprehensive portfolio of complex services, higher-value transformational services and technology-enabled solutions***

We seek to focus our service portfolio on more complex processes and solutions, and to evolve away from reliance on services that are less integral to our clients' operations, such as commoditized voice services (telemarketing and technical helpdesks), which characterized the business process outsourcing industry in its early days. We offer higher-value services such as finance and accounting services, research and analytics services, transformation services and technology-enabled solutions, which are designed to help our clients to improve operating efficiency and leverage large amounts of information to help make their businesses more competitive. We also provide industry-specific solutions which cut across these traditional horizontal services. These solutions are designed to help clients address process efficiency requirements and provide business insights specific to their industry.

We have also developed and continue to develop technology-enabled, or automated, solutions that utilize our proprietary software and licensed software in conjunction with our core business process management services. These integrated, technology-enabled solutions allow us to offer higher value, differentiated services which are more scalable and repeatable and create value for our clients through increased process efficiency and quality. We also collaborate with technology companies, combining their software platforms and expertise with our service capabilities to deliver business solutions to the marketplace. We believe these technology-enabled automated solutions will enable us to grow our revenue in a non-linear way by decoupling revenue growth from headcount growth.

For example, we offer various technology-enabled platforms as part of our broad suite of transformation services that also includes Consulting and Program Management Services, Process and Quality Services and Technology Services. For a large North American airline, we utilized our VerifareSM platform to streamline the airline's revenue recovery process and ensure compliance with industry rules and regulations as well as the airline's own internal policies and procedures, which enabled the airline to increase the amount of revenue recovered by auditing fares, taxes and commission reported or claimed by travel agents.

Proven global delivery platform

We deliver our services from 37 delivery centers around the world, located in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US. Our ability to offer services delivered from onshore, nearshore and offshore locations, benefits our clients by providing them with high-quality services from scalable, efficient and cost-effective locations based on their requirements and process needs. It also provides our clients with the benefits of language capabilities, cultural alignment and risk mitigation in their outsourcing programs.

We believe the breadth of our delivery capability allows us to meet our clients' needs, diversifies our workforce and allows us to access local talent pools around the world.

Our client-centric focus

We have a client-centric engagement model that leverages our industry-specific and shared-services expertise, flexible pricing models, client-partner relationship approach, as well as our global delivery platform to offer business solutions designed to meet our clients' specific needs.

We have sought to enhance our value proposition to our clients by providing them with more flexible pricing models that align our objectives with those of our clients. In addition to traditional headcount-based pricing, we provide alternative pricing models such as transaction-based pricing and outcome-based pricing. These models enable our clients to pay only for actual work performed or tangible benefit received.

We have also adopted a client-centric sales model, which is tightly integrated with our vertical organizational structure. Strategic client accounts are assigned a dedicated client partner from our team who is responsible for managing the day-to-day relationship. The client partner is typically a seasoned resource with deep domain experience, who works directly from the client's local offices. Within our company, the client partner is aligned with a specific vertical, and directly manages sales resources responsible for expanding client relationships (farmers). The client partner is responsible for driving business value to our clients, ensuring quality of delivery and customer satisfaction, and managing account growth and profitability.

We believe our ability to provide highly relevant solutions, alternative pricing models, a client-centric approach and a global delivery platform gives our clients the capabilities they seek from their outsourcing partner. As a result, we have built long-standing relationships with large multinational companies.

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Experience in transferring processes offshore and running them efficiently

Many of the business processes that our clients outsource to us are critical and core to their operations, requiring substantial program management expertise. Our methodical program management methodology is designed to ensure smooth transfer of business processes from our clients' facilities to our delivery centers. Our experienced program management team has transferred approximately 700 business processes for our clients globally. The toolkit used to effect such transfer of business processes is continuously upgraded with our learnings and experiences from various transitions.

We focus on delivering our client processes effectively on an ongoing basis. We have a robust quality management system and we have maintained continual compliance with International Standard Organization, or ISO, 9001:2008 and ISO 27001 standards. We apply Lean Six Sigma methodologies, which are methodologies that combine Six Sigma, a methodology designed to improve consistency across processes, and Lean, which is an engineering methodology to further improve our process delivery. We invest in training and development to equip our employees with Lean Six Sigma knowledge and skills, and encourage them to identify key opportunity areas within different processes and drive operational excellence.

We also continually seek feedback from our customers at regular intervals. We carry out annual surveys of our customers through which suggestions are invited for improvements along with ratings on specific parameters. Such ratings provide unfiltered customer feedback that helps us assess our performance and maintain focus on our clients' key expectations.

Extensive investment in human capital development

We have established the WNS Learning Academy, which provides ongoing training to our employees for the purpose of continuously improving their leadership and professional skills. This includes the provision of extensive training infrastructure, such as training rooms, mobile application-based learning systems and in-house learning programs, which help impart key professional skills and industry-specific knowledge to our employees. We seek to promote our team leaders and operations managers from within, thereby offering internal advancement opportunities and clear long-term career paths.

As part of their development, we have launched programs for our front line managers and top employees to help them improve their performance in their current roles and to develop new skill sets to enable them to take on new roles. These programs include our business intervention programs *Beyond Horizon*, *Inspire*, *TransforME*, *Empower* and *Evolve* which are all programs that are designed to identify promising employees at various levels of the organization and to provide them with the skills to grow and eventually step into senior leadership roles.

We have put in place our New Leadership Competency framework, which serves as a tool to help leaders measure the skill sets and behavioral patterns required by them and their teams to excel in the current and future roles.

In addition, we create individual development plans for our top talent based on inputs from our line managers and business units heads to help further their career development.

Our aim is to develop a truly global team, invest in high-growth opportunities and increase our employees' sales effectiveness in farming and hunting while leveraging on technology to create a learning organization.

Experienced management team

We benefit from the effective leadership of a global management team with diverse backgrounds including extensive experience in outsourcing. Members of our executive and senior management team have, on average, over 20 years of experience in diverse industries, including in the business process and information technology outsourcing sector, and in the course of their respective careers have gathered experience in developing long-standing client relationships, launching practices in new geographies, developing new service offerings and successfully integrating acquisitions.

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Business Strategy

Our objective is to strengthen our position as a leading global business process management provider. To achieve this, we will seek to increase our client base, expand our existing relationships, further develop our industry expertise, enhance our value proposition to our clients, develop new business services, leverage analytics to create actionable insights, enhance our brand, develop technology-enabled services and solutions, expand our global delivery platform and make selective acquisitions.

We have made significant investments to accelerate our growth. These investments include:

The expansion and reorganization of our sales force;

An increase in the expertise and management capability within our sales force;

The expansion of other sales channels including the development of new partnerships and alliances and broadening our engagement with outsourcing industry advisors and analysts;

An increase in the range of services and solutions offered to our clients across different industries and business functions;

The establishment of our Capability Creation Group to facilitate the creation of new client offerings and automation of solutions;

An increase in the amount of technology in our service offerings including the development of new technology-enabled solutions; and

The expansion of our global delivery platform.

The key elements of our growth strategy are described below.

Increase business from existing clients and add business from new clients

We have organized our company into vertical business units to focus on each of the industries that we target and to more effectively manage our clients' business processes and to offer customized solutions designed to solve their business challenges. Our sales force of 69 members as at March 31, 2015, provides broad sales coverage and management experience. Our sales force is organized into two groups, one focused primarily on expanding existing client relationships (farmers) and another focused on seeking new clients (hunters).

We seek to expand our relationships with existing clients by identifying additional processes that can be transferred to our global delivery centers, cross-selling new services, adding technology-based offerings, utilizing analytics to create actionable insights, and expanding into other lines of business and geographies within each client. Our account

managers and client partners have industry-specific knowledge and expertise and are responsible for maintaining a thorough understanding of our clients' outsourcing roadmaps as well as identifying and advocating new outsourcing opportunities. As a result of this strategy, we have built a strong track record of extending the scope of our client relationships over time.

For new clients, we seek to provide value-added solutions by leveraging our deep industry knowledge, process expertise, technology-enablement, analytics capabilities and transformation solutions. As a result of our capabilities and industry vertical go-to-market approach, we have been able to compete effectively for new opportunities as they arise.

Reinforce leadership in existing industries

Through our industry-focused operating model, we have established leading business process management practices in various industries and business sectors. We intend to leverage our knowledge of the insurance; travel and leisure; diversified businesses including manufacturing, retail, CPG, media and entertainment, and telecom; and banking and financial services industries, with additional focus on the consulting and professional services; utilities; healthcare; shipping and logistics industries, as well as the public sector, to penetrate additional client opportunities within these industries. To complement our industry-focused approach, we continue to invest in talent, analytics and technology platforms with the goal of expanding our business and acquiring industry specific expertise to improve our service offerings across industries.

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Provide higher value added services

We enhance our value proposition to our clients by leveraging our industry-specific expertise; our portfolio of higher-value services such as our finance and accounting services, research and analytics services, transformation services and technology-enabled solutions; and our flexible pricing models. We expect that as the BPM market matures, the demand for industry-specific services that enable deeper penetration and for outcome based pricing models that are aligned to clients' higher expectations of providers to increase. Accordingly, we have made significant investments in both of these areas which we expect to continue to give us a competitive advantage. We intend to broaden the scope of our higher-value service offerings to capture new market opportunities. By delivering a wider portfolio of higher-value services to our clients and migrating them towards transaction or outcome-based pricing models, we aim to increase the value of our solutions to our clients and enhance the strength, size and profitability of these relationships.

In January 2012, we established our Capability Creation Group, which is responsible for facilitating the creation of new industry leading solution offerings, transformation methodologies and frameworks, and process reengineering offerings. These solution offerings include automation of manual processes, solving operational challenges and enhancing productivity and efficiencies for client organizations. We intend to continue to expand on capability creation to drive process excellence, technology development, and new solutions and capabilities to address client needs.

Enhance awareness of the WNS brand name

Our reputation for operational excellence and domain expertise among our clients has been instrumental in attracting and retaining new clients as well as talented and qualified employees. We believe we have benefited from strong word-of-mouth references in the past to scale our business. However, as the size and complexity of the business process management market continue to grow, we are actively increasing our efforts to enhance awareness of the WNS brand in our target markets and among potential employees. To accomplish this, we have established a dedicated global marketing team comprised of experienced industry talent. We are also focusing on developing channels to increase market awareness of the WNS brand, including participation in industry events and conferences, exposure in industry publications, publication of articles and white papers, webinars and podcasts, internet and digital marketing techniques, and other initiatives that create enhanced visibility of the WNS brand and establish WNS thought leadership in the BPM industry. In addition, we are aggressively targeting BPM industry analysts, sourcing advisors, general management consulting firms, and boutique outsourcing firms, who are often retained by prospective clients to provide strategic advice, act as intermediaries in the sourcing processes, develop scope specifications, and aid in the partner selection process.

Expand our delivery capabilities

We currently have 37 delivery centers located in ten countries around the world. In fiscal 2015, we expanded our delivery capacity by 813 seats or approximately 3.5% of our capacity at the end of fiscal 2014. We intend to expand our global delivery capability through additional delivery centers in onshore, nearshore and offshore locations as well through collaborations with other providers. This approach will allow us to offer our clients maximum value and flexibility, as well as gain access to potential clients and markets that may have specific delivery requirements or constraints.

Broaden industry expertise and enhance growth through selective acquisitions and partnerships

Our acquisition strategy is focused on adding new service offerings, technology-enabled automation tools and capabilities, and deeper industry expertise, as well as expanding our geographic delivery platform. Our acquisition track record demonstrates our ability to integrate, manage and develop the specific capabilities we acquire. Our intention is to continue to pursue targeted acquisitions in the future and to rely on our integration capabilities to expand the growth of our business.

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Business Process Management Service Offerings

We offer our services to clients through industry-focused business units. We are organized into the following vertical business units to provide more specialized focus on each of these industries and more effectively manage our sales, marketing and delivery processes:

Insurance;

Travel and leisure;

Diversified businesses including manufacturing, retail, CPG, media and entertainment, and telecom;

Utilities;

Consulting and professional services;

Banking and financial services;

Healthcare;

Shipping and logistics; and

Public sector.

In addition to industry-specific services, we offer a range of services that are common across multiple industries (which we refer to as our horizontal services), in the areas of customer care (or contact center), finance and accounting, human resource outsourcing, research and analytics, technology and legal services. In addition, our global transformation practice offers higher-value services such as transformation services, which are designed to help our clients modify their business processes to enhance productivity, and manage changes in the business environment and leverage business knowledge to increase market competitiveness. We help clients drive these initiatives with technology-enabled solutions, process re-design including quality initiatives such as Six Sigma or Lean, and business analytics.

To achieve in-depth understanding of our clients' industries and the geographies in which they operate, we manage and conduct our sales processes in our three key markets—Europe, North America and Asia-Pacific. Our sales teams are led by senior professionals who focus on target industries, processes and clients. Each business unit is staffed by a dedicated team of managers and employees engaged in providing business process management client solutions. In addition, each business unit draws upon common support services from our information technology, human resources, training, corporate communications, corporate finance, risk management and legal departments, which we refer to as

our corporate-enabling units.

Vertical Business Units:

Insurance

Our insurance services (actuarial and non-actuarial) are structured into three lines of business offerings customized for property and casualty insurance, life and annuities and healthcare. We cater to a diverse and sizeable number of clients globally and have significant experience across a broad range of insurance product lines.

The key insurance industry sectors we serve include:

Life, annuity and property and casualty insurers;

Insurance brokers and loss assessors, property and casualty insurance providers, re-insurance brokers and motor insurance companies;

Self-insured auto fleet owners;

Commercial and retail banks;

Mortgage banks and loan servicers;

Asset managers and financial advisory service providers; and

Healthcare payers, providers and device manufacturers.

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Our insurance business vertical includes our auto claims business, consisting of WNS Assistance and AHA, which comprises our WNS Auto Claims BPM segment. We offer a technology-driven model that enables us to handle the entire automobile insurance claims cycle. We offer comprehensive repair management services to our clients where we arrange for the repair of automobiles through a network of repair centers. We also offer claims management services where we process accident insurance claims for our clients. In addition, we provide third party claims handling services including the administration and settlement of property and bodily injury claims while providing repair management and rehabilitation services to our insured and self-insured fleet clients and the end-customers of our insurance company clients. Our service for uninsured losses focuses on recovering repair costs and legal expenses directly from negligent third parties. See Part I Item 5. Operating and Financial Review and Prospects Overview.

As at March 31, 2015, we had 6,401 employees working in this business unit. In fiscal 2015 and 2014, this business unit accounted for 35.7% and 36.7% of our revenue and 31.8% and 32.5% of our revenue less repair payments, respectively.

The following graphic illustrates the key areas of services provided to clients in this business unit:

Insurance Service Offerings			
Agency Services	Policy Administration	Investment Management	New Business Support
Licensing and contracting, correspondence, renewals, terminations, commissions, special compensation, abandoned properties, accounting	Underwriting and underwriting support, policy issue, policy benefits, policy reinstatement and quotes, policy changes, inbound customer service, endorsements, renewals, pre-renewals/ expiry premium, lapses, indexing and logging, specialist line, mid-term changes, motor insurance database updates	Trade compliance, performance measurement, credit research, data management, real estate	Sales, conversion, quote acceptance, cross-selling and up-selling, customer enquiries, exposure assessment, new business data entry, rules-based underwriting, policy issuance
UK Motor Accident			
Premium Administration	Management Provision	Claims	Actuarial Services
Fund applications, refunds, billing, premium mode changes, bank information changes, account reconciliation	First notification of loss, repair management and engineering, liability handling, third-party capture, subrogation, non-fault claims management, claims handling process technology	Claim set-up, examination, review, settlement, correspondence, tax compliance, first notification of loss, policyholders and broker claim inquiries, claim notification processing adjustment, endorsements and renewals, claim	Life actuarial services: financial reporting and measurement, actuarial systems support and actuarial technical support

assessment, negotiation and litigation, recovery check processing, third-party claims, subrogation, supplier payments, claims progression, bodily injury claims, delegated authority payments, claims bill payment, claims adjudication, manual claims intervention, transfers and withdrawals, loss adjusting transcription	Property and casualty services: product development, underwriting and pricing; claims reserving; and marketing and claims analytics
	Solvency II services

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Proprietary Platform:

Proprietary platform designed to transform business processes ClaimPro™ End-to-End Claims Management software.

Case Study

Our client, a leading insurance provider across life and pension, general and health insurance verticals, wanted a solution to the inefficiencies in its existing operations on account of fragmented processes spread across multiple locations, lack of standardized documentation, the use of manual and paper-based processes, and multiple legacy systems.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Transition of operations to a center of excellence, or CoE: Our team consolidated processes and transferred, in a phased manner, parts of the client's general insurance, life and pensions, and healthcare operations, and half of the functions of the finance office from the client's UK and Ireland operations to CoE centers that we had established in India and Sri Lanka.

Streamlining of management structure: Our team standardized and optimized the client's processes, cross-utilized staff and shared best practices across different lines of business, and implemented uniform benchmarking techniques for use across the organization.

Re-engineering of processes: Our team leveraged technology-enabled solutions to re-engineer processes. We have helped our client strengthen and improve its operational efficiencies and data management and reporting function. Specific benefits delivered to the client included:

Providing actionable intelligence to internal business units based on insights from the CoE, which may be translated into profitable growth;

Improved end-to-end accountability for business results and target transformation by jointly leveraging on our and client's own internal resources; and

Improved process efficiencies through consolidation and standardization of processes and rationalization of platforms across the client's business.

Travel and Leisure Services

We deliver end-to-end services to clients across the travel and leisure industry value chain. We provide a wide range of scalable solutions that support air, car, hotel, marine and packaged travel and leisure services offered by our clients.

The key travel and leisure industry sectors we serve include:

Airlines;

Travel agencies, online travel agencies, tour operators and hospitality companies;

Rental car companies and motor clubs;

Hotels and cruise lines; and

Global distribution systems providers.

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As at March 31, 2015, we had 6,453 employees in this business unit, several hundred of whom have International Air Transport Association, Universal Federation of Travel Agents or other travel industry related certifications. In fiscal 2015 and 2014, this business unit accounted for 18.7% and 19.5% of our revenue and 19.8% and 20.8% of our revenue less repair payments, respectively.

The following graphic illustrates the key areas of services provided to clients in this business unit:

Sales and Customer Care	Travel and Leisure Operations	Service Offerings Platform-Based	Shared Services
Customer service, sales and reservations, loyalty program management, customer relations, lost baggage tracing and customer support, website navigation, specialty help desk	Fare filing and loading, revenue management, fares and ticketing, queue processing, passenger name record servicing, cargo operations support	<p>VerifareSM Automated web-based fare audit solution</p> <p>JADESM Passenger revenue accounting platform for airlines</p>	Passenger / cargo revenue accounting and auditing services, corporate finance and accounting, transactional accounting, human resource management, fraud prevention and control, analytics and management information systems, or MIS
		<p>SmartProSM Proration engine driven by advanced analytics designed to help airlines make better revenue management decisions</p>	
		<p>Booking information data tapes, or BIDT, audit and analytics: Designed to help airlines understand their indirect distribution pattern and identify opportunities to reduce the cost of sale. Our BIDT audit service uses an in-house proprietary tool</p> <p>Q-Bay: Automated passenger name record queue solution is a single platform that manages queues from multiple global distribution systems</p>	

RePAX: Flight disruption management tool, which is designed to minimize direct and indirect losses and improve passenger experience

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Case Study

Our client, a leading European airline, decided to deliver passenger revenue accounting, or PRA, processes for both the airline itself and the carriers for whom it was providing hosted revenue accounting services.

Our engagement with the airline began with a transfer of the PRA processes into one of our CoEs for revenue accounting in India. Several of the initiatives we undertook to improve efficiency and reduce costs of the revenue accounting process included:

Ensuring a robust and seamless transition: By leveraging our proprietary, transition methodology, EnABLE, we effected the seamless transition of PRA processes. It was a complex transition given that the airline's PRA operations encompassed approximately 90 legacy applications which were operated on two different revenue accounting systems, one used for the airline's PRA operations and the other used for the carriers for whom the airline provided hosted PRA services.

Enriching the knowledge repository tool: We enriched the knowledge repository tool by developing exhaustive documentation on the system's processes, best practices and tools, and made them easily accessible to the team.

Consolidating and re-engineering processes: We re-engineered and restructured the fare audit process to deliver enhanced revenue recovery and revenue protection to the airline. The processes were consolidated across geographies including Europe, the Middle East and the US into our CoE.

We have helped our client improve its efficiencies, by reducing costs and improving the productivity of its PRA operations. Specific benefits delivered to the client included:

Identifying recoveries of revenue;

Improving accuracy in interline sampling, resulting in significant revenue protection;

Delivering improvement in turnaround time and managing a significant number of exception transactions, which refers to transactions that cannot be processed electronically due to non-automated ticketing by certain airlines, for which the client's PRA process is insufficient; and

Reducing the cost of revenue accounting operations.

Diversified Businesses including Manufacturing, Retail, Consumer Products, Media and Entertainment, and Telecom

We deliver comprehensive BPM services for diversified businesses including manufacturing, retail, consumer products, media and entertainment, and telecom.

As at March 31, 2015, we had 4,150 employees in this business unit. In fiscal 2015 and 2014, this business unit accounted for 14.0% and 14.4% of our revenue and 14.9% and 15.3% of our revenue less repair payments, respectively.

Manufacturing: Our manufacturing team has experience in delivering metrics-driven solutions and transformation programs for our manufacturing clients. The key manufacturing sectors we serve include:

Electronics manufacturers;

Metal and mining companies;

Medical equipment manufacturers;

Surgical equipment and vision care product manufacturers;

Building and construction product manufacturers; and

Automobile manufacturers.

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The following graphic illustrates the key areas of services provided to clients in this business unit:

Manufacturing Service Offerings					Warranty
Sales, Marketing and					Return
Supply Chain Planning and Forecasting	Fulfillment and Logistics	Customer Services	Sourcing and Procurement	Shared Services	Management
and operations ing, demand asting, supply ing, inventory agement, inventory tics	Order entry and processing, order tracking, billing / invoicing, transport management, logistics optimization	Global market opportunities, brand building, go to market strategy, customer services, telemarketing, order management, acquisition analysis, retention analysis	Strategic sourcing, category management, contract management, spending analytics, transactional procurement	Finance and accounting services, billing queries, marketing analytics support, billing support, debt collection, human resource services, customer care services	Warranty customer operations warranty claims management parts / repa management warranty financial management returns management customer helpdesk

Retail and Consumer Products: Our retail and CPG team offers services that leverage on our proprietary tools and methodologies that are designed to help our clients improve customer service, optimize marketing expenditures, reduce operational costs and streamline processes through efficiency, quality and productivity improvements.

The key retail and CPG companies we serve include:

Beverage companies;

Fast food chains and restaurants;

Office products retailers;

Cosmetics and healthcare companies;

Discount stores;

Specialty retailers; and

Departmental stores.

To support our services, we use our proprietary research and analytics platform, WADESM, which was designed and developed to enable retail and CPG companies to access, organize and analyze data from various outside sources and use the information to take informed decisions.

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The following graphic illustrates the key areas of services provided to clients in this business unit:

Retail and Consumer Packaged Goods Service Offerings

			Revenue Management	Global Back-office
Strategy Solutions	Customer Service Solutions	Supply Chain Solutions	Solutions	Solution
Market entry strategy, balancing portfolio investments, consumer and market insights, innovation strategies, power brand strategy, marketing spending optimization	Omni-channel (phone, e-mail, fax, website, live chat, social media) customer relationship management	Retailer-supplier collaboration for demand-driven supply chain and retail execution management, supply intelligence, supplier performance and risk monitoring, contract management. supply chain orchestration global trade shared services, trading partner helpdesks, logistics	Planning and execution of transaction and interaction-based campaign strategies, loyalty management, credit control and collections	Simplified, shared global self-service organization model with local business partners for finance and accounting, human resources, or HR, IT, indirect procurement; end-to-end low cost shared services for transaction processes and virtual centers of excellence, or CoEs. for specialized services (tax, internal audit, IT architecture)

Media and Entertainment: Our media and entertainment team offers services that leverage our proprietary tools and methodologies that are designed to help our clients create new revenue streams, capitalize on emerging digital opportunities, harness new-age consumers to their advantage and boost margins.

The key media and entertainment sectors we serve include:

Music;

Publishing;

Television;

Radio;

Filmed entertainment;

Gaming and animation;

Sports entertainment; and

Internet and outdoor advertising firms.

Our vertical approach to delivering outcomes, large team of domain experts and award-winning proprietary research and analytics solution platform, WADESM, are at the core of the solutions we design for our clients in the media and entertainment space.

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The following graphic illustrates the key areas of services provided to clients in this business unit:

Media and Entertainment Service Offerings				
Digital Operations and				
Royalty Management	Sales, Marketing and			
Solutions	Solutions	Distribution Solutions	Customer Service Solutions	Global Back-office Solutions
Strategy Solutions Market entry strategy, balancing portfolio investments, consumer and market insights, innovation strategies, brand power strategy, marketing expense optimization	Digital operations solutions to help companies successfully expand into the digital business. Royalty management solutions to help clients manage rights and royalties in the new media as well as the traditional media	Seamless integration of traditional and digital product sales, marketing and distribution to enable client to roll out timely innovative pricing / packaging strategies	Omni-channel (phone, e-mail, fax, website, live chat, social media) customer relationship management	Simplified, shared global self-sufficient organization model with local business partners for finance and accounting, human resources, information technology and indirect procurement; end-to-end low cost shared services for transaction processes and virtual Center of Excellence (CoE) for specialized services (tax, internal audit, IT architecture)

Telecom: Our experience in consolidating and centralizing the functions of our telecommunications clients with built-in variable capacity to meet business requirements helps us deliver business value. We offer analytics, optimization, domain and process expertise.

The following graphic illustrates the key areas of services provided to clients in this business unit:

Telecommunications Service Offerings			
Operations and Customer			
Customer Acquisition	Order Provisioning and Order Management	Order Relationship Management (CRM)	Sales and Contracts Administration
Order entry, order fulfillment, contract management, lead generation, outbound sales, sales analytics, cross-selling and up-selling analytics	New products and services, service delivery process creation, order provisioning, technical validation and support, rejected order tracking, multi-vendor tracking, order tracking, proactive order management, test delivery conformance, billing, data management (forms, administration)	Inbound contact center, logging and monitoring service requests, directory publishing, churn analysis and support, usage analytics, CRM analytics, collection analytics, traffic routing planning, web correspondence, network utilization reporting and	Inside sales, pricing and contract preparation, sales order taking, ordering support, inbound contact center

analytics

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Proprietary Platform:

Proprietary platform-based service offering: research and analytics solution platform WADESM.

Case Study

Our client, a leading electronics, media and entertainment conglomerate with global operations in a number of geographies, engaged us to find solutions to its challenges such as fragmented processes spread across multiple locations and non-standardized and manual processes with extremely high operational costs.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Establishment of CoE: Our team established a CoE with centralized project delivery from our India and Romania delivery centers. This reduced the client's organizational complexity, enabled economies of scale, provided access to finance and accounting expertise, and embedded compliance and control processes.

Process standardization: Our team unified the client's processes through a transition from country-specific processes to a process-specific structure. Our team also ensured process optimization through Lean and Six Sigma methodologies.

Technology enablement: Our team implemented technologies such as Systems, Applications, Products in data processing (SAP), supplier relationship management and Concur (a travel management technology that provides travel and expense management services to businesses), leading to reduced query resolution and payment time, and automation of disputes and overall process.

Establishment of a multi-lingual helpdesk: Our team helped the client with language translation services across 15 languages for cost optimization.

Establishment of a lean legal structure: Our team established a lean and simplified legal structure designed to ensure standardization and compliance across territories.

Adherence to a strong purchase order policy: Our team implemented a strong procurement policy whereby payments were not disbursed until the receipt of a purchase order.

We helped our client to simplify its business operations and reduce operational costs. Specific benefits delivered to the client included:

Embedded compliance and control processes;

Accounts prioritization for key customer countries and rigor on collections resulted in reduction in collectable accounts receivable amounts; and

Achieved substantially all of the client's documented goals in terms of certain services we provided, including services related to procure-to-pay, order-to-cash, record-to-report, procurement and Sarbanes-Oxley compliance.

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Consulting and Professional Services

Our consulting and professional services, or CPS, business unit has a strong India presence coupled with global delivery capabilities, which allows us to serve a diverse and large global client base.

Our CPS business unit offers a range of services to a range of client sectors in consulting and professional services. These sectors include:

Information service providers;

Marketing service providers;

Real estate service firms;

Executive search firms;

Market research firms;

Research and consulting firms; and

Legal services firms.

As at March 31, 2015, we had 1,585 employees in the business unit. In fiscal 2015 and 2014, this business unit accounted for 7.4% and 6.8% of our revenue and 7.9% and 7.2% revenue less repair payments, respectively.

We provide a wide range of services from complex business and financial research and analytics, to very simple data management operations. Besides providing shared services support to our clients such as finance and accounting, human resource management, customer support and IT helpdesk, We provide the following domain specific services:

Consulting and Professional Services Service Offerings			
Information Service Providers	Research and Consulting Firms	Real Estate Services Firms	Executive Search Firms
Content sourcing, management and analysis; production management digital and print; new product creation	Sales and marketing-pitch book support, research and analytics support for consulting, and research support, including report writing	Strategy support, sales and marketing support, survey management support, end-to-end conveyancing process, and contract management	Pitch book support, industry and company research, database clean-up, update and management, name identification, business executive support

Market Research Firms

End-to-end research operations support research design, project management, survey programming, data collection, coding, data processing, data analytics, and presentation

Market Service Providers

Industry, company and product research support, market research operations, market research analytics, shopper and CRM analytics, advertising / digital analytics, data management and insights, content management (website and creative support)

Legal Services Firms

Legal support, business research, pitch support, directory / award submission

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Case Study

Our client, a leading retail consulting firm engaged in providing customer data analysis, wanted to establish an offshore hub to assist its onshore team in campaign management, data management and reporting jobs using analytics platforms and applications such as Statistical Analysis System, or SAS, Visual Basic for Applications, or VBA, and Structured Query Language, or SQL. Our client also wanted to encourage global efficiencies and best practices by the offshore hub, which challenged the client's existing business culture.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Data and campaign management: Our team targets, segments, executes and evaluates promotional campaigns using SAS and SQL. We also manage campaign statistics and report and analyze the return on investment of the campaign.

Data solutions management: Our team manages weekly data loads on our client's scheduler tools, running customized IT applications and SAS to enhance efficiency.

Insights reporting: Our team uses third party tools to analyze and understand segment response and consumer behavior, and identify opportunities to improve campaign effectiveness.

Digital media: Our digital media team provides support on content generation through photo imaging and graphics software.

Market research: Our team conducts market research projects from our Mumbai office. Through our processes we have delivered the following benefits to our client:

An increase in the number of error-free deliveries; and

Improvements in efficiency and productivity, creating increased headroom in its onshore team.

Healthcare

We deliver end-to-end BPM services across the healthcare industry value chain. We offer health information management, or HIM, coding (including current procedural technology, or CPT, and ICD-9 codes for international statistical classification of diseases and related health problems), Medicare and medical claim processing, revenue management related processes and Health Insurance Portability and Accountability Act, or HIPAA, compliance.

The healthcare industry segments we serve include:

Durable medical equipment manufacturers;

Third party billing service providers;

Third party administrators;

Payers and providers of pharmaceutical products;

Providers for utilization management and case management services; and

Providers of workers compensation, medical management and disability solutions.

As at March 31, 2015, we had 1,635 employees in this business unit. In fiscal 2015 and 2014, this business unit accounted for 5.2% and 5.1% of our revenue and 5.6% and 5.4% of our revenue less repair payments, respectively.

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The following graphic illustrates the key areas of services provided to client segments in this business unit:

Healthcare Service Offerings				Pharmaceutical and
		Durable Medical		
Providers	Payer	Equipment Manufacturers	Enterprise Shared Services	Consumer Health
Revenue cycle management, medical coding, bill preparation, receivables management, payment posting, debt analysis	Claims administration, member and provider services, clinical support, overpayment recovery, fraud detection and investigation	Billing and submissions, fulfillment support, collections, patient services, collection analytics	Finance and accounting, workflow / platforms, research and analytics (knowledge process outsourcing), technology solutions, front-end / mailroom, contact center	Competitive intelligence, pipeline analysis, product profiling, key performance indicators or KPI reporting, epidemiology analysis, market opportunity assessment, social media analysis

Case Study

Our client, one of the global leaders in specialty home medical equipment, designs and manufactures high-end and specialty medical devices that require verification of insurance benefits and pre-authorization of complex medical claims. The client wanted to improve cash flows by optimizing its revenue cycle and selected us to provide sales order processing and support and healthcare billing and collection from insurance carriers and patients.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Alignment of outcome: Our team implemented a system of risk-based rewards and penalties to align our team with our client's outcomes.

Capacity augmentation: Our team implemented processes which have helped to improve productivity and increase the client's capacity.

Claims management: Our team used specific analytics to help the client identify and prioritize claims with a greater likelihood of being paid.

Quality monitoring systems: Our team created systems to help the client monitor and improve its process quality and capabilities.

Through our efforts, we improved our client's revenue cycle operations, which in turn led to an increase in collections, an acceleration of cash flow and an improvement in customer service. Specific benefits delivered to the client

included:

Improvement in the order-to-bill process and development of modifications with enhanced collection speed using Six Sigma tools and IT enhancements;

Establishment of an analytics-driven collections strategy that has led to an increase in collections;

Dashboards that created significant visibility into detailed lead indicators and drivers; and

Reduction in costs associated with billing.

Banking and Financial Services

We provide a broad range of business operation services for the banking and financial services industry.

We aim to add value to our clients' businesses by improving their customer satisfaction, unlocking cost efficiencies and streamlining processes through technology optimization.

The key banking and financial sectors we serve include:

Consumer, retail and commercial banking and mortgage;

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Wealth, investment management and investment banking;

Research and analytics services;

Credit cards, capital markets and asset management;

Financial advisory firms; and

Financial research and financial market intelligence companies.

As at March 31, 2015, we had 2,142 employees working in this business unit. In fiscal 2015 and 2014, this business unit accounted for 5.8% and 6.5% of our revenue and 6.1% and 7.0% of our revenue less repair payments, respectively.

The following graphic illustrates the key areas of services provided to clients in this business unit:

Retail Banking	Banking and Financial Services	Service Offerings	Mortgage Banking
Acquisition: lead generation and deployment, customer behavioral analysis, campaign management, product development/management and support	Commercial Banking Trade finance: account opening, bills for collection, export bills negotiation, import bills, letter of credit processing, bank guarantees credit limits	Capital Markets Front office: financial and business research, investment strategy and modeling, order entry, allocation/rebalancing	Originations: indexing, pre-underwriting checklist, pre-funding audit, correspondent indexing, title commitment, credit evaluation, contact point verification, disbursals
On-boarding: application scanning and indexing, account opening, product application processing, detailed documentation review and verification, underwriting/spend limit assignment, welcome calls	Credit risk management: financial spreading, proposal development, reconciliation, credit analysis, collateral management, renewal support, billing and contribution management, audit support	Middle office: reference data management, cash flow forecasting, risk management, amendments/maintenance of existing data, manual trade allocations, manual trade booking, trade exception/rejection management, trade amendment, trade confirmation, queries handling	Servicing: customer service, loan boarding and set-up, adjustable rate mortgage audit, payments processing, assignments and endorsements, lien release, escrow management/periodic analysis, final documents follow up and audit
Maintenance and servicing : account maintenance, account and general enquiries, customer data maintenance, statement generation, payment processing, funds allocation and return payment processing, complaint handling, funds transfers,	Cash management: funds transfer, trade processing, reconciliations, accrual calculations, investigations, payment processing, settlement, reference data	Back office Accounting: expense and income processing, securities lending, corporate actions processing, fund	Default servicing: pre-loss mitigation, foreclosure support, borrower research, operations intake, claims

remittance, refunds and settlements, billing queries and statement processing

Collections: collections and recovery, ship tracking, pre-delinquency management, payment plans

management, reporting

Commercial Lending: account opening, know your customer, loan onboarding, documentation, covenant monitoring, billing, statutory accounting

Treasury services: cash management, foreign exchange settlements, bill discounting, rates updates, mark to market, margin allocation

accounting/net asset value calculations, financial reporting, settlement follow-up with clients

Back office Asset servicing: clearing and settlement, custody/record keeping, stock transfer, collateral management, transfer agency, claims management

Back office Treasury: cash management, cash forecasting, payment processing, invoicing/billing processing

processing, investor reporting, closing and monitoring functions, trial period monitoring (forbearance support), loan modification document preparation

Secondary markets services: post close audit, due diligence of acquired packets, documentary fulfillment

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The following graphic illustrates our research and analytics practice focused on banking and financial services.

Case Study

Our client is a regional US bank dealing in loans and credits, mortgages, investments and insurance. The client engaged us to provide solutions for challenges such as fragmented processes spread across multiple locations, lack of standardization, paper and imaging dependency for record keeping and other processes, lack of access to reliable and thorough analytics due to resource constraints, regulatory and compliance challenges, and a lack of monitoring of third party provider performance under service level agreements.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Underwriting support CoE: Our team established a CoE to consolidate fragmented processes and set up operations spread across 24 hours a day and three shifts

Transition methodology: Our team implemented our proprietary transition methodology, EnABLE, for robust documentation and parallel transition of multiple processes to the CoE.

Consolidation and automation: Our team consolidated disparate processes and implemented automation across certain processes.

Standardization of processes: Our team implemented standardization across numerous operations including mortgage, lending, default servicing, retail banking, and research and analytics operations.

Diagnostics roadmap: Our team implemented an organization-wide diagnostics roadmap comprising more than 2,000 employees to create a detailed 18-month agenda for transitioning certain services offshore.

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Through our processes we have delivered the following benefits to our client:

Consolidation and automation of processes which led to cost savings and productivity gains;

A more effective cost model through conversion from fixed to variable pricing for certain managed processes, flexible staffing and reduced transition costs;

Created a sustainable offshore business model; and

Improved efficiencies and consistency of results through standardization of processes.

Utilities

Our utilities team offers end-to-end solutions, which utilize our technology platforms and sophisticated analytical tools that allow utilities companies to transform their operations and thereby gain a competitive edge in the market place.

The key energy and utilities industry sectors we serve include:

Oil and gas;

Electricity; and

Renewable energy.

As at March 31, 2015, we had 2,834 employees working in this business unit. In fiscal 2015 and 2014, this business unit accounted for 9.5% and 7.8% of our revenue, and 10.1% and 8.3% of our revenue less repair payments, respectively.

The following graphic illustrates the key areas of services provided to clients in this business unit:

Utilities Service Offerings				
Customer Financial	Meter Operations and	Supply Chain and	Customer Service	
Sales Management Campaign management, sales management, account and contact	Management Receivables and collections management, reconciliation, bill	Billing Customer billing, management of prepaid accounts, billing of unmetered services	Distribution Management Order provisioning and order management, sales and contract administration, technical support help desk,	Management Service order management, service contract, complaints and

management,
integrated sales
planning and
analysis

disputes and clients
queries

import and export
documentation
management, freight bill
auditing services,
procurement support
services

requests
management,
electronic
customer services,
account
management,
contract
management

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Case Study

Our client, a leading gas and electricity provider in the UK and the US, wanted to fuel its growth by improving its customer service levels and increase customer satisfaction while reducing its operational costs.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Customer care process management: Our team handled customer care processes including interacting with the client's customers through e-mail, physical mail and telephone calls and helped the customer cope with increased customer interactions.

Customer management system: Our team also managed billing exceptions to ensure correct bills were generated for the client.

Process management: Our team helped the client implement its first SAP® platform and developed guidelines to enhance process management.

Through our processes we have delivered the following benefits to our client:

Reduction in backlogs;

Reduction in customer complaints;

Increased customer satisfaction; and

Improved debt recovery rates through transformation of the tariff and measurement system.

Shipping and Logistics

We deliver a range of industry-specific business processes across the shipping and logistics industry, as well as provide services in the areas of finance and accounting, customer care, business technology, procurement and human resources administration. We also offer decision support services in the form of research and analytics. To support our shipping and logistics team, we use our proprietary consumer information system platform, which aids various customer services such as account management, billing support and analytics.

The key shipping and logistics industry sectors we serve include:

Global courier companies;

Non-vessel operating common carriers and forwarders;

Ocean carriers; including container ships, bulk carriers and tankers;

Trucking rental, including less than truck load and full truck load rental and trucking records management companies; and

Third party logistics.

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As at March 31, 2015, we had 1,583 employees working in this business unit. In fiscal 2015 and 2014, this business unit accounted for 3.4% and 2.9% of our revenue, and 3.6% and 3.1% of our revenue less repair payments, respectively.

The following graphic illustrates the key areas of services provided to clients in this business unit:

		Shipping and Logistics Service Offerings			
Sales and Trade					
Management	Customer Service	Documentation	Operations	Finance	
Tariff update, rate quotes, global tender management, sales reports and analytics, freight bookings, yield analysis, service contract and rate agreement maintenance, CRM analytics	Customer help desk, e-commerce registration, service or rate enquiries, pre-advice and arrival notifications, cargo claims, booking desk, contact center, customer and data file administrator	Bill of lading and airway bill management, freight corrections and reporting, billing and invoicing, freight audit, data transmission, advance manifest information, customs and port compliance	Purchase order creation, driver logs and fuel tickets, global tracking, equipment control, terminal operations, trans-shipment and cross docking, schedule maintenance, routing creation and maintenance, stowage planning, hazardous cargo approvals	Accounts payable, accounts receivable, credit and collections, vendor help desk, detention and demurrage reporting, cost reporting, audit and vendor reconciliation, general ledger or bank reconciliation, management reporting	

Case Study

Our client, a leading global air express and courier company, wanted to standardize its finance and accounting function, specifically those relating to its Ship-to-Collect process across the Europe, Middle East and Africa region.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Bill manifesting: Our team handled manifesting of airway bills, indexing and classification of supporting documents.

Billing: Our team manually rectified errors and released airway bills to generate freight, duties and taxes for invoices that fail the auto-billing process.

Invoice adjustment: Our team handled the resolution of billing disputes as well as making necessary adjustments to billing entries.

Cash application: Our team matched payments received to open invoices and investigated sources for unapplied cash.

Accounts Payable: Our team also scrutinized and processed invoices for payment. Through our processes we have delivered the following benefits to our client:

Increased invoicing accuracy levels;

Improved turnaround time for billing of consignments;

Reduced unapplied cash; and

Reduced cost of operations.

Table of Contents**Horizontal Units*****Contact Center***

We have a strong track record of supporting customer care functions while focusing on business outcomes. To increase customer loyalty and satisfaction, we offer tailor-made customer care solutions by leveraging our industry-specific expertise, sophisticated technology and analytics supported by a strong talent pool. Contact center services are offered across our vertical business units.

As at March 31, 2015, we had 8,883 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 22.5% and 23.6% of our revenue, and 23.9% and 25.2% of our revenue less repair payments, respectively.

The following graphic illustrates the key contact center services we provide:

Services	Contact Center Service Offerings Channels	Languages
Customer acquisition, customer retention, customer service, sales and support (cross-sell or up-sell), loyalty program management, collections, technical help desk, specialty help desk, contact center analytics	Voice (inbound / outbound), e-mail, physical mail, chat, social media, SMS, fax	English, French, Italian, Russian, Spanish, Portuguese, German, Hungarian, Greek, Turkish, Finnish, Dutch, Polish, Swedish, Mandarin, Cantonese, Japanese, Korean, Arabic, and more than 20 regional languages

Case Study

Our client, a leading global travel company, was undergoing significant growth and engaged us to help manage its increasing volume of customer inquiries that was critical to its growth.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Delivered actionable insights using third party tools to collect and analyze customer data.

Build customer segmentation and identified variables across the different behavior dimensions.

Built revenue and cost estimation models to better predict propensity of success in campaigns.

Content management.

Delivered process efficiencies to better manage larger volumes of customer inquiries.

Managed seasonality through our technology-led workforce optimization.

Multichannel customer support through voice, e-mail, social media.

Improved measurement and reporting of key cost metrics.

Through our processes we have delivered the following benefits to our client:

Reduced operational costs through increased cost efficiencies as a result of reduced average handling time and increased call volumes being handled per agent;

Increased sales conversion rate;

Increased workforce optimization; and

Improved sales campaign effectiveness.

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Finance and Accounting

Our finance and accounting service offerings include standardization of finance and accounting processes and transformation of finance operations. Finance and accounting services are offered across our vertical business units.

We have experience in delivering large scale and complex finance and accounting transformation programs, which include:

Rapid, large scale transitions;

Implementation of shared service centers and rationalization of financial systems to optimize and consolidate our clients' information technology platforms;

Multi-location, multi-system global finance and accounting consolidation;

End-to-end processes ranging from simple, transaction-based processes to high-end, judgment-based processes, such as analytics and treasury;

Enhanced procure to pay services including spend analytics, contract management, catalog (demand management) and global procurement;

Global risk and compliance services such as forensics, background screening and digital credit screening; and

Process maturity model which allows for objective assessment of processes, technology and people using performance benchmarks which are customized for the industry and size of the company.

As at March 31, 2015, we had 4,025 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 20.0% and 18.6% of our revenue, and 21.2% and 19.8% of our revenue less repair payments, respectively.

The following graphic illustrates the key finance and accounting services we provide:

Finance and Accounting Service Offerings				
Procure-to-Pay	Order-to-Cash	Record-to-Report	Decision Support	Corporate Functions
Sourcing services, procurement and administration, invoice / expense processing and	Accounts receivables, billing and cash application, order	General accounting, fixed assets, reconciliations, month-end reporting	Budgeting, forecasting, variance analysis, management	Treasury, cash management, financial planning and analysis, tax and

payment, accounts
payables

management, credit
control, collections

and consolidation,
tax filing and
reporting, cost
accounting,
inter-company
accounting, statutory
reporting

reporting

compliance, decision
support, management
accounting

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Supply Chain	Industry-specific	Governance, Risk, Compliance and	
Finance	Accounting	Technology Solutions	Audit Services
Product costing, inventory accounting, manufacturing accounting	Passenger revenue accounting, revenue audit and recovery, claims management, loan account maintenance, royalty accounting, fiduciary accounting, trip records, freight and fuel charges accounting, cost accounting, franchise accounting, meter reading, pre-payment billing	Enterprise resource planning (ERP) implementation, hosting, optimization Bolt-on tools reconciliations, reporting, workbench, query management, web portal Enablers mailroom solution, workflow	Governance consulting, risk analytics services, compliance services and audit services

Proprietary Platform:

Proprietary platform-based service offering: Xponential Procure to Pay (P2P) Solutions brand umbrella. The ERP Card Solution™, a part of our BizAps

Case Study

Our client, one of the leading global travel leisure groups, was facing concerns while transitioning its processes to another outsourcing provider. The client also wanted to reduce operating costs, increase customer satisfaction, automate processes and implement comprehensive documentation.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Leveraged transition best practices and created a tripartite governance model for real-time monitoring.

Implemented more stringent payment policies across all geographies and business units and deployed the tools for work flow and case management.

Implemented processes benchmarking to identify opportunities for incremental benefits.

Shared opportunities for automation such as robotic process automation, dashboards and close management tools.

Through our processes we have delivered the following benefits to our client:

Delivered and identified incremental savings; and

Increased customer satisfaction.

Table of Contents***Research and Analytics***

We leverage our research and analytics expertise in tandem with our rich industry domain knowledge to help companies better understand their data and enable them to make insight-based business decisions. Data driven analytics can allow our clients to reduce risk, understand consumers better, increase operational effectiveness and keep abreast with the changing market landscape, which can help to reduce costs and enhance their customers experience.

We offer a range of services including data enrichment (harmonization, consolidation and visualization), domain based advanced analytics, market research, business and financial research across different industry verticals.

As at March 31, 2015, we had 2,183 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 12.5% and 11.4% of our revenue, and 13.2% and 12.1% of our revenue less repair payments, respectively.

The following graphic illustrates the key research and analytics services we provide:

Research and Analytics Service Offerings

<p>Customer Analytics Acquisition / retention analytics, loyalty analytics, customer segmentation, campaign analytics, fraud analytics, customer life time value, cross-sell/up-sell analytics</p>	<p>Marketing Analytics Product launch support and analysis, country clustering, category analysis, brand equity tracking, brand and consumer insights, pricing analytics and revenue management</p>	<p>Supply Chain and Procurement Spend analytics, demand forecasting, inventory optimization, supplier capability profiling, profitability modeling</p>
<p>Digital Analytics Social media analytics, web analytics, text mining</p>	<p>Data Services Data acquisition, data cleansing and aggregation, data stitching and analysis, data visualization, reports and dashboards</p>	<p>Research Market research: survey programming, computer-assisted telephone interviews and web surveys, data processing Business research: company / industry / country research, market sizing and entry strategies, documentation services, library services Financial research: credit research, equity research, mergers and acquisitions research, fixed income research</p>
<p>Big Data Analytics Big Data consulting, Big Data implementation, Big Data support and maintenance</p>	<p>HR Analytics Workforce analytics, employee attrition analytics, compensation analytics, learning analytics</p>	<p>Operations Analytics Contact center performance tracking, KPI analysis and reporting /dashboard, optimal capacity utilization and scheduling, forecasting and capacity planning, cross-sell/up-sell campaign strategies, interactive voice response</p>

(IVR) optimization, speech and text analytics, customer satisfaction (CSAT) analysis, enterprise wide scheduling (EWS)

Proprietary Platform:

Proprietary platform-based service offering: research and analytics solution platform WADESM.

Proprietary platform for customer interaction on websites: ProGenieSM.

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Case Study

Our client, one of the largest online travel agencies in the world, providing travel products and services to customers through websites and contact centers, was experiencing a decline in revenues and market share due to a mismatch in its focus on the online channel and its actual consumer distribution pattern which was more geared towards the offline channel. The client engaged with us to develop a robust offline strategy and to devise a roadmap to bridge the gap.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Identified the offline channel as an additional revenue stream.

Conducted a thorough customer segmentation and analysis based on cross-sell and up-sell product and services data, customer profitability and customer life time value models.

Performed an in-depth evaluation of the performance of offline sales agents to select the right agents to be deployed for the project.

Optimize staffing of the best agents at peak intervals to maximize sales.

Make changes to the client's interactive voice response (IVR) system to enhance productivity and direct convertible customers to the sales agents.

Devised a separate strategy for managing the least profitable set of customers (bottom quartile management). Through our processes we have delivered the following benefits to our client:

Increase in offline revenues; and

Enhanced sales conversion rate.

Technology Services

Our technology services team offers a suite of end-to-end services designed to help our clients to identify business and process optimization opportunities and leverage our industry and process expertise, technology solutions and analytics capabilities. Technology services are offered across our vertical business units.

As at March 31, 2015, we had 182 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 1.2% and 1.4% of our revenue, and 1.3% and 1.5% of our revenue less repair payments, respectively.

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The following graphic illustrates the key technology services we provide:

	Technology Services Service Offerings			
	Application	Business Process	and Analytical	Business Intelligence
Enterprise Solution / ERP	Development,	Business Process	and Analytical	Infrastructure and Network
Optimization	Maintenance and Support	Management	Solutions	Services
Consult, implement and optimize ERP solutions, solution selection, design and architecture, functional and technical consulting, process design and re-engineering, configuration, customization and implementation, interface design, development and implementation, enterprise platform integration and optimization, ERP training, ERP upgrades	J2EE, NET and legacy systems application development-maintenance support, custom software design, development, testing, package configuration, integration, customization and implementation, software upgrades, maintenance and support, training and end-user support	Mailroom management, scanning and imaging solutions, Optical Character Recognition (OCR) solutions, customized workflow solutions	Analytical model definition and implementation, configuration, customization and implementation of Executive Information System solutions using online analytical processing, or OLAP, tools, Interface development, extraction -transformation-loading and data cleansing, OLAP and report generation	IT infrastructure and process design and re-engineering, network and remote infrastructure management, managed services and hosting IT support and helpdesk

Legal Services

Our legal process outsourcing solutions team provides organizations access to a high quality talent pool of legal professionals, a global delivery model and deep domain expertise.

We aim to help our clients reduce the costs of their legal processes and, more importantly, allow their associates to focus on spending more time with their clients, thereby creating greater value for their organization.

As at March 31, 2015, we had 155 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 0.7% and 0.7% of our revenue and 0.7% and 0.7% of our revenue less repair payments, respectively.

The following graphic illustrates the key legal services we provide:

Legal Services Service Offerings			
Property Law	Law Firm Back-office	Corporate Legal Support	Personal Injury Claims
Freehold and leasehold conveyancing, mortgage re-financing legal processing, title checking services, home information pack, or HIP,	Digital dictation transcription, accounts payables and general ledger, employee data management and payroll	Contract management, legal research, litigation support, legal secretarial support	New claims processing, medical evidence evaluation, claims settlement and closing

back-office

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Table of Contents***Human Resource Outsourcing***

We support organizations in meeting their human resources objectives through comprehensive service offerings for human resources-related functions. Our solutions enable clients to overcome challenges such as managing the high cost of human resources operations, improving compliance with quality parameters, handling routine human resources activities that require significant manual intervention and managing disparate legacy human resources systems. Human resources outsourcing services are offered across our vertical business units. This horizontal unit was established in fiscal 2013.

As at March 31, 2015, we had 71 employees in this horizontal unit. In fiscal 2015 and 2014, this horizontal unit accounted for 0.2% and 0.2% of our revenue, and 0.2% and 0.2% of our revenue less repair payments, respectively.

The following graphic illustrates the key human resources outsourcing services we provide:

Human Resources Outsourcing Service Offerings			
HR Analytics	Recruitment Process	Payroll	Employee Data Management
Hiring and retention, performance management, compensation and benefits, information management, workforce development, training and development, vendor management	Manpower planning, external and job portal advertisements, internal job posting, campus recruitment program, CV management, application tracking management, end-to-end sourcing, offer management, vendor management, background and reference checks, orientation management, pre-on-boarding support and management	Pre-payroll processing (build to gross), payroll processing (gross to net), post payroll processing, vendor management	Transactions processing, vendor management

Learning and Performance

Travel Services	Management	Compensation and Benefits
Travel helpdesk services, booking and reservations, mobility, visa services, invoicing, cancellations, transportation, accommodation	Administration, development, delivery, vendor management	Rewards and recognition, benefits enrollment, benefits calculation, compliance reporting, industry benchmarking, salary structure and administration, pensions administration, vendor management

Case Study

Our client, one of the leading manufacturers of semiconductor systems, wanted to automate and bring efficiencies into its manual and non-standardized HR processes.

Since the commencement of our engagement with the client, our team has provided the following services to the client:

Helped implement an ERP platform for end-to-end HR processes including hiring, payroll, claims, appraisal, training and vacation.

Helped re-engineer and transform processes for improved ERP implementation.

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Through our processes we have delivered the following benefits to our client:

Improved productivity gains driven by an increase in volume of processes transacted on the ERP platform by our client's employees; and

Reduced operational costs.

Sales and Marketing

The sales cycle for business process management services can be time consuming and complex in nature. The extended sales cycle generally includes initiating client contact, submitting requests for information and requests for proposals for client business, hosting client visits to our delivery centers, performing analysis including diagnostic studies and conducting pilot implementations to demonstrate our delivery capabilities. Due to the complex nature of the sales cycle, we have aligned our sales teams to our vertical business units and staffed them with hunting, or new sales, professionals, as well as farming, or client relationship, professionals. Our hunters and farmers have specialized industry knowledge and experience, which enable them to better understand prospective and existing client's business needs and to offer appropriate domain-specific solutions.

Our sales and sales support professionals are based in Australia, Dubai, Eastern Europe, India, Singapore, South Africa, the UK and the US. Our sales teams work closely with our sales support team in India, which provides critical analytical support throughout the sales cycle. Other key functions provided by our India sales support team include generating leads for potential business opportunities and telephone sales support. As of March 31, 2015, our front-line sales teams consisted of 69 members including hunters and farmers. Our front-line sales teams are responsible for identifying and initiating discussions with prospective clients, and selling services in new areas to existing clients. We assign dedicated client partners and / or account managers to our key clients. These managers work with their clients daily at the client locations. They also are the conduit to our service delivery teams addressing clients' needs. More importantly, by leveraging their detailed understanding of the client's business and outsourcing objectives gained through this close interaction, our existing clients and account managers actively identify and target additional processes that can be outsourced to us. Through this methodology, we have developed a strong track record of increasing our sales to existing clients over time.

Clients

As at March 31, 2015, we had a diverse client base of 292 clients across a variety of industries and process types, including companies that we believe are among the leading players in their respective industries.

We believe the diversity in our client profile differentiates us from our competitors. See Part I Item 5. Operating and Financial Review and Prospects Revenue for additional information on our client base.

The table below sets forth the number of our clients by revenue less repair payments for the periods indicated. We believe that the large number of clients who generate more than \$1 million of annual revenue less repair payments indicates our ability to extend the depth of our relationships with existing clients over time.

Year ended March 31,

	2015	2014
Below \$1.0 million	209	196
\$1.0 million to \$5.0 million	57	48
\$5.0 million to \$10.0 million	15	12
More than \$10.0 million	11	10

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Competition

Competition in the business process management services industry is intense and growing steadily. See Part I Item 3. Key Information D. Risk Factors Risks Related to Our Business We face competition from onshore and offshore business process management companies and from information technology companies that also offer business process management services. Our clients may also choose to run their business processes themselves, either in their home countries or through captive units located offshore.

We compete primarily with:

Focused business process management service companies based in offshore locations (primarily India), such as EXL Service Holdings, Inc., Firstsource Solutions Limited and Genpact Limited;

Business process management divisions of numerous information technology service companies operating out of India such as Cognizant Technology Solutions, Infosys Technologies Limited, Tata Consultancy Services Limited and Wipro Technologies Limited; and

Global companies such as Accenture Limited., Affiliated Computer Services Inc., Electronic Data Systems Corporation, a division of Hewlett-Packard, and International Business Machines Corporation which provide an array of products and services, including broad-based information technology, software, consulting and business process outsourcing services.

In addition, departments of certain companies may choose to perform their business processes in-house, in some cases via an owned and operated facility in an offshore location such as India. Their employees provide these services as part of their regular business operations.

Intellectual Property

We use a combination of our clients' software systems, third party software platforms and systems and our own proprietary software and platforms to provide our services. Our proprietary and licensed software allows us to market our services with an integrated solution that combines a technology platform with our core business process management service offerings. Our principal proprietary software includes our passenger revenue accounting platform and fare audit platform, which we use in our travel and leisure business unit, and auto claims software platform, which we use in WNS Assistance. In addition, we use our proprietary software to optimize our clients' finance and accounting processes. These include solutions for:

Approval of documents such as invoices and requisitions;

Maintaining master data, such as vendor and customer data;

Vendor and customer communication;

Purchasing card expense management; and

Cash applications.

We customarily enter into licensing and non-disclosure agreements with our clients with respect to the use of their software systems and platforms. Our client contracts usually provide that all customized intellectual property created specifically for the use of our clients will be assigned to them.

Our employees are also required to sign confidentiality agreements as a condition to their employment. These agreements include confidentiality undertakings regarding our company's and the client's intellectual property that bind our employees even after they cease to work with us. These agreements also ensure that all intellectual property created or developed by our employees in the course of their employment is assigned to us.

We have registered the trademark "WNS" and "WNS-Extending Your Enterprise" in most of the countries where we have global presence.

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Technology

We have a dedicated team of technology experts who support clients at every stage of their engagement with us. The team designs, executes and supports technology solutions to enable delivery of business processes for our customers.

Wide-area-network We have designed and built a global multi-protocol label switching, or MPLS, network, connecting all of our delivery centers to points of presence in the US and UK through diverse service providers and cable systems to ensure redundancy. We run both data and voice service on this global MPLS network to serve customers.

Contact Center Technology Infrastructure We have deployed the Avaya Aura platform at all of our contact centers for delivering voice processes. The platform is designed to provide secure access to define call flow, vectoring, and skill-based call routing as needed.

Data centers Our global datacenter is over 25,000 square feet in size, and hosts data for our clients and internal corporate applications.

Technology service management methodology We have designed and deployed diverse data and voice connectivity solutions for more than 200 clients using our industry standard infrastructure, experienced solution design/project management/operations teams and robust delivery methodology.

Process and Quality Assurance and Risk Management

Our process and quality assurance compliance programs are critical for the success of our operations. We have an independent quality team to monitor, analyze, and provide feedback and report process performance and compliance. Our company-wide quality management system focuses on effectively managing our client processes on an ongoing basis. Our process delivery is managed by independent empowered teams and is measured regularly against pre-defined operational metrics. We have over 800 employees in our quality assurance team which help us meet ISO 9001:2008 standards for quality management systems and to ensure continued compliance. We apply Lean Six Sigma methodologies, which are statistical and process-focused methodologies to improve and deliver consistent quality across processes. We apply well-defined quality management principles to improve and provide consistent levels of service quality to our clients. In fiscal 2015, more than 300 different projects were completed using Lean Six Sigma methodologies and over 400 projects are in progress.

We have been honored with the following awards for our achievements in the last three years:

Golden Peacock Global Business Excellence Award, 2013;

Medici Hall of Fame for Innovation, 2013;

Lean Six Sigma Award in ITES Category, NIQR- 2014;

National Case Study- Service Track, IndiZEN 2015; and

Golden Peacock Global Business Excellence Award, 2015.

Our Board of Directors is primarily responsible for overseeing our risk management processes. The Board of Directors receives and reviews reports from the Head of Risk Management and Audit as considered appropriate regarding our company's assessment of risks. The Board of Directors focuses on the most significant risks facing our company and our company's general risk management strategy, and also ensures that risks undertaken by our company are consistent with the Board's appetite for risk.

Our risk management framework also focuses on three important elements: business continuity planning, information security and operations risk management.

Our approach to business continuity planning involves implementation of an organization-wide business continuity management framework which includes continual self-assessment, strategy formulation, execution and review. Our business continuity strategy leverages our expanding network of delivery centers for operational and technological risk mitigation in the event of a disaster. To manage our business continuity planning program, we employ a dedicated team of experienced professionals. A customized business continuity strategy is developed for key clients, depending on their specific requirements. For mission-critical processes, operations are typically split across multiple delivery centers in accordance with client-approved customized business continuity plans.

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Our approach to information security involves implementation of an organization-wide information security management system, which complies with the ISO 27001:2013 to manage organizational information security risks. These measures seek to ensure that sensitive company information remains secure. Currently, information security systems at 31 delivery centers are ISO 27001:2013 certified, and we expect to seek similar certifications in our newer delivery centers. We also comply with the Payment Card Industry Data Security Standard (PCI DSS) which is a security standard aimed at helping companies proactively protect cardholder data and sensitive authentication data. In addition, we also undergo Statement on Standards for Attestation Engagements (SSAE) No. 16 / International Standard on Assurance Engagements (ISAE) No. 3402, Reporting on Controls at a Service Organization (SOC) 1 Type 2 audits with respect to our general control environment supporting operational delivery in accordance with ISAE on an annual basis. We also undergo Reporting on Controls at a Service Organization (SOC) 2 Type 2 audits with respect to security, availability and confidentiality.

Our approach to operations risk management involves the implementation of a three lines of defense framework for our clients' offshored business processes. Under this framework, the quality assurance teams embedded within the business units act as the first line of defense, an independent and centralized risk management team acts as the second line of defense and client-end internal audit teams act as the third line of defense. Our lines of defense are designed to identify potential risks, evaluate design efficiency and operating effectiveness of controls embedded within the offshored business processes and propose additional controls as appropriate for mitigation of the identified risks.

In addition, our clients may be governed by regulations specific to their industries or in the jurisdictions where they operate or where their customers are domiciled which may require them to comply with certain process-specific requirements. As we serve a large number of clients globally and across various industries, we rely on our clients to identify the process-specific compliance requirements and the measures that must be implemented in order to comply with their regulatory obligations. We assist our clients to maintain and enforce compliance in their business processes by implementing control and monitoring procedures and providing training to our employees serving specific client programs. The control and monitoring procedures defined by this function are separate from and in addition to our periodic internal audits.

Human Capital

As at March 31, 2015, we had 28,890 employees, of which 9 are based in Australia, one is based in Brazil, 167 are based in China, 161 are based in Costa Rica, 21,736 are based in India, 2,699 are based in the Philippines, 109 are based in Poland, 408 are based in Romania, one is based in Singapore, 2,330 are based in South Africa, 805 are based in Sri Lanka, two are based in United Arab Emirates, 261 are based in the UK and 201 are based in the US. Most of our associates hold university degrees. As at March 31, 2014 and 2013, we had 27,020 and 25,520 employees, respectively. Our employees are not unionized. We believe that our employee relations are good. We focus heavily on recruiting, training and retaining our employees.

Recruiting and Retention

We believe that talent acquisition is an integral part of our overall organizational strategy. We have developed effective human resource strategies and demonstrated a strong track record in recruitment specific to the needs of our business units to optimize the training and development of our employees. As we continue to grow, we look to improve and enhance our candidate pool, which is sourced from recruitment agencies, job portals, advertisements, college campuses (where we focus on recruiting talented individuals) and walk-in applications. In addition, a significant number of our applicants are referred to us by existing employees. We recruit an average of 1,333 employees per month.

During fiscal 2015, 2014 and 2013, the attrition rate for our employees who had completed six months of employment with us was 34%, 33% and 35%, respectively.

Training and Development

We devote significant resources to the training and development of our associates. Our training typically covers modules in leadership and client processes, including the functional aspects of client processes such as quality and transfer. Training for new associates may also include behavioral and process training as well as cultural, voice and accent training, as required by our clients.

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We have established the WNS Learning Academy, where we offer specialized skills development, such as leadership and management development, and behavioral programs as well as pre-process training that includes voice and accent and customer service training, for new associates. The WNS Learning Academy is staffed with over 50 full-time trainers and content designers. We customize our training programs according to the nature of the client's business, the country in which the client operates and the services the client requires. Further, the WNS Learning Academy has an in-house e-learning unit which creates computer or web-based learning modules to support ongoing learning and development.

Since the launch of the WNS Learning Academy, we have made significant efforts to improve the learning and development of our supervisory, management and leadership teams, which is visible through focused learning initiatives targeted at employees with specific job roles and based upon current and future business competency requirements. Our learning initiatives include, among others, the following:

A five-day leadership program, implemented in 2008, with a 60-90 day action learning project focused on professional and leadership skills and process improvement for over 2,000 team leaders and managers;

Educational opportunities through tie-ups with leading institutions, such as the Indian Institute of Management and Symbiosis Institute of Business Management;

Train the Trainer programs, in which master trainers visit our various locations to conduct training sessions;

The ongoing expansion of our virtual domain university for each business unit, which we intend to serve as a one stop solution for domain knowledge; and

Diversity and cross-cultural understanding training initiatives.

Through these learning initiatives and others, we are addressing developmental and functional needs at the junior management level, leadership and sales focus at the middle management level and business and strategic development at the senior leadership level. Our goal is to consolidate, build and share intellectual property and business knowledge throughout our organization, which we believe will benefit us, as well as our clients, in the long run.

Further, in connection with our focus on institutionalizing talent identification, succession planning and talent development frameworks, the WNS Learning Academy is involved with the design and implementation of talent development roadmaps that are designed to help us organically build leaders for the future and develop clear succession plans. We plan to achieve this through the design and roll-out of customized individual development plans, as well as specialized training programs run for groups of employees at similar stages of career development or in similar roles, which we call clustered interventions.

In order to keep pace with the ever-changing global business environment, we recognize that there is a strong need to focus on consolidating, building and sharing our domain knowledge. Hence, in fiscal 2015, we set up a virtual domain university for certain vertical business units such as finance and accounting, banking and financial services, travel, diversified businesses, and shipping and logistics. The university serves as repository for domain knowledge that is accessible virtually by our employees. The university was established to assist us in retaining and building our domain

knowledge for our business units, and we intend to continue to expand its offerings to cover each of our business units. It is expected to benefit us as well as our clients in the long run. We have also launched 100 e-learning modules through a vendor partner, Skillsoft, providing our employees with the opportunity of self-paced learning. These modules are accessible through our online learning management system.

Other Development Initiatives

Diversity and inclusion As we increase our global presence, we believe it is important to grow and foster an inclusive and diverse business environment, and therefore we seek to equip our managers with the skills required to collaborate, manage and lead in a diverse global environment. Our learning and development team is proactively designing training materials related to diversity and cross-cultural understanding in order to groom successful managers who have a global mindset and the necessary soft skills to function effectively in a diverse environment. We believe that skills such as good communication and cultural adaptability and understanding are essential in the workplace. Therefore, we aim to instill in our global managers an awareness of, and an appreciation for, the differences among the cultures with which they do business and to provide them the techniques and support they need to succeed.

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Representatives of the learning and development team are also involved in feasibility studies for potential new locations from a talent availability point of view. To improve our reach, we are increasingly deploying blended learning solutions via video-based and e-learning to reach our managers globally. We have also collaborated with an external e-learning provider to assist in providing appropriate and relevant online training materials while keeping in mind our organizational goals. Our continued focus on e-learning has helped us in reducing costs associated with training as the costs associated with online products on a per person, per hour basis, are significantly less than the costs associated with training in the physical classroom. We were recognized in 2013 as the Global L&D Team of the Year at the 5th TISS Leap Vault CLO Summit India and we received the Corporate University Best-in-Class (or CUBIC) Award.

Front line capability building As an individual advances within an organization, it is important that he or she adds the qualifications and skills required to perform the role and responsibilities to which he or she is assigned. Our Learning Academy focuses on providing new managers the necessary tools to successfully make the transition from employee to business leader. In doing so, our Learning Academy trains new managers on the technical and leadership skills necessary to manage people, understand key drivers of financial performance, provide good customer service and follow our business and shared best practices.

Regulations

Due to the industry and geographic diversity of our operations and services, our operations are subject to a variety of rules and regulations, and several federal and state agencies in Australia, China, Costa Rica, India, Mauritius, the Netherlands, Romania, the Philippines, Poland, Singapore, South Africa, Sri Lanka, United Arab Emirates, the UK and the US that regulate various aspects of our business. See Part I Item 3. Key Information D. Risk Factors Risks Related to our Business Failure to adhere to the regulations that govern our business could result in us being unable to effectively perform our services. Failure to adhere to regulations that govern our clients' businesses could result in breaches of contract with our clients. We have benefitted from, and continue to benefit from, certain tax holidays and exemptions in various jurisdictions in which we have operations.

In fiscal 2015, 2014 and 2013, our tax rate in India and Sri Lanka impacted our effective tax rate. We would have incurred approximately \$3.0 million, \$1.7 million and \$0.8 million in additional income tax expense on our operations in Sri Lanka and on our SEZ operations in India for fiscal 2015, 2014 and 2013, respectively, if the tax holidays or exemptions as described below had not been available for the respective periods.

We expect our tax rate in India and Sri Lanka and, to a lesser extent, the Philippines to continue to impact our effective tax rate. Our tax rate in India have been impacted by the reduction in the tax exemption enjoyed by our delivery center located in Gurgaon under the SEZ scheme from 100.0% to 50.0% which started in fiscal 2013. However, we expect to expand the operations in our delivery centers located in other SEZs that are still in their initial five years of operations and therefore eligible for 100.0% income tax exemption.

India

In the past, the majority of our Indian operations were eligible to claim income tax exemption with respect to profits earned from export revenue from operating units registered under the STPI. The benefit was available for a period of 10 years from the date of commencement of operations, but not beyond March 31, 2011. Effective April 1, 2011, upon the expiration of this tax exemption, income derived from our operations in India became subject to the prevailing annual tax rate, which is currently 33.99%.

Further, in 2005, the Government of India implemented the SEZ legislation, with the effect that taxable income of new operations established in designated SEZs may be eligible for a 15-year tax holiday scheme consisting of a complete tax holiday for the initial five years and a partial tax holiday for the subsequent ten years, subject to the satisfaction of certain capital investment conditions. Our delivery center located in Gurgaon, India and registered under the SEZ scheme is eligible for a 50.0% income tax exemption from fiscal 2013 to fiscal 2022. During fiscal 2012, we also started operations in delivery centers in Pune, Mumbai and Chennai, India registered under the SEZ scheme, through which we are eligible for a 100.0% income tax exemption until fiscal 2016 and a 50.0% income tax exemption from fiscal 2017 to fiscal 2026. During fiscal 2015, we commenced operations at our new delivery centers in Gurgaon and Pune in India which were registered under the SEZ scheme and are eligible for a 100.0% income tax exemption until fiscal 2019, and a 50.0% income tax exemption from fiscal 2020 to fiscal 2029.

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The SEZ legislation has been criticized on economic grounds by the International Monetary Fund and the SEZ legislation may be challenged by certain non-governmental organizations. It is possible that, as a result of such political pressures, the procedure for obtaining benefits under the SEZ legislation may become more onerous, the types of land eligible for SEZ status may be further restricted or the SEZ legislation may be amended or repealed. Moreover, there is continuing uncertainty as to the governmental and regulatory approvals required to establish operations in the SEZs or to qualify for the tax benefit. This uncertainty may delay our establishment of additional operations in the SEZs.

In addition to these tax holidays, our Indian subsidiaries are also entitled to certain benefits under relevant state legislation and regulations. These benefits include the preferential allotment of land in industrial areas developed by state agencies, incentives for captive power generation, rebates and waivers in relation to payments for transfer of property and registration (including for purchase or lease of premises) and commercial usage of electricity.

Since fiscal 2008, we have become subject to minimum alternate tax, or MAT, and we have been required to pay additional taxes. The Government of India, pursuant to the Indian Finance Act, 2011, has also levied MAT on the book profits earned by the SEZ units at the prevailing tax rate, which is currently 20.96%. To the extent MAT paid exceeds the actual tax payable on our taxable income we would be able to offset such MAT credits from tax payable in the succeeding ten years, subject to the satisfaction of certain conditions. During fiscal 2015, 2014 and 2013, we have offset \$6.4 million, \$5.7 million and \$1.3 million, respectively, of our MAT payments for earlier years from our increased tax liability based on our taxable income following the expiry of our tax holiday on STPI effective fiscal 2012.

The Government of India may enact new tax legislation that could impact the way we are taxed in the future. For example, the Government of India has clarified that, with retrospective effect from April 1, 1962, any income accruing or arising directly or indirectly through the transfer of capital assets situated in India will be taxable in India. If any of our transactions are deemed to involve the direct or indirect transfer of a capital asset located in India, such transactions could be investigated by the Indian tax authorities, which could lead to the issuance of tax assessment orders and a material increase in our tax liability. For example, we received a request from the relevant income tax authority in India for information relating to our acquisition in July 2008 from Aviva of all the shares of Aviva Global, which owned subsidiaries with assets in India and Sri Lanka. No allegation or demand for payment of additional tax relating to that transaction has been made yet. The Government of India has issued guidelines on General Anti Avoidance Rule, or the GAAR, which is currently expected to be effective April 1, 2017, and which is intended to curb sophisticated tax avoidance. Under the GAAR, a business arrangement will be deemed an impermissible avoidance arrangement if the main purpose of the arrangement is to obtain tax benefits. Although the full implications of the GAAR are presently still unclear, if we are deemed to have violated any of its provisions, we may face an increase to our tax liability. See Part I Item 3. Key Information D. Risk Factors Risks Related to our Business New tax legislation and the results of actions by taxing authorities may have an adverse effect on our operations and our overall tax rate.

Sri Lanka

Our operations in Sri Lanka are also eligible for tax exemptions. One of our Sri Lankan subsidiaries was eligible to claim income tax exemption with respect to profits earned from export revenue by our delivery center registered with the Board of Investments. This tax exemption expired in fiscal 2011, however, effective fiscal 2012, the Government of Sri Lanka has exempted the profits earned from export revenue from tax. This has enabled our Sri Lankan subsidiary to continue to claim tax exemption under the Sri Lanka Inland Revenue Act following the expiry of the tax exemption.

Philippines

Our subsidiary in the Philippines, WNS Global Services Philippines Inc., located in Eastwood Avenue, Manila was also eligible to claim income tax exemption with respect to profits earned from export revenue by our delivery centers registered with the Philippines Economic Zone Authority, which expired in fiscal 2015 and we intend to apply for an extension until fiscal 2016, which is subject to fulfillment of certain conditions. During fiscal 2013, we started operations in a delivery center in the Philippines located in Techno Plaza II, Manila which is also eligible for a tax exemption that will expire in fiscal 2017. Following the expiry of the tax exemption, income generated by WNS Global Services Philippines, Inc. will be taxed at the prevailing special tax rate, which is currently 5.0% on gross income.

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Costa Rica

Our subsidiary in Costa Rica is also eligible for a 100% income tax exemption from fiscal 2010 until fiscal 2017 and a 50.0% income tax exemption from fiscal 2018 to fiscal 2021.

See Part I Item 5. Operating and Financial Review and Prospects Critical Accounting Policies Income Taxes .

Enforcement of Civil Liabilities

We are incorporated in Jersey, Channel Islands. Most of our directors and executive officers reside outside of the US. Substantially all of the assets of these persons and substantially all of our assets are located outside the US. As a result, it may not be possible for investors to effect service of process on these persons or us within the US, or to enforce against these persons or us, either inside or outside the US, a judgment obtained in a US court predicated upon the civil liability provisions of the federal securities or other laws of the US or any state thereof. A judgment of a US court is not directly enforceable in Jersey, but constitutes a cause of action which will be enforced by Jersey courts provided that:

the court which pronounced the judgment has jurisdiction to entertain the case according to the principles recognized by Jersey law with reference to the jurisdiction of the US courts;

the judgment is given on the merits and is final and conclusive it cannot be altered by the courts which pronounced it;

there is payable pursuant to the judgment a sum of money, not being a sum payable in respect of tax or other charges of a like nature or in respect of a fine or other penalty;

the courts of the US have jurisdiction in the circumstances of the case;

the judgment can be enforced by execution in the jurisdiction in which the judgment is given;

the person against whom the judgment is given does not benefit from immunity under the principles of public international law;

there is no earlier judgment in another court between the same parties on the same issues as are dealt with in the judgment to be enforced;

the judgment was not obtained by fraud, duress and was not based on a clear mistake of fact; and

the recognition and enforcement of the judgment is not contrary to public policy in Jersey, including observance of the principles of natural justice which require that documents in the US proceeding were properly served on the defendant and that the defendant was given the right to be heard and represented by counsel in a free and fair trial before an impartial tribunal.

It is the policy of Jersey courts to award compensation for the loss or damage actually sustained by the person to whom the compensation is awarded. Although the award of punitive damages is generally unknown to the Jersey legal system, there is no prohibition on them either by statute or by customary law. Whether a judgment is contrary to public policy depends on the facts of each case. Exorbitant, unconscionable, or excessive awards will generally be contrary to public policy. Moreover, if a US court gives a judgment for multiple damages against a qualifying defendant, the Protection of Trading Interests Act 1980, an Act of the UK extended to Jersey by the Protection of Trading Interests Act 1980 (Jersey) Order 1983, or the Order, provides that such judgment would not be enforceable in Jersey and the amount which may be payable by such defendant may be limited. The Order provides, among others, that such qualifying defendant may be able to recover such amount paid by it as represents the excess of such multiple damages over the sum assessed as compensation by the court that gave the judgment. A qualifying defendant for these purposes is a citizen of the UK and Colonies, a body corporate incorporated in the UK, Jersey or other territory for whose international relations the UK is responsible or a person carrying on business in Jersey.

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Jersey courts cannot enter into the merits of the foreign judgment and cannot act as a court of appeal or review over the foreign courts. It is doubtful whether an original action based on US federal securities laws can be brought before Jersey courts. A plaintiff who is not resident in Jersey may be required to provide security for costs in the event of proceedings being initiated in Jersey. There is uncertainty as to whether the courts of Jersey would:

recognize or enforce judgments of US courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the US or any state in the US; or

entertain original actions brought in each respective jurisdiction against us or our directors or officers predicated upon the federal securities laws of the US or any state in the US.

In India, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 (India), or the Civil Code, as amended. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Indian government has by notification declared to be a reciprocating territory, such foreign judgment may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties and does not include arbitration awards. The US has not been declared by the Indian government to be a reciprocating territory for the purposes of Section 44A of the Civil Code. Accordingly, a judgment of a foreign court, which is not a court in a reciprocating territory, may be enforced in India only by a fresh suit instituted in a court of India and not by proceedings in execution. Furthermore, the execution of the foreign decree under Section 44A of the Civil Code is also subject to the exception under Section 13 of the Civil Code, as discussed below.

Section 13 of the Civil Code, states that a foreign judgment is conclusive as to any matter directly adjudicated upon except:

where the judgment has not been pronounced by a court of competent jurisdiction;

where the judgment has not been given on the merits of the case;

where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;

where the proceedings in which the judgment was obtained were opposed to natural justice;

where the judgment has been obtained by fraud; or

where the judgment sustains a claim founded on a breach of any law in force in India.

The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India under the Indian Foreign Exchange Management Act, 1999, to repatriate any amount recovered pursuant to such execution and such amount may be subject to tax in accordance with applicable laws. Any judgment in a foreign currency would be converted into Indian rupees on the date of judgment and not on the date of payment. We cannot predict whether a suit brought in a court in India will be disposed of in a timely manner.

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C. Organizational Structure

The following diagram illustrates our company's organizational structure and the place of organization of each of our subsidiaries as of the date hereof. Unless otherwise indicated, each of our subsidiaries is wholly owned, directly or indirectly, by WNS (Holdings) Limited.

Notes:

- (1) WNS (Holdings) Limited has made a 99.99% capital contribution in WNS Global Services Netherlands Cooperative U.A., or the Co-op. The remaining 0.01% capital contribution in the Co-op was made by WNS North America Inc. to satisfy the regulatory requirement to have a minimum of two members.
- (2) All the shares except one share of WNS Business Consulting Services Private Limited are held by WNS North America Inc. The remaining one share is held by a nominee shareholder on behalf of WNS North America Inc. to satisfy the regulatory requirement to have a minimum of two shareholders.
- (3) WNS Global Services Private Limited (Singapore Branch) was formed on November 28, 2014 and is a branch of WNS Global Services Private Limited.
- (4) WNS Cares Foundation is a not for profit organization registered under formerly Section 25 of the Indian Companies Act, 1956 (which has become Section 8 of the Indian Companies Act, 2013), formed for the purpose of promoting corporate social responsibilities and is not considered for the purpose of preparing our consolidated financial statements.
- (5) WNS Legal Assistance LLP was incorporated under the Limited Liability Partnerships Act, 2000 in the UK on November 4, 2014.

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As at March 31, 2015, we have an installed capacity of 24,316 production workstations, or seats, that can operate on an uninterrupted 24/7 basis and can be staffed on a three-shift per day basis. The majority of our properties are leased by us, as described in the table below, and most of our leases are renewable at our option. The following table describes each of our delivery centers and sales offices, including centers under construction, and sets forth our lease expiration dates:

Location	Total Space (square feet)	Total Number of Workstations/Seats	Lease Expiration	Extendable Until⁽¹⁾
India:				
Mumbai	406,513 ⁽²⁾	3,405		
Godrej Plant 10			February 15, 2016	N/A
Godrej Plant 11			February 15, 2016	N/A
Godrej Plant 5			February 15, 2016	N/A
Raheja (SEZ)			May 31, 2019	N/A
Rupa Solitaire-Unit 319			December 10, 2018	N/A
Rupa Solitaire-Unit 318			February 9, 2020	February 9, 2025
Gurgaon	215,895	2,491		
DLF (SEZ)			September 15, 2017	N/A
Udyog Vihar			July 14, 2017	July 14, 2020
World Tech Park-8 th , 9 th , 10 th and a part of 11 th floor ⁽³⁾			April 27, 2019	April 27, 2024
World Tech Park- the remaining part of 11 th floor ⁽³⁾			November 2, 2019	April 2, 2024
Pune	601,086	6,962		
Magarpatta ⁽⁴⁾			N/A	N/A
Weikfield Phase I			February 14, 2018	February 14, 2022
Weikfield Phase II			April 30, 2018	April 30, 2022
Weikfield Phase III			June 14, 2018	June 14, 2022
Mantri Estate			May 26, 2016	May 26, 2020
Magarpatta (SEZ) Level 5			February 14, 2016	February 14, 2026
Magarpatta (SEZ) Level 6			October 26, 2016	October 26, 2026
Magarpatta (SEZ) Level 7			February 28, 2017	February 28, 2027
Nasik	74,620	1,003		
Shreeniketan			June 30, 2018	N/A
Vascon			October 13, 2018	N/A
Bangalore	156,432	1,605		
RMZ Centennial			August 31, 2015	August 31, 2025
Chennai	110,792	910		
RMZ Millenia			March 31, 2018	March 31, 2045
DLF (SEZ) Phase 1			March 31, 2016	N/A
DLF (SEZ) Phase 2			March 31, 2017	N/A
Vishakhapatnam	37,050	564		
MPS Plaza			March 4, 2017	March 4, 2027
Tiruchirappalli	217,800			

Plot of land⁽⁵⁾

November 15, 2111

November 15, 2210

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Sri Lanka:	59,249	823		
Colombo (HNB)			July 31, 2015	N/A
Orion City			May 31, 2018	N/A
UK:	29,530	519		
Museum Street			May 23, 2028	N/A
Cheadle			July 21, 2020	N/A
Piccadilly			February 1, 2017	N/A
Mansfield			February 14, 2016	N/A
Hayes			February 28, 2021	N/A
US:	57,300	351		
Exchange Place, NJ			July 30, 2019	July 30, 2024
The State Building Pennsylvania			April 19, 2017	April 19, 2023
			June 23, 2015	N/A
Romania:	38,750	478		
Bucharest			February 25, 2023	February 25, 2026
Philippines:	143,331	1,883		
Eastwood Basement 3 Parking			November 30, 2015	N/A
Eastwood 1 ⁰ floor			June 30, 2016	June 30, 2019
Eastwood 1 ¹ floor			August 31, 2015	August 31, 2018
Techno Plaza II			April 30, 2019	April 30, 2024
Costa Rica:	25,184	401		
Forum H San Jose			April 30, 2016	N/A
United Arab Emirates:	510			
Dubai Airport Free Trade Zone			November 27, 2017	November 27, 2017
South Africa:	198,028	2,532		
Cape Town (Knowledge Park)			March 31, 2019	N/A
Cape Town (Ambition House) 1 ⁴ floor			September 30, 2017	September 30, 2018
Cape Town (Ambition House) 1 ³ floor			June 30, 2018	June 30, 2019
Johannesburg (Commissioners Street)			May 31, 2016	May 31, 2021
Cape Town (Claremont)			May 31, 2015	August 31, 2018
Poland:	9,738	133		
Gdynia			April 1, 2018	April 1, 2023
China:	31,708	257		
Guangzhou			April 30, 2017	N/A
Dalian			May 15, 2017	N/A
Beijing			December 31, 2015	N/A
Australia:	646			
Sydney			November 30, 2015	N/A
Notes:				

N/A means not applicable.

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- (1) Reflects the expiration date if the applicable extension options is exercised.
 - (2) The total space for Mumbai includes 9,942 square feet available at the units in Rupa Solitaire which we leased in February 2015. We intend to build workstations at these units once our operations ramp up at that location. We have entered in to a sublease agreement with a client, pursuant to which we have sublet the units at Rupa Solitaire to such client.
 - (3) We entered into two leases commencing April 2014 for the premises at World Tech Park in Gurgaon for a period of five years for a total area of 147,260 square feet. In addition, we have, through a letter of intent, exercised an option to lease additional space of 9,141 square feet at the same facility on the 11th floor in November 2014. We intend to execute a lease deed pursuant to the terms of the letter of intent, prior to which the lease for the premises continues to be valid on the terms set out in the letter of intent.
 - (4) We own these premises and a charge over these premises has been created in favor of HSBC Bank (Mauritius) Limited under a term loan agreement with HSBC Bank (Mauritius) Limited for a term loan of \$7 million.
 - (5) This is a SEZ plot in the ELCOT Navalpattu IT/ITES SEZ Park.
- Our delivery centers are equipped with fiber optic connectivity and have backups to their power supply designed to achieve uninterrupted operations. In fiscal 2016, we intend to establish additional delivery centers, as well as continue to streamline our operations by further consolidating production capacities in our delivery centers.

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ITEM 4A.UNRESOLVED STAFF COMMENTS

None.

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The following discussion on the financial condition and results of operations of our company should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report. Some of the statements in the following discussion contain forward-looking statements that involve risks and uncertainties. See Special Note Regarding Forward-Looking Statements. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including, but not limited to, those described below and elsewhere in this annual report, particularly in the risk factors described in Part I Item 3 Key Information D. Risk Factors.

Overview

We are a leading global provider of BPM services, offering comprehensive data, voice, analytical and business transformation services with a blended onshore, nearshore and offshore delivery model. We transfer the business processes of our clients to our delivery centers, located in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US, with a view to offer cost savings, operational flexibility, improved quality and actionable insights to our clients. We seek to help our clients transform their businesses by identifying business and process optimization opportunities through technology-enabled solutions, process design improvements, analytics and improved business understanding.

We win outsourcing engagements from our clients based on our domain knowledge of their business, our experience in managing the specific processes they seek to outsource and our customer-centric approach. Our company is organized into vertical business units in order to provide more specialized focus on each of the industries that we target, to more effectively manage our sales and marketing process and to develop in-depth domain knowledge. The major industry verticals we currently target are the insurance; travel and leisure; diversified businesses including manufacturing, retail, consumer packaged goods, or CPG, media and entertainment, and telecom; utilities; consulting and professional services; banking and financial services; healthcare; and shipping and logistics industries; as well as the public sector.

Our portfolio of services includes vertical-specific processes that are tailored to address our clients' specific business and industry practices. In addition, we offer a set of shared services that are common across multiple industries, including contact center, finance and accounting, research and analytics, technology services, legal services, and human resources outsourcing.

Although we typically enter into long-term contractual arrangements with our clients, these contracts can usually be terminated with or without cause by our clients and often with short notice periods. Nevertheless, our client relationships tend to be long-term in nature given the scale and complexity of the services we provide coupled with risks and costs associated with switching processes in-house or to other service providers. We structure each contract to meet our clients' specific business requirements and our target rate of return over the life of the contract. In addition, since the sales cycle for offshore business process management is long and complex, it is often difficult to predict the timing of new client engagements. As a result, we may experience fluctuations in growth rates and profitability from quarter to quarter, depending on the timing and nature of new contracts. Our operating results may also differ significantly from quarter to quarter due to seasonal changes in the operations of our clients. For example, our clients in the travel and leisure industry typically experience seasonal changes in their operations in connection with the US summer holiday season, as well as episodic factors such as adverse weather conditions. Our focus, however, is on deepening our client relationships and maximizing shareholder value over the life of a client's relationship with us.

Our revenue is generated primarily from providing business process management services. We have two reportable segments for financial statement reporting purposes – WNS Global BPM and WNS Auto Claims BPM. In our WNS Auto Claims BPM segment, we provide both fault and non-fault repairs. For fault repairs, we provide claims handling and repair management services, where we arrange for automobile repairs through a network of third party repair centers. In our repair management services, where we act as the principal in our dealings with the third party repair centers and our clients, the amounts which we invoice to our clients for payments made by us to third party repair centers are reported as revenue. Where we are not the principal in providing the services, we record revenue from repair services net of repair cost. See Note 2.s of the consolidated financial statements included elsewhere in this annual report. Since we wholly subcontract the repairs to the repair centers, we evaluate the financial performance of our fault repair business based on revenue less repair payments to third party repair centers, which is a non-GAAP financial measure. We believe that revenue less repair payments for fault repairs reflects more accurately the value addition of the business process management services that we directly provide to our clients.

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For our non-fault repairs business, we generally provide a consolidated suite of accident management services including credit hire and credit repair, and we believe that measurement of such business on a basis that includes repair payments in revenue is appropriate. Revenue including repair payments is therefore used as a primary measure to allocate resources and measure operating performance for accident management services provided in our non-fault repairs business. Our non-fault repairs business where we provide accident management services accounts for a relatively small portion of our revenue for our WNS Auto Claims BPM segment.

Revenue less repair payments is a non-GAAP financial measure which is calculated as (a) revenue less (b) in our auto claims business, payments to repair centers for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients. This non-GAAP financial information is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP. Our revenue less repair payments may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

The following table reconciles our revenue (a GAAP financial measure) to revenue less repair payments (a non-GAAP financial measure) for the periods indicated:

	Year ended March 31,		
	2015	2014	2013
	(US dollars in millions)		
Revenue	\$ 533.9	\$ 502.6	\$ 460.3
Less: Payments to repair centers ⁽¹⁾	30.9	31.1	24.1
Revenue less repair payments	\$ 503.0	\$ 471.5	\$ 436.1

Note:

- (1) Consists of payments to repair centers in our auto claims business (a) for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients and (b) for non-fault repair cases with respect to one former client as discussed above.

The following table sets forth our constant currency revenue less repair payments for the periods indicated. Constant currency revenue less repair payments is a non-GAAP financial measure. We present constant currency revenue less repair payments so that revenue less repair payments may be viewed without the impact of foreign currency exchange rate fluctuations, thereby facilitating period-to-period comparisons of business performance. Constant currency revenue less repair payments is presented by recalculating prior period's revenue less repair payments denominated in currencies other than in US dollars using the foreign exchange rate used for the latest period, without taking into account the impact of hedging gains/losses. Our non-US dollar denominated revenues include, but are not limited to, revenues denominated in pound sterling, Australian dollars, Euros and South African rand.

	Year ended March 31,		
	2015	2014	2013
	(US dollars in millions)		
Constant currency revenue less repair payments	\$ 500.1	\$ 476.2	\$ 440.3

Table of Contents**Global Economic Conditions**

Global economic conditions have shown some signs of recovery, particularly in the US, but remain challenging as concerns remain on the sustainability of the recovery. Some key indicators of sustainable economic growth remain under pressure. Ongoing concerns over the sustainability of economic recovery in the US and its substantial debt burden, the low price of crude oil across the globe and the related implications for potential global deflation, as well as concerns of slower economic growth in the EU, Russia, China and India, have contributed to market volatility and diminished expectations for the US, European and global economies. If countries in the Eurozone or other countries require additional financial support, if sovereign credit ratings continue to decline, or in the event of a default on sovereign debt obligations in certain countries including Argentina, Greece and Russia, yields on the sovereign debt of certain countries may continue to increase, the cost of borrowing may increase and credit may become more limited. In the US, there continue to be concerns over the failure to achieve a long term solution to the issues of government spending, the increasing US national debt and rising debt ceiling, and their negative impact on the US economy as well as concerns over potential increases in cost of borrowing and reduction in availability of credit as the US Federal Reserve ends its quantitative easing program. Further, there continue to be signs of economic weakness such as relatively high levels of unemployment in major markets including Europe and the US. Continuing conflicts and instability in various regions around the world may lead to additional acts of terrorism and armed conflict around the world, as well as the growing concerns over the sustained and drastic fall in the price of crude oil and the associated risk of global deflation which may contribute to further economic instability in the global financial markets. These economic conditions may affect our business in a number of ways. The general level of economic activity, such as decreases in business and consumer spending, could result in a decrease in demand for our services, thus reducing our revenue. The cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Continued turbulence or uncertainty in the European, the US and the international financial markets and economies may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our customers. If these market conditions continue or worsen, they may limit our ability to access financing or increase our cost of financing to meet liquidity needs, and affect the ability of our customers to use credit to purchase our services or to make timely payments to us, resulting in adverse effects on our financial condition and results of operations.

Furthermore, a weakening of the rate of exchange for the US dollar or the pound sterling or the Australian dollar (in which our revenues are principally denominated) against the Indian rupee (in which a significant portion of our costs are denominated) also adversely affects our results. Fluctuations between the pound sterling, the Australian dollar, the South African rand or the Indian rupee, on the one hand, and the US dollar, on the other hand, also expose us to translation risk when transactions denominated in these currencies are translated into US dollars, our reporting currency. For example, the pound sterling appreciated against the US dollar by an average of 1.5% and 0.6% in fiscal 2015 and 2014, respectively. On the other hand, in fiscal 2015 and 2014, the Indian rupee depreciated against the US dollar by an average of 1.2% and 11.0%, respectively, the Australian dollar depreciated against the US dollar by an average of 6.1% and 9.6%, respectively, and the South African rand depreciated against the US dollar by an average 9.4% and 17.9%, respectively. The appreciation of the pound sterling and the depreciation of the Indian rupee and the South African rand against the US dollar positively impacted our results of operations in fiscal 2015 and 2014 whereas the depreciation of the Australian dollar negatively impacted our results of operations in fiscal 2015 and 2014.

Uncertainty about current global economic conditions could also continue to increase the volatility of our share price. We cannot predict the timing or duration of an economic slowdown or the timing or strength of a subsequent economic recovery generally or in our targeted industries, including the travel and leisure and insurance industries. If macroeconomic conditions worsen or current global economic conditions continue for a prolonged period of time, we are not able to predict the impact that such worsening conditions will have on our targeted industries in general, and

our results of operations specifically.

Our History and Milestones

We began operations as an in-house unit of British Airways in 1996 and started focusing on providing business process management services to third parties in fiscal 2003. The following are the key milestones in our operating history since Warburg Pincus acquired a controlling stake in our company from British Airways in May 2002 and inducted a new senior management team:

In fiscal 2003, we acquired Town and Country Assistance Limited (which we subsequently rebranded as WNS Assistance and which is part of WNS Auto Claims BPM, our reportable segment for financial statement purposes), a UK-based automobile claims handling company, thereby extending our service portfolio beyond the travel and leisure industry to include insurance-based automobile claims processing.

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In fiscal 2003 and 2004, we invested in our infrastructure to expand our service portfolio from data-oriented processing to include complex voice and blended data/voice service capabilities, and commenced offering comprehensive processes in the travel and leisure, banking and financial services and insurance industries.

In fiscal 2004, we acquired the health claims management business of Greensnow Inc.

In fiscal 2005, we opened facilities in Gurgaon, India and Colombo, Sri Lanka, thereby expanding our operating footprints across India and Sri Lanka.

In fiscal 2006, we acquired Trinity Partners Inc. (which we subsequently merged into our subsidiary, WNS North America Inc.), a provider of business process management services to financial institutions, focusing on mortgage banking.

In fiscal 2007, we expanded our facilities in Gurgaon, Mumbai and Pune, India.

In fiscal 2007, we acquired the fare audit services business of PRG Airlines and the financial accounting business of GHS.

In May 2007, we acquired Marketics, a provider of offshore analytics services.

In June 2007, we acquired Flovate, a company engaged in the development and maintenance of software products and solutions, which we subsequently renamed as WNS Workflow Technologies Limited.

In July 2007, we completed the transfer of our delivery center in Sri Lanka to Aviva Global.

In January 2008, we launched a 133-seat facility in Bucharest, Romania.

In March 2008, we entered into a joint venture with ACS, a provider in BPM services and customer care in the Philippines, to form WNS Philippines Inc.

In April 2008, we opened a facility in Manila, the Philippines.

In April 2008, we acquired Chang Limited, an auto insurance claims processing services provider in the UK, through its wholly-owned subsidiary, AHA (formerly known as Call 24-7).

In June 2008, we acquired BizAps, a provider of SAP® solutions to optimize the enterprise resource planning functionality for our finance and accounting processes.

In July 2008, we acquired from Aviva all the shares of Aviva Global, which we renamed to WNS Global Singapore, and resumed ownership of the delivery center in Sri Lanka that was transferred to Aviva Global in July 2007, as mentioned above. In connection with our acquisition of Aviva Global, we also entered into the 2008 Aviva master services agreement (as varied by the variation agreement entered into in March 2009) with Aviva MS, pursuant to which we provided BPM services to Aviva's UK business and Aviva's Irish subsidiary, Hibernian Aviva Direct Limited, and certain of its affiliates. We replaced this 2008 Aviva master services agreement with the Aviva master services agreement in September 2014.

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In November 2009, we opened a facility in San Jose, Costa Rica.

In January 2010, we moved from our existing facility to a new and expanded facility in Manila, the Philippines.

In October 2010, we moved from our existing facility in Marple to Manchester, UK and expanded our facility in Manila, the Philippines.

In November 2010, we expanded our sales office in London, UK.

In March 2011, we expanded our facility in Bucharest, Romania.

In November 2011, we acquired ACS's shareholding in WNS Philippines Inc., which became our wholly-owned subsidiary.

In fiscal 2012, we expanded our facilities in Mumbai, Pune, Gurgaon, Chennai, India, the Philippines, Costa Rica and Romania.

In February 2012, we completed a follow-on public offering of ADS and raised approximately \$50.0 million to fund our growth initiatives and enhance delivery capability.

In June 2012, we acquired Fusion, a provider of a range of management services, including contact center, customer care and business continuity services, to both South African and international clients, which we subsequently renamed as WNS Global Services SA (Pty) Ltd.

In June 2012, we opened a facility in Vizag, India.

In December 2012, we opened a facility in Gdynia, Poland.

In fiscal 2014, we added new facilities in Guangzhou, China; Colombo, Sri Lanka; and Mumbai, India.

In fiscal 2015, we added new facilities in Dalian, China; Cape Town, South Africa; and Pennsylvania, United States.

As a result of these acquisitions and other corporate developments, our financial results in corresponding periods may not be directly comparable.

Revenue

We generate revenue by providing business process management services to our clients. The following table shows our revenue (a GAAP financial measure) and revenue less repair payments (a non-GAAP financial measure) for the periods indicated:

	Year ended March 31,		Change	
	2015	2014	\$	%
Revenue	\$ 533.9	\$ 502.6	31.3	6.2%
Revenue less repair payments	\$ 503.0	\$ 471.5	31.5	6.7%

We have a large client base diversified across industries and geographies. Our client base grew from 254 clients as at March 31, 2010 to 292 clients as at March 31, 2015.

Our revenue is characterized by client, industry, service type, geographic and contract type diversity, as the analysis below indicates.

Table of Contents**Revenue by Top Clients**

For fiscal 2015, 2014 and 2013, the percentage of revenue and revenue less repair payments that we derived from our largest clients were in the proportions set forth in the following table:

	Revenue			Revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
Top client	13.4%	15.2%	16.9%	14.2%	16.2%	17.8%
Top five clients	33.0%	36.9%	37.1%	35.0%	39.4%	39.2%
Top ten clients	44.5%	48.5%	49.5%	47.2%	51.7%	52.0%
Top twenty clients	60.1%	63.3%	66.3%	63.5%	66.7%	68.5%

In fiscal 2015, our three largest clients individually accounted for 13.4%, 8.5% and 5.5%, respectively, of our revenue as compared to 15.2%, 7.7% and 6.1%, respectively, in fiscal 2014 and 16.9%, 7.3% and 6.5%, respectively, in fiscal 2013.

In line with our expectations, one of our top five clients by revenue contribution in fiscal 2014 and 2013, an OTA client provided us with a lower volume of business in fiscal 2015. The client entered into a strategic marketing agreement with another OTA in August 2013 pursuant to which it over a period of time, from the fourth quarter of fiscal 2014 to the fourth quarter of fiscal 2015, moved their customer care and sales processes that were previously managed by us to a technology platform managed by the other OTA. As a result, we lost most of our business from our OTA client. Our OTA client accounted for 2.5%, 6.1% and 7.3% of our revenue and 2.6%, 6.5% and 7.7% of our revenue less repair payments in fiscal 2015, 2014 and 2013, respectively. The other OTA uses several BPM vendors to manage such processes on their technology platform. We are approved as one of the other OTA's providers of BPM services. We have managed to compete with incumbent BPM vendors for the other OTA's business and the other OTA has become one of our large clients. There can be no assurance that we will be able to offset the loss of business from our OTA client to a significant extent or at all.

Further, we have entered into the Aviva master services agreement with an existing major client, Aviva MS, effective April 1, 2014. The Aviva master services agreement replaced our prior master services agreement, the 2008 Aviva master services agreement, with the client that was due to expire in November 2016. See [Our Contracts](#) [Revenue by Contract Type](#). The new pricing arrangements under the new agreement resulted in lower revenue from the client in fiscal 2015 as compared to fiscal 2014 and 2013. Aviva MS accounted for 13.4%, 15.2% and 16.9% of our revenue and 14.2%, 16.2% and 17.8% of our revenue less repair payments in fiscal 2015, 2014 and 2013, respectively.

Revenue by Industry

For financial statement reporting purposes, we aggregate several of our operating segments, except for the WNS Auto Claims BPM (which we market under the WNS Assistance brand) as it does not meet the aggregation criteria under IFRS. See [Results by Reportable Segment](#).

We organize our company into the following industry-focused business units to provide more specialized focus on each of these industries: insurance; travel and leisure; diversified businesses including manufacturing, retail, CPG, media and entertainment, and telecom; utilities; consulting and professional services; banking and financial services; healthcare; and shipping and logistics industries; as well as the public sector.

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For fiscal 2015, 2014 and 2013, our revenue and revenue less repair payments were diversified across our industry-focused business units in the proportions set forth in the following table:

Business Unit	As a percentage of revenue			As a percentage of revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
Insurance	35.8%	36.7%	35.5%	31.7%	32.6%	31.9%
Travel and leisure	18.7%	19.5%	20.5%	19.8%	20.8%	21.5%
Diversified businesses including manufacturing, retail, CPG, media and entertainment, and telecom	14.0%	14.4%	15.5%	14.9%	15.3%	16.3%
Utilities	9.5%	7.8%	6.6%	10.1%	8.3%	7.0%
Consulting and professional services	7.4%	6.8%	6.9%	7.9%	7.2%	7.3%
Banking and financial services	5.8%	6.5%	5.5%	6.1%	7.0%	5.9%
Healthcare	5.2%	5.1%	6.5%	5.6%	5.4%	6.9%
Shipping and logistics	3.4%	2.9%	2.6%	3.6%	3.1%	2.8%
Public sector	0.2%	0.3%	0.4%	0.3%	0.3%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Certain services that we provide to our clients are subject to the seasonality of our clients' business. Accordingly, we see an increase in transaction related services within the travel and leisure industry during holiday seasons, such as during the US summer holidays (our fiscal second quarter); an increase in business in the insurance industry during the beginning and end of the fiscal year (our fiscal first and last quarters) and during the US peak winter season (our fiscal third quarter); and an increase in business in the consumer product industry during the US festive season towards the end of the calendar year when new product launches and campaigns typically happen (our fiscal third quarter).

Revenue by Service Type

For fiscal 2015, 2014 and 2013, our revenue and revenue less repair payments were diversified across service types in the proportions set forth in the following table:

Service Type	As a percentage of revenue			As a percentage of revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
Industry-specific	31.0%	31.2%	32.1%	33.0%	33.3%	33.8%
Contact center	22.5%	23.6%	23.9%	23.9%	25.2%	25.2%
Finance and accounting	20.0%	18.6%	17.6%	21.2%	19.8%	18.6%
Autoclaim	11.4%	12.5%	12.0%	6.0%	6.8%	7.1%
Research and analytics	12.5%	11.4%	11.3%	13.2%	12.1%	11.9%
Technology services	1.7%	1.8%	2.2%	1.8%	1.9%	2.3%
Legal services	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%

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Human resources outsourcing ⁽¹⁾	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note:

(1) This horizontal unit was established in the first quarter of fiscal 2013.

Table of Contents**Revenue by Geography**

For fiscal 2015, 2014 and 2013, our revenue and revenue less repair payments were derived from the following geographies (based on the location of our clients) in the proportions set forth below in the following table:

Geography	As a percentage of revenue			As a percentage of revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
UK	52.8%	52.7%	53.3%	49.9%	49.6%	50.7%
North America (primarily the US)	25.9%	27.3%	30.5%	27.5%	29.1%	32.2%
Europe (excluding the UK)	5.4%	5.4%	5.9%	5.7%	5.7%	6.3%
Australia	6.4%	3.7%	2.4%	6.8%	3.9%	2.5%
South Africa	3.3%	4.1%	3.1%	3.5%	4.3%	3.3%
Rest of world	6.2%	6.8%	4.8%	6.6%	7.4%	5.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Revenue by Location of Delivery Centers

For fiscal 2015, 2014 and 2013, our revenue and revenue less repair payments were derived from the following geographies (based on the location of our delivery centers) in the proportions set forth in the following table:

Location of Delivery Center	As a percentage of revenue			As a percentage of revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
India	64.2%	65.1%	68.4%	68.4%	69.4%	72.3%
UK	12.0%	12.8%	12.5%	6.6%	7.1%	7.7%
South Africa ⁽¹⁾	7.8%	7.6%	5.2%	8.3%	8.1%	5.4%
Philippines	6.6%	5.7%	5.7%	7.0%	6.1%	6.0%
Sri Lanka	3.0%	2.5%	2.3%	3.1%	2.7%	2.4%
Romania	2.5%	2.4%	2.4%	2.7%	2.6%	2.5%
United States	1.3%	1.5%	1.5%	1.3%	1.6%	1.6%
Costa Rica	0.7%	0.8%	1.3%	0.7%	0.8%	1.4%
China ⁽²⁾	1.1%	0.9%	0.3%	1.1%	0.9%	0.3%
Poland ⁽³⁾	0.8%	0.7%	0.4%	0.8%	0.7%	0.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

- (1) This includes revenue from Fusion which we acquired on June 21, 2012. For the period prior to June 21, 2012, this includes revenue from services provided through Fusion under a subcontract arrangement.
- (2) For fiscal 2015, this includes revenue from our new China facility which became operational in October 2014, as well as our first China facility and through our former subcontractor's delivery center in China. For fiscal 2014 and 2013, this includes revenue from services provided through our former subcontractor's delivery center in China, and revenue from our first China facility which became operational in May 2013.
- (3) The facility became operational in October 2012.

Table of Contents***Our Contracts***

We provide our services under contracts with our clients, which typically range from three to five years, with some being rolling contracts with no end dates. Typically, these contracts can be terminated by our clients with or without cause and with short notice periods. However, we tend to have long-term relationships with our clients given the complex and comprehensive nature of the business processes executed by us, coupled with the switching costs and risks associated with relocating these processes in-house or to other service providers.

Each client contract has different terms and conditions based on the scope of services to be delivered and the requirements of that client. Occasionally, we may incur significant costs on certain contracts in the early stages of implementation, with the expectation that these costs will be recouped over the life of the contract to achieve our targeted returns. Each client contract has corresponding service level agreements that define certain operational metrics based on which our performance is measured. Some of our contracts specify penalties or damages payable by us in the event of failure to meet certain key service level standards within an agreed upon time frame.

When we are engaged by a client, we typically transfer that client's processes to our delivery centers over a two to six month period. This transfer process is subject to a number of potential delays. Therefore, we may not recognize significant revenue until several months after commencing a client engagement.

In the WNS Global BPM segment, we charge for our services based on the following pricing models:

- 1) per full-time equivalent arrangements, which typically involve billings based on the number of full-time employees (or equivalent) deployed on the execution of the business process managed;
- 2) per transaction arrangements, which typically involve billings based on the number of transactions processed (such as the number of e-mail responses, or airline coupons or insurance claims processed);
- 3) fixed-price arrangements, which typically involve billings based on achievements of pre-defined deliverables or milestones;
- 4) outcome-based arrangements, which typically involve billings based on the business result achieved by our clients through our service efforts (such as measured based on a reduction in days sales outstanding, an improvement in working capital, an increase in collections or a reduction in operating expenses); or
- 5) other pricing arrangements, including cost-plus arrangements, which typically involve billing the contractually agreed direct and indirect costs and a fee based on the number of employees deployed under the arrangement.

Apart from the above-mentioned pricing methods, a small portion of our revenue is comprised of reimbursements of out-of-pocket expenses incurred by us in providing services to our clients.

Outcome-based arrangements are examples of non-linear pricing models where revenues from platforms and solutions and the services we provide are linked to usage or savings by clients rather than the efforts deployed to provide these

services. We intend to focus on increasing our service offerings that are based on non-linear pricing models that allow us to price our services based on the value we deliver to our clients rather than the headcount deployed to deliver the services to them. We believe that non-linear pricing models help us to grow our revenue without increasing our headcount. Accordingly, we expect increased use of non-linear pricing models to result in higher revenue per employee and improved margins. Non-linear revenues may be subject to short term pressure on margins, however, as initiatives in developing the products and services take time to deliver. Moreover, in outcome-based arrangements, we bear the risk of failure to achieve clients' business objectives in connection with these projects. For more information, see Part I Item 3. Key Information D. Risk Factors. If our pricing structures do not accurately anticipate the cost and complexity of performing our work, our profitability may be negatively affected.

In our WNS Auto Claims BPM segment, we earn revenue from claims handling and repair management services. For claims handling, we charge on a per claim basis or a fixed fee per vehicle over a contract period. For automobile repair management services, where we arrange for the repairs through a network of repair centers that we have established, we invoice the client for the amount of the repair. When we direct a vehicle to a specific repair center, we receive a referral fee from that repair center. We also provide a consolidated suite of services towards accident management including credit hire and credit repair for non-fault repairs business.

Table of Contents*Revenue by Contract Type*

For fiscal 2015, 2014 and 2013, our revenue and revenue less repair payments were diversified by contract type in the proportions set forth in the following table:

	As a percentage of revenue			As a percentage of revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
Full-time-equivalent	69.7%	63.5%	59.6%	74.0%	67.6%	62.8%
Transaction	22.4%	27.6%	29.7%	17.6%	22.9%	25.8%
Fixed price	3.4%	4.6%	6.0%	3.6%	4.9%	6.4%
Outcome-based	1.1%	0.9%	1.1%	1.2%	1.0%	1.2%
Others	3.4%	3.4%	3.6%	3.6%	3.6%	3.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

We have continued our ten-year relationship with Aviva MS by entering into the Aviva master services agreement with Aviva MS, in September 2014, for a term of eight years, effective April 1, 2014 and expiring on March 31, 2022. The Aviva master services agreement replaced our 2008 Aviva master services agreement with the client that was due to expire in November 2016. The agreement continues to provide us with the exclusive right to provide the client with the services we currently provide, and in the same geographic regions, subject to the rights and obligations of the Aviva group under their existing contracts with other providers of similar services. Aviva MS has agreed, and further agreed to procure other members of the Aviva group, not to renew or extend such existing contracts unless they are contractually bound to do so. We are also regarded as a preferred supplier with respect to any new services or any new geographic regions in which the client seeks BPM services, subject to our meeting certain conditions of the client's supplier tender process.

Our clients customarily provide one to three month rolling forecasts of their service requirements. Our contracts with our clients do not generally provide for a committed minimum volume of business or committed amounts of revenue, with the exception of the Aviva master services agreement. The Aviva master services agreement requires Aviva MS to provide us with a minimum volume of business until October 31, 2016 (the last complete month prior to the expiration of the 2008 Aviva master services agreement). The minimum volume commitment is calculated as 3,000 billable full time employees, where one billable full time employee is the equivalent of a production employee engaged by us to perform our obligations under the contract for one working day at least nine hours for 250 days a year. The revised contract is priced on a full-time equivalent, or FTE, pricing model for certain types of outsourced processes and a non-FTE based pricing model for other types of outsourced processes. In the event the mean average monthly volume of business in any rolling three-month period does not reach the minimum volume commitment, Aviva MS has agreed to pay us a minimum commitment fee as liquidated damages. Notwithstanding the minimum volume commitment, there are termination at will provisions which permit Aviva MS to terminate the Aviva master services agreement without cause, with six months' notice upon payment of a termination fee. The annual minimum volume commitment under this contract was not met in fiscal 2015 because of a small reduction in demand for our services provided under the contract in the fourth quarter of fiscal 2015. Aviva MS paid us the minimum commitment fee for fiscal 2015.

The new pricing arrangements under the Aviva master services agreement provide for productivity-related discounts associated with FTE and non-FTE models. Some of these discounts are mandatorily applied through the term of the contract. Pricing also varies based on degree of complexity of the outsourced processes. The new pricing arrangements under the Aviva master services agreement resulted in lower revenue for fiscal 2015 as compared to fiscal 2014 and 2013. Aviva MS accounted for 13.4%, 15.2% and 16.9% of our revenue and 14.2%, 16.2% and 17.8% of our revenue less repair payments in fiscal 2015, 2014 and 2013, respectively.

Under the terms of an agreement with one of our top five clients negotiated in December 2009, we are the exclusive provider of certain key services from delivery locations outside of the US, including customer service and ticketing support for the client. This agreement became effective on April 1, 2010 and will expire in December 2015. Under our earlier agreement with this client, we were entitled to charge premium pricing because we had absorbed the initial transition cost in 2004. That premium pricing is no longer available in the new contract with this client. The early termination of the old agreement entitled us to a payment by the client of a termination fee of \$5.4 million which was received on April 1, 2010. As the termination fee was related to a renewal of our agreement with the client, we have determined that the recognition of the termination fee as revenue will be deferred over the term of the new agreement (i.e., over the period from April 1, 2010 to December 31, 2015).

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Expenses

The majority of our expenses consist of cost of revenue and operating expenses. The key components of our cost of revenue are employee costs, facilities costs, payments to repair centers, depreciation, travel expenses, and legal and professional costs. Our operating expenses include selling and marketing expenses, general and administrative expenses, foreign exchange gains and losses and amortization of intangible assets. Our non-operating expenses include finance expenses as well as other expenses recorded under other income, net.

Cost of Revenue

Employee costs represent the largest component of cost of revenue. In addition to employee salaries, employee costs include costs related to recruitment, training and retention, and share-based compensation expense. Historically, our employee costs have increased primarily due to increases in number of employees to support our growth and, to a lesser extent, to recruit, train and retain employees. Salary levels in India and our ability to efficiently manage and retain our employees significantly influence our cost of revenue. See Part I Item 4. Information on the Company B. Business Overview Human Capital. We expect our employee costs to increase as we expect to increase our headcount to service additional business and as wages continue to increase globally. See Part I Item. 3. Key Information. D. Risk Factors Risks Related to Our Business Wage increases may prevent us from sustaining our competitive advantage and may reduce our profit margin. We seek to mitigate these cost increases through improvements in employee productivity, employee retention and asset utilization.

Our WNS Auto Claims BPM segment includes repair management services, where we arrange for automobile repairs through a network of third party repair centers. This cost is primarily driven by the volume of accidents and the amount of the repair costs related to such accidents.

Our facilities costs comprise lease rentals, utilities cost, facilities management and telecommunication network cost. Most of our leases for our facilities are long-term agreements and have escalation clauses which provide for increases in rent at periodic intervals commencing between three and five years from the start of the lease. Most of these agreements have clauses that cap escalation of lease rentals.

We create capacity in our operational infrastructure ahead of anticipated demand as it takes six to nine months to build up a new site. Hence, our cost of revenue as a percentage of revenue may be higher during periods in which we carry such additional capacity.

Once we are engaged by a client in a new contract, we normally have a transition period to transfer the client's processes to our delivery centers and accordingly incur costs related to such transfer. Therefore, our cost of revenue in relation to our revenue may be higher until the transfer phase is completed, which may last for two to six months.

Selling and Marketing Expenses

Our selling and marketing expenses primarily comprise employee costs for sales and marketing personnel, travel expenses, legal and professional fees, share-based compensation expense, brand building expenses and other general expenses relating to selling and marketing.

Selling and marketing expenses as a proportion of revenue were 5.8% in fiscal 2015 as compared to 7.0% and 6.6% for fiscal 2014 and 2013, respectively. Selling and marketing expenses as a proportion of revenue less repair payments were 6.2% in fiscal 2015 as compared with 7.5% and 6.9% for fiscal 2014 and 2013, respectively. We expect our selling and marketing expenses to increase in fiscal 2016 but at a lower rate than the increase in our revenue less

repair payments.

We expect the employee costs associated with sales and marketing and related travel costs to increase in fiscal 2016. See Part I Item 4. Information on the Company B. Business Overview Business Strategy Enhance awareness of the WNS brand name. Our sales team is compensated based on achievement of business targets set at the beginning of each fiscal year. Accordingly, we expect this variable component of the sales team costs to increase in line with overall business growth.

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General and Administrative Expenses

Our general and administrative expenses primarily comprise employee costs for senior management and other support personnel, travel expenses, legal and professional fees, share-based compensation expense and other general expenses not related to cost of revenue and selling and marketing.

General and administrative expenses as a proportion of revenue were 13.1% in fiscal 2015 as compared with 11.0% and 12.4% for fiscal 2014 and 2013, respectively. General and administrative expenses as a proportion of revenue less repair payments were 13.9% in fiscal 2015 as compared with 11.7% and 13.1% for fiscal 2014 and 2013, respectively. We expect general and administrative expenses to increase in fiscal 2016 but at a lower rate than the increase in our revenue less repair payments.

We also expect our corporate employee costs for general and administrative and other support personnel to increase in fiscal 2016 but at a lower rate than the increase in our revenue less repair payments.

Foreign Exchange Loss / (Gain), Net

Foreign exchange gains or losses, net include:

marked to market gains or losses on derivative instruments that do not qualify for hedge accounting and are deemed ineffective;

realized foreign currency exchange gains or losses on settlement of transactions in foreign currency and derivative instruments; and

unrealized foreign currency exchange gains or losses on revaluation of other assets and liabilities.

Amortization of Intangible Assets

Amortization of intangible assets is primarily associated with our acquisitions of Marketics in May 2007, Flovate in June 2007, Accidents Happens Assistance Limited (formerly known as Call 24-7), or AHA, in April 2008, BizAps in June 2008, Aviva Global in July 2008 and Fusion in June 2012.

Other Income, Net

Other income, net comprises interest income, income from investments and other miscellaneous expenses.

Finance Expense

Finance expense primarily relates to interest charges payable on our term loan and short-term borrowings. We expect our finance expense to decline in fiscal 2016 based on reducing debt levels.

Operating Data

Our profit margin is largely a function of our asset utilization and the rates we are able to recover for our services. One of the most significant components of our asset utilization is our seat utilization rate which is the average number of work shifts per day, out of a maximum of three, for which we are able to utilize our seats. Generally, an improvement in seat utilization rate will improve our profitability unless there are other factors which increase our costs such as an increase in lease rentals, large ramp-ups to build new seats, and increases in costs related to repairs and renovations to our existing or used seats. In addition, an increase in seat utilization rate as a result of an increase in the volume of work will generally result in a lower cost per seat and a higher profit margin as the total fixed costs of our built up seats remain the same while each seat is generating more revenue.

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The following table presents certain operating data as at the dates indicated:

	As at March 31,		
	2015	2014	2013
Total headcount	28,890	27,020	25,520
Built up seats ⁽¹⁾	24,316	23,503	21,975
Used seats ⁽¹⁾	17,636	16,425	15,443
Seat utilization rate ⁽²⁾	1.17	1.16	1.21

Notes:

- (1) Built up seats refer to the total number of production seats (excluding support functions like Finance, Human Resource and Administration) that are set up in any premises. Used seats refer to the number of built up seats that are being used by employees. The remainder would be termed vacant seats. The vacant seats would get converted into used seats when we increase headcount.
- (2) The seat utilization rate is calculated by dividing the average total headcount by the average number of built up seats to show the rate at which we are able to utilize our built up seats. Average total headcount and average number of built up seats are calculated by dividing the aggregate of the total headcount or number of built up seats, as the case may be, as at the beginning and end of the fiscal year by two.

We expect our total headcount in fiscal 2016 to increase as compared to fiscal 2015 as the impact of an increased flow of business from new and existing clients is expected to increase our hiring requirements in fiscal 2016.

Foreign Exchange***Exchange Rates***

We report our financial results in US dollars and our results of operations may be adversely affected if the pound sterling or, to a lesser extent, the Australian dollar depreciates against the US dollar, or the Indian rupee or, to a lesser extent, the South African rand appreciates against the US dollar. Although a substantial portion of our revenue and revenue less repair payments is denominated in pound sterling (51.5% and 48.5%, respectively, in fiscal 2015, 52.3% and 49.2%, respectively, in fiscal 2014, and 52.4% and 49.8%, respectively, in fiscal 2013), US dollars (32.7% and 34.7%, respectively, in fiscal 2015, 32.5% and 34.7%, respectively, in fiscal 2014, and 35.3% and 37.2%, respectively, in fiscal 2013), and Australian dollars (6.4% and 6.8%, respectively, in fiscal 2015, 5.6% and 6.0%, respectively, in fiscal 2014, and 3.5% and 3.7%, respectively, in fiscal 2013), most of our expenses (net of payments to repair centers) are incurred and paid in Indian rupees (55.5% in fiscal 2015, 56.1% in fiscal 2014 and 59.0% in fiscal 2013) and, to a lesser extent, in South African rand (8.3% in fiscal 2015, 8.4% in fiscal 2014 and 6.0% in fiscal 2013). The exchange rates between these currencies and the US dollar have changed substantially in recent years and may fluctuate substantially in the future.

The average Indian rupee to US dollar exchange rate was approximately 61.12 per \$1.00 in fiscal 2015, which represented a depreciation of the Indian rupee of 1.2% as compared with the average exchange rate of approximately 60.38 per \$1.00 in fiscal 2014, which in turn represented a depreciation of the Indian rupee of 11.0% as compared with the average exchange rate of approximately 54.38 per \$1.00 in fiscal 2013.

The average pound sterling to US dollar exchange rate was approximately £0.620 per \$1.00 in fiscal 2015, which represented an appreciation of the pound sterling of 1.5% as compared with the average exchange rate of approximately £0.629 per \$1.00 in fiscal 2014, which in turn represented an appreciation of the pound sterling of 0.6% as compared with the average exchange rate of approximately £0.633 per \$1.00 in fiscal 2013.

The average Australian dollar to US dollar exchange rate was approximately A\$0.88 per \$1.00 in fiscal 2015, which represented a depreciation of the Australian dollar of 6.1% as compared with the average exchange rate of approximately A\$0.933 per \$1.00 in fiscal 2014, which in turn represented a depreciation of the Australian dollar of 9.6% as compared with the average exchange rate of approximately A\$1.03 per \$1.00 in fiscal 2013.

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The average South African rand to US dollar exchange rate was approximately R11.1 per \$1.00 in fiscal 2015, which represented a depreciation of the South African rand of 9.4% as compared with the average exchange rate of approximately R10.1 per \$1.00 in fiscal 2014, which in turn represented a depreciation of the South African rand of 17.9% as compared with the average exchange rate of approximately R8.6 per \$1.00 in fiscal 2013.

The depreciation of the Indian rupee against the US dollar by 1.2% in fiscal 2015 as compared to the average exchange rate in fiscal 2014 and by 11.0% as compared to the average exchange rate in fiscal 2013 has had a positive impact on our expenses in fiscal 2015 and 2014, respectively. As a result, increases in our cost of revenue, and to a lesser extent, our general and administrative expenses were partially offset by the impact of the depreciation of Indian rupee in fiscal 2015 and increases in our cost of revenue, and to a lesser extent, our general and administrative expenses and selling and marketing expenses were partially offset by the impact of the depreciation of Indian rupee in fiscal 2014. The appreciation of the pound sterling and depreciation of the South African rand against the US dollar in fiscal 2015 and 2014 has positively impacted our results of operations, whereas the depreciation of the Australian dollar has negatively impacted our results of operations. See Part I Item 11. Quantitative and Qualitative Disclosures About Market Risk B. Risk Management Procedures Components of Market Risk Exchange Rate Risk.

We have subsidiaries in several countries and hence, the functional currencies of these entities differ from our reporting currency, the US dollar. The financial statements of these entities are translated to the reporting currency as at the balance sheet date. Adjustments resulting from the translation of these financial statements from functional currency to reporting currency are accumulated and reported as other comprehensive income (loss), which is a separate component of equity. Foreign currency transaction gains and losses are recorded as other income or expense.

Currency Regulation

Our Indian subsidiaries are registered as exporters of business process management services with STPI or SEZ. According to the prevailing foreign exchange regulations in India, an exporter of business process management services registered with STPI or SEZ is required to receive its export proceeds in India within a period of 12 months from the date of such exports in order to avail itself of the tax and other benefits. In the event that such a registered exporter has received any advance against exports in foreign exchange from its overseas customers, it is required to render the requisite services so that such advances are earned within a period of 12 months from the date of such receipt. If such a registered exporter does not meet these conditions, it will be required to obtain permission from the Reserve Bank of India to receive and realize such foreign currency earnings.

A majority of the payments we receive from our clients are denominated in pound sterling, US dollars and Euros. For most of our clients, our subsidiaries in Mauritius, the Netherlands, the UK and the US enter into contractual agreements directly with our clients for the provision of business process management services by our Indian subsidiaries, which hold the foreign currency receipts in an export earners foreign currency account. All foreign exchange requirements, such as for the import of capital goods, expenses incurred during overseas travel by employees and discharge of foreign exchange expenses or liabilities, can be met using the foreign currency in the export earners foreign currency account in India. As and when funds are required by us, the funds in the export earners foreign currency account may be transferred to an ordinary rupee-denominated account in India.

There are currently no Jersey, UK or US foreign exchange control restrictions on the payment of dividends on our ordinary shares or on the conduct of our operations.

Income Taxes

We operate in multiple tax jurisdictions including Australia, China, Costa Rica, India, Mauritius, the Netherlands, Romania, the Philippines, Poland, Singapore, South Africa, Sri Lanka, United Arab Emirates, the UK and the US. As a result, our effective tax rate will change from year to year based on recurring factors such as the geographical mix of income before taxes, state and local taxes, the ratio of permanent items to pre-tax book income and the implementation of various global tax strategies, as well as non-recurring events.

In fiscal 2015, 2014 and 2013, our tax rate in India and Sri Lanka impacted our effective tax rate. We would have incurred approximately \$3.0 million, \$1.7 million and \$0.8 million in additional income tax expense on our operations in Sri Lanka and on our SEZ operations in India for fiscal 2015, 2014 and 2013, respectively, if the tax holidays and exemptions as described below had not been available for the respective periods.

We expect our tax rate in India and Sri Lanka and, to a lesser extent, the Philippines to continue to impact our effective tax rate. Our tax rate in India have been impacted by the reduction in the tax exemption enjoyed by our delivery center located in Gurgaon under the SEZ scheme from 100.0% to 50.0% starting from fiscal 2013. However, we expect to expand the operations in our delivery centers located in other SEZs that are still in their initial five years of operations and therefore eligible for 100.0% income tax exemption.

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In the past, the majority of our Indian operations were eligible to claim income tax exemption with respect to profits earned from export revenue from operating units registered under the STPI. The benefit was available for a period of 10 years from the date of commencement of operations, but not beyond March 31, 2011. Effective April 1, 2011, upon the expiration of this tax exemption, income derived from our operations in India became subject to the prevailing annual tax rate, which is currently 33.99%.

Further, in 2005, the Government of India implemented the SEZ legislation, with the effect that taxable income of new operations established in designated SEZs may be eligible for a 15-year tax holiday scheme consisting of a complete tax holiday for the initial five years and a partial tax holiday for the subsequent ten years, subject to the satisfaction of certain capital investment conditions. Our delivery center located in Gurgaon, India and registered under the SEZ scheme is eligible for a 50.0% income tax exemption from fiscal 2013 to fiscal 2022. During fiscal 2012, we also started operations in delivery centers in Pune, Mumbai and Chennai, India registered under the SEZ scheme, through which we are eligible for a 100.0% income tax exemption until fiscal 2016 and a 50.0% income tax exemption from fiscal 2017 to fiscal 2026. During fiscal 2015, we commenced operations at our new delivery centers in Gurgaon and Pune in India which were registered under the SEZ scheme and are eligible for a 100.0% income tax exemption until fiscal 2019, and a 50.0% income tax exemption from fiscal 2020 to fiscal 2029.

The SEZ legislation has been criticized on economic grounds by the International Monetary Fund and the SEZ legislation may be challenged by certain non-governmental organizations. It is possible that, as a result of such political pressures, the procedure for obtaining benefits under the SEZ legislation may become more onerous, the types of land eligible for SEZ status may be further restricted or the SEZ legislation may be amended or repealed. Moreover, there is continuing uncertainty as to the governmental and regulatory approvals required to establish operations in the SEZs or to qualify for the tax benefit. This uncertainty may delay our establishment of additional operations in the SEZs.

In addition to these tax holidays, our Indian subsidiaries are also entitled to certain benefits under relevant state legislation and regulations. These benefits include the preferential allotment of land in industrial areas developed by state agencies, incentives for captive power generation, rebates and waivers in relation to payments for transfer of property and registration (including for purchase or lease of premises) and commercial usage of electricity.

Since fiscal 2008, we have become subject to minimum alternate tax, or MAT and we have been required to pay additional taxes. The Government of India, pursuant to the Indian Finance Act, 2011, has also levied MAT on the book profits earned by the SEZ units at the prevailing tax rate, which is currently 20.96%. To the extent MAT paid exceeds the actual tax payable on our taxable income we would be able to offset such MAT credits from tax payable in the succeeding ten years, subject to the satisfaction of certain conditions. During fiscal 2015, 2014 and 2013, we have offset \$6.4 million, \$5.7 million and \$1.3 million, respectively, of our MAT payments for earlier years from our increased tax liability based on our taxable income following the expiry of our tax holiday on STPI effective fiscal 2012.

The Government of India may enact new tax legislation that could impact the way we are taxed in the future. For example, the Government of India has clarified that, with retrospective effect from April 1, 1962, any income accruing or arising directly or indirectly through the transfer of capital assets situated in India will be taxable in India. If any of our transactions are deemed to involve the direct or indirect transfer of a capital asset located in India, such transactions could be investigated by the Indian tax authorities, which could lead to the issuance of tax assessment orders and a material increase in our tax liability. For example, we received a request from the relevant income tax authority in India for information relating to our acquisition in July 2008 from Aviva of all the shares of Aviva Global,

which owned subsidiaries with assets in India and Sri Lanka. No allegation or demand for payment of additional tax relating to that transaction has been made yet. The Government of India has issued guidelines on General Anti Avoidance Rule, or the GAAR, which is currently expected to be effective April 1, 2017, and which is intended to curb sophisticated tax avoidance. Under the GAAR, a business arrangement will be deemed an impermissible avoidance arrangement if the main purpose of the arrangement is to obtain tax benefits. Although the full implications of the GAAR are presently still unclear, if we are deemed to have violated any of its provisions, we may face an increase to our tax liability. See Part I Item 3. Key Information D. Risk Factors Risks Related to our Business New tax legislation and the results of actions by taxing authorities may have an adverse effect on our operations and our overall tax rate.

Table of Contents***Sri Lanka***

Our operations in Sri Lanka are also eligible for tax exemptions. One of our Sri Lankan subsidiaries was eligible to claim income tax exemption with respect to profits earned from export revenue by our delivery center registered with the Board of Investments. This tax exemption expired in fiscal 2011, however, effective fiscal 2012, the Government of Sri Lanka has exempted the profits earned from export revenue from tax. This has enabled our Sri Lankan subsidiary to continue to claim tax exemption under the Sri Lanka Inland Revenue Act following the expiry of the tax exemption.

Philippines

Our subsidiary in the Philippines, WNS Global Services Philippines, Inc. located in Eastwood Avenue, Manila was also eligible to claim income tax exemption with respect to profits earned from export revenue by our delivery centers registered with the Philippines Economic Zone Authority, which expired in fiscal 2015 and we intend to apply for an extension until fiscal 2016, which is subject to fulfillment of certain conditions. During fiscal 2013, we started operations in a delivery center in the Philippines located in Techno Plaza II, Manila which is also eligible for a tax exemption that will expire in fiscal 2017. Following the expiry of the tax exemption, income generated by WNS Global Services Philippines, Inc. will be taxed at the prevailing special tax rate, which is currently 5.0% on gross income.

Costa Rica

Our subsidiary in Costa Rica is also eligible for a 100.0% income tax exemption from fiscal 2010 until fiscal 2017 and a 50.0% income tax exemption from fiscal 2018 to fiscal 2021.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements included elsewhere in this annual report which have been prepared in accordance IFRS, as issued by the IASB. Note 2 to our consolidated financial statements included elsewhere in this annual report describes our significant accounting policies and is an essential part of our consolidated financial statements.

We believe the following to be critical accounting policies. By critical accounting policies, we mean policies that are both important to the portrayal of our financial condition and financial results and require critical management judgments and estimates. Although we believe that our judgments and estimates are appropriate, actual future results may differ from our estimates.

Revenue Recognition

We derive revenue from providing BPM services to our clients, which primarily include providing back office administration, data management, contact center management and automobile claims handling services. We recognize revenue when the significant terms of the arrangement are enforceable, services are being delivered and the collectability is reasonably assured. We recognize revenue on an accrual basis when services are performed.

When the terms of the agreement specify service level parameters that must be met, we monitor such service level parameters and determine if there are any service credits or penalties that we need to account for. Revenue is recognized net of any service credits that are due to a client. Generally, our revenue is from large companies, where we do not believe we have a significant credit risk.

We invoice our clients depending on the terms of the arrangement, which include billing based on a per employee basis, a per transaction basis, a fixed price basis, an outcome based basis or other pricing arrangements including cost-plus arrangements. Amounts billed or payments received, where all the conditions for revenue recognition have not been met, are recorded as deferred revenue and are recognized as revenue when all recognition criteria have been met. However, the costs related to the performance of BPM services unrelated to transition services (discussed below) are recognized in the period in which the services are rendered. An upfront payment received towards future services is recognized ratably over the period when such services are provided.

For certain of our clients, we perform transition activities at the outset of entering into a new contract for the provision of BPM services. We have determined these transition activities do not meet the revenue recognition criteria to be accounted for as a separate unit of accounting with stand-alone value separate from the on-going BPM contract. Accordingly, transition revenue and costs are subsequently recognized ratably over the period in which the BPM services are performed. Further, the deferral of costs is limited to the amount of the deferred revenue. Any costs in excess of the deferred transition revenue are recognized in the period it was incurred.

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In limited instances, we have entered into minimum commitment arrangements that provide for a minimum revenue commitment on an annual basis or a cumulative basis over multiple years, stated in terms of annual minimum amounts. Where a minimum commitment is specific to an annual period, any revenue shortfall is invoiced and recognized at the end of this period.

Our revenue is net of value-added taxes and includes reimbursements of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenue.

We provide automobile claims handling services, which include claims handling and administration (which we refer to as *claims handling*), car hire and arranging for repairs with repair centers across the UK and the related payment processing for such repairs (which we refer to as *repair management*).

We also provide services where motorists involved in accidents were not at fault. Our service offerings include the provision of replacement hire vehicles (which we refer to as *credit hire*), repair management services and claims handling (which we collectively refer to as *accident management*).

With respect to claims handling, we enter into contracts with our clients to process all their claims over the contract period, where the fees are determined either on a per claim basis or a fixed payment for the contract period. Where our contracts are on a per claim basis, we invoice the client at the inception of the claim process. We estimate the processing period for the claims and recognize revenue over the estimated processing period. This processing period generally ranges between one to two months. The processing time may be greater for new clients and the estimated service period is adjusted accordingly. The processing period is estimated based on historical experience and other relevant factors, if any. Where the fee is a fixed payment for the contract period, revenue is recognized on a straight line basis over the period of the contract. In certain cases, where the fee is contingent upon the successful recovery of a claim by the client, revenue is not recognized until the contingency is resolved. Revenue in respect of car hire is recognized over the car hire term.

In order to provide repair management services, we arrange for the repair of vehicles involved in an accident through a network of repair centers. The repair costs are invoiced to customers. In determining whether the receipt from the customers related to payments to repair centers should be recognized as revenue, we consider the criteria established by IAS 18, *Illustrative example (IE) 21 Determining whether an entity is acting as a principal or as an agent*. When we determine that we are the principal in providing repair management services, amounts received from customers are recognized and presented as third party revenue and the payments to repair centers are recognized as cost of revenue in the consolidated statement of income.

Factors considered in determining whether we are the principal in the transaction include whether:

- (a) we have the primary responsibility of providing the services,
- (b) we negotiate the labor rates with repair centers,
- (c) we are responsible for timely and satisfactory completion of repairs, and

(d) we bear the risk that the customer may not pay for the services provided (credit risk).

If there are circumstances where the above criteria are not met and therefore we are not the principal in providing repair management services, amounts received from customers are recognized and presented net of payments to repair centers in the consolidated statement of income. Revenue from repair management services is recorded net of the repairer referral fees passed on to customers.

Table of Contents***Share-based Compensation***

We provide share-based awards such as share options and RSUs to our employees, directors and executive officers through various equity compensation plans. We account for share-based compensation expense relating to share-based payments using a fair-value method in accordance with IFRS 2, *Share-based Payments*. IFRS 2 addresses the accounting for share-based payment transactions in which an enterprise receives employee services in exchange for equity instruments of the enterprise or liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments.

Equity instruments granted is measured by reference to the fair value of the instrument at the date of grant. The grants vest in a graded manner. Under the fair value method, the estimated fair value of awards is charged to income over the requisite service period, which is generally the vesting period of the award, for each separately vesting portion of the award as if the award was, in substance, multiple awards. We include a forfeiture estimate in the amount of compensation expense being recognized based on our estimate of equity instrument that will eventually vest.

IFRS 2 requires the use of a valuation model to calculate the fair value of share-based awards. Based on our judgment, we have elected to use the Black-Scholes-Merton pricing model to determine the fair value of share-based awards on the date of grant. RSUs are measured based on the fair market value of the underlying shares on the date of grant.

We believe the Black-Scholes-Merton model to be the most appropriate model for determination of fair value of the share-based awards. In determining the fair value of share-based awards using the Black-Scholes-Merton option pricing model, we are required to make certain estimates of the key assumptions that include expected term, expected volatility of our shares, dividend yield and risk free interest rate. Estimating these key assumptions involves judgment regarding subjective future expectations of market prices and trends. The assumptions for expected term and expected volatility have the most significant effect on calculating the fair value of our share options. We use the historical volatility of our ADSs in order to estimate future share price trends. In order to determine the estimated period of time that we expect employees to hold their share-based options, we have used historical exercise pattern of employees. The aforementioned inputs entered into the option valuation model that we use to determine the fair value of our share awards are subjective estimates and changes to these estimates will cause the fair value of our share-based awards and related share-based compensation expense we record to vary.

We are required to estimate the share-based awards that we expect to vest and to reduce share-based compensation expense for the effects of estimated forfeitures of awards over the expense recognition period. Although we estimate forfeitures based on historical experience and other factors, actual forfeitures in the future may differ. To the extent our actual forfeitures are different than our estimates, we record a true-up for the difference in the period in which the awards vest, and such true-ups could materially affect our operating results.

We record deferred tax assets for share-based awards based on the future tax deduction which will be based on our ADS price at the reporting date. If the amount of the future tax deduction exceeds the cumulative amount of share-based compensation expense, the excess deferred tax is directly recognized in equity.

Business Combinations, Goodwill and Intangible Assets

Business combinations are accounted for using the acquisition method. As a part of acquisition accounting, we allocate the purchase price of acquired companies to the identified tangible and intangible assets based on the estimated fair values on the date of the acquisition. The purchase price allocation process requires management to make significant estimates and assumptions, especially at acquisition date with respect to intangible assets, income taxes, contingent consideration and estimated restructuring liabilities. Although we believe the assumptions and

estimates we have made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. Examples of critical estimates in valuing certain of the intangible assets we have acquired or may acquire in the future include but are not limited to appropriate method of valuation, future cash flow projections, weighted average cost of capital, discount rates, risk-free rates, market rate of return and risk premiums.

Unanticipated events and circumstances may occur which may affect the accuracy or validity of such assumptions, estimates or actual results.

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Goodwill is initially measured at cost, being the excess of the cost of the acquisition of the acquiree over our share of the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities on the date of the acquisition. If the cost of acquisition is less than the fair value of the net assets of the business acquired, the difference is recognized immediately in the income statement. Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represent the lowest level at which goodwill is monitored for internal management purposes.

We use market related information and estimates (generally risk adjusted discounted cash flows) to determine the fair values. Cash flow projections take into account past experience and represents management's best estimate about future developments. Key assumptions on which management has based its determination of fair value less costs to sell and value in use include estimated growth rates, weighted average cost of capital and tax rates. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment. See also the discussion on impairment testing under [Impairment of Goodwill and Intangible Assets](#) below.

Intangible assets are recognized only when it is probable that the expected future economic benefits attributable to the assets will accrue to us and the cost can be reliably measured. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition determined using generally accepted valuation methods appropriate for the type of intangible asset. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Intangible assets with finite lives are amortized over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and consumed. These estimates are reviewed at least at each financial year end. Intangible assets with indefinite lives are not amortized, but instead are tested for impairment at least annually and written down to the fair value as required. See also the discussion on impairment testing under [Impairment of Goodwill and Intangible Assets](#) below.

Impairment of Goodwill and Intangible Assets

Goodwill is not subject to amortization and is instead tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the cash generating unit level, which is the lowest level for which there are separately identifiable cash flows. Impairment losses recognized in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating units (or group of cash generating units) and then, to reduce the carrying amount of the other assets in the cash generating unit (or group of cash generating units) on a pro rata basis. Intangible assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future

operating results. These assumptions relate to future events and circumstances. In arriving at our forecasts, we consider past experience, economic trends and inflation as well as industry and market trends. The projections also take into account factors such as the expected impact from new client contracts and expansion of business from existing clients, efficiency initiatives, and the maturity of the markets in which each business operates. The actual results may vary, and may cause significant adjustments to our assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

We cannot predict the occurrence of future events that might adversely affect the reported value of goodwill, intangible assets. Such events include, but are not limited to, strategic decisions made in response to economic and competitive conditions, the impact of the environment on our customer base, and material negative changes in relationships with significant customers.

Income Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in statements of income except to the extent it relates to items directly recognized in equity, in which case it is recognized in equity.

Table of Contents***Current Income Tax***

As part of the process of preparing our consolidated financial statements, we are required to estimate our income taxes in each of the jurisdictions in which we operate. We are subject to tax assessments in each of these jurisdictions. Current income taxes for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. We offset current tax assets and current tax liabilities, where we have a legally enforceable right to set off the recognized amounts and where we intend either to settle on a net basis, or to realize the asset and liability simultaneously.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. Though we have considered all these issues in estimating our income taxes, there could be an unfavorable resolution of such issues that may affect results of our operations.

Deferred Income Tax

We recognize deferred income tax using the balance sheet approach. Deferred income tax assets and liabilities are recognized for all deductible temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

The measurement of deferred tax assets involves judgment regarding the deductibility of costs not yet subject to taxation and estimates regarding sufficient future taxable income to enable utilization of unused tax losses in different tax jurisdictions. We consider the expected reversal of deferred tax assets and projected future taxable income in making this assessment. All deferred tax assets are subject to review of probable utilization. The assessment of the probability of future taxable profit in various years in which deferred tax assets can be utilized is based on the latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the various jurisdictions in which we operate are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

We recognize deferred tax liabilities for all taxable temporary differences, except those associated with investments in subsidiaries and associates where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

As part of our accounting for business combinations, some of the purchase price is allocated to goodwill and intangible assets. Impairment charges associated with goodwill are generally not tax deductible and will result in an increased effective income tax rate in the quarter any impairment is recorded. Amortization expenses associated with acquired intangible assets are generally not tax deductible pursuant to our existing tax structure; however, deferred taxes have been recorded for non-deductible amortization expenses as a part of the purchase price allocation process. We have taken into account the allocation of these identified intangibles among different taxing jurisdictions, including those with nominal or zero percent tax rates, in establishing the related deferred tax liabilities. Income tax contingencies existing as of the acquisition dates of the acquired companies are evaluated quarterly and any adjustments are recorded as adjustments to goodwill during the measurement period.

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Uncertainties in income taxes are not addressed specifically in IAS12 *Income Taxes* and hence the general measurement principles in IAS12 are applied in measuring the uncertain tax positions. Uncertain tax positions are reflected at the amount likely to be paid to the taxation authorities. A liability is recognized in connection with each item that is not probable of being sustained on examination by taxing authority. The liability is measured using single best estimate of the most likely outcome for each position taken in the tax return. Thus the provision would be the aggregate liability in connection with all uncertain tax positions. We also include interest related to such uncertain tax positions within our provision for income tax expense.

Evaluation of tax positions and recognition of provisions, as discussed above, involves interpretation of tax laws, estimates of probabilities of tax positions being sustained and the amounts of payments to be made under various scenarios. Although we believe we are adequately reserved for our unresolved disputes with the taxation authorities, no assurance can be given with respect to the final outcome on these matters. To the extent that the final outcome on these matters is different than the amounts recorded, such differences will impact our provision for income taxes in the period in which such a determination is made.

Derivative Financial Instruments and Hedge Accounting

We are exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations, forecasted cash flows denominated in foreign currency and fluctuation in interest rates. We limit the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. We enter into derivative financial instruments where the counter party is a bank. We use derivative financial instruments such as foreign exchange forward, option contracts, currency swaps and interest rate swaps to hedge certain foreign currency and interest rate exposures. Forward and option contracts on various foreign currencies are entered into to manage the foreign currency exchange rate risk on forecasted transactions denominated in foreign currencies and monetary assets and liabilities held in non-functional currencies. Interest rate swaps are entered into to manage interest rate risk associated with floating rate borrowings. Our primary exchange rate exposure is with the US dollars, pound sterling and the Indian rupee.

Cash Flow Hedges

We recognize derivative instruments as either assets or liabilities in the statement of financial position at fair value. Derivative instruments qualify for hedge accounting when the instrument is designated as a hedge; the hedged item is specifically identifiable and exposes us to risk; and it is expected that a change in fair value of the derivative instrument and an opposite change in the fair value of the hedged item will have a high degree of correlation. Determining that there is a high degree of correlation between the change in fair value of the hedged item and the derivative instruments involves significant judgment including the probability of the occurrence of the forecasted transaction. Although our estimates of the forecasted transactions are based on historical experience and we believe that they are reasonable, the final occurrence of such transactions could be different as a result of external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our internal forecasts, which will have a material effect on our earnings.

For derivative instruments where hedge accounting is applied, we record the effective portion of derivative instruments that are designated as cash flow hedges in other comprehensive income (loss) in the statement of comprehensive income, which is reclassified into earnings in the same period during which the hedged item affects earnings and disclosed as a part of revenue, foreign exchange loss/(gains), net and finance expense, as applicable. The remaining gain or loss on the derivative instrument in excess of the cumulative change in the present value of future cash flows of the hedged item, if any (i.e., the ineffective portion) or hedge components excluded from the assessment of effectiveness, and changes in fair value of other derivative instruments not designated as qualifying hedges is

recorded as gains/losses, net in the statement of income. Cash flows from the derivative instruments are classified within cash flows from operating activities in the statement of cash flows.

Fair Value Measurements

IFRS 13 *Fair Value Measurements* (IFRS 13) defines fair value as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation models. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including interest rate curves, credit risk, foreign exchange rates, and forward and spot prices for currencies.

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IFRS 7 *Financial Instruments: Disclosures* also requires the classification of fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements as below:

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3 techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The fair value is estimated using the discounted cash flow approach and market rates of interest. The valuation technique involves assumptions and judgments regarding risk characteristics of the instruments, discount rates and future cash flows.

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Other Estimates

Allowance for Doubtful Accounts

We make estimates of the uncollectability of our accounts receivable based on historical trends and other factors such as ageing and economic trends. Adverse economic conditions or other factors that might cause deterioration of the financial health of customers could change the timing and levels of payments received and necessitate a change in estimated losses.

Accounting for Defined Benefit Plans

In accounting for pension and post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by us may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

Results of Operations

The following table sets forth certain financial information as a percentage of revenue and revenue less repair payments:

	As a percentage of					
	Revenue			Revenue less repair payments		
	Year ended March 31,			Year ended March 31,		
	2015	2014	2013	2015	2014	2013
Cost of revenue	64.2%	65.2%	67.6%	62.0%	62.9%	65.8%
Gross profit	35.8%	34.8%	32.4%	38.0%	37.1%	34.2%
Operating expenses:						
Selling and marketing expenses	5.8%	7.0%	6.6%	6.2%	7.5%	6.9%
General and administrative expenses	13.1%	11.0%	12.4%	13.9%	11.7%	13.1%
Foreign exchange loss / (gains), net	(0.9)%	2.2%	1.2%	(0.9)%	2.4%	1.3%
Amortization of intangible assets	4.5%	4.7%	5.7%	4.8%	5.0%	6.0%
Operating profit	13.2%	9.8%	6.5%	14.0%	10.5%	6.9%
Other (income) / expense, net	(2.2)%	(1.9)%	(1.0)%	(2.4)%	(2.0)%	(1.1)%
Finance expense	0.2%	0.6%	0.8%	0.3%	0.6%	0.8%
Provision for income taxes	4.2%	2.8%	2.1%	4.5%	3.0%	2.3%
Profit	11.0%	8.3%	4.6%	11.7%	8.8%	4.9%

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The following table reconciles revenue (a GAAP financial measure) to revenue less repair payments (a non-GAAP financial measure) and sets forth payments to repair centers and revenue less repair payments as a percentage of revenue:

	Year ended March 31,					
	2015	2014	2013	2015	2014	2013
	(US dollars in millions)					
Revenue	\$ 533.9	\$ 502.6	\$ 460.3	100.0%	100.0%	100.0%
Less: Payments to repair centers	30.9	31.1	24.1	5.8%	6.2%	5.2%
Revenue less repair payments	\$ 503.0	\$ 471.5	\$ 436.1	94.2%	93.8%	94.8%

The following table presents our results of operations for the periods indicated:

	Year ended March 31,		
	2015	2014	2013
	(US dollars in millions)		
Revenue	\$ 533.9	\$ 502.6	\$ 460.3
Cost of revenue ⁽¹⁾	342.7	327.7	311.0
Gross profit	191.2	174.9	149.3
Operating expenses:			
Selling and marketing expenses ⁽²⁾	31.1	35.2	30.2
General and administrative expenses ⁽³⁾	70.0	55.4	57.1
Foreign exchange loss / (gains), net	(4.6)	11.2	5.5
Amortization of intangible assets	24.2	23.8	26.4
Operating profit	70.5	49.4	30.1
Other income, net	(11.9)	(9.5)	(4.8)
Finance expense	1.3	2.9	3.6
Profit before income taxes	81.0	55.9	31.3
Provision for income taxes	22.4	14.3	9.9
Profit	\$ 58.6	\$ 41.6	\$ 21.4

Notes:

- (1) Includes share-based compensation expense of \$0.9 million for fiscal 2015, \$1.3 million for fiscal 2014 and \$1.0 million for fiscal 2013.
- (2) Includes share-based compensation expense of \$0.8 million for fiscal 2015, \$0.6 million for fiscal 2014 and \$0.4 million for fiscal 2013.
- (3) Includes share-based compensation expense of \$7.9 million for fiscal 2015, \$5.0 million for fiscal 2014 and \$3.9 million for fiscal 2013.

Fiscal 2015 Compared to Fiscal 2014

The following table sets forth our revenue and percentage change in revenue for the periods indicated:

Revenue

	Year ended March 31,		Change	% Change
	2015	2014		
	(US dollars in millions)			
Revenue	\$ 533.9	\$ 502.6	\$ 31.3	6.2%

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The increase in revenue of \$31.3 million was primarily attributable to revenue from new clients of \$17.5 million and an increase in revenue from existing clients of \$4.7 million. In addition, we had an increase in hedging gain on our revenue by \$9.1 million to \$2.9 million in fiscal 2015 from a hedging loss of \$6.2 million in fiscal 2014. The increase in revenue was primarily due to higher volumes in our utilities, shipping and logistics, consulting and professional services and healthcare verticals, and included approximately \$3.0 million of one-time benefits received in fiscal 2015 relating to performance-based incentives, gain sharing and the removal of foreign exchange collars from certain client contracts. The increase in revenue was partially offset by the impact of a lower volume of business from one of our top five clients by revenue contribution in fiscal 2014 and 2013, a reduction in pricing and productivity discounts under our new contract with Aviva MS and lower volumes in our banking and financial services vertical. Further our research and analytics and finance and accounting units grew by 16.4% and 14.1%, respectively, in fiscal 2015 and now represent 12.5% and 20.0%, respectively, of our revenue in fiscal 2015.

Revenue by Geography

The following table sets forth the composition of our revenue based on the location of our clients in our key geographies for the periods indicated:

	Revenue		As a percentage of revenue	
	Year ended March 31,			
	2015	2014	2015	2014
	(US dollars in millions)			
UK	\$ 281.9	\$ 265.0	52.8%	52.7%
North America (primarily the US)	138.5	137.4	25.9%	27.3%
Europe (excluding the UK)	28.8	27.0	5.4%	5.4%
South Africa	17.4	20.5	3.3%	4.1%
Australia	34.2	18.5	6.4%	3.7%
Rest of world	33.1	34.2	6.2%	6.8%
Total	\$ 533.9	\$ 502.6	100.0%	100.0%

The increase in revenue from the UK region was primarily attributable to higher volumes in our shipping and logistics, banking and financial services, healthcare, travel and utilities verticals, partially offset by a reduction in pricing and productivity discounts under our new contract with Aviva MS. The increase in revenue from Australia region was primarily attributable to higher volumes in our insurance and utilities verticals. The increase in revenue from Europe (excluding the UK) region was primarily due to higher volumes in our healthcare, retail and CPG, consulting and professional services, shipping and logistics, and insurance verticals. The increase in revenue in North America (primarily the US) was primarily due to higher volumes in our healthcare vertical, partially offset by lower volumes in our insurance, consulting and professional services and utilities verticals and the impact of a lower volume of business from one of our top five clients by revenue contribution in fiscal 2014 and 2013. The decrease in revenue from South Africa region was primarily attributable to lower volumes in our banking and financial services vertical. The decrease in revenue from the Rest of world region was primarily attributable to lower volumes in our consulting and professional services and insurance verticals, partially offset by higher volumes in our travel, healthcare, retail and CPG, and shipping and logistics verticals.

Revenue Less Repair Payments

The following table sets forth our revenue less repair payment and percentage change in revenue less repair payments for the periods indicated:

	Year ended March 31,		Change	% Change
	2015	2014		
	(US dollars in million)			
Revenue less repair payments	\$ 503.0	\$ 471.5	\$ 31.5	6.7%

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The increase in revenue less repair payments of \$31.5 million was primarily attributable to revenue less repair payments from new clients of \$17.5 million and an increase in revenue less repair payments from existing clients of \$4.7 million. In addition, we had an increase in hedging gain on our revenue less repair payments by \$9.1 million to \$2.9 million in fiscal 2015 from a hedging loss of \$6.2 million in fiscal 2014. The increase in revenue less repair payments was primarily due to higher volumes in our utilities, shipping and logistics, consulting and professional services and healthcare verticals, and included \$3.0 million of one-time benefits received in fiscal 2015 relating to performance-based incentives, gain sharing and removal of foreign exchange collars from certain client contracts. The increase in revenue less repair payments was partially offset by the impact of a lower volume of business from one of our top five clients by revenue less repair payments contribution in fiscal 2014 and 2013, a reduction in pricing and productivity discounts under our new contract with Aviva MS and lower volumes in our banking and financial services vertical. Further our research and analytics and finance and accounting units grew by 16.4% and 14.1%, respectively, in fiscal 2015 and now represent 13.2% and 21.2%, respectively, of our revenue less repair payments in fiscal 2015.

Revenue Less Repair Payments by Geography

The following table sets forth the composition of our revenue less repair payments based on the location of our clients in our key geographies for the periods indicated:

	As a percentage of revenue less repair payments			
	Revenue less repair payments		payments	
	Year ended March 31,			
	2015	2014	2015	2014
	(US dollars in millions)			
UK	\$ 251.1	\$ 233.8	49.9%	49.6%
North America (primarily the US)	138.5	137.4	27.5%	29.1%
Europe (excluding the UK)	28.8	27.1	5.7%	5.7%
South Africa	17.4	20.5	3.5%	4.4%
Australia	34.2	18.5	6.8%	3.9%
Rest of world	33.1	34.2	6.6%	7.4%
Total	\$ 503.0	\$ 471.5	100.0%	100.0%

The increase in revenue less repair payments from the UK region was primarily attributable to higher volumes in our shipping and logistics, banking and financial services, healthcare, travel and utilities verticals, partially offset by a reduction in pricing and productivity discounts under our new contract with Aviva MS. The increase in revenue less repair payments from Australia region was primarily attributable to higher volumes in our insurance and utilities verticals. The increase in revenue less repair payments from Europe (excluding the UK) region was primarily due to higher volumes in our healthcare, retail and CPG, consulting and professional services, shipping and logistics, and insurance verticals. The increase in revenue less repair payments in North America (primarily the US) was primarily due to higher volumes in our healthcare vertical, partially offset by lower volumes in our insurance, consulting and professional services and utilities verticals and the impact of a lower volume of business from one of our top five clients by revenue less repair payments contribution in fiscal 2014 and 2013. The decrease in revenue less repair payments from South Africa region was primarily attributable to lower volumes in our banking and financial services vertical. The decrease in revenue less repair payments from the Rest of world region was primarily attributable to

lower volumes in our consulting and professional services and insurance verticals, partially offset by higher volumes in our travel, healthcare, retail and CPG, and shipping and logistics verticals.

Table of Contents*Cost of Revenue*

The following table sets forth the composition of our cost of revenue for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Employee costs	\$ 199.8	\$ 184.7	\$ 15.1
Facilities costs	64.7	61.3	3.3
Repair payments	30.9	31.1	(0.2)
Depreciation	13.9	13.5	0.4
Travel costs	9.5	10.9	(1.4)
Legal and professional costs	7.3	10.9	(3.5)
Other costs	16.8	15.3	1.4
 Total cost of revenue	 \$ 342.7	 \$ 327.7	 \$ 15.0
 As a percentage of revenue	 64.2%	 65.2%	

The increase in cost of revenue was primarily due to an increase in employee costs due to higher headcount and wage increments, an increase in facilities costs due to an expansion of facilities in Pune and Chennai, India and the addition of new facilities in US, South Africa and China and an increase in other costs due to an increase in costs associated with providing onshore services and subcontract costs, partially offset by a decrease in legal and professional services due to a decrease in onshore subcontracting costs and a decrease in travel costs. Further, the depreciation of the Indian rupee against the US dollar by an average of 1.2% in fiscal 2015 as compared to the average exchange rate in fiscal 2014 resulted in an overall decrease of approximately \$2.0 million in the cost of revenue.

Gross Profit

The following table sets forth our gross profit for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Gross profit	\$ 191.2	\$ 174.9	\$ 16.2
As a percentage of revenue	35.8%	34.8%	
As a percentage of revenue less repair payments	38.0%	37.1%	

Gross profit was higher primarily due to higher revenue as discussed above. Gross profit as a percentage of revenue and revenue less repair payments similarly increased primarily due to higher revenue as discussed above. We had an increase in hedging gain on our revenue less repair payments by \$9.1 million to \$2.9 million in fiscal 2015 from a hedging loss of \$6.2 million in fiscal 2014. Further, the depreciation of the Indian rupee against the US dollar in fiscal 2015 by an average of 1.2% as compared to the average exchange rate in fiscal 2014 partially reduced our cost of revenue.

During fiscal 2015, our built up seats increased by 3.5% from 23,503 as at the end of fiscal 2014 to 24,316 as at the end of fiscal 2015 when we expanded facilities in Pune and Chennai, India and the addition of new facilities in US, South Africa and China. This was part of our strategy to expand our delivery capabilities, including in the SEZ in India. Our total headcount increased by 6.9% from 27,020 to 28,890 during the same period, resulting in an increase in our seat utilization rate from 1.16 in fiscal 2014 to 1.17 in fiscal 2015. This 0.1 increase in our seat utilization rate increased our gross profit as a percentage of revenue by approximately 0.01% and increased our gross profit as a percentage of revenue less repair payments by approximately 0.02%.

Table of Contents*Selling and Marketing Expenses*

The following table sets forth the composition of our selling and marketing expenses for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Employee costs	\$ 23.1	\$ 26.4	\$ (3.3)
Other costs	8.0	8.8	(0.8)
Total selling and marketing expenses	\$ 31.1	\$ 35.2	\$ (4.2)
As a percentage of revenue	5.8%	7.0%	
As a percentage of revenue less repair payments	6.2%	7.5%	

The decrease in selling and marketing expenses was primarily due to a decrease in employee costs as a result of a decrease in sales headcount, and lower legal and professional expenses and marketing costs.

General and Administrative Expenses

The following table sets forth the composition of our general and administrative expenses for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Employee costs	\$ 48.3	\$ 39.8	\$ 8.5
Other costs	21.7	15.6	6.1
Total general and administrative expenses	\$ 70.0	\$ 55.4	\$ 14.6
As a percentage of revenue	13.1%	11.0%	
As a percentage of revenue less repair payments	13.9%	11.7%	

The increase in general and administrative expenses was primarily due to an increase in employee costs as a result of higher salaries, higher other costs including facilities costs and miscellaneous costs, including additional costs related to increased corporate social responsibility spending as mandated by the Indian Companies Act, 2013.

Foreign Exchange Loss / (Gains), Net

The following table sets forth our foreign exchange loss / (gains), net for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		

Foreign exchange loss / (gains), net	\$ (4.6)	\$ 11.2	\$ (15.7)
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The higher foreign exchange gains were primarily due to higher hedging gains of \$16.4 million from our rupee-denominated contracts as a result of better hedging rates against the US dollar, partially offset by higher foreign currency revaluation losses by \$0.6 million to a loss of \$1.2 million in fiscal 2015 from a loss of \$0.6 million in fiscal 2014.

Table of Contents*Amortization of Intangible Assets*

The following table sets forth our amortization of intangible assets for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Amortization of intangible assets	\$ 24.2	\$ 23.8	\$ 0.4

The increase in amortization of intangible assets was primarily attributable to an increase in software related assets from our India facilities, partially offset by the depreciation of the Indian rupee against the US dollar in fiscal 2015 by an average of 1.2% as compared to the average exchange rate in fiscal 2014.

Operating Profit

The following table sets forth our operating profit for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Operating profit	\$ 70.5	\$ 49.4	\$ 21.1
As a percentage of revenue	13.2%	9.8%	
As a percentage of revenue less repair payments	14.0%	10.5%	

Operating profit as a percentage of revenue and revenue less repair payments is higher due to higher revenue, higher foreign exchanges gains and lower selling and marketing expenses, partially offset by higher general and administrative expenses, higher cost of revenue and higher amortization expenses.

Other income, net

The following table sets forth our other income, net for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Other income, net	\$ 11.9	\$ 9.5	\$ 2.4

Other income was higher primarily on account of higher interest income due to higher cash balance and better yield from investments in FMP and the sale of assets from closed facilities in Gurgaon, Chennai and Bangalore, due to the transfer of our facilities to new locations and consolidation of operations, partially offset by dividend distribution tax on liquid mutual funds on account of a change in Indian tax law pursuant to the India Finance Act 2014.

Finance Expense

The following table sets forth our finance expense for the periods indicated:

Year ended March 31,
2015 2014 Change
(US dollars in millions)

Finance expense	\$ 1.3	\$ 2.9	\$ (1.6)
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Finance expense decreased primarily due to lower interest cost as a result of lower borrowings following scheduled repayments of our short term and long term loans.

Table of Contents*Provision for Income Taxes*

The following table sets forth our provision for income taxes for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Provision for income taxes	\$ 22.4	\$ 14.3	\$ 8.1

The increase in provision for income taxes was primarily on account of higher taxable profits. The provision for income taxes for fiscal 2015 also includes a \$1.7 million provision on account of a change in Indian tax law pursuant to the India Finance Act 2014, as a result of which a number of our investments in debt FMPs, which we have held for less than 36 months are required to be re-categorized as short term capital assets, which are subject to higher tax rates.

Profit

The following table sets forth our profit for the periods indicated:

	Year ended March 31,		
	2015	2014	Change
	(US dollars in millions)		
Profit	\$ 58.6	\$ 41.6	\$ 17.0
As a percentage of revenue	11.0%	8.3%	
As a percentage of revenue less repair payments	11.7%	8.8%	

The increase in profit was primarily on account of higher operating profit, other income and lower finance expense, partially offset by higher provision for income taxes.

Fiscal 2014 Compared to Fiscal 2013

The following table sets forth our revenue and percentage change in revenue for the periods indicated:

Revenue

	Year ended March 31,			
	2014	2013	Change	% Change
	(US dollars in millions)			
Revenue	\$ 502.6	\$ 460.3	\$ 42.4	9.2%

The increase in revenue of \$42.4 million was primarily attributable to an increase in revenue from existing clients of \$30.1 million and revenue from new clients of \$12.1 million. In addition, we had a decrease in hedging loss on our revenue by \$0.2 million to \$6.2 million in fiscal 2014 from \$6.4 million in fiscal 2013. The increase in revenue was primarily due to higher volumes in our utilities, banking and financial services, insurance, and shipping and logistics verticals, partially offset by lower volumes in our healthcare and public sector verticals.

Table of Contents*Revenue by Geography*

The following table sets forth the composition of our revenue based on the location of our clients in our key geographies for the periods indicated:

	Revenue		As a percentage of revenue	
	Year ended March 31,		2014	2013
	2014	2013	2014	2013
	(US dollars in millions)			
UK	\$ 265.0	\$ 245.3	52.7%	53.3%
North America (primarily the US)	137.4	140.2	27.3%	30.5%
Europe (excluding the UK)	27.0	27.3	5.4%	5.9%
South Africa	20.5	14.2	4.1%	3.1%
Australia	18.5	10.8	3.7%	2.4%
Rest of world	34.2	22.5	6.8%	4.8%
Total	\$ 502.6	\$ 460.3	100.0%	100.0%

The increase in revenue from the UK region was primarily attributable to higher volumes in our banking and financial services, shipping and logistics, utilities and travel verticals. The increase in revenue from the Rest of world region was primarily attributable to higher volumes in our banking and financial services, shipping and logistics, and insurance verticals. The increase in revenue from Australia region was primarily attributable to higher volumes in our insurance vertical. The increase in revenue from South Africa region was primarily attributable to higher volumes in our banking and financial services, travel and retail and CPG verticals. The decrease in revenue in North America (primarily the US) was primarily due to lower volumes in our healthcare and travel verticals, partially offset by higher volumes in our insurance and consulting and professional services verticals. The decrease in revenue from Europe (excluding the UK) region was primarily due to lower volumes in our banking and financial services, shipping and logistics, and retail and CPG verticals, partially offset by higher volumes in our insurance and healthcare verticals.

Revenue Less Repair Payments

The following table sets forth our revenue less repair payment and percentage change in revenue less repair payments for the periods indicated:

	Year ended March 31,			
	2014	2013	Change	% Change
	(US dollars in million)			
Revenue less repair payments	\$ 471.5	\$ 436.1	\$ 35.4	8.1%

The increase in revenue less repair payments of \$35.4 million was attributable to an increase in revenue less repair payments from existing clients of \$23.4 million and revenue less repair payments from new clients of \$11.8 million. In addition, we had a decrease in hedging loss on our revenue by \$0.2 million to \$6.2 million in fiscal 2014 from \$6.4 million in fiscal 2013. The increase in revenue less repair payment was primarily due to higher volumes in our utilities, banking and financial services, insurance, and shipping and logistics verticals, partially offset by lower

volumes in our healthcare and public sector verticals.

Table of Contents*Revenue Less Repair Payments by Geography*

The following table sets forth the composition of our revenue less repair payments based on the location of our clients in our key geographies for the periods indicated:

	As a percentage of revenue less repair payments			
	Revenue less repair payments		payments	
	Year ended March 31,			
	2014	2013	2014	2013
	(US dollars in millions)			
UK	\$ 233.8	\$ 221.2	49.6%	50.7%
North America (primarily the US)	137.4	140.2	29.1%	32.2%
Europe (excluding the UK)	27.1	27.3	5.7%	6.3%
South Africa	20.5	14.2	4.4%	3.3%
Australia	18.5	10.8	3.9%	2.5%
Rest of world	34.2	22.4	7.4%	5.0%
Total	\$ 471.5	\$ 436.1	100.0%	100.0%

The increase in revenue from the UK region was primarily attributable to higher volumes in our banking and financial services, shipping and logistics, utilities and travel verticals. The increase in revenue from the rest of world region was primarily attributable to higher volumes in our banking and financial services, shipping and logistics, and insurance verticals. The increase in revenue less repair payments from Australia region was primarily attributable to higher volumes in our insurance vertical. The increase in revenue from South Africa region was primarily attributable to higher volumes in our banking and financial services, travel and retail and CPG verticals. The decrease in revenue in North America (primarily the US) was primarily due to lower volumes in our healthcare and travel verticals, partially offset by higher volumes in our insurance and consulting and professional services verticals. The decrease in revenue from Europe (excluding the UK) region was primarily due to lower volumes in our banking and financial services, shipping and logistics, and retail and CPG verticals, partially offset by higher volumes in our insurance and healthcare verticals.

Cost of Revenue

The following table sets forth the composition of our cost of revenue for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Employee costs	\$ 184.7	\$ 178.2	\$ 6.5
Facilities costs	61.3	59.3	2.0
Repair payments	31.1	24.1	7.0
Depreciation	13.5	14.2	(0.7)
Travel costs	10.9	9.5	1.4

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Legal and professional costs	10.9	8.5	2.4
Other costs	15.3	17.3	(2.0)
Total cost of revenue	\$ 327.7	\$ 311.0	\$ 16.7
As a percentage of revenue	65.2%	67.6%	

The increase in cost of revenue was primarily due to an increase in repair payments, an increase in employee costs due to higher headcount and wage increments, an increase in legal and professional services, an increase in facilities costs due to an expansion of facilities in the Philippines, South Africa, Romania and Poland and the addition of new facilities in Mumbai in India, Sri Lanka and China, and an increase in travel costs associated with transition of client processes to our delivery centers. These increases were partially offset by a decrease in other costs due to a decrease in costs associated with providing onshore services and subcontract costs. Further, the depreciation of the Indian rupee against the US dollar by an average of 11.0% in fiscal 2014 as compared to the average exchange rate in fiscal 2013 resulted in an overall decrease of approximately \$17.6 million in the cost of revenue.

Table of Contents*Gross Profit*

The following table sets forth our gross profit for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Gross profit	\$ 174.9	\$ 149.3	\$ 25.6
As a percentage of revenue	34.8%	32.4%	
As a percentage of revenue less repair payments	37.1%	34.2%	

Gross profit was higher primarily due to higher revenue as discussed above. Gross profit as a percentage of revenue and revenue less repair payments similarly increased primarily due to higher revenue as discussed above. We had a decrease in hedging loss on our revenue by \$0.2 million to \$6.2 million in fiscal 2014 from \$6.4 million in fiscal 2013, and the depreciation of the Indian rupee against the US dollar in fiscal 2014 by an average of 11.0% as compared to the average exchange rate in fiscal 2013 reduced our cost of revenue.

During fiscal 2014, our built up seats increased by 7.0% from 21,975 as at the end of fiscal 2013 to 23,503 as at the end of fiscal 2014 when we expanded facilities in the Philippines, South Africa, Romania and Poland and added new facilities in Mumbai in India, Sri Lanka and China. This was part of our strategy to expand our delivery capabilities, including in the SEZ in India. Our total headcount increased by 5.9% from 25,520 to 27,020 during the same period, resulting in a decline in our seat utilization rate from 1.21 in fiscal 2013 to 1.16 in fiscal 2014. This 0.05 decline in our seat utilization rate reduced our gross profit as a percentage of revenue by approximately 0.6% and reduced our gross profit as a percentage of revenue less repair payments by approximately 0.7%.

Selling and Marketing Expenses

The following table sets forth the composition of our selling and marketing expenses for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Employee costs	\$ 26.4	\$ 22.6	\$ 3.8
Other costs	8.8	7.6	1.2
Total selling and marketing expenses	\$ 35.2	\$ 30.2	\$ 5.0
As a percentage of revenue	7.0%	6.6%	
As a percentage of revenue less repair payments	7.5%	6.9%	

The increase in selling and marketing expenses was primarily due to an increase in employee costs as a result of the expenses incurred in the expansion of our sales team and our client partner program. The increase in other costs was primarily due to an increase in travel and legal and professional expenses.

General and Administrative Expenses

The following table sets forth the composition of our general and administrative expenses for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Employee costs	\$ 39.8	\$ 38.2	\$ 1.6
Other costs	15.6	18.9	(3.3)
Total general and administrative expenses	\$ 55.4	\$ 57.1	\$ (1.7)
As a percentage of revenue	11.0%	12.4%	
As a percentage of revenue less repair payments	11.7%	13.1%	

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The decrease in general and administrative expenses was primarily due to a decrease of approximately \$3.2 million due to a depreciation of the Indian rupee against the US dollar by an average of 11.0% in fiscal 2014 by as compared to the average exchange rate in fiscal 2013 and a decrease in other costs as a result of a decrease in legal and professional expenses and travel expenses. These decreases were partially offset by an increase in employee costs as a result of an increase in headcount and wage increments.

Foreign Exchange Loss / (Gains), Net

The following table sets forth our foreign exchange loss / (gains), net for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Foreign exchange loss / (gains), net	\$ 11.2	\$ 5.5	\$ 5.7

The higher foreign exchange losses were primarily due to higher foreign currency revaluation losses by \$3.1 million to a loss of \$0.6 million in fiscal 2014 from a gain of \$2.5 million in fiscal 2013 and higher hedging losses of \$2.5 million from our rupee-denominated contracts as a result of a depreciation of the Indian rupee against the US dollar.

Amortization of Intangible Assets

The following table sets forth our amortization of intangible assets for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Amortization of intangible assets	\$ 23.8	\$ 26.4	\$ (2.6)

The decrease in amortization of intangible assets was primarily attributable to the depreciation of the Indian rupee against the US dollar in fiscal 2014 by an average of 11.0% as compared to the average exchange rate in fiscal 2013.

Operating Profit

The following table sets forth our operating profit for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Operating profit	\$ 49.4	\$ 30.1	\$ 19.3
As a percentage of revenue	9.8%	6.5%	
As a percentage of revenue less repair payments	10.5%	6.9%	

Operating profit as a percentage of revenue and revenue less repair payments is higher due to higher gross profit as discussed above, lower general and administrative expenses and lower amortization costs, partially offset by higher foreign exchanges losses, and higher selling and marketing expenses.

Table of Contents*Other income, net*

The following table sets forth our other income, net for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Other income, net	\$ 9.5	\$ 4.8	\$ 4.7

Other income was higher primarily on account of higher interest income due to higher cash balance and better yield.

Finance Expense

The following table sets forth our finance expense for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Finance expense	\$ 2.9	\$ 3.6	\$ (0.7)

Finance expense marginally decreased primarily due to lower interest cost on account of full and partial repayment of certain of our term loans.

Provision for Income Taxes

The following table sets forth our provision for income taxes for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Provision for income taxes	\$ 14.3	\$ 9.9	\$ 4.4

The increase in provision for income taxes was primarily on account of higher taxable profits, partially offset by higher deferred tax credits on losses in some jurisdictions.

Profit

The following table sets forth our profit for the periods indicated:

	Year ended March 31,		
	2014	2013	Change
	(US dollars in millions)		
Profit	\$ 41.6	\$ 21.4	\$ 20.2

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As a percentage of revenue	8.3%	4.6%
As a percentage of revenue less repair payments	8.8%	4.9%

The increase in profit was primarily on account of higher operating profit, other income and lower finance expense, partially offset by higher provision for income taxes.

Table of Contents**Results by Reportable Segment**

For purposes of evaluating operating performance and allocating resources, we have organized our company by operating segments. See note 26 to our consolidated financial statements included elsewhere in this annual report. For financial statement reporting purposes, we aggregate the segments that meet the criteria for aggregation as set forth in IFRS 8 Operating Segments. We have separately reported our Auto Claims BPM segment, as it does not meet the aggregation criteria under IFRS 8. Accordingly, pursuant to IFRS 8, we have two reportable segments: WNS Global BPM and WNS Auto Claims BPM.

WNS Global BPM is delivered out of our delivery centers in China Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, the UK and the US. This segment includes all of our business activities with the exception of WNS Auto Claims BPM. WNS Auto Claims BPM is our automobile claims management business which is primarily based in the UK and is part of our insurance business unit. See Part I Item 4. Information on the Company B. Business Overview Business Process Management Service Offerings. We report WNS Auto Claims BPM as a separate segment for financial statement reporting purposes since a substantial part of our reported revenue in this business consists of amounts invoiced to our clients for payments made by us to third party automobile repair centers, resulting in lower long-term gross margins when measured on the basis of revenue, relative to the WNS Global BPM segment.

Our revenue is generated primarily from providing business process management services.

In our WNS Auto Claims BPM segment, we provide both fault and non-fault repairs. For fault repairs, we provide claims handling and repair management services, where we arrange for automobile repairs through a network of third party repair centers. In our repair management services, where we act as the principal in our dealings with the third party repair centers and our clients, the amounts which we invoice to our clients for payments made by us to third party repair centers are reported as revenue. Where we are not the principal in providing the services, we record revenue from repair services net of repair cost. Since we wholly subcontract the repairs to the repair centers, we evaluate the financial performance of our fault repair business based on revenue less repair payments to third party repair centers, which is a non-GAAP financial measure. We believe that revenue less repair payments for fault repairs reflects more accurately the value addition of the business process management services that we directly provide to our clients.

For our non-fault repairs business, we generally provide a consolidated suite of accident management services including credit hire and credit repair, and we believe that measurement of such business on a basis that includes repair payments in revenue is appropriate. Revenue including repair payments is therefore used as a primary measure to allocate resources and measure operating performance for accident management services provided in our non-fault repairs business. Our non-fault repairs business where we provide accident management services accounts for a relatively small portion of our revenue for our WNS Auto Claims BPM segment.

Revenue less repair payments is a non-GAAP financial measure which is calculated as (a) revenue less (b) in our auto claims business, payments to repair centers for fault repair cases where we act as the principal in our dealings with the third party repair centers and our clients. This non-GAAP financial information is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP. Our revenue less repair payments may not be comparable to similarly titled measures reported by other companies due to potential differences in the method of calculation.

Our management allocates resources based on segment revenue less repair payments and measures segment performance based on revenue less repair payments and to a lesser extent on segment operating income. The

accounting policies of our reportable segments are the same as those of our company. See Critical Accounting Policies. We may in the future change our reportable segments based on how our business evolves.

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The following table shows revenue and revenue less repair payments for our two reportable segments for the periods indicated:

	Year ended March 31,					
	2015		2014		2013	
	WNS Global BPM	WNS Auto Claims BPM	WNS Global BPM	WNS Auto Claims BPM	WNS Global BPM	WNS Auto Claims BPM
Segment revenue ⁽¹⁾	\$ 473.1	\$ 61.1	\$ 439.9	\$ 63.0	\$ 405.4	\$ 55.1
Less: Payments to repair centers		30.9		31.1		24.1
Revenue less repair payments ⁽¹⁾	473.1	30.2	439.9	31.9	405.4	31.0
Cost of revenue (excluding payments to repair centers) ⁽²⁾	292.3	18.9	275.8	19.4	265.8	20.4
Other costs ⁽³⁾	82.1	5.8	91.5	5.0	82.9	5.5
Segment operating profit	98.7	5.4	72.6	7.4	56.7	5.1
Other (income)/expense, net	(11.1)	(0.8)	(8.6)	(0.9)	(4.0)	(0.8)
Finance expense	1.3		2.9		3.6	
Segment profit before income taxes	108.5	6.2	78.3	8.4	57.1	5.9
Provision for income taxes	21.2	1.2	12.3	2.0	8.9	1.0
Segment profit	\$ 87.3	\$ 5.0	\$ 66.0	\$ 6.4	\$ 48.2	\$ 4.9

Notes:

- (1) Segment revenue and revenue less repair payments include inter-segment revenue of \$0.2 million for fiscal 2015, \$0.3 million for fiscal 2014 and \$0.3 million for fiscal 2013.
- (2) Cost of revenue includes inter-segment expenses of \$0.2 million for fiscal 2015, \$0.3 million for fiscal 2014 and \$0.3 million for fiscal 2013, and excludes share-based compensation expenses of \$0.9 million for fiscal 2015, and \$1.3 million for fiscal 2014 and \$1.0 million for fiscal 2013, which are not allocable between our segments.
- (3) Other costs include selling and marketing, general and administrative expense and foreign exchange gain/loss. Excludes share-based compensation expenses of \$8.6 million for fiscal 2015, \$5.6 million for fiscal 2014 and \$4.4 million for fiscal 2013, which are not allocable between our segments.

WNS Global BPM accounted for 88.6% of our revenue and 94.0% of our revenue less repair payments in fiscal 2015 as compared to 87.5% of our revenue and 93.2% of our revenue less repair payments in fiscal 2014, and 88.1% of our revenue and 93.0% of our revenue less repair payments in fiscal 2013.

WNS Global BPM

Segment Revenue. Revenue in the WNS Global BPM segment increased by 7.5% to \$473.1 million in fiscal 2015 from \$439.9 million in fiscal 2014. This increase was primarily attributable to the increase in the volume of transactions executed for new and existing clients, with \$17.4 million being attributable to new clients and \$6.7 million being attributable to existing clients, which included approximately \$3.0 million of one time benefits received in fiscal 2015 relating to performance based incentives, gain sharing and removal of foreign exchange collars from certain client contracts. In addition, we had an increase in hedging gain on our revenue by \$9.1 million to \$2.9 million in fiscal 2015 from a hedging loss of \$6.2 million in fiscal 2014. The increase was also, to a lesser extent, on account of an appreciation of the pound sterling against the US dollar by an average of 1.5% in fiscal 2015 as compared to the average exchange rate in fiscal 2014.

Revenue in the WNS Global BPM segment increased by 8.5% to \$439.9 million in fiscal 2014 from \$405.4 million in fiscal 2013. This increase was primarily attributable to the increase in the volume of transactions executed for new and existing clients, with \$23.9 million being attributable to existing clients and \$10.4 million being attributable to new clients. The increase was also, to a lesser extent, on account of an appreciation of the pound sterling against the US dollar by an average of 0.6% in fiscal 2014 as compared to the average exchange rate in fiscal 2013. In addition, we had a decrease in hedging loss of \$0.2 million in fiscal 2014, from a hedging loss of \$6.4 million in fiscal 2013 to a hedging loss of \$6.2 million in fiscal 2014.

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Segment Operating Profit. Segment operating profit in the WNS Global BPM segment increased by 35.9% to \$98.7 million in fiscal 2015 from \$72.6 million in fiscal 2014. The increase was primarily attributable to higher segment revenue, lower selling and marketing expenses and higher foreign exchange gains, partially offset by higher cost of revenue and higher general and administrative expenses.

Our cost of revenue includes employee costs, facilities costs, depreciation, legal and professional costs, travel costs and other related costs. Employee related costs represent the largest component of our cost of revenue for the WNS Global BPM segment. Our cost of revenue increased by \$16.4 million to \$292.3 million in fiscal 2015 from \$275.8 million in fiscal 2014, primarily on account of (i) an increase in employee costs by \$14.0 million due to an increase in salary and headcount, (ii) an increase in facilities costs by \$2.5 million due to an expansion of facilities in the Pune and Chennai in India and the addition of new facilities in the US, South Africa and China, and (iii) an increase in depreciation cost by \$0.6 million. These increases were partially offset by a decrease in travel costs by \$1.4 million. Further, the depreciation of the Indian rupee against the US dollar by an average of 1.2% in fiscal 2015 as compared to the average exchange rate in fiscal 2014, resulted in a lower cost of revenue of approximately \$2.0 million.

Our other costs include selling and marketing expenses, general and administrative expenses and foreign exchange loss or gain. Our other costs decreased by \$9.4 million to \$82.1 million in fiscal 2015 from \$91.5 million in fiscal 2014, primarily on account of (i) an increase in general and administrative expenses by \$7.9 million, (ii) a decrease in selling and marketing expenses by \$1.3 million, and (iii) an increase in foreign exchange gain by \$16.0 million.

The higher foreign exchange gains were primarily due to higher hedging gains of \$16.4 million from our rupee-denominated contracts as a result of a depreciation of the Indian rupee against the US dollar, partially offset by higher foreign currency revaluation losses by \$0.6 million to a loss of \$1.2 million in fiscal 2015 from a gain of \$0.6 million in fiscal 2014.

Selling and marketing expenses decreased by \$1.3 million to \$29.3 million in fiscal 2015 from \$30.6 million in fiscal 2014, primarily due to a decrease in employee costs as a result of a decrease in sales headcount and a decrease in legal and professional expenses.

General and administrative expenses increased by \$7.9 million to \$57.5 million in fiscal 2015 from \$49.6 million in fiscal 2014, primarily due to an increase in employee costs as a result of an increase in headcount and wage increments and higher facilities cost, partially offset by the depreciation of the Indian rupee against the US dollar by an average of 1.2% in fiscal 2015 as compared to the average exchange rate in fiscal 2014.

Segment operating profit in the WNS Global BPM segment increased by 28.1% to \$72.6 million in fiscal 2014 from \$56.7 million in fiscal 2013. The increase was primarily attributable to higher segment revenue, and lower general and administrative expenses, partially offset by higher cost of revenue, higher selling and marketing expenses, and higher foreign exchange losses.

Our cost of revenue includes employee costs, facilities costs, depreciation, legal and professional costs, travel costs and other related costs. Employee related costs represent the largest component of our cost of revenue for the WNS Global BPM segment. Our cost of revenue increased by \$10.0 million to \$275.8 million in fiscal 2014 from \$265.8 million in fiscal 2013, primarily on account of (i) an increase in employee costs by \$5.9 million due to an increase in salary and headcount, (ii) an increase in facilities costs by \$3.5 million due to an expansion of facilities in the Philippines, South Africa, Romania and Poland and the addition of new facilities in Mumbai in India, Sri Lanka and China, and (iii) an increase in travel costs by \$1.4 million due to travel costs associated with the transition of client processes to our delivery centers. These increases were partially offset by a decrease in depreciation cost by

\$0.3 million. Further, the depreciation of the Indian rupee against the US dollar by an average of 11.0% in fiscal 2014 as compared to the average exchange rate in fiscal 2013, resulted in a lower cost of revenue of approximately \$17.6 million.

Our other costs include selling and marketing expenses, general and administrative expenses and foreign exchange loss or gain. Our other costs increased by \$8.6 million to \$91.5 million in fiscal 2014 from \$82.9 million in fiscal 2013, primarily on account of (i) an increase in foreign exchange loss by \$5.9 million, (ii) an increase in selling and marketing expenses by \$3.3 million, and (iii) a decrease in general and administrative expenses by \$0.6 million.

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The higher foreign exchange losses were primarily due to an increase in foreign currency revaluation losses by \$3.1 million to a loss of \$0.6 million in fiscal 2014 from a gain of \$2.5 million in fiscal 2013 and higher hedging losses of \$2.5 million from our rupee-denominated contracts as a result of a depreciation of the Indian rupee against the US dollar.

Selling and marketing expenses increased by \$3.3 million to \$30.6 million in fiscal 2014 from \$27.3 million in fiscal 2013, primarily due to an increase in employee costs as a result of the expenses incurred in the expansion of our sales team and our client partner program.

General and administrative expenses decreased by \$0.6 million to \$49.6 million in fiscal 2014 from \$50.2 million in fiscal 2013, primarily due to a decrease of approximately \$3.2 million due to the depreciation of the Indian rupee against the US dollar by an average of 11.0% in fiscal 2014 as compared to the average exchange rate in fiscal 2013 and a decrease in other costs as a result of a decrease in facilities costs, legal and professional expenses and travel expenses, partially offset by an increase in employee costs as a result of an increase in headcount and wage increments.

Segment Profit. Segment profit in the WNS Global BPM segment increased by 32.3% to \$87.3 million in fiscal 2015 from \$66.0 million in fiscal 2014. The increase in profit was primarily attributable to higher segment revenue, lower general and administrative expenses, higher other income, and lower finance expense, partially offset by higher cost of revenue primarily due to higher employee cost and facilities cost, higher selling and marketing expenses and higher other costs primarily due to higher foreign exchange losses.

The other income, net increased by \$2.5 million in fiscal 2015 to \$11.1 million from \$8.6 million in fiscal 2014.

The finance expense for fiscal 2015 was \$1.3 million as compared to \$2.9 million in fiscal 2014 due to lower interest cost as a result of lower borrowings following scheduled repayments of our short term and long term loans.

Provision for income taxes in fiscal 2015 was \$21.2 million as compared to \$12.3 million in fiscal 2014. The increase in provision for income taxes was primarily on account of higher profits. The provision for income taxes for fiscal 2015 also includes a \$1.7 million provision on account of a change in Indian tax law pursuant to the India Finance Act 2014, as a result of which a number of our investments in debt FMPs which we have held for less than 36 months are required to be re-categorized as short term capital assets, which are subject to higher tax rates.

Segment profit in the WNS Global BPM segment increased by 37.1% to \$66.0 million in fiscal 2014 from \$48.2 million in fiscal 2013. The increase in profit was primarily attributable to higher segment revenue, lower selling and marketing expenses, higher hedging gains, higher other income, and lower finance expense, partially offset by higher cost of revenue and higher general and administrative expenses.

The other income, net increased by \$4.6 million in fiscal 2014 to \$8.6 million from \$4.0 million in fiscal 2013.

The finance expense for fiscal 2014 was \$2.9 million as compared to \$3.6 million in fiscal 2013 due to lower interest cost on account of full and partial repayment of certain of our term loans.

Provision for income taxes in fiscal 2014 was \$12.3 million as compared to \$8.9 million in fiscal 2013. The increase in provision for income taxes was primarily on account of higher taxable profits, partially offset by higher deferred tax credits on losses in some jurisdictions.

WNS Auto Claims BPM

Segment Revenue. Revenue in the WNS Auto Claims BPM segment decreased by \$1.9 million to \$61.1 million in fiscal 2015 from \$63.0 million in fiscal 2014. The decrease was primarily on account of a decrease in revenue from existing clients of \$2.0 million and revenue from new clients of \$0.1 million. The increase was also, to a lesser extent, on account of an appreciation of the pound sterling against the US dollar by an average of 1.5% in fiscal 2015 as compared to the average exchange rate in fiscal 2014. Payments made to repair centers in fiscal 2015 decreased by \$0.2 million to \$30.9 million from \$31.1 million in fiscal 2014.

Revenue less repair payments in this segment decreased by 5.3% to \$30.2 million in fiscal 2015 from \$31.9 million in fiscal 2014 primarily due to lower volume of business of \$1.7 million from existing clients, partially offset by revenue less repair payments from new clients of \$0.1 million.

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Revenue in the WNS Auto Claims BPM segment increased by \$7.8 million to \$63.0 million in fiscal 2014 from \$55.1 million in fiscal 2013. The increase was primarily on account of an increase in revenue from existing clients of \$6.1 million and revenue from new clients of \$1.7 million. Payments made to repair centers in fiscal 2014 increased by \$7.0 million to \$31.1 million from \$24.1 million in fiscal 2013.

Revenue less repair payments in this segment increased by 2.8% to \$31.9 million in fiscal 2014 from \$31.0 million in fiscal 2013 primarily due to revenue from new clients of \$1.4 million, partially offset by a lower volume of business of \$0.5 million from existing clients.

Segment Operating Profit. Segment operating profit decreased by \$2.0 million to \$5.4 million in fiscal 2015 from \$7.4 million in fiscal 2014. The decrease was primarily on account of a decrease in revenue less repair payments, higher general and administrative expenses and higher hedging losses, partially offset by lower cost of revenue (excluding payments to repair centers) and selling and marketing expenses.

Our cost of revenue (excluding payments to repair centers), decreased by \$0.5 million to \$18.9 million in fiscal 2015 from \$19.4 million in fiscal 2014. The decrease in cost of revenue (excluding payments made to repair centers) was primarily on account of a decrease in facilities cost by \$0.9 million and depreciation cost by \$0.2 million, partially offset by an increase in our employee costs by \$0.5 million.

Our other costs include selling and marketing expenses, general and administrative expenses and foreign exchange gain or loss. Our other costs increased by \$0.8 million to \$5.8 million in fiscal 2015 from \$5.0 million in fiscal 2014, primarily on account of an increase in general and administrative expenses by \$3.6 million to \$4.6 million in fiscal 2015 from \$1.1 million in fiscal 2014 and an increase in foreign exchange losses by \$0.3 million to a loss of \$0.1 million in fiscal 2015 from a gain of \$0.1 million in fiscal 2014, partially offset by lower selling and marketing expenses by \$3.0 million to \$1.0 million in fiscal 2015 from \$4.0 million in fiscal 2014.

Segment operating profit increased by \$2.3 million to \$7.4 million in fiscal 2014 from \$5.1 million in fiscal 2013. The increase was primarily on account of an increase in revenue less repair payments, lower cost of revenue (excluding payments to repair centers), and lower general and administrative expenses, partially offset by higher selling and marketing expenses.

Our cost of revenue (excluding payments to repair centers), decreased by \$1.0 million to \$19.4 million in fiscal 2014 from \$20.4 million in fiscal 2013. The decrease in cost of revenue (excluding payments made to repair centers) was primarily on account of a decrease in facilities cost by \$1.4 million, and depreciation cost by \$0.4 million, partially offset by an increase in our employee costs by \$0.9 million.

Our other costs include selling and marketing expenses, general and administrative expenses and foreign exchange gain or loss. Our other costs decreased by \$0.5 million to \$5.0 million in fiscal 2014 from \$5.5 million in fiscal 2013, primarily on account of a decrease in general and administrative expenses by \$1.9 million to \$1.1 million in fiscal 2014 from \$3.0 million in fiscal 2013, a decrease in foreign exchange losses by \$0.2 million to a gain of \$0.1 million in fiscal 2014 from a loss of \$0.1 million in fiscal 2013, partially offset by higher selling and marketing expenses by \$1.5 million to \$4.0 million in fiscal 2014 from \$2.5 million in fiscal 2013.

Segment Profit. Segment profit decreased by \$1.3 million to \$5.0 million in fiscal 2015 from \$6.4 million in fiscal 2014. The decrease was primarily attributable to lower operating profit and a decrease in other income, net.

The other income, net in fiscal 2015 was an income of \$0.8 million compared to an income of \$0.9 million in fiscal 2014.

Provision for income taxes in fiscal 2015 was \$1.2 million as compared to \$2.0 million in fiscal 2014. The provision for income taxes in fiscal 2015 was lower primarily on account of lower taxable profits.

Segment profit increased by \$1.5 million to \$6.4 million in fiscal 2014 from \$4.9 million in fiscal 2013. The increase was primarily attributable to higher operating profit and an increase in other income, net.

The other income, net in fiscal 2014 was an income of \$0.9 million compared to an income of \$0.8 million in fiscal 2013.

Provision for income taxes in fiscal 2014 was \$2.0 million as compared to \$1.0 million in fiscal 2013. The provision for income taxes in fiscal 2014 was higher primarily on account of higher taxable profits.

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The following table presents unaudited quarterly financial information for each of our last eight fiscal quarters on a historical basis. We believe the quarterly information contains all adjustments necessary to fairly present this information. As a business process management services provider, we anticipate and respond to demand from our clients. Accordingly, we have limited control over the timing and circumstances under which our services are provided. Typically, we show a decrease in our first quarter operating profit margins as a result of salary increases. For these and other reasons, we can experience variability in our operating results from quarter to quarter. The operating results for any quarter are not necessarily indicative of the results for any future period.

	Fiscal 2015				Fiscal 2014			
	Three months ended				Three months ended			
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
	(Unaudited, US dollars in millions)							
Revenue	\$ 132.9	\$ 136.0	\$ 134.1	\$ 131.0	\$ 130.3	\$ 127.1	\$ 123.1	\$ 122.1
Cost of revenue	86.8	85.1	84.5	86.2	81.9	81.7	79.7	84.4
Gross Profit	46.0	50.8	49.5	44.8	48.3	45.5	43.4	37.7
Operating expenses:								
Selling and marketing expenses	7.5	7.7	8.2	7.7	9.5	8.9	9.0	7.8
General and administrative expenses	17.9	18.8	17.0	16.2	14.2	13.1	13.0	15.0
Foreign exchange loss / (gains), net	(3.4)	(1.8)	(0.7)	1.3	2.7	3.3	4.6	0.5
Amortization of intangible assets	6.0	6.0	6.0	6.1	5.9	5.8	5.8	6.2
Operating profit	17.9	20.1	18.9	13.5	15.9	14.4	10.9	8.2
Other (income) expense, net	(2.8)	(3.1)	(2.9)	(3.1)	(3.1)	(2.5)	(1.8)	(2.2)
Finance expense	0.2	0.3	0.3	0.5	0.7	0.7	0.8	0.8
Provision for income taxes	5.9	6.3	6.2	4.0	4.9	3.9	2.6	2.8
Profit	14.7	16.5	15.3	12.1	13.4	12.2	9.3	6.7

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The following table sets forth for the periods indicated selected consolidated financial data:

	Fiscal 2015				Fiscal 2014			
	Three months ended				Three months ended			
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
	(Unaudited)							
Gross profit as a percentage of revenue	34.7%	37.4%	36.9%	34.2%	37.1%	35.8%	35.3%	30.9%
Operating income as a percentage of revenue	13.5%	14.8%	14.1%	10.3%	12.2%	11.3%	8.9%	6.7%
Gross profit as a percentage of revenue less repair payments	36.5%	39.6%	39.1%	36.7%	39.4%	38.0%	37.6%	33.2%
Operating income as a percentage of revenue less repair payments	14.3%	15.6%	15.0%	11.1%	13.0%	12.0%	9.4%	7.2%

The following table reconciles our revenue (a GAAP measure) to revenue less repair payments (a non-GAAP measure):

	Fiscal 2015				Fiscal 2014			
	Three months ended				Three months ended			
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013	September 30, 2013	June 30, 2013
	(Unaudited, US dollars in millions)							
Revenue	\$ 132.9	\$ 136.0	\$ 134.1	\$ 131.0	\$ 130.3	\$ 127.1	\$ 123.1	\$ 122.1
Less: Payments to repair centers	6.8	7.6	7.5	8.9	7.5	7.5	7.7	8.4
Revenue less repair payments	\$ 126.1	\$ 128.4	\$ 126.5	\$ 122.1	\$ 122.7	\$ 119.6	\$ 115.4	\$ 113.8

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Our principal commitments consist of expected principal cash payments relating to our long term debt, obligations under operating leases for office space, which represent minimum lease payments for office space, short term line of credit, and purchase obligations for property and equipment. The following table sets out our total future contractual obligations as at March 31, 2015 on a consolidated basis:

	Total	Payments Due By Period			More than 5 years
		Less than 1 year	1-3 years	3-5 years	
		(US dollars in thousands)			
Long term debt	\$ 12,841	\$ 12,841	\$	\$	\$
Operating leases	81,529	18,225	25,266	14,910	23,128
Short term line of credit	12,881	12,881			
Purchase obligations	3,107	3,107			
Total	\$ 110,358	\$ 47,054	\$ 25,266	\$ 14,910	\$ 23,128

Uncertain income tax liabilities totaling \$14.5 million are excluded from the table because we cannot make a reasonable estimate of the period of cash settlement with the relevant taxing authority.

All of our debt is floating rate debt and no interest obligation in respect of this debt is included in the table above. There is no contractual obligation to renew this debt. The debt amount, and the interest payments associated with it, will vary over time according to our funding requirements and future interest rates.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements or obligations.

Tax Assessment Orders

Transfer pricing regulations to which we are subject require that any international transaction among the WNS group enterprises be on arm's-length terms. Transfer pricing regulations in India have been extended to cover specified Indian domestic transactions as well. We believe that the international and India domestic transactions among the WNS group enterprises are on arm's-length terms. If, however, the applicable tax authorities determine that the transactions among the WNS group enterprises do not meet arm's-length criteria, we may incur increased tax liability, including accrued interest and penalties. This would cause our tax expense to increase, possibly materially, thereby reducing our profitability and cash flows. The applicable tax authorities may also disallow deductions or tax holiday benefits claimed by us and assess additional taxable income on us in connection with their review of our tax returns.

From time to time, we receive orders of assessment from the Indian tax authorities assessing additional taxable income on us and/or our subsidiaries in connection with their review of our tax returns. We currently have orders of assessment for fiscal 2003 through fiscal 2012 pending before various appellate authorities. These orders assess additional taxable income that could in the aggregate give rise to an estimated 3,046.6 million (\$48.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 1,078.9 million (\$17.2 million

based on the exchange rate on March 31, 2015).

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The following sets forth the details of these orders of assessment:

Entities	Tax year(s)	Amount demanded (including interest) (and US dollars in millions)		Interest on amount Demanded	
WNS Global, WNS Customer Solutions and Noida	Fiscal 2003	180.2	\$ (2.9) ⁽¹⁾	60.0	\$ (1.0) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2004	12.5	\$ (0.2) ⁽¹⁾	3.1	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2005	27.4	\$ (0.4) ⁽¹⁾	8.6	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2006	531.0	\$ (8.5) ⁽¹⁾	173.8	\$ (2.7) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2006	67.9	\$ (1.1) ⁽¹⁾	24.1	\$ (0.4) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2007	98.7	\$ (1.6) ⁽¹⁾	31.9	\$ (0.5) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2007	34.3	\$ (0.4) ⁽¹⁾	10.8	\$ (0.2) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2008	819.6	\$ (13.1) ⁽¹⁾	344.1	\$ (5.4) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2008	41.4	\$ (0.7) ⁽¹⁾	13.2	\$ (0.2) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2009	973.9	\$ (15.5) ⁽¹⁾	336.8	\$ (5.3) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2009	21.1	\$ (0.3) ⁽¹⁾	4.1	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2010	60.2	\$ (1.0) ⁽¹⁾	23.5	\$ (0.4) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2010	1.8	\$ (0.1) ⁽¹⁾	0.4	\$ (0.1) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2011	6.6	\$ (0.1) ⁽¹⁾		\$ (1)
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2012	170.0	\$ (2.7) ⁽¹⁾	44.5	\$ (0.7) ⁽¹⁾
Total		3,046.6	\$ (48.6) ⁽¹⁾	1,078.9	\$ (17.2) ⁽¹⁾

Note:

(1) Based on the exchange rate as at March 31, 2015.

The aforementioned orders of assessment allege that the transfer prices we applied to certain of the international transactions between WNS Global or WNS Business Consulting Services Private Limited, or WNS BCS, each of which is our Indian subsidiary, as the case may be, and our other wholly-owned subsidiaries named above were not on arm's length terms, disallow a tax holiday benefit claimed by us, deny the set off of brought forward business losses and unabsorbed depreciation and disallow certain expenses claimed as tax deductible by WNS Global or WNS BCS, as the case may be. As at March 31, 2015, we have provided a tax reserve of 906.8 million (\$14.5 million based on the exchange rate on March 31, 2015) primarily on account of the Indian tax authorities' denying the set off of brought forward business losses and unabsorbed depreciation. We have appealed against these orders of assessment before higher appellate authorities.

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In addition, we currently have orders of assessment pertaining to similar issues that have been decided in our favor by first level appellate authorities, vacating tax demands of 2,482.2 million (\$39.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 770.5 million (\$12.3 million based on the exchange rate on March 31, 2015). The income tax authorities have filed appeals against these orders at higher appellate authorities.

In case of disputes, the Indian tax authorities may require us to deposit with them all or a portion of the disputed amounts pending resolution of the matters on appeal. Any amount paid by us as deposits will be refunded to us with interest if we succeed in our appeals. We have deposited some portion of the disputed amount with the tax authorities and may be required to deposit the remaining portion of the disputed amount with the tax authorities pending final resolution of the respective matters.

As at March 31, 2015, corporate tax returns for fiscal years 2012 (for certain legal entities) and thereafter remain subject to examination by tax authorities in India.

After consultation with our Indian tax advisors and based on the facts of these cases, certain legal opinions from counsel, the nature of the tax authorities' disallowances and the orders from first level appellate authorities deciding similar issues in our favor in respect of assessment orders for earlier fiscal years, we believe these orders are unlikely to be sustained at the higher appellate authorities and we intend to vigorously dispute the orders of assessment.

In March 2009, we also received an assessment order from the Indian Service Tax Authority demanding payment of 348.1 million (\$5.6 million based on the exchange rate on March 31, 2015) of service tax and related penalty for the period from March 1, 2003 to January 31, 2005. The assessment order alleges that service tax is payable in India on BPM services provided by WNS Global to clients based abroad as the export proceeds are repatriated outside India by WNS Global. In response to an appeal filed by us with the appellate tribunal against the assessment order in April 2009, the appellate tribunal has remanded the matter back to the lower tax authorities to be adjudicated afresh. Based on consultations with our Indian tax advisors, we believe this order of assessment is more likely than not to be upheld in our favor. We intend to continue to vigorously dispute the assessment.

No assurance can be given, however, that we will prevail in our tax disputes. If we do not prevail, payment of additional taxes, interest and penalties may adversely affect our results of operations, financial condition and cash flows. There can also be no assurance that we will not receive similar or additional orders of assessment in the future.

Liquidity and Capital Resources

Our capital requirements are principally for debt repayment and the establishment of operating facilities to support our growth and acquisitions, and for fiscal 2016, to fund the repurchase of ADSs under our share repurchase program, as described in further detail below, see [Share Repurchases](#) . Our sources of liquidity include cash and cash equivalents and cash flow from operations, supplemented by equity and debt financing and bank credit lines as required.

As at March 31, 2015, we had cash and cash equivalents of \$32.4 million which were primarily held in US dollars, Indian rupees, pound sterling and Philippines pesos. We typically seek to invest our available cash on hand in bank deposits and money market instruments. Our investments include marketable securities consisting of bank deposits, liquid mutual funds and FMPs, which totaled \$133.5 million as at March 31, 2015. Our investment in FMPs represents investments in mutual funds scheme wherein the mutual fund has invested in certificates of deposit issued by banks in India.

As at March 31, 2015, our Indian subsidiary, WNS Global, had a secured line of credit of 900.0 million (\$14.4 million based on the exchange rate on March 31, 2015) from The Hongkong and Shanghai Banking Corporation

Limited, and an unsecured lines of credit of \$15.0 million from BNP Paribas, 1,200.0 million (\$19.2 million based on the exchange rate on March 31, 2015) from Citibank N.A. and 810.0 million (\$12.9 million based on the exchange rate on March 31, 2015) from Standard Chartered Bank. Interest on these lines of credit would be determined on the date of the borrowing. These lines of credit generally can be withdrawn by the relevant lender at any time. As at March 31, 2015, 740.7 million (\$11.8 million based on the exchange rate on March 31, 2015) was utilized for working capital requirements from these lines of credit.

Our China subsidiary, Business Applications Associates Beijing Limited, had obtained a term loan facility of RMB1.25 million (\$0.2 million based on the exchange rate on March 31, 2015) and a line of credit of RMB2.5 million (\$0.4 million based on the exchange rate on March 31, 2015) from HSBC Bank (China) Company Limited pursuant to a facility agreement dated April 10, 2013. Both these facilities were fully repaid as at March 31, 2014.

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In March 2012, WNS Global obtained two new three year term loan facilities consisting of a 510.0 million (\$8.1 million based on the exchange rate on March 31, 2015) rupee-denominated loan, which was fully repaid on March 12, 2014, and a \$7.0 million US dollar-denominated loan. In March 2012, our UK subsidiary, WNS UK, also obtained a new three-year term loan for £6.1 million (\$9.0 million based on the exchange rate on March 31, 2015), rolled over its £9.9 million (\$14.6 million based on the exchange rate on March 31, 2015) two-year term loan (which was originally scheduled to mature in July 2012) for another three-year term, and renewed its £9.9 million (\$14.6 million based on the exchange rate on March 31, 2015) working capital facility (which was originally scheduled to mature in July 2012) until March 31, 2016.

Details of these loan facilities are described below.

WNS Global obtained from HDFC Bank Ltd., or HDFC, a three-year rupee-denominated term loan of 510.0 million (\$8.1 million based on the exchange rate on March 31, 2015) which was fully drawn on March 12, 2012. The loan was for the purpose of financing certain capital expenditures incurred during the period from April 2011 to December 2011. The interest on the loan was 11.25% per annum for the first year, which was reset at the rate of 10.3% per annum for the second year. Interest was payable on a monthly basis. The principal amount was repayable in two equal installments on January 30, 2015 and February 27, 2015. Repayment of the loan was guaranteed by WNS and secured by a charge over our Pune property. This charge ranked *pari passu* with other charges over the property in favor of other lenders. We were subject to certain covenants in respect of this loan, including restrictive covenants relating to our total debt to EBITDA ratio, total debt to tangible net worth ratio and EBITDA to debt service coverage ratio, each as defined in the term sheet relating to this loan. In connection with this rupee-denominated term loan, we had entered into a currency swap to convert the rupee-denominated loan to a US dollar-denominated loan which had resulted in the loan bearing an effective interest rate to us of 5.78% per annum. On March 12, 2014, WNS Global prepaid the entire loan and there was no amount outstanding under the loan as at March 31, 2015.

WNS Global obtained from HSBC Bank (Mauritius) Limited a three-year term loan facility for \$7.0 million. On April 16, 2012, June 20, 2012, and August 16, 2012, we drew down \$2.0, \$3.0 and \$2.0 million, respectively, from this facility. The facility was utilized for the purpose of funding WNS Global's capital expenditure plans for fiscal 2013 in compliance with the Reserve Bank of India's guidelines on External Commercial Borrowings and Trade Credits. Prior to July 16, 2014, the facility bore interest at a rate of US dollar LIBOR plus a margin of 3.5% per annum. Effective July 16, 2014, the margin was reduced to 3.1% per annum. Interest is payable on a quarterly basis. The principal amount of each tranche is repayable at the end of three years from the date of drawdown of such tranche. We made a scheduled repayment of \$2.0 million on April 16, 2015. Repayment of the loan under the facility is guaranteed by WNS and secured by a charge over our Pune property. This charge ranks *pari passu* with other charges over the property in favor of other lenders. The facility agreement contains certain covenants, including restrictive covenants relating to our debt to EBITDA ratio, debt to adjusted tangible net worth ratio, EBITDA to debt service coverage ratio and fixed asset coverage ratio, each as defined therein. A change in the largest shareholder of WNS together with a loss of 10% of our clients by revenue within two quarters of the change may also constitute an event of default under this facility agreement. As at March 31, 2015, \$7.0 million was outstanding under this facility.

WNS UK obtained from HSBC Bank plc. an additional three-year term loan facility for £6.1 million (\$9.0 million based on the exchange rate on March 31, 2015), which was fully drawn on March 30, 2012. WNS UK also rolled over on March 30, 2012 its existing term loan of £9.9 million (\$14.6 million based on the exchange rate on March 31, 2015) from HSBC Bank plc. (which was originally scheduled to mature on July 7, 2012) for three years until July 7, 2015. The facilities are for the purpose of providing inter-company loans within our company and funding capital expenditures. The facilities bear interest at Bank of England base rate plus a margin of 2.25% per annum. Interest is payable on a quarterly basis. 20% of the principal amount of each loan is repayable at the end of each of 18, 24 and 30 months after drawdown and a final installment of 40% of the principal amount of each loan is repayable at the end of 36 months after drawdown. We have made scheduled installment repayments aggregating £5.9 million (\$8.8 million based on exchange rate on March 31, 2015) on the £9.9 million (\$14.6 million based on exchange rate on March 31, 2015) term loan. As at March 31, 2015, the £6.1 million (\$9.0 million based on exchange rate on March 31, 2015) term loan was fully repaid and £4.0 million (\$5.9 million based on exchange rate on March 31, 2015) was outstanding under the £9.9 million term loan. Repayment of each loan is guaranteed by WNS, WNS (Mauritius) Limited, WNS Capital Investments Limited, WNS UK and AHA, and secured by pledges of shares of WNS (Mauritius) Limited and WNS Capital Investments Limited, a charge over the bank account of WNS Capital Investments Limited, and fixed and floating charges over the respective assets of WNS UK and AHA. The facility agreements contain certain covenants, including restrictive covenants relating to further borrowing by the borrower, total debt to EBITDA ratio, our total debt to tangible net worth ratio and EBITDA to debt service coverage ratio, each as defined in the facility agreement.

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WNS UK renewed its working capital facility obtained from HSBC Bank plc. of £9.9 million (\$14.6 million based on the exchange rate on March 31, 2015) until March 31, 2016. The working capital facility bears interest at Bank of England base rate plus a margin of 2.45% per annum and was renewed at the existing rate. Interest is payable on a quarterly basis. Repayment of this facility is guaranteed by WNS, WNS UK and AHA, and secured by fixed and floating charges over the respective assets of WNS UK and AHA. The facility agreements contain covenants similar to those contained in WNS UK's term loan facilities described above. The facility is subject to conditions to drawdown and can be withdrawn by the lender at any time by notice to the borrower. As at March 31, 2015, £0.7 million (\$1.1 million based on the exchange rate on March 31, 2015) was utilized for working capital requirements from the above stated lines of credit.

As at March 31, 2015, our South African subsidiary, WNS Global Services SA (Pty) Ltd., had an unsecured line of credit of ZAR 30.0 million (\$2.5 million based on the exchange rate on March 31, 2015) from The HSBC Bank plc. This line of credit can be withdrawn by the lender at any time. As at March 31, 2015, there was no outstanding amount under this facility.

In September 2010, WNS Global Services Philippines Inc. obtained a \$3.2 million three-year secured term loan facility from The Hongkong and Shanghai Banking Corporation Limited. This facility was repaid in three equal installments on September 28, 2012, March 28, 2013 and September 27, 2013. The loan bore interest at the three-month US dollar LIBOR plus a margin of 3% per annum. Following the full repayment of the facility on September 27, 2013, the security provided under the facility has been released.

Based on our current level of operations, we expect that our anticipated cash generated from operating activities, cash and cash equivalents on hand, and use of existing credit facilities will be sufficient to meet our debt repayment obligations, estimated capital expenditures and working capital needs for the next 12 months. However, if our lines of credit were to become unavailable for any reason, we would require additional financing to meet our debt repayment obligations, capital expenditures and working capital needs. We currently expect our capital expenditures needs in fiscal 2016 to be between \$21.0 million to \$25.0 million, a significant amount of which we expect to spend on infrastructure build-out and the streamlining of our operations. The geographical distribution, timing and volume of our capital expenditures in the future will depend on new client contracts we may enter into or the expansion of our business under our existing client contracts. As at March 31, 2015, we had commitments for capital expenditures of \$3.1 million relating to the purchase of property and equipment for our delivery centers. Of this committed amount, we plan to spend approximately \$2.3 million in India, approximately \$0.2 million in the UK, approximately \$0.2 million in Europe (excluding the UK), approximately \$0.1 million in South Africa and approximately \$0.3 million in the rest of the world. We expect to fund these estimated capital expenditures from cash generated from operating activities, existing cash and cash equivalents and the use of existing credit facilities. Further, under the current volatile conditions as discussed under Global Economic Conditions above, there can be no assurance that our business activity would be maintained at the expected level to generate the anticipated cash flows from operations. If the current market conditions persist or further deteriorate, we may experience a decrease in demand for our services, resulting in our cash flows from operations being lower than anticipated. If our cash flows from operations are lower than anticipated, including as a result of the ongoing downturn in the market conditions or otherwise, we may need to obtain additional financing to meet some of our existing debt repayment obligations and pursue certain of our expansion plans. Further, we may in the future consider making acquisitions. If we have significant growth through acquisitions or require additional operating facilities beyond those currently planned to service new client contracts, we may also need to obtain additional financing. We believe in maintaining maximum flexibility when it comes to financing our business. We regularly evaluate our current and future financing needs. Depending on market conditions, we may access the capital markets to strengthen our capital position, and provide us with additional liquidity for general corporate purposes, which may include capital expenditures acquisitions, refinancing of

indebtedness and working capital. If current market conditions continue to persist or deteriorate further, we may not be able to obtain additional financing or any such additional financing may be available to us on unfavorable terms. An inability to pursue additional opportunities will have a material adverse effect on our ability to maintain our desired level of revenue growth in future periods.

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The following table shows our cash flows for fiscal 2015, 2014 and 2013:

	Year ended March 31,		
	2015	2014	2013
	(US dollars in millions)		
Net cash provided by operating activities	\$ 95.5	\$ 81.4	\$ 64.8
Net cash used in investing activities	\$ (40.2)	\$ (50.9)	\$ (89.5)
Net cash provided by/ (used in) financing activities	\$ (54.9)	\$ (14.9)	\$ 13.2

Cash Flows from Operating Activities

Net cash provided by operating activities increased to \$95.5 million for fiscal 2015 from \$81.4 million for fiscal 2014. The increase in net cash provided by operating activities for fiscal 2015 as compared to fiscal 2014 was attributable to an increase in profit as adjusted by non-cash related items by \$11.1 million, an increase in cash inflow from working capital changes by \$5.7 million, a decrease in interest paid by \$1.6 million and an increase in interest received by \$0.1 million which was partially offset by an increase in taxes paid by \$4.4 million.

The increase in profit as adjusted for non-cash related items by \$11.1 million was primarily on account of (i) an increase in profit by \$17.0 million, (ii) an increase in current tax expense by \$5.1 million, (iii) a decrease in deferred tax credit by \$3.0 million, (iv) an increase in share based compensation expense by \$2.6 million, (v) an increase in allowance for doubtful debts by \$1.2 million, (vi) an increase in depreciation and amortization expense by \$0.8 million, and (vii) a decrease in unrealized hedging gain by \$0.5 million.

This increase was partially offset by (i) a decrease in unrealized exchange losses by \$14.5 million, (ii) a decrease in interest expense by \$1.6 million, (iii) a decrease in deferred rent expense by \$0.6 million, (iv) an increase in dividend income by \$1.3 million on account of our investment in marketable securities, (v) an increase in mark to market gain on fixed maturity plans by \$0.6 million, and (vi) an increase in gain on sale of property and equipment by \$0.6 million.

Cash flow from working capital changes increased by \$5.7 million for fiscal 2015 as compared to fiscal 2014, primarily as a result of a decrease in cash outflow towards settlement of other liabilities primarily due to settlement of accrued expenses by \$8.7 million, an increase in cash inflow from other advances by \$1.7 million which was partially offset by a decrease in cash inflows from accounts receivables primarily due to an increase in unbilled receivables by \$3.8 million and an increase in payments towards accounts payables by \$1.2 million.

Net cash provided by operating activities increased to \$81.4 million for fiscal 2014 from \$64.8 million for fiscal 2013. The increase in net cash provided by operating activities for fiscal 2014 as compared to fiscal 2013 was attributable to an increase in profit as adjusted by non-cash related items by \$23.0 million, a decrease in income taxes paid by \$2.2 million, a decrease in interest paid by \$0.6 million and an increase in interest income by \$0.2 million which was partially offset by a decrease in cash inflow from working capital changes by \$9.5 million.

The increase in profit as adjusted for non-cash related items by \$23.0 million was primarily on account of (i) an increase in profit by \$20.2 million, (ii) an increase in unrealized exchange loss by \$10.6 million, (iii) a decrease in deferred tax credit by \$6.0 million, (iv) an increase in share based compensation expense by \$1.6 million and (v) an increase in deferred rent expense by \$0.1 million. The increase was partially offset by (i) an increase in unrealized hedging gain by \$5.2 million, (ii) an increase in unrealized gain by \$3.9 million on investments, (iii) a decrease in depreciation and amortization expense by \$3.3 million, (iv) a decrease in current tax expenses by \$1.6 million, (v) a

decrease in interest expense by \$0.4 million, (vi) a decrease in allowance of doubtful debts by \$0.3 million, (vii) an increase in dividend income by \$0.2 million on account of our investment in marketable securities, (viii) an increase in interest income by \$0.2 million, (ix) a decrease in interest expense on deferred consideration paid for Fusion Acquisition by \$0.2 million, (x) a decrease in amortization of debt issue cost by \$0.1 million, and (xi) an increase in excess tax benefit credit on share based options exercised by \$0.1 million.

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Cash flow from working capital changes decreased by \$9.5 million for fiscal 2014 as compared to fiscal 2013, primarily as a result of a reduction in cash inflow from accounts receivable by \$14.8 million in our WNS Auto Claims BPM segment, an increase in cash outflow towards settlement of other liabilities by \$3.4 million primarily on account of settlement of derivative financial instruments and payment made towards value added tax, which was partially offset by a decrease in cash outflow by \$15.0 million in accounts payable in our WNS Auto-Claims BPM segment.

Cash Flows from Investing Activities

Net cash used in investing activities decreased to \$40.2 million for fiscal 2015 from \$50.9 million for fiscal 2014. Investing activities in fiscal 2015 and fiscal 2014 consisted of the following: (i) net amount invested in marketable securities in fiscal 2015 of \$78.4 million as compared to a net sale of marketable securities of \$23.6 million in fiscal 2014, (ii) proceeds received from sale of fixed maturity plans was \$66.1 million in fiscal 2015 as compared to a outflow towards purchase of fixed maturity plans of \$50.5 million in fiscal 2014, (iii) investment in fixed deposits of \$9.6 million in fiscal 2015 as compared to nil fixed deposits investments in fiscal 2014, (iv) an amount of \$0.3 million paid towards acquisitions of certain assets and the workforce from iSoftStone in fiscal 2015 as compared to \$7.6 million in on account of payment towards the settlement of the second and final installment of the purchase consideration of the Fusion acquisition in fiscal 2014, (v) the capital expenditures of \$23.0 million incurred for leasehold improvements, including the purchase of computers, furniture, fixtures and other office equipment and software (classified as intangibles) associated with expanding the capacity of our delivery centers, for fiscal 2015, which represented an increase of \$3.4 million as compared to fiscal 2014, and (vi) dividend received in fiscal 2015 increased to \$4.4 million from \$3.1 million in fiscal 2014.

Net cash used in investing activities decreased to \$50.9 million for fiscal 2014 from \$89.5 million for fiscal 2013. Investing activities in fiscal 2014 consisted of the following: (i) amount invested in FMPs in fiscal 2014 of \$50.5 million as compared to \$43.0 million in fiscal 2013, (ii) a payment made of \$7.6 million towards the settlement of deferred consideration for the acquisition of Fusion in fiscal 2014 as compared to a payment made of \$7.1 million made towards the acquisition (net of cash acquired) of Fusion in fiscal 2013, (iii) net proceeds received from sale of marketable securities increased by \$45.4 million in fiscal 2014 as compared to fiscal 2013, and (iv) the capital expenditures incurred for leasehold improvements, including the purchase of computers, furniture, fixtures and other office equipment and software (classified as intangibles) associated with expanding the capacity of our delivery centers, for fiscal 2014 was \$19.6 million, which represented a decrease of \$1.6 million as compared to fiscal 2013.

Cash Flows from Financing Activities

Net cash used in financing activities was \$54.9 million for fiscal 2015, as compared to \$14.9 million for fiscal 2014. Financing activities primarily consisted of (i) repayments of long term debt taken by WNS UK of \$12.0 million in fiscal 2015 as compared to repayments of long term debt taken by WNS Global of \$8.5 million, by WNS UK of \$7.3 million and by WNS Global Services Philippines Inc. of \$1.1 million in fiscal 2014, and (ii) repayment of short term debt taken by WNS Global of \$39.2 million and by WNS UK of \$4.3 million in fiscal 2015 as compared to a short term debt taken by WNS Global of \$7.2 million, partially offset by short term debt repaid by WNS UK of \$5.6 million in fiscal 2014.

Net cash used in financing activities was \$14.9 million for fiscal 2014, as compared to \$13.2 million provided by financing activities for fiscal 2013. Financing activities primarily consisted of (i) repayments of long term debt taken by WNS Global of \$8.5 million, by WNS UK of \$7.3 million and by WNS Global Services Philippines Inc. of \$1.1 million in fiscal 2014 as compared to a repayment of a long term debt taken by WNS (Mauritius) Limited of \$24.0 million and by WNS Global Services Philippines Inc. of \$2.1 million and a debt taken by WNS Global of \$7.0 million in fiscal 2013, and (ii) short term debt taken by WNS Global of \$7.2 million, partially offset by short term debt

repayment by WNS UK of \$5.6 million in fiscal 2014 as compared to a short term debt taken by WNS Global of \$21.3 million and by WNS UK of \$11.0 million in fiscal 2013.

Share Repurchases

In March 2015, our shareholders authorized a share repurchase program for the repurchase of up to 1.1 million of our ADSs, each representing one ordinary share, at a price range of \$10 to \$30 per ADS. Pursuant to the terms of the repurchase program, our ADSs may be purchased in the open market from time to time for 12 months from April 1, 2015. We intend to fund the repurchase program with cash on hand. We are not obligated under the repurchase program to repurchase a specific number of ADSs, and the repurchase program may be suspended at any time at our discretion.

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New Accounting Pronouncements Not Yet Adopted by our Company

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for our accounting periods beginning on or after April 1, 2015 or later periods. Those which are considered to be relevant to our operations are set out below.

- i. In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers (IFRS 15). This standard provides a single, principle-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point at which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various other related matters. IFRS 15 also introduced new disclosure requirements with respect to revenue.

The five steps in the model under IFRS 15 are : (i) identify the contract with the customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contracts; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 replaces the following standards and interpretations:

IAS 11 Construction Contracts

IAS 18 Revenue

IFRIC 13 Customer Loyalty Programmes

IFRIC 15 Agreements for the Construction of Real Estate

IFRIC 18 Transfers of Assets from Customers

SIC-31 Revenue - Barter Transactions Involving Advertising Services

When first applying IFRS 15, it should be applied in full for the current period, including retrospective application to all contracts that were not yet complete at the beginning of that period. In respect of prior periods, the transition guidance allows an option to either:

apply IFRS 15 in full to prior periods (with certain limited practical expedients being available); or

retain prior period figures as reported under the previous standards, recognizing the cumulative effect of applying IFRS 15 as an adjustment to the opening balance of equity as at the date of initial application (beginning of current reporting period).

IFRS 15 is effective for fiscal years beginning on or after January 1, 2017. Earlier application is permitted. We are currently evaluating the impact that this new standard will have on our consolidated financial statements.

ii. In July 2014, the IASB finalized and issued IFRS 9 Financial Instruments. IFRS 9 replaces IAS 39 Financial instruments: recognition and measurement, the previous Standard which dealt with the recognition and measurement of financial instruments in its entirety upon the former's effective date.

Key requirements of IFRS 9:

i. Replaces IAS 39's measurement categories with the following three categories:

fair value through profit or loss (FVTPL)

fair value through other comprehensive income (FVTOCI)

amortized cost

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- ii. Eliminates the requirement for separation of embedded derivatives from hybrid financial assets, the classification requirements to be applied to the hybrid financial asset in its entirety.
- iii. Requires an entity to present the amount of change in fair value due to change in entity's own credit risk in other comprehensive income.
- iv. Introduces new impairment model, under which the expected credit loss are required to be recognized as compared to the existing incurred credit loss model of IAS 39.
- v. Fundamental changes in hedge accounting by introduction of new general hedge accounting model which:

Increases the eligibility of hedged item and hedging instruments;

Introduces a more principles based approach to assess hedge effectiveness.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

Earlier application is permitted provided that all the requirements in the Standard are applied at the same time with two exceptions:

- i. The requirement to present changes in the fair value of a liability due to changes in own credit risk may be applied early in isolation;
 - ii. Entity may choose as its accounting policy choice to continue to apply hedge accounting requirements of IAS 39 instead of new general hedge accounting model as provided in IFRS 9.
- We are currently evaluating the impact of this new standard on our consolidated financial statements.

Table of Contents**ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES****A. Directors and Executive Officers**

Our Board of Directors consists of nine directors.

The following table sets forth the name, age (as at March 31, 2015) and position of each of our directors and executive officers as at the date hereof.

Name	Age	Designation
Directors		
Adrian T. Dillon ⁽¹⁾⁽²⁾	61	Non-Executive Chairman
Albert Aboody ⁽³⁾	67	Director
Anthony A. Greener ⁽¹⁾⁽⁴⁾	74	Director
Gareth Williams ⁽⁵⁾	62	Director
Jeremy Young ⁽⁶⁾	49	Director
John Freeland ⁽⁶⁾⁽⁷⁾	61	Director
Keshav R. Murugesh	51	Director and Group Chief Executive Officer
Michael Menezes ⁽⁶⁾	62	Director
Renu S. Karnad ⁽¹⁾⁽²⁾	62	Director
Executive Officers		
Keshav R. Murugesh	51	Group Chief Executive Officer
Sanjay Puria	41	Group Chief Financial Officer
Ronald Gillette	58	Chief Operating Officer
Swaminathan Rajamani	38	Chief People Officer

Notes:

- (1) Member of our Compensation Committee.
- (2) Member of our Nominating and Corporate Governance Committee.
- (3) Chairman of our Audit Committee
- (4) Chairman of our Nominating and Corporate Governance Committee.
- (5) Chairman of our Compensation Committee.
- (6) Member of our Audit Committee.
- (7) Appointed as a director of our company with effect from September 1, 2014

Summarized below is relevant biographical information covering at least the past five years for each of our directors and executive officers.

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Adrian T. Dillon was appointed to our Board of Directors in September 2012 and was designated as Non-Executive Vice Chairman of the Board in January 2013. In January 2014 he was appointed as the Non-Executive Chairman of the Board. He is currently a member of the Board of Directors and Chairman of the Audit and Finance Committees of Williams-Sonoma, Inc. and member of the Board of Directors and Chairman of the Audit Committee of Wonga Group Ltd. During his career, he has served as a member of the Board of NDS Group Limited, from 2011 to 2012, Verigy Pty, from 2006 to 2007 and LumiLeds Inc., from 2002 to 2007. He has also held key finance roles including Chief Financial and Administrative Officer at Skype Limited, from 2010 to 2011, Executive Vice President Finance & Administration and Chief Financial Officer at Agilent Technologies, Inc., from 2001 to 2010 and held various positions at Eaton Corporation, from 1979 to 2001, including Executive Vice President and Chief Financial and Planning Officer from 1995-2001. He was a member and past Chairman of The Conference Board Council of Financial Executives. Mr. Dillon graduated from Amherst College with a Bachelor of Arts degree in economics. The business address of Mr. Dillon is 490 University Avenue, Los Altos, CA 94022, USA.

Albert Aboody was appointed to our Board of Directors in June 2010 and also serves as the chairman of our Audit Committee. Mr. Aboody is based in the US. Prior to his appointment as our director, he was a partner with KPMG, US. In this role, he served on the Board of KPMG, India, including as Deputy Chairman and as head of its audit department. He also co-authored chapters on the Commission's reporting requirements in the 2001-2008 annual editions of the Corporate Controller's Manual. Mr. Aboody is a member of the American Institute of Certified Public Accountants. He was a post-graduate research scholar at Cambridge University and received a Bachelor of Arts degree from Princeton University. The business address of Mr. Aboody is 401 E 89th Street, # 19 C, New York, NY 10128, USA.

Sir Anthony A. Greener was appointed to our Board of Directors in June 2007. He was the Deputy Chairman of British Telecom from 2001 to 2006 and Chairman of the Qualifications and Curriculum Authority from 2002 to 2008 and Diageo plc from 1997 to 2000. Prior to that, Sir Anthony was the Chairman and Chief Executive of Guinness plc from 1992 to 1997 and the Chief Executive Officer of Dunhill Holdings from 1974 to 1986. Sir Anthony is presently Chairman of the St Giles Trust (since 2009), and the Minton Trust (since 2007). He is a Director of Williams-Sonoma Inc. (since 2007), and United Church Schools which is now known as United Learning (since 2005). He was a Director of Robert Mondavi from 2000 to 2005. Sir Anthony was honored with a knighthood in 1999 for his services to the beverage industry and is also a Fellow Member of the Chartered Institute of Management Accountants. The business address of Sir Anthony is the Minton Trust, Dores Hill, North Sydmonton, Newbury, Berkshire RG20 9AF, England.

Gareth Williams was appointed to our Board of Directors in January 2014. Currently Mr. Williams serves as the Non-Executive Director of YSC and as an independent director of Saga plc. He also served as the advisor to the CEO of Diageo Plc until June 2014. Prior to his appointment to our Board, he was Director Human Resources at Diageo plc, one of the world's leading premium drink companies. Prior to taking over as Head of Human Resources at Diageo in January 1999, Mr. Williams held a series of key positions in HR at Grand Metropolitan, plc in North America and the UK from 1984 to 1998, leading up to the merger with Guinness that formed Diageo. Before joining Grand Metropolitan, he spent 10 years with Ford of Britain in a number of HR roles. Mr. Williams graduated with a Bachelor of Arts degree in Economics from Warwick University. The business address of Mr. Williams is High Trees, Wildernesse Avenue, Sevenoaks, Kent TN15 0EA, UK.

Jeremy Young was appointed to our Board of Directors in May 2004, as a nominee of Warburg Pincus which was the principal shareholder of our company. Having exited Warburg Pincus, he became independent director from January 2013. During his 20 years at Warburg Pincus, he ran the firm's Healthcare, Internet and Business Services

sectors in Europe, headed the German office and was responsible for fundraising in Europe and the Middle East. Prior to joining Warburg Pincus in 1992, Mr. Young held various positions at Baxter Healthcare International, Booz, Allen & Hamilton International and Cellular Transplant/Cytotherapeutics. He received a Bachelor of Arts degree from Cambridge University and a Master of Business Administration degree from Harvard Business School. He is currently a Vice Chairman of The Haemophilia Society, a UK-based charitable organization. The business address for Mr. Young is Gloucester House, 29 Pembridge Gardens, London W2 4EB, England.

John Freeland was appointed to our Board of Directors in September 2014. Mr. Freeland is the Chairman and Co-founder of Surface Architectural Supply Inc. He is also the founder of JF Fitness of Virginia. He was on the Board of Compuware Corporation from March 2014 until December 2014. He has over 35 years of experience. Most recently, he was the CEO of Symphony Information Resources, Inc. from October 2007 to May 2012, a leading global provider of information, insights and decision solutions. In his previous roles, he was President Worldwide Operations for salesforce.com and a Managing Partner at Accenture in the areas of global Insurance and global Customer Relationship Management. During his 26-year career at Accenture, he was also appointed as a member of Accenture's executive committee. Mr. Freeland has a Bachelor of Arts degree in Economics from Columbia College and a Master of Business Administration degree from Columbia University. The business address of Mr. Freeland is 1241 Gulf of Mexico Drive, Apt 1103 Longboat Key, Florida 34228, US.

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Keshav R. Murugesh was appointed as our Group Chief Executive Officer and director in February 2010. Mr. Murugesh is based out of Mumbai. Prior to joining WNS, Mr. Murugesh was the Chief Executive Officer of Syntel Inc., a Nasdaq-listed information technology company. He holds a Bachelor of Commerce degree and is a Fellow of The Institute of Chartered Accountants of India. Prior to Syntel, he worked in various capacities with ITC Limited, an affiliate of BAT Plc. between 1989 and 2002. He is the chairman of the Business Process Management (BPM) Council of NASSCOM since 2013 and a nominated member of the NASSCOM Executive Council. NASSCOM is the industry association for the IT-BPM sector in India. He is on the Board of WNS Cares Foundation, a company that focuses on sustainability initiatives. He was the Chairman of SIFE (Students in Free Enterprise) India, which is a global organization involved in educational outreach projects in partnership with businesses across the globe, from 2005 to 2011. The business address for Mr. Murugesh is Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli West, Mumbai 400 079, India.

Michael Menezes was appointed to our Board of Directors in January 2014. Mr. Menezes presently serves as the special advisor to the Continental Bank of Canada and also as an Executive-in-Residence to the MBA students at Ryerson University in Toronto on a voluntary basis. He has also set up a sole proprietor business, Acumentor Inc. which is engaged in providing consulting and other services. Most recently, he was the CFO, Technology, Operations and Corporate Group at Bank of Montreal from 2000 to 2012. Mr. Menezes has over two decades of global exposure, both as CEO and CFO in the Financial Services, Consumer Goods and Agri-business sectors. In his previous stints, he has been the CFO for ONIC (Holding), CEO of ITC Agro Tech Ltd., India, apart from holding various senior finance roles at ITC Ltd. in India. Mr. Menezes received a Bachelor of Arts Degree in Economics from University of Delhi, India and a Master's degree in Economics from London School of Economics, UK. He is also a Chartered Accountant (CA) from the Institute of Chartered Accountants of India. The home/ business address of Mr. Menezes is 220 Cummer Avenue, Toronto, Canada M2M 2E7.

Renu S. Karnad was appointed to our Board of Directors in September 2012. Mrs. Karnad had joined Housing Development Finance Corporation Limited (HDFC Ltd) in 1978 and is currently serving as the Managing Director of HDFC Limited. She is also a director on several other Boards, including BOSCH Limited, Gruh Finance Limited, HDFC Bank Limited, HDFC Asset Management Company Limited, HDFC Ergo General Insurance Company Limited, HDFC Property Ventures Limited, HDFC Standard Life Insurance Company Limited, Credila Financial Services Private Limited, Indraprastha Medical Corporation Limited, Feedback Infrastructure Services Private Limited, Lafarge India Private Limited, EIH Limited, HIREF International LLC, HIREF International Fund II Pte. Limited, HIF International Fund Pte. Limited, ABB India Limited, H T Parekh Foundation, and HDFC Plc. Mrs. Karnad holds a Master's degree in Economics from the University of Delhi and is a graduate in law from the University of Mumbai. She has also been a Parvin Fellow at Princeton University's Woodrow Wilson School of International Affairs. The business address of Mrs. Karnad is HDFC Limited, Capital Court, 1st Floor, Munirka, Off Palme Marg, New Delhi 110067.

Our Board believes that each of our company's directors is skilled, experienced and qualified to serve as a member of the Board and its committees. Each of the directors, because of their diverse business experience and background, contribute significantly in managing the affairs of our company. The Board of Directors has not adopted any formal policy with respect to diversity, however, our Board of Directors believes that it is important for its members to represent diverse viewpoints and contribute in the Board's decision making process. Our Board evaluates candidates for election to the Board; the Board seeks candidates with certain qualities that it believes are important, including experience, integrity, an objective perspective, business acumen and leadership skills. The continuing service by our directors promotes stability and continuity in the boardroom and gives us the benefit of their familiarity and insights into our business.

Executive Officers

Keshav R. Murugesh is our Group Chief Executive Officer. Please see Directors above for Mr. Murugesh's biographical information.

Sanjay Puria serves as our Group Chief Financial Officer. He is based out of Mumbai, India and leads WNS's global finance function. Presently, he serves on the Board of WNS Cares Foundation. Mr. Puria has over 16 years of experience, out of which over 12 years have been in the offshore services industry. He is a veteran at WNS, having managed several key finance functions including corporate strategy, mergers and acquisitions, financial planning and analysis, and strategic business development before taking over as the Group CFO in August 2013. Prior to joining WNS in 2010, he was at the helm of operations for a global provider of integrated information technology and knowledge process outsourcing solutions, where his role centered around managing acquisitions, joint ventures, complex and multi-year contracts, strategizing on geographical expansion, revenue and cost management, pricing and commercials, and implementation of LEAN initiatives. Mr. Puria is a Chartered Accountant (CA) from the Institute of Chartered Accountants of India and has passed the Certified Public Accountant (CPA) examination from the American Institute of Certified Public Accountants. The business address of Mr. Puria is Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli, (West) Mumbai 400 079, India.

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Ronald Gillette is our Chief Operating Officer and is responsible for WNS' global sales, operations and capability creation. Based in Mumbai, he drives WNS' strategic plans and operating results. Prior to joining WNS in 2013, Mr. Gillette worked with Xerox in the US and Europe from 2007 to 2013. Most recently, he was the Group President, Xerox Business Services in Europe with responsibility for all Financial Services and Insurance clients, and previously led its global Finance and Accounting Outsourcing (FAO) business. Before joining Xerox Services, Gillette was a senior partner at Accenture, responsible for growing its BPM business. He has also worked with Deloitte Consulting, Ernst & Young and EDS in various leadership roles with a focus on building outsourcing businesses. He has a Bachelor of Science degree from the United States Military Academy, at West Point. He holds a Master's in Business Administration degree from Marymount University in Arlington, Virginia. The business address of Mr. Gillette is Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli, (West) Mumbai 400 079, India.

Swaminathan Rajamani is our Chief People Officer. He leads WNS' Human Resources function, and is responsible for the entire gamut of people-oriented processes. Prior to joining WNS in November 2010, he was with CA Technologies, where he served as Vice President Human Resources and was the Country Head HR for India. He has also served as Head of HR Operations at Syntel and thereafter, for a short while, was its Global HR Head. Prior to Syntel, he had a long tenure at GE spanning multiple roles such as Master Black Belt HR and Assistant Vice President and Head Operations for HR, Customer Research and Operational Analytics, apart from other roles in mergers and acquisitions. Presently, he serves on the Board of WNS Cares Foundation and WNS Global Services Private Limited. He is a certified Change Acceleration Coach and a keen practitioner of Six Sigma. Swaminathan has a Master's in Social Work (MSW) from the University of Madras. The business address of Mr. Rajamani is Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli, (West) Mumbai 400 079, India.

B. Compensation**Compensation Discussion and Analysis*****Compensation Objectives***

Our compensation philosophy is to align employee compensation with our business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain highly talented individuals who are committed to our core values: clients first, integrity, respect, collaboration, learning and excellence. We believe that our compensation programs are integral to achieving our goal of "One WNS One Goal Outperform!"

Our Compensation Committee is responsible for reviewing the overall goals and objectives of our executive compensation programs, as well as our compensation plans, and making changes to such goals, objectives and plans. Our Compensation Committee bases our executive compensation programs on the following objectives, which guide us in establishing and maintaining all of our compensation programs:

Pay Differentiation: Based on the Job Responsibility, Individual Performance and Company Performance. As employees progress to higher levels in our company, their ability to directly impact our results and strategic initiatives increases. Therefore, as employees progress, an increasing proportion of their pay is linked to company performance and tied to creation of shareholder value.

Pay for Performance. Our compensation is designed to pay for performance and thus we provide higher compensation for strong performance and, conversely, lower compensation for poor performance and/or

where company performance falls short of expectations. Our compensation programs are designed to ensure that successful, high-performing employees remain motivated and committed during periods of temporary downturns in our performance.

Balanced in Focus on Long Term versus Short Term Goals. As part of our compensation philosophy, we believe that equity-based compensation should be higher for employees with greater levels of responsibility and influence on our long term results. Therefore, a significant portion of these individuals' total compensation is dependent on our long term share price appreciation. In addition, our compensation philosophy seeks to incentivize our executives to focus on achieving short term performance goals in a manner that supports and encourages long term success and profitability.

Competitive Value of the Job in the Marketplace. In order to attract and retain a highly skilled work force in a global market space, we remain competitive with the pay of other employers who compete with us for talent in relevant markets.

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Easy to understand. We believe that all aspects of executive compensation should be clearly, comprehensibly and promptly disclosed to employees in order to effectively motivate them. Employees need to easily understand how their efforts can affect their pay, both directly through individual performance accomplishments and indirectly through contributions to achieving our strategic, financial and operational goals. We also believe that compensation for our employees should be administered uniformly across our company with clear-cut objectives and performance metrics to eliminate the potential for individual supervisor bias.

Our Compensation Committee also considers risk when developing our compensation programs and believes that the design of our compensation programs should not encourage excessive or inappropriate risk taking.

Components of Executive Compensation

The compensation of our executive officers consists of the following five primary components:

Base salary or, in the case of executive officers based in India, fixed compensation;

Cash bonus or variable incentive;

Equity incentive grants of RSUs;

Other benefits and perquisites; and

Severance benefits.

The following is a discussion of our considerations in determining each of the compensation components for our executive officers.

Base Salary or Fixed Compensation

Base salary is a fixed element of our executives' annual cash compensation, which is not tied to any performance criteria. We consider base salary an important part of an executive's compensation and our Compensation Committee reviews each executive officer's base salary annually as well as at the time of a promotion or other change in responsibility. Any base salary adjustments are usually approved early in the fiscal year, effective as at April 1, or as set out in the relevant employment agreement. The specific amount of base salary for each executive officer depends on the executive's role, scope of responsibilities, experience and skills. Market practices are also considered in setting base salaries. Base salaries are intended to assist us in attracting executives and recognizing differing levels of responsibility and contribution among executives.

Cash Bonus or Variable Incentive

In addition to base salary, annual cash bonuses are another important piece of total compensation for our executive officers. Annual bonus opportunities are intended to support the achievement of our business strategies by tying a meaningful portion of compensation to the achievement of established objectives for the year. These objectives are

discussed in more detail below. Annual bonus opportunities also are a key tool in attracting highly sought-after executives, and cash bonuses add a variable component to our overall compensation structure.

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Equity Incentive Grants of RSUs

Our equity-based incentive program, through which we grant RSUs, is a key element of the total compensation for our executive officers. This equity-based incentive program is intended to attract and retain highly qualified individuals, align their long term interests with those of our shareholders, avoid short term focus and effectively execute our long term business strategies. Our equity-based compensation is subject to multi-year vesting requirements by which executives' gains can either be realized through (i) the achievement of set performance criteria and continued employment through the vesting period, or, simply, (ii) continued employment through the vesting period.

We believe that the executive officers of our Company should also own and hold our equity to further align their interests with the long-term interests of our shareholders and further promote our commitment to sound corporate governance practices. To achieve this, we have adopted share ownership guidelines, pursuant to which each executive officer is required to achieve their respective target share ownership level over a period of five years. For further details see Part I Item 6E Share Ownership Share Ownership Guidelines

Other Benefits and Perquisites

We provide benefits and perquisites to our executive officers that are generally available to and consistent with those provided to our other employees in the country in which the executive officer is located. We believe these benefits are consistent with the objectives of our compensation philosophy and allow our executive officers to work more efficiently. Such benefits and perquisites are intended to enhance the competitiveness of our overall compensation program. Such benefits normally include medical, accidental and life insurance coverage, retirement benefits, club membership, reimbursement of telephone expenses, a car and related maintenance expenses, leased residential accommodation and other miscellaneous benefits which are customary in the location where the executive officer resides and are generally available to other employees in the country. All executive officers are covered by the directors' and officers' liability insurance policy maintained by us.

Severance Benefits

Under the terms of our employment agreements, we are sometimes obligated to pay severance or other enhanced benefits to our executive officers upon termination of their employment.

Our executive officers globally have enhanced levels of benefits based on their job level, seniority and probable loss of employment after a change in control. Executive officers generally are paid severance for a longer period as compared to other employees.

Accelerated vesting of equity awards. All granted but unvested share options and RSUs would vest immediately and become exercisable by our executive officers subject to certain conditions set out in the applicable equity incentive plans or their individual employment agreements.

Severance and notice payment. Eligible terminated executive officers would receive severance and notice payments as reflected in their individual employment agreements.

Benefit continuation. Eligible terminated executive officers would receive basic employee benefits such as medical and life insurance and other perquisites as reflected in their individual employment agreements. In addition, we provide change in control severance protection to certain executive officers. Our Compensation Committee believes that such protection is intended to preserve employee morale and productivity and encourage retention in the face of the disruptive impact of an actual or rumored change in control. In addition, for executive officers, the program is intended to align executive officers' and shareholders' interests by enabling executive officers to consider corporate transactions that are in the best interests of our shareholders and other constituents without undue concern over whether the transactions may jeopardize the executive officers' own interest or employment.

Table of Contents***Our Assessment Process***

Our Compensation Committee has established a number of processes to assist it in ensuring that our executive compensation programs are achieving their objectives. Our Compensation Committee typically reviews each component of compensation at least every 12 months with the goal of allocating compensation between long term and currently paid compensation and between cash and non-cash compensation, and combining the compensation elements for each executive in a manner we believe best fulfills the objectives of our compensation programs.

Our Compensation Committee is responsible for reviewing the performance of each of our executive officers, approving the compensation level of each of our executive officers, establishing criteria for the grant of equity awards for each of our executive officers and approving such equity grants. Each of these tasks is generally performed annually by our Compensation Committee.

There are no predetermined individual or corporate performance factors or goals that are used by our Compensation Committee to establish the amounts or mix of any elements of compensation for the executive officers. Our Compensation Committee works closely with our Group Chief Executive Officer, discussing with him our company's overall performance and his evaluation of and compensation recommendations for our executive officers. From time to time, our Compensation Committee also seeks the advice and recommendations of an external compensation consultant to benchmark certain components of our compensation practices against those of its peers. The companies selected for such benchmarking include companies in similar industries and generally of similar sizes and market capitalizations. Where compensation information is not available for any specific position an executive officer holds for companies that provide business and technology services, our Compensation Committee reviews data corresponding to the most comparable position and also considers the comparative experience of executives.

Our Compensation Committee then utilizes its judgment and experience in making all compensation determinations. Our Compensation Committee's determination of compensation levels is based upon what the members of the committee deem appropriate, considering information such as the factors listed above, as well as input from our Group Chief Executive Officer and, from time to time, information and advice provided by an independent compensation consultant.

Other processes that our Compensation Committee has established to assist in ensuring that our compensation programs operate in line with their objectives are:

Assessment of Company Performance: Our Compensation Committee uses financial performance measures to determine a significant portion of the size of payouts under our cash bonus program. The financial performance measures, adopted on improving both top line (which refers to our revenue less repair payments as described in Part I Item 5. Operating and Financial Review and Prospects Overview) and bottom line (which refers to our adjusted net income, or ANI, which is calculated as our profit excluding amortization of intangible assets and share-based compensation) and other measures, such as operating margin are pre-established by our Compensation Committee annually at the beginning of the fiscal year. When the pre-determined financial measures are achieved, executive officers receive amounts that are set for these targets. These measures reflect targets that are intended to be aggressive but attainable. The remainder of an individual's payout under our cash bonus program is determined by the achievement of individual performance objectives.

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Assessment of Individual Performance: Individual performance has a strong impact on the compensation of all employees, including our executive officers. The evaluation of an individual's performance determines a portion of the size of payouts under our cash bonus program and also influences any changes in base salary. At the beginning of each fiscal year, our Compensation Committee, along with our Group Chief Executive Officer, set the respective performance objectives for the fiscal year for the executive officers. The performance objectives are initially proposed by our Group Chief Executive Officer and modified, as appropriate, by our Compensation Committee based on the performance assessment conducted for the preceding fiscal year and also looking at goals for the current fiscal year. Every evaluation metric is supplemented with key performance indicators. At the end of the fiscal year, our Group Chief Executive Officer discusses individuals' respective achievement of the pre-established objectives as well as their contribution to our company's overall performance and other leadership accomplishments. This evaluation is shared with our Compensation Committee. After the discussion, our Compensation Committee, in discussion with our Group Chief Executive Officer, assigns a corresponding numerical performance rating that translates into specific payouts under our cash bonus program and also influences any changes in base salary.

The Compensation Committee approves awards under our cash bonus or variable incentive program consistent with the achievement of applicable goals. The Committee on occasion makes exceptions to payments in strict accordance with achievement of goals based on unusual or extraordinary circumstances. Executive officers must be on the payroll of our company on the last day of the fiscal year, March 31, to be eligible for payment under our cash bonus or variable incentive program.

Although most of our compensation decisions are taken in the first quarter of the fiscal year, our compensation planning process neither begins nor ends with any particular Compensation Committee meeting. Compensation decisions are designed to promote our fundamental business objectives and strategy. Our Compensation Committee periodically reviews related matters such as succession planning, evaluation of management performance and consideration of the business environment and considers such matters in making compensation decisions.

Benchmarking and Use of Compensation Consultant for Fiscal 2015

During fiscal 2015, our Compensation Committee reviewed compensation programs for our executive officers against publicly available compensation data, which was compiled directly by our external compensation consultant. The companies selected by our external compensation consultant for its survey for benchmarking our executive officers compensation included companies in similar industries and generally of similar sizes and market capitalizations.

The list of peer companies against which we benchmarked the compensation of our executive officers in fiscal 2015 included the following:

Genpact Limited;

EXL Service Holdings Inc.;

First Source Solutions Limited;

Cap Gemini;

iGate;

Mphasis Limited;

Syntel;

Wipro Technologies (BPO);

Steria; and

Tech Mahindra.

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Our Compensation Committee used the data derived by our external compensation consultant primarily to ensure that our executive compensation programs are competitive. A selected subset of peer companies from those listed above that were found most closely comparable as benchmark for a particular position were considered to arrive at the compensation benchmark review of individual executive officers. Where compensation information was not publicly disclosed for a specific management position in the relevant industry, our Compensation Committee reviewed data corresponding to the most comparable position and also considered the comparative experience of the relevant executive officers.

There is enough flexibility in the existing compensation programs to respond and adjust to the evolving business environment. Accordingly, an individual's compensation elements could be changed by our Compensation Committee based on changes in job responsibilities of the executive. In addition to input from our external compensation consultant's survey, our Compensation Committee also took into consideration our performance and industry indicators in deciding our compensation for fiscal 2015.

Based on the elements listed above and in line with our compensation philosophy, in fiscal 2015 our Compensation Committee adjusted our executive officers compensation as described in Executive Compensation for Fiscal 2015 below.

Executive Compensation for Fiscal 2015***Total Compensation of Executive Officers***

The following table sets forth the total compensation paid or proposed to be paid to each of our Chief Executive Officer, Chief Financial Officer and other named executive officers for services rendered in fiscal 2015 (excluding grants of RSUs which are described below). The individual compensation of Messrs. Keshav R. Muruges, Sanjay Puria, Ronald Gillette and Swaminathan Rajamani are disclosed in the statutory / annual accounts of our subsidiary, WNS Global Services (P) Ltd., filed with the Registrar of Companies in the state of India where its registered office is located.

Name	Base Salary⁽¹⁾	Benefits	Bonus	Total
Keshav R. Muruges	\$ 560,475	\$ 54,996	\$ 1,047,683	\$ 1,663,154
Sanjay Puria	\$ 197,821	\$ 10,789	\$ 183,568	\$ 392,178
Ronald Gillette	\$ 392,527	\$ 21,080	\$ 394,138	\$ 807,745
Swaminathan Rajamani	\$ 174,456	\$ 9,530	\$ 161,887	\$ 345,873
Total	\$ 1,325,279	\$ 96,395	\$ 1,787,276	\$ 3,208,950

Note:

- (1) Base salary does not include amount contributed towards provident fund which is set out in the table under Other Benefits and Perquisites .
Base Salary or Fixed Compensation

In reviewing base salaries for executive officers, our Compensation Committee reviewed compensation programs for our executive officers against publicly available compensation data compiled by our external compensation consultant and considered local market conditions, market data, the executive officer's experience and responsibilities, the perceived risk of having to replace the named executive officer and the fact that the executive officers for fiscal 2015 had satisfactorily performed against their prior year's individual performance objectives.

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Our Compensation Committee has made the following changes to the base salary from the prior year's level :

Mr. Keshav R. Murugesh's base salary (including employer contribution towards Provident Fund (Retirement Benefit)) was revised to \$656,927 from \$597,206 in fiscal 2015. The salary revision was effective February 19, 2015.

Mr. Sanjay Puria's base salary (including employer contribution towards Provident Fund (Retirement Benefit)) was revised to \$207,795 from \$163,618 in fiscal 2015. The salary revision was effective April 1, 2014.

Mr. Ronald Gillette's base salary (including employer contribution towards Provident Fund (Retirement Benefit)) was \$412,318 in fiscal 2015. There was no change in the compensation during 2015.

Mr. Swaminathan Rajamani's base salary (including employer contribution towards Provident Fund (Retirement Benefit)) was revised to \$183,253 from \$163,618 in fiscal 2015. The salary revision was effective April 1, 2014.

Cash Bonus or Variable Incentive

Our Compensation Committee believes that the executive officers must work as a team and focus primarily on company goals rather than solely on individual goals. Our Compensation Committee believes that enhancing the long term value of our company requires increased revenue (both from existing and new clients), improved contribution and increased ANI. Finally our Compensation Committee believes it must also reward and encourage individual performance and therefore assigned certain weightages of the variable incentive to company and individual objectives, including achievement of targets for our revenue less repair payments, ANI, operating margin and certain individual goals for various executive officers. Such bonuses are typically paid in April and/or May each year. The aggregate amount of all cash bonuses to be paid for fiscal 2015 does not exceed the aggregate cash bonus pool approved by our Compensation Committee for the fiscal year 2015. Each of our executive officers' variable incentive packages for fiscal 2015 are as described below:

Our Compensation Committee set Mr. Murugesh's target variable incentive, or cash bonus, for 2015 at \$656,927 for 100% achievement of objectives. Our Compensation Committee assigned as Mr. Murugesh's performance objectives the achievement of targets for our revenue less repair payments and ANI, and individual performance objectives. Mr. Murugesh earned 173.5% of his variable incentive amount on an overall basis.

Our Compensation Committee set Mr. Puria's target variable incentive for 2015 at \$103,898 for 100% achievement of objectives. Our Compensation Committee assigned as Mr. Puria's performance objectives the achievement of targets for our revenue less repair payments and ANI, and individual performance objectives. Based on actual performance against these various objectives, Mr. Puria earned 176.7% of his variable incentive amount on an overall basis.

Our Compensation Committee set Mr. Gillette's target variable incentive for 2015 at \$412,318 for 100% achievement of objectives. Our Compensation Committee assigned as Mr. Gillette's performance objectives the achievement of targets for revenue less repair payments, ANI and operating margins for our various vertical business units, and individual performance objectives. Based on actual performance against these various objectives, Mr. Gillette earned

95.6% of his variable incentive amount on an overall basis.

Our Compensation Committee set Mr. Swaminathan's target variable incentive for 2015 at \$91,626 for 100% achievement of objectives. Our Compensation Committee assigned as Mr. Swaminathan's performance objectives the achievement of targets for our revenue less repair payments and ANI, and individual performance objectives. Based on actual performance against these various objectives, Mr. Swaminathan earned 176.7% of his variable incentive amount on an overall basis.

Table of Contents*Equity Incentive Grants of RSUs*

During fiscal 2015, we continued the equity incentive scheme which has a vesting schedule linked to continued employment with our company through vesting date, achievement of financial performance targets and achievement of a certain level of share price appreciation.

Consistent with our philosophy on equity grants to our executive officers, we awarded the following number of RSUs to our executive officers:

Name	Date of Grant	Total RSUs Granted for Fiscal 2015	Grant Date Fair Value (\$ (1))	Expiration Date
Keshav R. Murugesh	29-Apr-14	324,537	\$ 19.27	28-Apr-24
Sanjay Puria	29-Apr-14	30,000	\$ 19.27	28-Apr-24
Ronald Gillette	29-Apr-14	26,400	\$ 19.27	28-Apr-24
Swaminathan Rajamani	29-Apr-14	21,600	\$ 19.27	28-Apr-24

Note:

- (1) The amounts shown under this column reflect the dollar amount of the grant date fair value of equity-based RSUs granted during the year. The fair value of RSUs is generally the market price of our shares on the date of grant.

Other Benefits and Perquisites

The retirement plans, health and welfare benefits provided to executive officers are the same plans and benefits available to all other employees of our company.

All directors and officers, including executive officers, are covered by the directors and officers liability insurance policy maintained by our company.

Additional perquisites provided to executive officers in fiscal 2015 are summarized below:

Name	Provident Fund	Insurance Benefits	Club Membership	Total
Keshav R. Murugesh	\$ 43,485	\$ 1,768	\$ 9,744	\$ 54,997
Sanjay Puria	\$ 9,974	\$ 814	\$	\$ 10,788
Ronald Gillette	\$ 19,791	\$ 1,289	\$	\$ 21,080
Swaminathan Rajamani	\$ 8,796	\$ 734	\$	\$ 9,530
Total	\$ 82,046	\$ 4,605	\$ 9,744	\$ 96,395

Table of Contents**Non-executive Director Compensation for Fiscal 2015***Total Compensation of Non-executive Directors*

The following table sets forth the compensation paid or proposed to be paid to our non-executive directors for services rendered in fiscal 2015 (excluding grants of RSUs which are described below):

Name	Retainer Fees	Sitting Fees	Non-executive Chairman	Total
Eric B. Herr ⁽¹⁾	\$ 5,250	\$ 1,000	\$	\$ 6,250
Adrian T. Dillon	\$ 63,000	\$ 4,000	\$ 120,000 ⁽²⁾	\$ 187,000
Jeremy Young	\$ 63,000	\$ 4,000	\$	\$ 67,000
Anthony A. Greener	\$ 63,000	\$ 6,000	\$	\$ 69,000
Albert Aboody	\$ 63,000	\$ 4,000	\$ 15,000 ⁽³⁾	\$ 82,000
Renu S. Karnad	\$ 63,000	\$ 4,000	\$	\$ 67,000
Gareth Williams	\$ 63,000	\$ 3,000	\$	\$ 66,000
Michael Menezes	\$ 63,000	\$ 4,000	\$	\$ 67,000
John Freeland ⁽⁴⁾	\$ 36,750	\$ 2,000	\$	\$ 38,750
Total	\$ 483,000	\$ 32,000	\$ 135,000	\$ 650,000

Notes:

- (1) Mr. Eric B. Herr retired as a director of our company with effect from April 30, 2014.
(2) Fee paid to Mr. Adrian T. Dillon for serving as chairman of our Board of Directors in fiscal 2015.
(3) Fee paid to Mr. Albert Aboody for serving as chairman of our Audit Committee in fiscal 2015.
(4) Mr. John Freeland was appointed as a director of our company with effect from September 1, 2014.

Equity Incentive Grants of RSUs to Non-executive Directors

The following table sets forth information concerning RSUs awarded to our non-executive directors in fiscal 2015. No options were granted in fiscal 2015.

Name	Date of Grant	Total RSUs Granted for Fiscal 2015	Grant Date Fair Value (\$)⁽¹⁾	Expiration Date
Adrian T. Dillon	22-Jul-14	8,940	\$ 20.47	21-Jul-24
Jeremy Young	22-Jul-14	3,078	\$ 20.47	21-Jul-24
John Freeland ⁽²⁾	21-Oct-14	6,235	\$ 20.21	20-Oct-24
Anthony A. Greener	22-Jul-14	3,078	\$ 20.47	21-Jul-24
Albert Aboody	22-Jul-14	3,810	\$ 20.47	21-Jul-24
Renu S. Karnad	22-Jul-14	3,078	\$ 20.47	21-Jul-24

Gareth Williams	22-Jul-14	3,078	\$	20.47	21-Jul-24
Michael Menezes	22-Jul-14	3,078	\$	20.47	21-Jul-24

Notes:

- (1) The amounts shown under this column reflect the dollar amount of the aggregate grant date fair value of equity-based RSUs granted during the year. The fair value of RSUs is generally the market price of our shares on the date of grant.
- (2) Mr. John Freeland was appointed as a director of our company with effect from September 1, 2014.

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Future grants of awards will continue to be determined by our Board of Directors or our Compensation Committee under the Third Amended and Restated 2006 Incentive Award Plan.

Employment Agreement of our Executive Director

We entered into an employment agreement with Mr. Keshav R. Muruges in February 2010, which was amended with effect from February 19, 2013, to serve as our Group Chief Executive Officer for a five-year term, which will renew automatically for three additional successive terms of three years each, unless either we or Mr. Muruges elects not to renew the term. Our employment agreement with Mr. Muruges was further amended effective February 19, 2014 to revise Mr. Muruges' s compensation (including share grants).

Under the terms of the amended agreement, Mr. Muruges is entitled to receive compensation, health and other benefits and perquisites commensurate with his position. Pursuant to the agreement, Mr. Muruges will be eligible to receive annually such number of RSUs to be computed based on our average share price (taking the daily US dollar closing price) during March of the fiscal year preceding the date of such determination and the value of such grant shall not be less than eight times the sum of his annual base salary. Mr. Muruges is entitled to receive additional performance-based grants for meeting additional performance-based criteria, the value of such grant being up to 20% of six times the sum of his annual base salary. Any grants of RSUs to Mr. Muruges will be made pursuant to and in accordance with our Third Amended and Restated 2006 Incentive Award Plan.

If Mr. Muruges' s employment is terminated by us without cause or by Mr. Muruges for good reason (each as defined in the amended agreement) or is terminated for any reason other than those specified in the amended agreement (including without limitation, expiration of his employment period or we elect not to extend his employment), he would be entitled to all accrued and unpaid salary, accrued and unused vacation and any unreimbursed expenses. Mr. Muruges would also be entitled to vested benefits and other amounts due to him under our employee benefit plans. Further, where Mr. Muruges' s employment is terminated for any reason other than those specified in the amended agreement (including without limitation, expiration of his employment period or we elect not to extend his employment), he will also be entitled to his base salary for a period of 12 months from the effective date of termination and his target bonus for the year in which the termination occurs, both of which will be paid immediately, and all of the share options and RSUs granted to him will vest and the share options and RSUs would become exercisable on a fully accelerated basis.

Further, where Mr. Muruges' s employment is terminated for reasons of death, disability or retirement as specified in the amended agreement, he would be entitled to all accrued and unpaid salary and bonus, accrued and unused vacation, any unreimbursed expenses and vested benefits and other amounts due to him under our employee benefit plans, and all of the share options and RSUs granted to him will vest and the share options and RSUs would become exercisable on a fully accelerated basis.

In addition to the above, if Mr. Muruges' s employment is terminated by us without cause or by Mr. Muruges for good reason, and Mr. Muruges executes and delivers a non-revocable general release of claims in favor of our company, subject to his continued compliance with certain non-competition and confidentiality obligations, Mr. Muruges would be entitled to receive the following severance payments and benefits from us:

1. His base salary for a period of 12 months from the effective date of termination, which will be paid immediately;

2. His target bonus for the year in which the termination occurs, which will be paid immediately; and
3. Automatic accelerated vesting of RSUs or share options granted him that would have vested with him through the next two vesting dates of each grant from the effective date of termination. Full accelerated vesting will occur in case of termination of employment for good reason.

If we experience a change in control (as defined in our Third Restated and Amended Incentive Award Plan) while Mr. Murugesh is employed under the employment agreement, all of the share options and RSUs granted to Mr. Murugesh under the employment agreement will vest and the share options and RSUs would become exercisable on a fully accelerated basis.

Table of Contents**Employee Benefit Plans*****2002 Stock Incentive Plan***

We adopted the 2002 Stock Incentive Plan on July 3, 2002 to help attract and retain the best available personnel to serve us and our subsidiaries as officers, directors and employees. We terminated the 2002 Stock Incentive Plan upon our adoption of our 2006 Incentive Award Plan effective upon the pricing of our initial public offering as described below. Upon termination of the 2002 Stock Incentive Plan, the shares that would otherwise have been available for the grant under the 2002 Stock Incentive Plan were effectively rolled over into the 2006 Incentive Award Plan which was amended and restated in 2009 and any awards outstanding remain in full force and effect in accordance with the terms of the 2002 Stock Incentive Plan.

Administration. The 2002 Stock Incentive Plan is administered by our Board of Directors, which may delegate its authority to a committee (in either case, the Administrator). The Administrator has complete authority, subject to the terms of the 2002 Stock Incentive Plan and applicable law, to make all determinations necessary or advisable for the administration of the 2002 Stock Incentive Plan.

Eligibility. Under the 2002 Stock Incentive Plan, the Administrator was authorized to grant share options to our officers, directors and employees, and those of our subsidiaries, subject to the terms and conditions of the 2002 Stock Incentive Plan.

Share Options. Share options vest and become exercisable as determined by the Administrator and set forth in individual share option agreements, but may not, in any event, be exercised later than ten years after their grant dates. In addition, share options may be exercised prior to vesting in some cases. Upon exercise, an option holder must tender the full exercise price of the share option in cash, check or other form acceptable to the Administrator, at which time the share options are generally subject to applicable income, employment and other withholding taxes. Share options may, in the sole discretion of the Administrator as set forth in applicable award agreements, continue to be exercisable for a period following an option holder's termination of service. Shares issued in respect of exercised share options may be subject to additional transfer restrictions. Any grants of share options under the 2002 Stock Incentive Plan to US participants were in the form of non-qualified share options. Option holders, other than option holders who are employees of our subsidiaries in India, are entitled to exercise their share options for shares or ADSs in our company.

Corporate Transactions. If we engage in a merger or similar corporate transaction, except as may otherwise be provided in an individual award agreement, outstanding share options will be terminated unless they are assumed by a successor corporation. In addition, the Administrator has broad discretion to adjust the 2002 Stock Incentive Plan and any share options thereunder to account for any changes in our capitalization.

Amendment. Our Board of Directors may amend or suspend the 2002 Stock Incentive Plan at any time, provided that any such amendment or suspension must not impact any holder of outstanding share options without such holder's consent.

Transferability of Share Options. Each share option may be exercised during the option holder's lifetime only by the option holder. No share option may be sold, pledged, assigned, hypothecated, transferred or disposed of by an option holder other than by express permission of the Administrator (only in the case of employees of non-Indian subsidiaries), by will or by the laws of descent and distribution.

Number of Shares Authorized; Outstanding Options. As of the date of termination of the 2002 Stock Incentive Plan on July 25, 2006, the day immediately preceding the date of pricing of our initial public offering, an aggregate of 6,082,042 of our ordinary shares had been authorized for grant under the 2002 Stock Incentive Plan, of which options to purchase 2,116,266 ordinary shares were issued and exercised and options to purchase 3,875,655 ordinary shares were issued and outstanding. Of the options to purchase 3,875,655 ordinary shares, options to purchase 3,502,714 ordinary shares have been exercised and options to purchase 21,668 ordinary shares remain outstanding as at March 31, 2015. Options granted under the 2002 Stock Incentive Plan that are forfeited, lapsed or canceled, settled in cash, that expire or are repurchased by us at the original purchase price would have been available for grant under the 2002 Stock Incentive Plan and would be effectively rolled over into our 2006 Incentive Award Plan which was amended and restated in 2009.

Table of Contents***Third Amended and Restated 2006 Incentive Award Plan***

We adopted our 2006 Incentive Award Plan on June 1, 2006. The purpose of the 2006 Incentive Award Plan is to promote the success and enhance the value of our company by linking the personal interests of the directors, employees and consultants of our company and our subsidiaries to those of our shareholders and by providing these individuals with an incentive for outstanding performance. The 2006 Incentive Award Plan is further intended to provide us with the ability to motivate, attract and retain the services of these individuals. On February 13, 2009, we adopted the Amended and Restated 2006 Incentive Award Plan. The Amended and Restated 2006 Incentive Award Plan reflects, among other changes to our 2006 Incentive Award Plan, an increase in the number of ordinary shares and ADSs available for grant under the plan from 3.0 million to 4.0 million shares/ADSs, subject to specified adjustments under the plan. On September 13, 2011, we adopted the Second Amended and Restated 2006 Incentive Award Plan that reflects an increase in the number of ordinary shares and ADSs available for granted under the plan to 6.2 million shares/ADSs, subject to specified adjustments under the plan. On September 25, 2013, we adopted the Third Amended and Restated 2006 Incentive Award Plan that reflects an increase in the number of ordinary shares and ADSs available for granted under the plan to 8.6 million shares/ADSs, subject to specified adjustments under the plan.

Shares Available for Awards. Subject to certain adjustments set forth in the Third Amended and Restated 2006 Incentive Award Plan, the maximum number of shares that may be issued or awarded under the Third Amended and Restated 2006 Incentive Award Plan is equal to the sum of (x) 8,600,000 shares, (y) any shares that remain available for issuance under the 2002 Stock Incentive Plan, and (z) any shares subject to awards under the 2002 Stock Incentive Plan which terminate, expire or lapse for any reason or are settled in cash on or after the effective date of our 2006 Incentive Award Plan. The maximum number of shares which may be subject to awards granted to any one participant during any calendar year is 500,000 shares and the maximum amount that may be paid to a participant in cash during any calendar year with respect to cash-based awards is \$10,000,000. To the extent that an award terminates or is settled in cash, any shares subject to the award will again be available for the grant. Any shares tendered or withheld to satisfy the grant or exercise price or tax withholding obligation with respect to any award will not be available for subsequent grant. Except as described below with respect to independent directors, no determination has been made as to the types or amounts of awards that will be granted to specific individuals pursuant to the Third Amended and Restated 2006 Incentive Award Plan.

Administration. The Third Amended and Restated 2006 Incentive Award Plan is administered by our Board of Directors, which may delegate its authority to a committee. We anticipate that our Compensation Committee will administer the Third Amended and Restated 2006 Incentive Award Plan, except that our Board of Directors will administer the plan with respect to awards granted to our independent directors. The plan administrator will determine eligibility, the types and sizes of awards, the price and timing of awards and the acceleration or waiver of any vesting restriction, provided that the plan administrator will not have the authority to accelerate vesting or waive the forfeiture of any performance-based awards.

Eligibility. Our employees, consultants and directors and those of our subsidiaries are eligible to be granted awards, except that only employees of our company and our qualifying corporate subsidiaries are eligible to be granted options that are intended to qualify as incentive share options under Section 422 of the Code.

Awards

Options: The plan administrator may grant options on shares. The per share option exercise price of all options granted pursuant to the Third Amended and Restated 2006 Incentive Award Plan will not be less than 100% of the fair market value of a share on the date of grant. No incentive share option may be granted to a grantee who owns more

than 10% of our outstanding shares unless the exercise price is at least 110% of the fair market value of a share on the date of grant. To the extent that the aggregate fair market value of the shares subject to an incentive share option become exercisable for the first time by any option holder during any calendar year exceeds \$100,000, such excess will be treated as a non-qualified option. The plan administrator will determine the methods of payment of the exercise price of an option, which may include cash, shares or other property acceptable to the plan administrator (and may involve a cashless exercise of the option). The plan administrator shall designate in the award agreement evidencing each share option grant whether such share option shall be exercisable for shares or ADSs. The award agreement may, in the sole discretion of the plan administrator, permit the option holder to elect, at the time of exercise, whether to receive shares or ADSs in respect of the exercised share option or a portion thereof. The term of options granted under the Third Amended and Restated 2006 Incentive Award Plan may not exceed ten years from the date of grant. However, the term of an incentive share option granted to a person who owns more than 10% of our outstanding shares on the date of grant may not exceed five years. Under the Third Amended and Restated 2006 Incentive Award Plan, the number of awards to be granted to our independent directors will be determined by our Board of Directors or our Compensation Committee.

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Restricted Shares. The plan administrator may grant shares subject to various restrictions, including restrictions on transferability, limitations on the right to vote and/or limitations on the right to receive dividends.

Share Appreciation Rights. The plan administrator may grant share appreciation rights representing the right to receive payment of an amount equal to the excess of the fair market value of a share on the date of exercise over the fair market value of a share on the date of grant. The term of share appreciation rights granted may not exceed ten years from the date of grant. The plan administrator may elect to pay share appreciation rights in cash, in shares or in a combination of cash and shares.

Performance Shares and Performance Share Units. The plan administrator may grant awards of performance shares denominated in a number of shares and/or awards of performance share units denominated in unit equivalents of shares and/or units of value, including dollar value of shares. These awards may be linked to performance criteria measured over performance periods as determined by the plan administrator.

Share Payments. The plan administrator may grant share payments, including payments in the form of shares or options or other rights to purchase shares. Share payments may be based upon specific performance criteria determined by the plan administrator on the date such share payments are made or on any date thereafter.

Deferred Shares. The plan administrator may grant awards of deferred shares linked to performance criteria determined by the plan administrator. Shares underlying deferred share awards will not be issued until the deferred share awards have vested, pursuant to a vesting schedule or upon the satisfaction of any vesting conditions or performance criteria set by the plan administrator. Recipients of deferred share awards generally will have no rights as shareholders with respect to such deferred shares until the shares underlying the deferred share awards have been issued.

Restricted Share Units. The plan administrator may grant RSUs, subject to various vesting conditions. On the maturity date, we will transfer to the participant one unrestricted, fully transferable share for each vested RSU scheduled to be paid out on such date. The plan administrator will specify the purchase price, if any, to be paid by the participant for such shares. Generally, a participant will have to be employed by us on the date of payment of vested RSUs to be eligible to receive the payment of shares issuable upon vesting of the RSUs.

Performance Bonus Awards. The plan administrator may grant a cash bonus payable upon the attainment of performance goals based on performance criteria and measured over a performance period determined appropriate by the plan administrator. Any such cash bonus paid to a covered employee within the meaning of Section 162(m) of the Code may be a performance-based award as described below.

Performance-Based Awards. The plan administrator may grant awards other than options and share appreciation rights to employees who are or may be covered employees, as defined in Section 162(m) of the Code, that are intended to be performance-based awards within the meaning of Section 162(m) of the Code in order to preserve the deductibility of these awards for federal income tax purposes. Participants are only entitled to receive payment for performance-based awards for any given performance period to the extent that pre-established performance goals set by the plan administrator for the period are satisfied. The plan administrator will determine the type of performance-based awards to be granted, the performance period and the performance goals. Generally, a participant will have to be employed by us on the date the performance-based award is paid to be eligible for a performance-based award for any period.

Adjustments. In the event of certain changes in our capitalization, the plan administrator has broad discretion to adjust awards, including without limitation, (i) the aggregate number and type of shares that may be issued under the Third Amended and Restated 2006 Incentive Award Plan, (ii) the terms and conditions of any outstanding awards, and

(iii) the grant or exercise price per share for any outstanding awards under such plan to account for such changes. The plan administrator also has the authority to cash out, terminate or provide for the assumption or substitution of outstanding awards in the event of a corporate transaction.

Change in Control. In the event of a change in control of our company in which outstanding awards are not assumed by the successor, such awards will generally become fully exercisable and all forfeiture restrictions on such awards will lapse. Upon, or in anticipation of, a change in control, the plan administrator may cause any awards outstanding to terminate at a specific time in the future and give each participant the right to exercise such awards during such period of time as the plan administrator, in its sole discretion, determines.

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Vesting of Full Value Awards. Full value awards (generally, any award other than an option or share appreciation right) will vest over a period of at least three years (or, in the case of vesting based upon attainment of certain performance goals, over a period of at least one year). However, full value awards that result in the issuance of an aggregate of up to 5% to the total issuable shares under the Third Amended and Restated 2006 Incentive Award Plan may be granted without any minimum vesting periods. In addition, full value awards may vest on an accelerated basis in the event of a participant's death, disability, or retirement, or in the event of our change in control or other special circumstances.

Non-transferability. Awards granted under the Third Amended and Restated 2006 Incentive Award Plan are generally not transferable.

Withholding. We have the right to withhold, deduct or require a participant to remit to us an amount sufficient to satisfy federal, state, local or foreign taxes (including the participant's employment tax obligations) required by law to be withheld with respect to any tax concerning the participant as a result of the Third Amended and Restated 2006 Incentive Award Plan.

Termination or Amendment. Unless terminated earlier, the Third Amended and Restated 2006 Incentive Award Plan will remain in effect for a period of ten years from the effective date of the 2006 Incentive Award Plan, after which no award may be granted under the Third Amended and Restated 2006 Incentive Award Plan. With the approval of our Board of Directors, the plan administrator may terminate or amend the Third Amended and Restated 2006 Incentive Award Plan at any time. However, shareholder approval will be required for any amendment (i) to the extent required by applicable law, regulation or stock exchange rule, (ii) to increase the number of shares available under the Third Amended and Restated 2006 Incentive Award Plan, (iii) to permit the grant of options or share appreciation rights with an exercise price below fair market value on the date of grant, (iv) to extend the exercise period for an option or share appreciation right beyond ten years from the date of grant, or (v) that results in a material increase in benefits or a change in eligibility requirements. Any amendment or termination must not materially adversely affect any participant without such participant's consent.

Outstanding Awards. As at March 31, 2015, options or RSUs to purchase an aggregate of 3,138,638 ordinary shares were outstanding, out of which options or RSUs to purchase 990,392 ordinary shares were held by all our directors and executive officers as a group. The exercise prices of these options range from \$15.32 to \$35.30 and the expiration dates of these options range from July 24, 2016 to February 1, 2025. The weighted average grant date fair value of RSUs granted during fiscal 2015, 2014 and 2013 were \$19.19, \$14.87 and \$10.93 per ADS, respectively. There is no purchase price for the RSUs.

Other Employee Benefits

We also maintain other employee benefit plans in the form of certain statutory and incentive plans covering substantially all of our employees. For fiscal 2015, the total amount accrued by us to provide for pension, retirement or similar benefits was \$9.3 million.

Provident Fund

In accordance with Indian, Philippines and Sri Lankan laws, all of our employees in these countries are entitled to receive benefits under the respective government provident fund, a defined contribution plan to which both we and the employee contribute monthly at a pre-determined rate (for India and Sri Lanka, currently 12% of the employee's base salary and for the Philippines, 100 Philippines pesos per month for every employee). These contributions are made to the respective government provident fund and we have no further obligation under this fund apart from our monthly

contributions. We contributed an aggregate of \$5.8 million, \$5.1 million and \$5.1 million in each of fiscal 2015, 2014 and 2013, respectively, to the government provident fund.

US Savings Plan

Eligible employees in the US participate in a savings plan, or the US Savings Plan, pursuant to Section 401(k) of the United States Internal Revenue Code of 1986, as amended, or the Code. The US Savings Plan allows our employees to defer a portion of their annual earnings on a pre-tax basis through voluntary contributions there under. The US Savings Plan provides that we can make optional contributions up to the maximum allowable limit under the Code.

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UK Pension Scheme

Eligible employees in the UK contribute to a defined contribution pension scheme operated in the UK. The assets of the scheme are held separately from ours in an independently administered fund. The pension expense represents contributions payable to the fund by us.

Gratuity

In accordance with Indian, the Philippines and Sri Lankan laws, we provide for gratuity liability pursuant to a defined benefit retirement plan covering all our employees in India, the Philippines and Sri Lanka. Our gratuity plan provides for a lump sum payment to eligible employees on retirement, death, incapacitation or on termination of employment (provided such employee has worked for at least five years with our company) which is computed on the basis of employee's salary and length of service with us (subject to a maximum of approximately \$15,962 per employee in India). In India, we provide the gratuity benefit through determined contributions pursuant to a non-participating annuity contract administered and managed by the Life Insurance Corporation of India, or LIC, and Aviva Life Insurance Company Private Limited. Under this plan, the obligation to pay gratuity remains with us although LIC and Aviva Life Insurance Company Private Limited administer the plan. We contributed an aggregate of \$0.9 million, \$1.2 million and \$0.8 million in fiscal 2015, 2014 and 2013, respectively, to LIC and Aviva Life Insurance Company Private Limited.

Compensated Absence

Our liability for compensated absences is determined on an accrual basis for the entire unused vacation balance standing to the credit of each employee as at year-end and were charged to income in the year in which they accrue.

C. Board Practices

Composition of the Board of Directors

Our Memorandum and Articles of Association provide that our Board of Directors consists of not less than three directors and such maximum number as our directors may determine from time to time. Our Board of Directors currently consists of nine directors. Each of Messrs. Dillon, Aboody, Williams, Young, Freeland, Menezes, Mrs. Karnad and Sir Anthony satisfies the independence requirements of the NYSE rules.

All directors hold office until the expiry of their term of office, their resignation or removal from office for gross negligence or criminal conduct by a resolution of our shareholders or until they cease to be directors by virtue of any provision of law or they are disqualified by law from being directors or they become bankrupt or make any arrangement or composition with their creditors generally or they become of unsound mind. The term of office of the directors is divided into three classes:

Class I, whose term will expire at the annual general meeting to be held in fiscal 2017;

Class II, whose term will expire at the annual general meeting to be held in fiscal 2018; and

Class III, whose term will expire at the annual general meeting to be held in fiscal 2016. Our directors for fiscal 2015 are classified as follows:

Class I: Sir Anthony A. Greener, Mr. Gareth Williams and Mr. Adrian T. Dillon;

Class II: Mr. Keshav R. Muruges, Mr. Albert Aboody and Mr. Michael Menezes; and

Class III: Mr. Jeremy Young, Mr. John Freeland and Mrs. Renu S Karnad.

The appointments of Messrs. Young and Freeland and Mrs. Karnad will expire at the next annual general meeting, which we expect to hold in September 2015. Mr. Freeland and Mrs. Karnad have expressed their willingness to be re-elected and, accordingly, we propose to seek shareholders' approval for their re-election at the next annual general meeting. Mr. Jeremy Young has decided not to stand for re-election and hence his term of directorship will expire at the next annual general meeting, we are currently in the process of identifying a new director candidate.

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At each annual general meeting after the initial classification or special meeting in lieu thereof, the successors to directors whose terms will then expire serve from the time of election until the third annual meeting following election or special meeting held in lieu thereof. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. This classification of the Board of Directors may have the effect of delaying or preventing changes in control of management of our company.

There are no family relationships among any of our directors or executive officers. The employment agreement governing the services of one of our directors provide for benefits upon termination of employment as described above.

Our Board of Directors held five meetings in fiscal 2015.

Board Leadership Structure and Board Oversight of Risk

Different individuals currently serve in the roles of Chairman of the Board and Group Chief Executive Officer of our company. Our Board believes that splitting the roles of Chairman of the Board and Group Chief Executive Officer is currently the most appropriate leadership structure for our company. This leadership structure will bring in greater efficiency as a result of vesting two important leadership roles in separate individuals and increased independence for the Board of Directors.

Board's Role in Risk Oversight

Our Board of Directors is primarily responsible for overseeing our risk management processes. The Board of Directors receives and reviews periodic reports from the Head of Risk Management and Audit as considered appropriate regarding our company's assessment of risks. The Board of Directors focuses on the most significant risks facing our company and our company's general risk management strategy, and also ensures that risks undertaken by our company are consistent with the Board's appetite for risk. While the Board oversees our company's risk management, management is responsible for day-to-day risk management processes. We believe this division of responsibilities is the most effective approach for addressing the risks facing our company and that our Board leadership structure supports this approach.

The Audit Committee has special responsibilities with respect to financial risks, and regularly reports to the full Board of Directors on these issues. Among other responsibilities, the Audit Committee reviews our company's policies with respect to contingent liabilities and risks that may be material to our company, our company's policies and procedures designed to promote compliance with laws, regulations, and internal policies and procedures, and major legislative and regulatory developments which could materially impact our company.

The Compensation Committee also plays a role in risk oversight as it relates to our company's compensation policies and practices. Among other responsibilities, the Compensation Committee designs and evaluates our company's executive compensation policies and practices so that our company's compensation programs promote accountability among employees and the interests of employees are properly aligned with the interests of our shareholders.

Committees of the Board

Our Board of Directors has three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

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Audit Committee

The Audit Committee comprises four directors: Messrs. Albert Aboody (Chairman), Michael Menezes, John Freeland and Jeremy Young. Each of Messrs. Aboody, Menezes, Freeland and Young satisfies the independence requirements of Rule 10A-3 of the Securities Exchange Act of 1934 as amended, or the Exchange Act, and the NYSE listing standards. The principal duties and responsibilities of our Audit Committee are as follows:

to serve as an independent and objective party to monitor our financial reporting process and internal control systems;

to review and appraise the audit efforts of our independent accountants and exercise ultimate authority over the relationship between us and our independent accountants; and

to provide an open avenue of communication among the independent accountants, financial and senior management and the Board of Directors.

The Audit Committee has the power to investigate any matter brought to its attention within the scope of its duties. It also has the authority to retain counsel and advisors to fulfill its responsibilities and duties. Messrs. Aboody and Menezes serve as our Audit Committee financial experts, within the requirements of the rules promulgated by the Commission relating to listed-company audit committees.

We have posted our Audit Committee charter on our website at www.wns.com. **Information contained in our website does not constitute a part of this annual report.**

The Audit Committee held four meetings in fiscal 2015.

Compensation Committee

The Compensation Committee comprises four directors: Messrs. Gareth Williams (Chairman), Adrian T. Dillon, Mrs. Renu S. Karnad and Sir Anthony A. Greener. Each of Messrs. Williams and Dillon, Mrs. Karnad and Sir Anthony satisfies the independence requirements of the NYSE listing standards. The scope of this committee's duties includes determining the compensation of our executive officers and other key management personnel. The Compensation Committee also administers the 2002 Stock Incentive Plan and the Third Amended and Restated 2006 Incentive Award Plan, reviews performance appraisal criteria and sets standards for and decides on all employee shares options allocations when delegated to do so by our Board of Directors.

We have posted our Compensation Committee charter on our website at www.wns.com. **Information contained in our website does not constitute a part of this annual report.**

The Compensation Committee held five meetings in fiscal 2015.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee comprises three directors: Sir Anthony A. Greener (Chairman), Mr. Adrian T. Dillon and Mrs. Renu S. Karnad. Each of Sir Anthony, Mr. Dillon, and Mrs. Karnad

satisfies the independence requirements of the NYSE listing standards. The principal duties and responsibilities of the nominating and governance committee are as follows:

to assist the Board of Directors by identifying individuals qualified to become board members and members of board committees, to recommend to the Board of Directors nominees for the next annual meeting of shareholders, and to recommend to the Board of Directors nominees for each committee of the Board of Directors;

to monitor our corporate governance structure; and

to periodically review and recommend to the Board of Directors any proposed changes to the corporate governance guidelines applicable to us.

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We have posted our Nominating and Corporate Governance Committee charter on our website at www.wns.com.
Information contained in our website does not constitute a part of this annual report.

The Nominating and Corporate Governance Committee uses its judgment to identify well qualified individuals who are willing and able to serve on our Board of Directors. Pursuant to its charter, the Nominating and Corporate Governance Committee may consider a variety of criteria in recommending candidates for election to our board, including an individual's personal and professional integrity, ethics and values; experience in corporate management, such as serving as an officer or former officer of a publicly held company, and a general understanding of marketing, finance and other elements relevant to the success of a publicly-traded company in today's business environment; experience in our company's industry and with relevant social policy concerns; experience as a board member of another publicly held company; academic expertise in an area of our company's operations; and practical and mature business judgment, including ability to make independent analytical inquiries.

While the Nominating and Corporate Governance Committee does not have a formal policy with respect to the consideration of diversity in identifying director nominees, it nevertheless considers director nominees with a diverse range of backgrounds, skills, national origins, values, experiences, and occupations.

The Nominating and Corporate Governance Committee held four meetings in fiscal 2015.

Executive Sessions

Our non-executive directors meet regularly in executive session without executive directors or management present. The purpose of these executive sessions is to promote open and candid discussion among the non-executive directors. Our non-executive directors held four executive sessions in fiscal 2015.

Shareholders and other interested parties may communicate directly with the presiding director or with our non-executive directors as a group by writing to the following address: WNS (Holdings) Limited, Attention: Non-Executive Directors, Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli (W), Mumbai 400 079, India.

D. Employees

For a description of our employees, see Part I Item 4. Information on the Company Business Overview Human Capital.

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The following table sets forth information with respect to the beneficial ownership of our ordinary shares as at March 31, 2015 by each of our directors and all our directors and executive officers as a group as at that date. As used in this table, beneficial ownership means the sole or shared power to vote or direct the voting or to dispose of or direct the sale of any security. A person is deemed to be the beneficial owner of securities that can be acquired within 60 days upon the exercise of any option, warrant or right. Ordinary shares subject to options, warrants or rights that are currently exercisable or exercisable within 60 days are deemed outstanding for computing the ownership percentage of the person holding the options, warrants or rights, but are not deemed outstanding for computing the ownership percentage of any other person. The amounts and percentages as at March 31, 2015 are based on an aggregate of 51,950,662 ordinary shares outstanding as at that date.

Name	Number of Ordinary Shares Beneficially Owned	
	Number	Percent
Directors		
Adrian T. Dillon ⁽¹⁾	25,232	0.049
Albert Aboody	20,682	0.040
Anthony A. Greener ⁽²⁾	48,625	0.094
Gareth Williams	1,133	0.002
John Freeland ⁽³⁾		
Jeremy Young ⁽⁴⁾	41,370	0.080
Keshav R. Murugesh	195,766	0.377
Michael Menezes	1,133	0.002
Renu S. Karnad	4,832	0.009
Executive Officers		
Sanjay Puria	9,001	0.017
Ronald Gillette	14,400	0.028
Swaminathan Rajamani	8,104	0.016
All our directors and executive officers as a group (12 persons as of March 31, 2015)	370,278	0.713

Notes:

- (1) Of the 25,232 shares beneficially owned by Mr. Adrian T. Dillon, 16,765 shares are in the form of ADSs.
- (2) Of the 48,625 shares beneficially owned by Sir Anthony Greener, 32,625 shares are held in trust.
- (3) Mr. Freeland was appointed as a director of our company with effect from September 1, 2014.
- (4) Of the 41,370 shares beneficially owned by Mr. Jeremy Young, 37,350 shares are in the form of ADSs.

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The following table sets forth information concerning options and RSUs held by our directors and executive officers as at March 31, 2015:

Name	Options Summary			RSU Summary			
	Number of shares underlying unexercised but vested options	Exercise price	Number of shares underlying unexercised options that will vest in next 60 days from March 31, 2015	Number of shares underlying RSUs held that have vested but unexercised	Number of shares underlying RSUs that will vest in next 60 days from March 31, 2015	Vesting Dates	Number of shares underlying RSUs held that have not vested
Directors							
Adrian T. Dillon							25,860
Albert Aboody							11,059
Anthony A. Greener	14,000 ⁽¹⁾	\$ 28.48					9,638
	2,000 ⁽²⁾	\$ 22.98					
Gareth Williams							7,608
Jeremy Young					1,648	10-May-15	12,567
Keshav R. Murugesh				103,482	49,953	16-Apr-15	584,609
					42,331	29-Apr-15	
Michael Menezes							7,608
Renu S. Karnad							12,138
John Freeland							6,235
Executive Officers							
Sanjay Puria				1,001	3,000	16-Apr-15	62,583
					5,000	29-Apr-15	
Ronald Gillette				10,000	4,400	29-Apr-15	76,400
Swaminathan Rajamani				504	4,000	16-Apr-15	43,100
					3,600	29-Apr-15	

Notes:

- (1) The expiration date of these options is June 14, 2017.
(2) The expiration date of these options is August 7, 2017.

Share Ownership Guidelines

In July 2014, our Board of Directors adopted a share ownership policy, which was most recently amended in January, 2015 and effective from April 1, 2015, outlining the share ownership guidelines for, among other employees, our directors and executive officers. We believe that this policy further aligns the interests of our directors and executive officers with the long-term interests of our shareholders and promotes our commitment to sound corporate governance practices.

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Under our amended policy, each of our non-executive directors must hold at least the amount of vested shares of our company by the fifth anniversary of such director's initial election to the Board as shown in the table below:

Position	Share Ownership Guidelines
For Non-Executive Directors (except Board Chairman)	3.0 x value of annual share grant in \$
For the Board Chairman	4.0 x value of annual share grant in \$

In the event a non-executive director holds at least the required valued of our ordinary shares during the required time period, but the value of the director's shares decreases below the shareholding requirement due to a decline in the price of our ADSs, the director shall be deemed to have complied with this policy so long as the director does not sell any shares.

Our amended policy provides that our executive officers are required to hold a multiple of their annual base salary in shares of our company as shown in the table below.

Position	Share Ownership Guidelines
Group Chief Executive Officer	4.0 x annual base salary
Chief Operating Officer	2.0 x annual base salary
Chief Financial Officer	1.5 x annual base salary
Chief People Officer	1.0 x annual base salary

Executive officers have five years to achieve the specified ownership level according to the following build-up schedule: achieving a share ownership level equivalent to 5%, 15%, 30%, 60% and 100% of their specified ownership level in the first, second, third, fourth and fifth year, respectively.

Shares owned by immediate family members and any trust for the benefit only of the executive officer/director or his or her family members are included in the determination of such executive officer/director's share ownership level.

Table of Contents**ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS****A. Major Shareholders**

The following table sets forth information regarding beneficial ownership of our ordinary shares as at March 31, 2015 held by each person who is known to us to have a 5.0% or more beneficial share ownership based on an aggregate of 51,950,662 ordinary shares outstanding as of that date. Beneficial ownership is determined in accordance with the rules of the Commission and includes shares over which the indicated beneficial owner exercises voting and/or investment power or receives the economic benefit of ownership of such securities. Ordinary shares subject to options currently exercisable or exercisable within 60 days are deemed outstanding for the purposes of computing the percentage ownership of the person holding the options but are not deemed outstanding for the purposes of computing the percentage ownership of any other person.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage Beneficially Owned (1)
Waddell & Reed Financial Inc. ⁽²⁾	10,600,811	20.41%
FMR LLC ⁽³⁾	7,249,179	13.95%
Nalanda India Fund Limited ⁽⁴⁾	5,211,410	10.03%
Columbia Wanger Asset Management, LLC ⁽⁵⁾	4,471,044	8.61%
TimesSquare Capital Management, LLC ⁽⁶⁾	3,395,090	6.54%
William Blair & Company, LLC ⁽⁷⁾	3,191,961	6.14%
Wellington Management Group LLP ⁽⁸⁾	2,753,010	5.30%

Notes:

- (1) Based on an aggregate of 51,950,662 ordinary shares outstanding as at March 31, 2015.
- (2) Information is based on Amendment No. 4 to a report on Schedule 13G jointly filed with the Commission on February 13, 2015 by (i) Waddell & Reed Financial, Inc., or WRF, a publicly traded company; (ii) Waddell & Reed Financial Services, Inc., or WRFSI, a subsidiary of WRF; (iii) Waddell & Reed Inc., or WRI, a broker-dealer and underwriting subsidiary of WRFSI; (iv) Waddell & Reed Investment Management Company, or WRIMCO, an investment advisory subsidiary of WRI; and (v) Ivy Investment Management Company, or IICO, an investment advisory subsidiary of WRF. IICO and WRIMCO are investment advisors or sub-advisors to one or more open-end investment companies or other managed accounts which are beneficial owners of our ordinary shares. According to this Amendment No. 4, the investment advisory contracts grant IICO and WRIMCO all investment and/or voting power over securities owned by their advisory clients and the investment sub-advisory contracts grant IICO and WRIMCO investment power over securities owned by their sub-advisory clients and, in most cases, voting power. Any investment restriction of a sub-advisory contract does not restrict investment discretion or power in a material manner.
- (3) Information is based on Amendment No. 10 to a report on Schedule 13G jointly filed with the Commission on February 13, 2015 by FMR LLC, Edward C. Johnson 3d, Abigail P. Johnson, Select Software and Computer Services Portfolio. Edward C. Johnson 3d is a Director and the Chairman of FMR LLC and Abigail P. Johnson is a Director, the Vice Chairman, the Chief Executive Officer and the President of FMR LLC. According to this Amendment No. 10, members of the family of Edward C. Johnson 3d, including Abigail P. Johnson, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing

49% of the voting power of FMR LLC. The Johnson family group and all other Series B shareholders have entered into a shareholders' voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the shareholders' voting agreement, members of the Johnson family may be deemed, under the US Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. Neither FMR LLC nor Edward C. Johnson 3d nor Abigail P. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act, or Fidelity Funds, advised by Fidelity Management & Research Company, or FMR Co, a wholly owned subsidiary of FMR LLC. Such power resides with the Fidelity Funds' Boards of Trustees. Fidelity Management & Research Company carries out the voting of the shares under written guidelines established by the Fidelity Funds' Boards of Trustees.

- (4) Information is based on a report on Schedule 13G filed with the Commission on February 2, 2011 Nalanda India Fund Limited.

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- (5) Information is based on Amendment No. 7 to a report on Schedule 13G filed with the Commission on February 11, 2015 by Columbia Wanger Asset Management LLC.
- (6) Information is based on Amendment No. 2 to a report on Schedule 13G filed with the Commission on February 11, 2015 by TimesSquare Capital Management, LLC.
- (7) Information is based on Amendment No. 1 to a report on Schedule 13G filed with the Commission on February 4, 2015 by William Blair & Company, LLC.
- (8) Information is based on a report on Schedule 13G filed with the Commission on February 12, 2015 by Wellington Management Group LLP

The following summarizes the significant changes in the percentage ownership held by our major shareholders during the past three years:

In February 2013, Warburg Pincus sold its 14,519,144 ADSs (representing 14,519,144 ordinary shares) in our company, after which it ceased to be a shareholder of our company, as described in Amendment No. 2 to a report on Schedule 13G jointly filed with the Commission on March 1, 2013.

WRF, WRFSI, WRI, WRIMCO and IICO jointly reported their percentage ownership of our ordinary shares to be 8.1% (based on the then number of our ordinary shares reported as outstanding at that time) in a report on Schedule 13G filed with the Commission on February 7, 2013, 11.2% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 1 to a report on Schedule 13G filed with the Commission on March 8, 2013, 15.5% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 2 to a report on Schedule 13G filed with the Commission on February 7, 2014 and 20.6% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 3 and 4 to a report on Schedule 13G filed with the Commission on December 10, 2014 and February 13, 2015, respectively.

FMR LLC reported its percentage ownership of our ordinary shares to be 6.5% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 6 to a report on Schedule 13G jointly filed with the Commission on October 10, 2012, 7.5% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 7 to a report on Schedule 13G jointly filed with the Commission on February 14, 2013, 13.6% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 8 to a report on Schedule 13G jointly filed with the Commission on March 11, 2013, 14.8% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 9 to a report on Schedule 13G jointly filed with the Commission on February 14, 2014 and 14.081% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 10 to a report on Schedule 13G jointly filed with the Commission on February 13, 2015.

Columbia Wanger Asset Management, LLC and Columbia Acorn Select jointly reported their percentage ownership of our ordinary shares to be 12.5% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 5 to a report on Schedule 13G filed with the Commission on February 14, 2013. Columbia Wanger Asset Management, LLC reported its percentage ownership of our ordinary shares to be 9.5% (based on the then number of our ordinary shares reported as outstanding at that

time) in Amendment No. 6 to a report on Schedule 13G filed with the Commission on February 6, 2014 and 8.6% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 7 to a report on Schedule 13G filed with the Commission on February 11, 2015.

TimesSquare Capital Management, LLC reported its percentage ownership of our ordinary shares to be 6.2% (based on the then number of our ordinary shares reported as outstanding at that time) in a report on Schedule 13G filed with the Commission on February 11, 2013, 8.1% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 1 to a report on Schedule 13G filed with the Commission on February 10, 2014 and 6.6% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 2 to a report on Schedule 13G filed with the Commission on February 11, 2015.

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William Blair & Company, LLC reported its percentage ownership of our ordinary shares to be 8.2% (based on the then number of our ordinary shares reported as outstanding at that time) in a report on Schedule 13G filed with the Commission on February 6, 2014 and 6.20% (based on the then number of our ordinary shares reported as outstanding at that time) in Amendment No. 1 to a report on Schedule 13G filed with the Commission on February 4, 2015.

Wellington Management Group LLP reported its percentage ownership of our ordinary shares to be 5.30% (based on the then number of our ordinary shares reported as outstanding at that time) in a report on Schedule 13G filed with the Commission on February 11, 2015.

None of our major shareholders have different voting rights from our other shareholders.

As at March 31, 2015, 31,707,282 of our ordinary shares, representing 61.03% of our outstanding ordinary shares, were held by a total of 19 holders of record with addresses in the US. As at the same date, 51,770,634 of our ADSs (representing 51,770,634 ordinary shares), representing 99.65% of our outstanding ordinary shares, were held by one registered holder of record with addresses in and outside of the US. Since certain of these ordinary shares and ADSs were held by brokers or other nominees, the number of record holders in the US may not be representative of the number of beneficial holders or where the beneficial holders are resident. All holders of our ordinary shares are entitled to the same voting rights.

B. Related Party Transactions

(Amounts in thousands)

The following is a description of our related party transactions, determined in accordance with the rules and regulations promulgated under the Exchange Act, that were either material to us or the related party, or otherwise unusual or outside the ordinary course of business.

Mrs. Renu S Karnad was appointed as a director of our company on September 21, 2012. During fiscal 2015, we entered into the following transactions with companies, in which Mrs. Karnad was a director during those periods:

In fiscal 2015, we sold debt FMP investments amounting to \$4,557 issued by HDFC Asset Management Company Limited and realized a total gain of \$414.

We paid \$7 in fiscal 2015 to HDFC Ergo General Insurance Company Limited for travel insurance premiums for employees of our company. We have also taken an Errors and Omissions (E&O) policy from HDFC Ergo General Insurance Company and the premium paid towards this policy was \$13 for fiscal 2015. The payment made in fiscal 2015 was an advance payment, which relates to fiscal 2016.

Mr. Eric Herr retired as a director of our company with effect from April 30, 2014. Mr. Eric B. Herr was a director in Regulatory Data Corporation during this period, who is our client. In fiscal 2015, we earned revenue of \$150 (till April 30, 2014).

Mr. Gareth Williams was appointed as a director of our company on January 1, 2014. We paid \$21 in fiscal 2015 towards training costs of our employees to YSC India Business Psychologists Private Limited. Mr. Gareth Williams was a director in the parent company of YSC India Business Psychologists Private Limited during this period. During

fiscal 2015, Mr. Gareth Williams was appointed as a director of SAGA Plc. which is our client. During fiscal 2015, we earned net revenue of \$8,718 from this client.

C. Interests of Experts and Counsel

Not applicable.

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ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Please see Part III Item 18. Financial Statements for a list of the financial statements filed as part of this annual report.

Tax Assessment Orders

Transfer pricing regulations to which we are subject require that any international transaction among the WNS group enterprises be on arm's-length terms. Transfer pricing regulations in India have been extended to cover specified Indian domestic transactions as well. We believe that the international and India domestic transactions among the WNS group enterprises are on arm's-length terms. If, however, the applicable tax authorities determine that the transactions among the WNS group enterprises do not meet arm's-length criteria, we may incur increased tax liability, including accrued interest and penalties. This would cause our tax expense to increase, possibly materially, thereby reducing our profitability and cash flows. The applicable tax authorities may also disallow deductions or tax holiday benefits claimed by us and assess additional taxable income on us in connection with their review of our tax returns.

From time to time, we receive orders of assessment from the Indian tax authorities assessing additional taxable income on us and/or our subsidiaries in connection with their review of our tax returns. We currently have orders of assessment for fiscal 2003 through fiscal 2012 pending before various appellate authorities. These orders assess additional taxable income that could in the aggregate give rise to an estimated 3,046.6 million (\$48.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 1,078.9 million (\$17.2 million based on the exchange rate on March 31, 2015).

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The following sets forth the details of these orders of assessment:

Entity	Tax year(s)	Amount demanded (including interest)		Interest on amount demanded	
		(and US dollars in millions)			
WNS Global, WNS Customer Solutions and Noida	Fiscal 2003	180.2	\$ (2.9) ⁽¹⁾	60.0	\$ (1.0) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2004	12.5	\$ (0.2) ⁽¹⁾	3.1	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2005	27.4	\$ (0.4) ⁽¹⁾	8.6	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2006	531.0	\$ (8.5) ⁽¹⁾	173.8	\$ (2.7) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2006	67.9	\$ (1.1) ⁽¹⁾	24.1	\$ (0.4) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2007	98.7	\$ (1.6) ⁽¹⁾	31.9	\$ (0.5) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2007	34.3	\$ (0.4) ⁽¹⁾	10.8	\$ (0.2) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2008	819.6	\$ (13.1) ⁽¹⁾	344.1	\$ (5.4) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2008	41.4	\$ (0.7) ⁽¹⁾	13.2	\$ (0.2) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2009	973.9	\$ (15.5) ⁽¹⁾	336.8	\$ (5.3) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2009	21.1	\$ (0.3) ⁽¹⁾	4.1	\$ (0.1) ⁽¹⁾
WNS Global, WNS Customer Solutions and Noida	Fiscal 2010	60.2	\$ (1.0) ⁽¹⁾	23.5	\$ (0.4) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2010	1.8	\$ (0.1) ⁽¹⁾	0.4	\$ (0.1) ⁽¹⁾
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2011	6.6	\$ (0.1) ⁽¹⁾		\$ (1)
WNS BCS and permanent establishment of WNS North America Inc. and WNS UK in India	Fiscal 2012	170.0	\$ (2.7) ⁽¹⁾	44.5	\$ (0.7) ⁽¹⁾
Total		3046.6	\$ (48.6) ⁽¹⁾	1,078.9	\$ (17.2) ⁽¹⁾

Note:

(1) Based on the exchange rate as at March 31, 2015.

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The aforementioned orders of assessment allege that the transfer prices we applied to certain of the international transactions between WNS Global Services Private Limited or WNS Business Consulting Services Private Limited or WNS BCS, each of which is, our Indian subsidiary, as the case may be, and our other wholly-owned subsidiaries named above were not on arm's length terms, disallow a tax holiday benefit claimed by us, deny the set off of brought forward business losses and unabsorbed depreciation and disallow certain expenses claimed as tax deductible by WNS Global or WNS BCS, as the case may be. As at March 31, 2015, we have provided a tax reserve of 906.8 million (\$14.5 million based on the exchange rate on March 31, 2015) primarily on account of the Indian tax authorities denying the set off of brought forward business losses and unabsorbed depreciation. We have appealed against these orders of assessment before higher appellate authorities.

In addition, we currently have orders of assessment pertaining to similar issues that have been decided in our favor by first level appellate authorities, vacating tax demands of 2,482.2 million (\$39.6 million based on the exchange rate on March 31, 2015) in additional taxes, including interest of 770.5 million (\$12.3 million based on the exchange rate on March 31, 2015). The income tax authorities have filed appeals against these orders at higher appellate authorities.

In case of disputes, the Indian tax authorities may require us to deposit with them all or a portion of the disputed amounts pending resolution of the matters on appeal. Any amount paid by us as deposits will be refunded to us with interest if we succeed in our appeals. We have deposited some portion of the disputed amount with the tax authorities and may be required to deposit the remaining portion of the disputed amount with the tax authorities pending final resolution of the respective matters.

As at March 31, 2015, corporate tax returns for fiscal years 2012 (for certain legal entities) and thereafter remain subject to examination by tax authorities in India.

After consultation with our Indian tax advisors and based on the facts of these cases, certain legal opinions from counsel, the nature of the tax authorities' disallowances and the orders from first level appellate authorities deciding similar issues in our favor in respect of assessment orders for earlier fiscal years, we believe these orders are unlikely to be sustained at the higher appellate authorities and we intend to vigorously dispute the orders of assessment.

In March 2009, we also received an assessment order from the Indian Service Tax Authority demanding payment of 348.1 million (\$5.6 million based on the exchange rate on March 31, 2015) of service tax and related penalty for the period from March 1, 2003 to January 31, 2005. The assessment order alleges that service tax is payable in India on BPM services provided by WNS Global to clients based abroad as the export proceeds are repatriated outside India by WNS Global. In response to an appeal filed by us with the appellate tribunal against the assessment order in April 2009, the appellate tribunal has remanded the matter back to the lower tax authorities to be adjudicated afresh. Based on consultations with our Indian tax advisors, we believe this order of assessment is more likely than not to be upheld in our favor. We intend to continue to vigorously dispute the assessment.

No assurance can be given, however, that we will prevail in our tax disputes. If we do not prevail, payment of additional taxes, interest and penalties may adversely affect our results of operations, financial condition and cash flows. There can also be no assurance that we will not receive similar or additional orders of assessment in the future.

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Dividend Policy

Subject to the provisions of the 1991 Law and our Articles of Association, we may by ordinary resolution declare dividends to be paid to our shareholders according to their respective rights. Any dividends we may declare must not exceed the amount recommended by our Board of Directors. Our board may declare and pay an interim dividend or dividends, including a dividend payable at a fixed rate, if paying an interim dividend or dividends appears to the Board to be justified. See Part I Item 10. Additional Information B. Memorandum and Articles of Association. We can only declare dividends if our directors who are to authorize the distribution make a prior statement that, having made full enquiry into our affairs and prospects, they have formed the opinion that:

immediately following the date on which the distribution is proposed to be made, we will be able to discharge our liabilities as they fall due; and

having regard to our prospects and to the intentions of our directors with respect to the management of our business and to the amount and character of the financial resources that will in their view be available to us, we will be able to continue to carry on business and we will be able to discharge our liabilities as they fall due until the expiry of the period of 12 months immediately following the date on which the distribution is proposed to be made or until we are dissolved under Article 150 of the 1991 Law, whichever first occurs.

We have never declared or paid any dividends on our ordinary shares. Any future determination to pay cash dividends will be at the discretion of our Board of Directors and will be dependent upon our results of operations and cash flows, our financial position and capital requirements, general business conditions, legal, tax, regulatory and any contractual restrictions on the payment of dividends and any other factors our Board of Directors deems relevant at the time.

Subject to the deposit agreement governing the issuance of our ADSs, holders of ADSs will be entitled to receive dividends paid on the ordinary shares represented by such ADSs.

B. Significant Changes

There have been no significant subsequent events following the close of the last fiscal year up to the date of this annual report that are known to us and require disclosure in this document for which disclosure was not made in this annual report.

Table of Contents**ITEM 9. THE OFFER AND LISTING****A. Offer and Listing Details**

Our ADSs, commenced trading on the NYSE on July 26, 2006. The ADSs were issued by our depositary, Deutsche Bank Trust Company Americas, pursuant to a deposit agreement. The number of our outstanding ordinary shares (including the ordinary shares underlying ADSs) as at March 31, 2015 was 51,950,662. As at March 31, 2015, there were 51,770,634 ADSs outstanding (representing 51,770,634 ordinary shares).

The high and low last reported sale prices per ADS for the periods indicated are as shown below:

	Price per ADS on NYSE	
	High	Low
Fiscal year:		
2011	\$ 13.38	\$ 8.46
2012	\$ 13.05	\$ 7.82
2013	\$ 15.01	\$ 9.07
2014	\$ 22.61	\$ 13.37
2015	\$ 25.97	\$ 17.11
Fiscal Quarter:		
2014		
First quarter	\$ 17.13	\$ 13.37
Second quarter	\$ 21.47	\$ 16.55
Third quarter	\$ 22.61	\$ 18.64
Fourth quarter	\$ 22.59	\$ 17.89
2015		
First quarter	\$ 19.72	\$ 17.11
Second quarter	\$ 23.01	\$ 17.82
Third quarter	\$ 22.92	\$ 19.33
Fourth quarter	\$ 25.97	\$ 19.36
Month:		
November 2014	\$ 21.49	\$ 19.33
December 2014	\$ 21.91	\$ 20.05
January 2015	\$ 24.43	\$ 19.36
February 2015	\$ 24.91	\$ 22.04
March 2015	\$ 25.97	\$ 23.75
April 2015	\$ 25.39	\$ 23.28

B. Plan of Distribution

Not applicable.

C. Markets

Our ADSs are listed on the NYSE under the symbol WNS.

D. Selling Shareholders

Not applicable.

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E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

General

We were incorporated in Jersey, Channel Islands, as a private limited company (with registered number 82262) on February 18, 2002 pursuant to the 1991 Law. We converted from a private limited company to a public limited company on January 4, 2006 when we acquired more than 30 shareholders as calculated in accordance with Article 17A of the 1991 Law. We gave notice of this to the JFSC in accordance with Article 17(3) of the 1991 Law on January 12, 2006.

The address of our secretary and share registrar is Computershare Investor Services (Jersey) Limited, or Computershare, at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES. Our share register is maintained at the premises of Computershare.

Our activities are regulated by our Memorandum and Articles of Association. We adopted an amended and restated Memorandum and Articles of Association by special resolution of our shareholders passed on May 22, 2006. This amended and restated Memorandum and Articles of Association came into effect immediately prior to the completion of our initial public offering in July 2006. The material provisions of our amended and restated Memorandum and Articles of Association are described below. In addition to our Memorandum and Articles of Association, our activities are regulated by (among other relevant legislation) the 1991 Law. Our Memorandum of Association states our company name, that we are a public company, that we are a par value company, our authorized share capital and that the liability of our shareholders is limited to the amount (if any) unpaid on their shares. Below is a summary of some of the provisions of our Articles of Association. It is not, nor does it purport to be, complete or to identify all of the rights and obligations of our shareholders. The summary is qualified in its entirety by reference to our Memorandum and Articles of Association. See Part III Item 19. Exhibits Exhibit 1.1 and Part III Item 19. Exhibits Exhibit 1.2.

The rights of shareholders described in this section are available only to persons who hold our certificated shares. ADS holders do not hold our certificated shares and therefore are not directly entitled to the rights conferred on our shareholders by our Articles of Association or the rights conferred on shareholders of a Jersey company by the 1991 Law, including, without limitation: the right to receive dividends and the right to attend and vote at shareholders meetings; the rights described in Other Jersey Law Considerations Mandatory Purchases and Acquisitions and Other Jersey Law Considerations Compromises and Arrangements, the right to apply to a Jersey court for an order on the

grounds that the affairs of a company are being conducted in a manner which is unfairly prejudicial to the interests of its shareholders; and the right to apply to the JFSC to have an inspector appointed to investigate the affairs of a company. ADS holders are entitled to receive dividends and to exercise the right to vote only in accordance with the deposit agreement.

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Share Capital

As at March 31, 2015, the authorized share capital is £6,100,000, divided into 60,000,000 ordinary shares of 10 pence each and 1,000,000 preferred shares of 10 pence each. As at March 31, 2015, 2014 and 2013, we had 51,950,662, 51,347,538 and 50,588,044 ordinary shares outstanding, respectively. The increase in the number of ordinary shares outstanding during the last three fiscal years resulted from (i) our follow-on offering in February 2012 and (ii) the issuance of ordinary shares pursuant to our two share-based incentive plans, our 2002 Stock Incentive Plan and our 2006 Incentive Award Plan (as amended and restated). On September 13, 2011, we adopted the second amendment and restatement of our 2006 Incentive Award Plan to increase the number of ordinary shares and ADSs available for grant thereunder by 2,200,000 ordinary shares/ADSs to a total of 6,200,000 ordinary shares/ADSs. On September 25, 2013, we adopted the third amendment and restatement of our 2006 Incentive Award Plan to increase the number of ordinary shares and ADSs available for grant thereunder by 2,400,000 ordinary shares/ADSs to a total of 8,600,000 ordinary shares/ADSs. We have not issued any shares for consideration other than cash. There are no preferred shares outstanding.

Pursuant to Jersey law and our Memorandum and Articles of Association, our Board of Directors by resolution may establish one or more classes of preferred shares having such number of shares, designations, dividend rates, relative voting rights, liquidation rights and other relative participation, optional or other special rights, qualifications, limitations or restrictions as may be fixed by the board without any further shareholder approval. Such rights, preferences, powers and limitations as may be established could also have the effect of discouraging an attempt to obtain control of us. None of our shares have any redemption rights.

Capacity

Under the 1991 Law, the doctrine of *ultra vires* in its application to companies is abolished and accordingly the capacity of a Jersey company is not limited by anything in its memorandum or articles or by any act of its members.

Changes in Capital or our Memorandum and Articles of Association

Subject to the 1991 Law and our Articles of Association, we may by special resolution at a general meeting:

increase our authorized or paid-up share capital;

consolidate and divide all or any part of our shares into shares of a larger amount than is fixed by our Memorandum of Association;

sub-divide all or any part of our shares into shares of smaller amount than is fixed by our Memorandum of Association;

convert any of our issued or unissued shares into shares of another class;

convert all our issued par value shares into no par value shares and vice versa;

convert any of our paid-up shares into stock, and reconvert any stock into any number of paid-up shares of any denomination;

convert any of our issued limited shares into redeemable shares which can be redeemed;

cancel shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of the authorized share capital by the amount of the shares so cancelled;

reduce our issued share capital; or

alter our Memorandum or Articles of Association.

General Meetings of Shareholders

We may at any time convene general meetings of shareholders. We hold an annual general meeting for each fiscal year. Under the 1991 Law, no more than 18 months may elapse between the date of one annual general meeting and the next.

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Our Articles of Association provide that annual general meetings and meetings calling for the passing of a special resolution require 21 days' notice of the place, day and time of the meeting in writing to our shareholders. Any other general meeting requires no less than 14 days' notice in writing. Our directors may, at their discretion, and upon a request made in accordance with the 1991 Law by shareholders holding not less than one tenth of our total voting rights our directors shall, convene a general meeting. Our business may be transacted at a general meeting only when a quorum of shareholders is present. Two shareholders entitled to attend and to vote on the business to be transacted (or a proxy for a shareholder or a duly authorized representative of a corporation which is a shareholder) and holding shares conferring not less than one-third of the total voting rights, constitute a quorum provided that if at any time all of our issued shares are held by one shareholder, such quorum shall consist of the shareholder present in person or by proxy.

The annual general meetings deal with and dispose of all matters prescribed by our Articles of Association and by the 1991 Law including:

the consideration of our annual financial statements and report of our directors and auditors;

the election of directors (if necessary);

the appointment of auditors and the fixing of their remuneration;

the sanction of dividends; and

the transaction of any other business of which notice has been given.

Failure to hold an annual general meeting is an offence by our company and our directors under the 1991 Law and carries a potential fine of up to £5,000 for our company and each director.

Voting Rights

Subject to any special terms as to voting on which any shares may have been issued or may from time to time be held, at a general meeting, every shareholder who is present in person (including any corporation present by its duly authorized representative) shall on a show of hands have one vote and every shareholder present in person or by proxy shall on a poll have one vote for each share of which he is a holder. In the case of joint holders only one of them may vote and in the absence of election as to who is to vote, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

A shareholder may appoint any person (whether or not a shareholder) to act as his proxy at any meeting of shareholders (or of any class of shareholders) in respect of all or a particular number of the shares held by him. A shareholder may appoint more than one person to act as his proxy and each such person shall act as proxy for the shareholder for the number of shares specified in the instrument appointing the person a proxy. If a shareholder appoints more than one person to act as his proxy, each instrument appointing a proxy shall specify the number of shares held by the shareholder for which the relevant person is appointed his proxy. Each duly appointed proxy has the same rights as the shareholder by whom he was appointed to speak at a meeting and vote at a meeting in respect of

the number of shares held by the shareholder for which the relevant proxy is appointed his proxy.

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof or in order to make a determination of shareholders for any other proper purpose, our directors may fix in advance a date as the record date for any such determination of shareholders.

Shareholder Resolutions

An ordinary resolution requires the affirmative vote of a simple majority (i.e., more than 50%) of our shareholders entitled to vote in person (or by corporate representative in case of a corporate entity) or by proxy at a general meeting.

A special resolution requires the affirmative vote of a majority of not less than two-thirds of our shareholders entitled to vote in person (or by corporate representative in the case of a corporate entity) or by proxy at a general meeting.

Our Articles of Association prohibit the passing of shareholder resolutions by written consent to remove an auditor or to remove a director before the expiry of his term of office.

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Dividends

Subject to the provisions of the 1991 Law and of the Articles of Association, we may, by ordinary resolution, declare dividends to be paid to shareholders according to their respective rights and interests in our distributable reserves. However, no dividend shall exceed the amount recommended by our directors.

Subject to the provisions of the 1991 Law, we may declare and pay an interim dividend or dividends, including a dividend payable at a fixed rate, if an interim dividend or dividends appears to us to be justified by our distributable reserves.

Except as otherwise provided by the rights attached to any shares, all dividends shall be declared and paid according to the amounts paid up (as to both par and any premium) otherwise than in advance of calls, on the shares on which the dividend is paid. All dividends unclaimed for a period of ten years after having been declared or become due for payment shall, if the directors so resolve, be forfeited and shall cease to remain owing by us and shall henceforth belong to us absolutely.

We may, with the authority of an ordinary resolution, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid-up shares or debentures of any other company, or in any one or more of those ways.

We may also with the prior authority of an ordinary resolution, and subject to such conditions as we may determine, offer to holders of shares the right to elect to receive shares, credited as fully paid, instead of the whole, or some part, to be determined by us, of any dividend specified by the ordinary resolution.

For the purposes of determining shareholders entitled to receive a dividend or distribution, our directors may fix a record date for any such determination of shareholders. A record date for any dividend or distribution may be on or at any time before any date on which such dividend or distribution is paid or made and on or at any time before or after any date on which such dividend or distribution is declared.

Ownership Limitations

Our Articles of Association and the 1991 Law do not contain limits on the number of shares that a shareholder may own.

Transfer of Shares

Every shareholder may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by us. The instrument must be executed by or on behalf of the transferor and, in the case of a transfer of a share which is not fully paid up, by or on behalf of the transferee. The transferor is deemed to remain the holder until the transferee's name is entered in the register of shareholders.

We may, in our absolute discretion and without giving any reason, refuse to register any transfer of a share or renunciation of a renounceable letter of allotment unless:

it is in respect of a share which is fully paid-up;

it is in respect of only one class of shares;

it is in favor of a single transferee or not more than four joint transferees;

it is duly stamped, if so required; and

it is delivered for registration to our registered office for the time being or another place that we may from time to time determine accompanied by the certificate for the shares to which it relates and any other evidence as we may reasonably require to prove the right of the transferor or person renouncing to make the transfer or renunciation.

Share Register

We maintain our register of members in Jersey. It is open to inspection during business hours by shareholders without charge and by other persons upon payment of a fee not exceeding £5. Any person may obtain a copy of our register of members upon payment of a fee not exceeding £0.50 per page and providing a declaration under oath as required by the 1991 Law.

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Variation of Rights

If at any time our share capital is divided into different classes of shares, the special rights attached to any class, unless otherwise provided by the terms of issue of the shares of that class, may be varied or abrogated with the consent in writing of the holders of the majority of the issued shares of that class, or with the sanction of an ordinary resolution passed at a separate meeting of the holders of shares of that class, but not otherwise. To every such separate meeting all the provisions of our Articles of Association and of the 1991 Law relating to general meetings or to the proceedings thereat shall apply, *mutatis mutandis*, except that the necessary quorum shall be two persons holding or representing at least one-third in nominal amount of the issued shares of that class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those holders who are present in person shall be a quorum.

The special rights conferred upon the holders of any class of shares issued with preferred or other special rights shall be deemed to be varied by the reduction of the capital paid up on such shares and by the creation of further shares ranking in priority thereto, but shall not (unless otherwise expressly provided by our Articles of Association or by the conditions of issue of such shares) be deemed to be varied by the creation or issue of further shares ranking after or *pari passu* therewith. The rights conferred on holders of ordinary shares shall be deemed not to be varied by the creation, issue or redemption of any preferred or preference shares.

Capital Calls

We may, subject to the provisions of our Articles of Association and to any conditions of allotment, from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) provided that (except as otherwise fixed by the conditions of application or allotment) no call on any share shall be payable within 14 days of the date appointed for payment of the last preceding call, and each member shall (subject to being given at least 14 clear days' notice specifying the time or times and place of payment) pay us at the time or times and place so specified the amount called on his shares.

If a member fails to pay any call or installment of a call on or before the day appointed for payment thereof, we may serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest (at a rate not exceeding 10% per annum to be determined by us) which may have accrued and any expenses which may have been incurred by us by reason of such non-payment. The notice shall name a further day (not earlier than 14 days from the date of service thereof) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares on which the call was made will be liable to be forfeited.

Borrowing Powers

Our Articles of Association contain no restrictions on our power to borrow money or to mortgage or charge all or any part of our undertaking, property and assets.

Issue of Shares and Preemptive Rights

Subject to the provisions of the 1991 Law and to any special rights attached to any shares, we may allot or issue shares with those preferred, deferred or other special rights or restrictions regarding dividends, voting, return of capital or other matters as our directors from time to time determine. We may issue shares that are redeemable or are liable to be redeemed at our option or the option of the holder in accordance with our Articles of Association. Subject to the provisions of the 1991 Law, the unissued shares at the date of adoption of our Articles of Association and shares

created thereafter shall be at the disposal of our directors. We cannot issue shares at a discount to par value. Securities, contracts, warrants or other instruments evidencing any preferred shares, option rights, securities having conversion or option rights or obligations may also be issued by the directors without the approval of the shareholders or entered into by us upon a resolution of the directors to that effect on such terms, conditions and other provisions as are fixed by the directors, including, without limitation, conditions that preclude or limit any person owning or offering to acquire a specified number or percentage of shares in us in issue, other shares, option rights, securities having conversion or option rights or obligations of us or the transferee of such person from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights or obligations.

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There are no pre-emptive rights for the transfer of our shares either within the 1991 Law or our Articles of Association.

Directors Powers

Our business shall be managed by the directors who may exercise all of the powers that we are not by the 1991 Law or our Articles of Association required to exercise in a general meeting. Accordingly, the directors may (among other things) borrow money, mortgage or charge all of our property and assets (present and future) and issue securities.

Meetings of the Board of Directors

A director may, and the secretary on the requisition of a director shall, at any time, summon a meeting of the directors by giving to each director and alternate director not less than 24 hours notice of the meeting provided that any meeting may be convened at shorter notice and in such manner as each director or his alternate director shall approve provided further that unless otherwise resolved by the directors notices of directors meetings need not be in writing.

Subject to our Articles of Association, our Board of Directors may meet for the conducting of business, adjourn and otherwise regulate its proceedings as it sees fit. The quorum necessary for the transaction of business may be determined by the Board of Directors and unless otherwise determined shall be three persons, each being a director or an alternate director of whom two shall not be executive directors. Where more than three directors are present at a meeting, a majority of them must not be executive directors in order for the quorum to be constituted at the meeting. A duly convened meeting of the Board of Directors at which a quorum is present is necessary to exercise all or any of the board's authorities, powers and discretions.

Our Board of Directors may from time to time appoint one or more of their number to be the holder of any executive office on such terms and for such periods as they may determine. The appointment of any director to any executive office shall be subject to termination if he ceases to be a director. Our Board of Directors may entrust to and confer upon a director holding any executive office any of the powers exercisable by the directors, upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Remuneration of Directors

Our directors shall be entitled to receive by way of fees for their services as directors any sum that we may, by ordinary resolution in general meeting from time to time determine. That sum, unless otherwise directed by the ordinary resolution by which it is voted, shall be divided among the directors in the manner that they agree or, failing agreement, equally. The remuneration (if any) of an alternate director shall be payable out of the remuneration payable to the director appointing him as may be agreed between them. The directors shall be repaid their traveling and other expenses properly and necessarily expended by them in attending meetings of the directors or members or otherwise on our affairs.

If any director shall be appointed agent or to perform extra services or to make any special exertions, the directors may remunerate such director therefor either by a fixed sum or by commission or participation in profits or otherwise or partly one way and partly in another as they think fit, and such remuneration may be either in addition to or in substitution for his above mentioned remuneration.

Directors Interests in Contracts

Subject to the provisions of the 1991 Law, a director may hold any other office or place of profit under us (other than the office of auditor) in conjunction with his office of director and may act in a professional capacity to us on such terms as to tenure of office, remuneration and otherwise as we may determine and, provided that he has disclosed to us the nature and extent of any of his interests which conflict or may conflict to a material extent with our interests at the first meeting of the directors at which a transaction is considered or as soon as practical after that meeting by notice in writing to the secretary or has otherwise previously disclosed that he is to be regarded as interested in a transaction with a specific person, a director notwithstanding his office (1) may be a party to, or otherwise interested in, any transaction or arrangement with us or in which we are otherwise interested, (2) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by us or in which we are otherwise interested, and (3) shall not, by reason of his office, be accountable to us for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

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Restrictions on Directors Voting

A director, notwithstanding his interest, may be counted in the quorum present at any meeting at which any contract or arrangement in which he is interested is considered and, subject as provided above, he may vote in respect of any such contract or arrangement. A director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he is appointed to hold any office or place of profit under us, or at which the terms of his appointment are arranged, but the director may not vote on his own appointment or the terms thereof or any proposal to select that director for re-election.

Number of Directors

Our board shall determine the maximum and minimum number of directors provided that the minimum number of directors shall be not less than three.

Directors Appointment, Resignation, Disqualification and Removal

Our board is divided into three classes that are, as nearly as possible, of equal size. Each class of directors (other than initially) is elected for a three-year term of office but the terms are staggered so that the term of only one class of directors expires at each annual general meeting. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. This classification of the Board of Directors may have the effect of delaying or preventing changes in control of management of our company. Our Board of Directors shall have power (unless they determine that any vacancy should be filled by us in general meeting) at any time and from time to time to appoint any person to be a director, either to fill any vacancy or as an addition to the existing directors. A vacancy for these purposes only will be deemed to exist if a director dies, resigns, ceases or becomes prohibited or disqualified by law from acting as a director, becomes bankrupt or enters into an arrangement or composition with his creditors, becomes of unsound mind or is removed by us from office for gross negligence or criminal conduct by ordinary resolution. A vacancy for these purposes will not be deemed to exist upon the expiry of the term of office of a director. At any general meeting at which a director retires or at which a director's period of office expires we shall elect, by ordinary resolution of the general meeting, a director to fill the vacancy, unless our directors resolve to reduce the number of directors in office. Where the number of persons validly proposed for election or re-election as a director is greater than the number of directors to be elected, the persons receiving the most votes (up to the number of directors to be elected) shall be elected as directors and an absolute majority of the votes cast shall not be a pre-requisite to the election of such directors.

The directors shall hold office until they resign, they cease to be a director by virtue of a provision of the 1991 Law, they become disqualified by law or the terms of our Articles of Association from being a director, they become bankrupt or make any arrangement or composition with their creditors generally or they become of unsound mind or they are removed from office by us for gross negligence or criminal conduct by ordinary resolution in general meeting.

A director is not required to hold any of our shares.

Capitalization of Profits and Reserves

Subject to our Articles of Association, we may, upon the recommendation of our directors, by ordinary resolution resolve to capitalize any of our undistributed profits (including profits standing to the credit of any reserve account), any sum standing to the credit of any reserve account as a result of the sale or revaluation of an asset (other than

goodwill) and any sum standing to the credit of our share premium account or capital redemption reserve.

Any sum which is capitalized shall be appropriated among our shareholders in the proportion in which such sum would have been divisible amongst them had the same been applied in paying dividends and applied in (1) paying up the amount (if any) unpaid on the shares held by the shareholders, or (2) issuing to shareholders, fully paid shares (issued either at par or a premium) or (subject to our Articles of Association) our debentures.

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Unclaimed Dividends

Any dividend which has remained unclaimed for a period of ten years from the date of declaration thereof shall, if the directors so resolve, be forfeited and cease to remain owing by us and shall thenceforth belong to us absolutely.

Indemnity, Limitation of Liability and Officers Liability Insurance

Insofar as the 1991 Law allows and, to the fullest extent permitted thereunder, we may indemnify any person who was or is involved in any manner (including, without limitation, as a party or a witness), or is threatened to be made so involved, in any threatened, pending or completed investigation, claim, action, suit or proceeding, whether civil, criminal, administrative or investigative including, without limitation, any proceeding by or in the right of ours to procure a judgment in our favor, but excluding any proceeding brought by such person against us or any affiliate of ours by reason of the fact that he is or was an officer, secretary, servant, employee or agent of ours, or is or was serving at our request as an officer, secretary, servant, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against all expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such proceeding. Such indemnification shall be a contract right and shall include the right to receive payment in advance of any expenses incurred by the indemnified person in connection with such proceeding, provided always that this right is permitted by the 1991 Law.

Subject to the 1991 Law, we may enter into contracts with any officer, secretary, servant, employee or agent of ours and may create a trust fund, grant a security interest, make a loan or other advancement or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in the indemnity provisions in our Articles of Association.

Our directors are empowered to arrange for the purchase and maintenance in our name and at our expense of insurance cover for the benefit of any current or former officer of ours, our secretary and any current or former agent, servant or employee of ours against any liability which is incurred by any such person by reason of the fact that he is or was an officer of ours, our secretary or an agent, servant or employee of ours.

Subject to the 1991 Law, the right of indemnification, loan or advancement of expenses provided in our Articles of Association is not exclusive of any other rights to which a person seeking indemnification may otherwise be entitled, under any statute, memorandum or articles of association, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office. The provisions of our Articles of Association inure for the benefit of the heirs and legal representatives of any person entitled to indemnity under our Articles of Association and are applicable to proceedings commenced or continuing after the adoption of our Articles of Association whether arising from acts or omissions occurring before or after such adoption.

If any provision or provisions of our Articles of Association relative to indemnity are held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired; and (ii) to the fullest extent possible, the provisions of our Articles of Association relative to indemnity shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

Nothing in our Articles of Association prohibits us from making loans to officers, our secretary, servants, employees or agents to fund litigation expenses prior to such expenses being incurred.

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Distribution of Assets on a Winding-up

Subject to any particular rights or limitations attached to any shares, if we are wound up, our assets available for distribution among our shareholders shall be applied first in repaying to our shareholders the amount paid up (as to both par and any premium) on their shares respectively, and if such assets shall be more than sufficient to repay to our shareholders the whole amount paid up (as to both par and any premium) on their shares, the balance shall be distributed among our shareholders in proportion to the amount which at the time of the commencement of the winding up had been actually paid up (as to both par and any premium) on their shares respectively.

If we are wound up, we may, with the approval of a special resolution and any other sanction required by the 1991 Law, divide the whole or any part of our assets among our shareholders in specie and our liquidator or, where there is no liquidator, our directors, may, for that purpose, value any assets and determine how the division shall be carried out as between our shareholders or different classes of shareholders. Similarly, with the approval of a special resolution and subject to any other sanction required by the 1991 Law, all or any of our assets may be vested in trustees for the benefit of our shareholders.

Other Jersey Law Considerations

Purchase of Own Shares

The 1991 Law provides that we may, with the sanction of a special resolution and subject to certain conditions, purchase any of our shares which are fully paid.

We may fund the purchase of our own shares from any source provided that our directors are satisfied that immediately after the date on which the purchase is made, we will be able to discharge our liabilities as they fall due and that having regard to (i) our prospects and to the intentions of our directors with respect to the management of our business and (ii) the amount and character of the financial resources that will in their view be available to us, we will be able to (a) continue to carry on our business and (b) discharge our liabilities as they fall due until the expiry of the period of 12 months immediately following the date on which the purchase was made or until we are dissolved, whichever occurs first.

We cannot purchase our shares if, as a result of such purchase, only redeemable shares would be in issue. Any shares that we purchase (other than shares that are, immediately after being purchased, held as treasury shares) are treated as cancelled upon purchase.

Mandatory Purchases and Acquisitions

The 1991 Law provides that where a person (which we refer to as the offeror) makes an offer to acquire all of the shares (or all of the shares of any class of shares) (other than treasury shares and any shares already held by the offeror and its associates at the date of the offer), if the offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90% in nominal value of the shares (or class of shares) to which the offer relates, the offeror by notice may compulsorily acquire the remaining shares. A holder of any such shares may apply to the Jersey court for an order that the offeror not be entitled to purchase the holder's shares or that the offeror purchase the holder's shares on terms different to those of the offer.

Where, prior to the expiry of the offer period, the offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90% in nominal value of all of the shares of the target company (other than treasury shares and any shares already held by the offeror and its associates at the date of the offer), the holder of any shares

(or class of shares) to which the offer relates who has not accepted the offer may require the offeror to acquire those shares. In such circumstances, each of the offeror and the holder of the shares are entitled to apply to the Jersey court for an order that the offeror purchase the holder's shares on terms different to those of the offer.

Table of Contents***Compromises and Arrangements***

Where a compromise or arrangement is proposed between a company and its creditors, or a class of them, or between the company and its shareholders, or a class of them, the Jersey court may on the application of the company or a creditor or member of it or, in the case of a company being wound up, of the liquidator, order a meeting of the creditors or class of creditors, or of the shareholders of the company or class of shareholders (as the case may be), to be called in a manner as the court directs.

If a majority in number representing 3/4ths in value of the creditors or class of creditors, or 3/4ths of the voting rights of shareholders or class of shareholders (as the case may be), present and voting either in person or by proxy at the meeting agree to a compromise or arrangement, the compromise or arrangement, if sanctioned by the court, is binding on all creditors or the class of creditors or on all the shareholders or class of shareholders, and also on the company or, in the case of a company in the course of being wound up, on the liquidator and contributories of the company.

No Pre-Emptive Rights

Neither our Articles of Association nor the 1991 Law confers any pre-emptive rights on our shareholders.

No Mandatory Offer Requirements

In some countries, the trading and securities legislation contains mandatory offer requirements when shareholders have reached certain share ownership thresholds. There are no mandatory offer requirements under Jersey legislation. The Companies (Takeovers and Mergers Panel) (Jersey) Law 2009 empowers the Minister for Economic Development in Jersey, or the Minister, to appoint a Panel on Takeovers and Mergers, or the Jersey Panel, as the body responsible for regulating takeovers and mergers of companies incorporated in Jersey. The Minister has appointed the UK Panel on Takeovers and Mergers, or the UK Panel, to carry out the functions of the Jersey Panel. The Jersey Panel will be empowered to promulgate rules regulating takeovers and mergers of Jersey companies, or the Jersey Code. The rules applicable to the regulation of takeovers and mergers promulgated by the UK Panel as set out in The City Code on Takeovers and Mergers, or the UK Code, have been adopted as the Jersey Code. Rule 9 of the UK Code contains rules relative to mandatory offers. However, the UK Code only applies to (i) offers for Jersey companies if any of their securities are admitted to trading on a regulated market in the United Kingdom or any stock exchange in the Channel Islands or the Isle of Man and (ii) to public or certain private Jersey companies which are considered by the Panel to have their place of central management and control in the United Kingdom, the Channel Islands or the Isle of Man. As none of our securities are listed on a regulated market in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man and as we are not centrally managed and controlled in the United Kingdom, the Channel Islands or the Isle of Man, it is not anticipated that the UK Code (which has been adopted as the Jersey Code) will apply to us.

In 2012, the UK Panel published consultation paper PCP 2012/3: Companies subject to the Takeover Code, which sought views on proposed amendments to the rules for determining the companies that are subject to the UK Code. No changes have yet been made to the UK Code on the basis of that consultation. It is possible that future changes to the rules for determining the companies that are subject to the UK Code, made on the basis of that consultation or otherwise, could result in the UK Code (which has been adopted as the Jersey Code) applying to us.

Non-Jersey Shareholders

There are no limitations imposed by Jersey law or by our Articles of Association on the rights of non-Jersey shareholders to hold or vote on our ordinary shares or securities convertible into our ordinary shares.

Rights of Minority Shareholders

Under Article 141 of the 1991 Law, a shareholder may apply to court for relief on the ground that our affairs are being conducted or have been conducted in a manner which is unfairly prejudicial to the interests of our shareholders generally or of some part of our shareholders (including at least the shareholder making the application) or that an actual or proposed act or omission by us (including an act or omission on our behalf) is or would be so prejudicial. What amounts to unfair prejudice is not defined in the 1991 Law. There may also be common law personal actions available to our shareholders.

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Under Article 143 of the 1991 Law (which sets out the types of relief a court may grant in relation to an action brought under Article 141 of the 1991 Law), the court may make an order regulating our affairs, requiring us to refrain from doing or continuing to do an act complained of, authorizing civil proceedings and providing for the purchase of shares by us or by any of our other shareholders.

Jersey Law and our Memorandum and Articles of Association

The content of our Memorandum and Articles of Association reflects the requirements of the 1991 Law. Jersey company law draws very heavily from company law in England and there are various similarities between the 1991 Law and English company law. However, the 1991 Law is considerably more limited in content than English company law and there are some notable differences between English and Jersey company law. There are, for example, no provisions under Jersey law (as there are under English law):

controlling possible conflicts of interests between us and our directors, such as loans by us or directors, and contracts between us and our directors other than a duty on our directors to disclose an interest in any transaction to be entered into by us or any of our subsidiaries which to a material extent conflicts with our interest;

specifically requiring particulars to be shown in our accounts of the amount of loans to officers or directors emoluments and pensions, although these would probably be required to be shown in our accounts in conformity to the requirement that accounts must be prepared in accordance with generally accepted accounting principles;

requiring us to file details of charges other than charges of Jersey realty; or

as regards statutory preemption provisions in relation to further issues of shares.

Comparison of Shareholders Rights

We are incorporated under the laws of Jersey, Channel Islands. The following discussion summarizes certain material differences between the rights of holders of our ordinary shares and the rights of holders of the common stock of a typical corporation incorporated under the laws of the State of Delaware which result from differences in governing documents and the laws of Jersey, Channel Islands and Delaware. The rights of holders of our ADSs differ in certain respects from those of holders of our ordinary shares.

This discussion does not purport to be a complete statement of the rights of holders of our ordinary shares under applicable law in Jersey, Channel Islands and our Memorandum and Articles of Association or the rights of holders of the common stock of a typical corporation under applicable Delaware law and a typical certificate of incorporation and bylaws.

Corporate Law Issue
Special Meetings of Shareholders

Delaware Law

Jersey Law

Shareholders of a Delaware corporation generally do not have the right to call meetings of shareholders unless that right is granted in the certificate of incorporation or by-laws. However, if a corporation fails to hold its annual meeting within a period of 30 days after the date designated for the annual meeting, or if no date has been designated for a period of 13 months after its last annual meeting, the Delaware Court of Chancery may order a meeting to be held upon the application of a shareholder.

Under the 1991 Law, directors shall, notwithstanding anything in a Jersey company's articles of association, call a general meeting on a shareholders' requisition. A shareholders' requisition is a requisition of shareholders holding not less than one-tenth of the total voting rights of the shareholders of the company who have the right to vote at the meeting requisitioned. Failure to call an annual general meeting in accordance with the requirements of the 1991 Law is a criminal offense on the part of a Jersey company and its directors. The JFSC may, on the application of any officer, secretary or shareholder call, or direct the calling of, an annual general meeting.

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Corporate Law Issue

Interested Director Transactions

Delaware Law

Interested director transactions are not voidable if (i) the material facts as to the interested director's relationship or interests are disclosed or are known to the Board of Directors and the board in good faith authorizes the transaction by the affirmative vote of a majority of the disinterested directors, (ii) the material facts are disclosed or are known to the shareholders entitled to vote on such transaction and the transaction is specifically approved in good faith by vote of the majority of shares entitled to vote on the matter or (iii) the transaction is fair as to the corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee or the shareholders.

Jersey Law

A director of a Jersey company who has an interest in a transaction entered into or proposed to be entered into by the company or by a subsidiary which conflicts or may conflict with the interests of the company and of which the director is aware, must disclose the interest to the company. Failure to disclose an interest entitles the company or a member to apply to the court for an order setting aside the transaction concerned and directing that the director account to the company for any profit. A transaction is not voidable and a director is not accountable notwithstanding a failure to disclose if the transaction is confirmed by special resolution and the nature and extent of the director's interest in the transaction are disclosed in reasonable detail in the notice calling the meeting at which the resolution is passed. Without prejudice to its power to order that a director account for any profit, a court shall not set aside a transaction unless it is satisfied that the interests of third parties who have acted in good faith thereunder would not thereby be unfairly prejudiced and the transaction was not reasonable and fair in the interests of the company at the time it was entered into.

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Corporate Law Issue
Cumulative Voting

Delaware Law

Delaware law does not require that a Delaware corporation provide for cumulative voting. However, the certificate of incorporation of a Delaware corporation may provide that shareholders of any class or classes or of any series may vote cumulatively either at all elections or at elections under specified circumstances.

Jersey Law

There are no provisions in the 1991 Law relating to cumulative voting.

Approval of Corporate Matters by Written Consent

Unless otherwise specified in a Delaware corporation's certificate of incorporation, action required or permitted to be taken by shareholders at an annual or special meeting may be taken by shareholders without a meeting, without notice and without a vote, if consents in writing setting forth the action, are signed by shareholders with not less than the minimum number of votes that would be necessary to authorize the action at a meeting. All consents must be dated. No consent is effective unless, within 60 days of the earliest dated consent delivered to the corporation, written consents signed by a sufficient number of holders to take action are delivered to the corporation.

Insofar as the memorandum or articles of a Jersey company do not make other provision in that behalf, anything which may be done at a meeting of the company (other than remove an auditor) or at a meeting of any class of its shareholders may be done by a resolution in writing signed by or on behalf of each shareholder who, at the date when the resolution is deemed to be passed, would be entitled to vote on the resolution if it were proposed at a meeting. A resolution shall be deemed to be passed when the instrument, or the last of several instruments, is last signed or on such later date as is specified in the resolution.

Business Combinations

With certain exceptions, a merger, consolidation or sale of all or substantially all the assets of a Delaware corporation must be approved by the Board of Directors and a majority of the outstanding shares entitled to vote thereon.

A sale or disposal of all or substantially all the assets of a Jersey company must be approved by the Board of Directors and, only if the Articles of Association of the company require, by the shareholders in general meeting. A merger involving a Jersey company must be generally documented in a merger agreement which must be approved by special resolution of that company.

Table of Contents**Corporate Law Issue*****Limitations on Directors Liability*****Delaware Law**

A Delaware corporation may include in its certificate of incorporation provisions limiting the personal liability of its directors to the corporation or its shareholders for monetary damages for many types of breach of fiduciary duty. However, these provisions may not limit liability for any breach of the director's duty of loyalty, acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, the authorization of unlawful dividends, or unlawful share purchase or redemption, or any transaction from which a director derived an improper personal benefit. Moreover, these provisions would not be likely to bar claims arising under US federal securities laws.

Jersey Law

The 1991 Law does not contain any provisions permitting Jersey companies to limit the liability of directors for breach of fiduciary duty. Any provision, whether contained in the articles of association of, or in a contract with, a Jersey company or otherwise, whereby the company or any of its subsidiaries or any other person, for some benefit conferred or detriment suffered directly or indirectly by the company, agrees to exempt any person from, or indemnify any person against, any liability which by law would otherwise attach to the person by reason of the fact that the person is or was an officer of the company is void (subject to what is said below).

Indemnification of Directors and Officers

A Delaware corporation may indemnify a director or officer of the corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in defense of an action, suit or proceeding by reason of his or her position if (i) the director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and (ii) with respect to any criminal action or proceeding, the director or officer had no reasonable cause to believe his or her conduct was unlawful.

The prohibition referred to above does not apply to a provision for exempting a person from or indemnifying the person against (a) any liabilities incurred in defending any proceedings (whether civil or criminal) (i) in which judgment is given in the person's favor or the person is acquitted, (ii) which are discontinued otherwise than for some benefit conferred by the person or on the person's behalf or some detriment suffered by the person, or (iii) which are settled on terms which include such benefit or detriment and, in the opinion of a majority of the directors of the company (excluding any director who conferred such benefit or on whose behalf such benefit was conferred or who suffered such detriment), the person was substantially successful on the merits in the person's resistance to

the proceedings, (b) any liability incurred otherwise than to the company if the person acted in good faith with a view to the best interests of the company, (c) any liability incurred in connection with an application made to the court for relief from liability for negligence, default, breach of duty or breach of trust under Article 212 of the 1991 Law in which relief is granted to the person by the court or (d) any liability against which the company normally maintains insurance for persons other than directors.

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Corporate Law Issue
Appraisal Rights

Delaware Law

A shareholder of a Delaware corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights pursuant to which the shareholder may receive cash in the amount of the fair value of the shares held by that shareholder (as determined by a court) in lieu of the consideration the shareholder would otherwise receive in the transaction.

Jersey Law

The 1991 Law does not confer upon shareholders any appraisal rights.

Shareholder Suits

Class actions and derivative actions generally are available to the shareholders of a Delaware corporation for, among other things, breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In such actions, the court has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.

Under Article 141 of the 1991 Law, a shareholder may apply to court for relief on the ground that a company's affairs are being conducted or have been conducted in a manner which is unfairly prejudicial to the interests of its shareholders generally or of some part of its shareholders (including at least the shareholder making the application) or that an actual or proposed act or omission by the company (including an act or omission on its behalf) is or would be so prejudicial. There may also be common law personal actions available to shareholders. Under Article 143 of the 1991 Law (which sets out the types of relief a court may grant in relation to an action brought under Article 141 of the 1991 Law), the court may make an order regulating the affairs of a company, requiring a company to refrain from doing or continuing to do an act complained of, authorizing civil proceedings and providing for the purchase of shares by a company or by any of its other shareholders.

Inspection of Books and Records

All shareholders of a Delaware corporation have the right, upon written demand under oath stating

The register of shareholders and books containing the minutes of general meetings or of meetings of

the purpose thereof, to inspect or obtain copies of the corporation's shares ledger and its other books and records for any proper purpose.

any class of shareholders of a Jersey company must during business hours be open to the inspection of a shareholder of the company without charge. The register of directors and secretaries must during business hours (subject to such reasonable restrictions as the company may by its articles or in general meeting impose, but so that not less than two hours in each business day be allowed for inspection) be open to the inspection of a shareholder or director of the company without charge.

Table of Contents**Corporate Law Issue**
*Amendments to Charter***Delaware Law**

Amendments to the certificate of incorporation of a Delaware corporation require the affirmative vote of the holders of a majority of the outstanding shares entitled to vote thereon or such greater vote as is provided for in the certificate of incorporation; a provision in the certificate of incorporation requiring the vote of a greater number or proportion of the directors or of the holders of any class of shares than is required by Delaware corporate law may not be amended, altered or repealed except by such greater vote.

Jersey Law

The memorandum and articles of association of a Jersey company may only be amended by special resolution (being a two-third majority if the articles of association of the company do not specify a greater majority) passed by shareholders in general meeting or by written resolution signed by all the shareholders entitled to vote.

Transfer Agent and Registrar

The transfer agent and registrar for our ADSs is Deutsche Bank Trust Company Americas.

C. Material Contracts

The following is a summary of each contract that is or was material to us during the last two years.

(1) Master Services Agreement dated July 11, 2008 between Aviva Global Services (Management Services) Private Limited and WNS Capital Investment Limited (2008 Aviva master services agreement), (2) Variation Agreement dated August 3, 2009 to the 2008 Aviva master services agreement, (3) Novation and Agreement of Amendment dated March 24, 2011 among Aviva Global Services (Management Services) Private Limited, WNS Capital Investment Limited and WNS Global Services Private Limited, and(4) 2014 Amendment and Restatement Agreement dated September 5, 2014

On July 11, 2008, WNS Capital Investment Limited had entered into the Aviva master services agreement with Aviva MS, pursuant to which Aviva MS agrees to appoint us as service provider and prime contractor to supply certain BPM services to the Aviva group for an initial term of eight years and four months. Under the agreement, Aviva MS has agreed to provide a minimum volume of business, or minimum volume commitment, to us during the term of the contract. The minimum volume commitment is calculated as 3,000 billable full-time employees, where one billable full-time employee is the equivalent of a production employee engaged by us to perform our obligations under the contract for one working day of at least nine hours for 250 days a year. We replaced the 2008 Aviva master services agreement in its entirety with the Aviva master services agreement, by entering into an amendment and restatement agreement in September 2014 in the ordinary course of business. See Item 5. Operating and Financial Review and Prospects Our Contracts Revenue by Contract Type.

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(1) Sale and Purchase Agreement dated June 21, 2012 between BFSL Limited and BGL Group Limited on the one hand, and WNS Global Services (UK) Limited and WNS (Holdings) Limited, on the other hand (Fusion Sale and Purchase Agreement), (2) Agreement for the Novation of Loan relating to Fusion Outsourcing Services Proprietary Limited dated June 21, 2012 among Fusion Outsourcing Services Proprietary Limited, BFSL Limited and WNS Global Services (UK) Limited (Fusion Loan Novation Agreement), and (3) Co-existence Agreement dated June 21, 2012 among BFSL Limited, BGL Group Limited, Fusion Outsourcing Services Proprietary Limited, WNS Global Services (UK) Limited and WNS (Holdings) Limited (Fusion Co-existence Agreement).

On June 21, 2012, WNS UK and WNS entered into the Fusion Sale and Purchase Agreement with BFSL Limited, or BFSL, and BGL Group Limited, or BGL Group, pursuant to which we acquired Fusion. Under the agreement, the purchase price was payable by us in two installments and we paid the first installment of £5,000,000 on June 21, 2012 and a payment on completion of £399,000 on October 30, 2012. Pursuant to the agreement, on May 31, 2013, the second installment of the purchase consideration of £5,000,000 plus interest of £151,000 was duly paid by us.

On June 21, 2012, WNS UK entered into the Fusion Loan Novation Agreement with BFSL and Fusion pursuant to which BFSL novated to WNS UK all of its rights and obligations under a facility agreement dated April 8, 2004 (as amended) for a term loan of £10,000,000 which BFSL had advanced to Fusion. This loan was fully repaid in fiscal 2014.

In connection with the acquisition of Fusion, on June 21, 2012, WNS UK and WNS entered into the Fusion Co-existence Agreement with BFSL, BGL Group and Fusion. Pursuant to the terms of the agreement, the parties have agreed to use the trade name Fusion (together with certain marks) subject to certain territorial restrictions and other restrictions on use.

(3) Employment Agreement dated February 1, 2010 between Keshav R. Murugesh and WNS Global Services Private Limited.

Please see Part I Item 6. Directors, Senior Management and Employees B. Compensation Employment Agreement of our Executive Director.

Table of Contents**D. Exchange Controls**

There are currently no Jersey or United Kingdom foreign exchange control restrictions on the payment of dividends on our ordinary shares or on the conduct of our operations. Jersey is in a monetary union with the United Kingdom. There are currently no limitations under Jersey law or our Articles of Association prohibiting persons who are not residents or nationals of United Kingdom from freely holding, voting or transferring our ordinary shares in the same manner as United Kingdom residents or nationals.

Exchange Rates

Substantially all of our revenue is denominated in pound sterling or US dollars and large part of our expenses, other than payments to repair centers, are incurred and paid in Indian rupees. We report our financial results in US dollars. The exchange rates among the Indian rupee, the pound sterling and the US dollar have changed substantially in recent years and may fluctuate substantially in the future. The results of our operations are affected as the Indian rupee and the pound sterling appreciate or depreciate against the US dollar and, as a result, any such appreciation or depreciation will likely affect the market price of our ADSs in the US.

The following table sets forth, for the periods indicated, information concerning the exchange rates between Indian rupees and US dollars based on the spot rate released by the Federal Reserve Board:

Fiscal year:	Period End(1)	Average(2)	High	Low
2011	44.54	45.49	47.49	43.90
2012	50.89	47.81	53.71	44.00
2013	54.52	54.36	57.13	50.64
2014	60.00	60.35	68.80	53.65
2015	62.31	61.11	63.67	58.30
2016 (until May 01, 2015)	63.63	62.68	63.63	61.99

Notes:

- (1) The spot rate at each period end and the average rate for each period may differ from the exchange rates used in the preparation of financial statements included elsewhere in this annual report.
- (2) Represents the average of the daily exchange rates during the period.

The following table sets forth, for the periods indicated, information concerning the exchange rates between Indian rupees and US dollars based on the spot rate released by the Federal Reserve Board:

Month:	High	Low
November 2014	62.20	61.38
December 2014	63.67	61.78
January 2015	63.57	61.32
February 2015	62.41	61.67
March 2015	63.06	61.76
April 2015	63.58	61.99

May 2015 (until May 01, 2015)	63.63	63.63
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The following table sets forth, for the periods indicated, information concerning the exchange rates between the pound sterling and US dollars based on the spot rate released by the Federal Reserve Board:

Fiscal year:	Period End(1)	Average(2)	High	Low
2011	£ 0.62	£ 0.64	£ 0.70	£ 0.61
2012	0.63	0.63	0.65	0.60
2013	0.66	0.63	0.67	0.61
2014	0.60	0.63	0.67	0.60
2015	0.67	0.62	0.68	0.58
2016 (until May 01, 2015)	0.66	0.67	0.68	0.65

Notes:

- (1) The spot rate at each period end and the average rate for each period may differ from the exchange rates used in the preparation of financial statements included elsewhere in this annual report.
- (2) Represents the average of the daily exchange rates during the period.

The following table sets forth, for the periods indicated, information concerning the exchange rates between the pound sterling and US dollars based on the spot rate released by the Federal Reserve Board:

Month:	High	Low
November 2014	£ 0.64	£ 0.63
December 2014	0.64	0.64
January 2015	0.67	0.65
February 2015	0.67	0.65
March 2015	0.68	0.65
April 2015	0.68	0.65
May 2015 (until May 01, 2015)	0.66	0.66

E. Taxation**Jersey Tax Consequences***General*

The following summary of the anticipated tax treatment in Jersey in relation to the payments on the ordinary shares is based on the taxation law in force at the date of this annual report, and does not constitute legal or tax advice and investors should be aware that the relevant fiscal rules and practice and their interpretation may change. We encourage you to consult your own professional advisors on the implications of subscribing for, buying, holding, selling, redeeming or disposing of ordinary shares (or ADSs) and the receipt of interest and distributions, whether or not on a winding-up, with respect to the ordinary shares (or ADSs) under the laws of the jurisdictions in which they may be taxed. Under the Income Tax (Jersey) Law 1961, as amended, or the Jersey Income Tax Law: (i) we are regarded as tax resident in Jersey but, being neither a financial services company nor a specified utility company under the Jersey Income Tax Law at the date hereof, we will not be liable to pay Jersey income tax, (ii) we will continue to be able to pay dividends on our ordinary shares without any withholding or deduction for or on account of Jersey tax, and

(iii) holders of our ordinary shares (other than Jersey residents) will not be subject to any Jersey tax in respect of the holding, sale or other disposition of their ordinary shares.

On May 6, 2008, Jersey introduced a 3% general sales tax on goods and services which was increased to 5% with effect from June 1, 2011. We have the benefit of exemption or end user relief from this charge as we have obtained international services entity status (for which an annual administrative fee of £200 is payable).

Currently, there is no double tax treaty or similar convention between the US and Jersey.

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As part of an agreement reached in connection with the EU Savings Tax Directive income in the form of interest payments, and in line with steps taken by other relevant third countries, with effect from July 1, 2005 a retention tax system was introduced in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in an EU Member State by a paying agent established in Jersey (the terms beneficial owner and paying agent are defined in the EU Savings Tax Directive). The retention tax system applies for a transitional period prior to the implementation of a system of automatic communication to EU Member States of information regarding such payments. The transitional period will only end after all EU Member States apply automatic exchange of information and EU Member States unanimously agree that the US has committed to exchange of information upon request. During this transitional period, such an individual beneficial owner resident in an EU Member State is entitled to request a paying agent not to retain tax from such payments but instead to apply a system by which the details of such payments are communicated to the tax authorities of the EU Member State in which the beneficial owner is resident.

The retention tax system and disclosure arrangements are implemented by means of bilateral agreements with each of the EU Member States, the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005 and Guidance Notes issued by the Policy & Resources Committee of the States of Jersey. Based on these provisions and the current practice of the Jersey tax authorities, dividend distributions to shareholders and income realized by shareholders in a Jersey company upon the sale, refund or redemption of shares do not constitute interest payments for the purposes of the retention tax system and therefore neither a Jersey company nor any paying agent appointed by it in Jersey is obliged to levy retention tax in Jersey under these provisions in respect thereof. However, the retention tax system could apply in the event that an individual resident in an EU Member State, otherwise receives an interest payment in respect of a debt claim (if any) owed by a company to the individual.

Taxation of Dividends

Under existing Jersey law, provided that the ordinary shares and ADSs are not held by, or for the account of, persons resident in Jersey for income tax purposes, payments in respect of the ordinary shares and ADSs, whether by dividend or other distribution, will not be subject to any taxation in Jersey and no withholding in respect of taxation will be required on those payments to any holder of our ordinary shares or ADSs.

Holders of our ordinary shares or ADSs who are resident in Jersey for Jersey income tax purposes suffer deduction of tax on payment of dividends by us at the standard rate of Jersey income tax for the time being in force. Any individual investor who is resident in Jersey who, directly or indirectly, owns more than 2% of our ordinary shares or ADSs may be subject to the deemed dividend or full attribution provisions which seek to tax shareholders or ADS holders of securities on all or a proportion of our profits in proportion to their shareholdings.

Taxation of Capital Gains and Estate and Gift Tax

Under current Jersey law, there are no death or estate duties, capital gains, gift, wealth, inheritance or capital transfer taxes. No stamp duty is levied in Jersey on the issue or transfer of ordinary shares or ADSs. In the event of the death of an individual sole shareholder, duty at rates of up to 0.75% of the value of the ordinary shares or ADSs held may be payable on the registration of Jersey probate or letters of administration which may be required in order to transfer or otherwise deal with ordinary shares or ADSs held by the deceased individual sole shareholder.

US Federal Income Taxation

The following discussion describes certain material US federal income tax consequences to US Holders (defined below) under present law of an investment in the ADSs or ordinary shares. This summary applies only to US Holders that hold the ADSs or ordinary shares as capital assets and that have the US dollar as their functional currency. This

discussion is based on the tax laws of the US as in effect on the date of this annual report and on US Treasury regulations in effect or, in some cases, proposed, as of the date of this annual report, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

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The following discussion does not address the Medicare contribution tax on net investment income or the tax consequences to any particular investor or to persons in special tax situations, such as:

banks;

certain financial institutions;

insurance companies;

broker dealers;

traders that elect to mark-to-market;

tax-exempt entities;

persons liable for alternative minimum tax;

real estate investment trusts;

regulated investment companies;

US expatriates;

persons holding ADSs or ordinary shares as part of a straddle, hedging, conversion or integrated transaction;

entities treated as partnerships or other pass-through entities, or persons holding ADSs or ordinary shares through such entities; or

persons that actually or constructively own 10% or more of our voting share; or

persons who acquired ADSs or ordinary shares pursuant to the exercise of any employee share option or otherwise as compensation.

US HOLDERS OF OUR ADSs OR ORDINARY SHARES ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE US FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE AND LOCAL AND NON-US TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR ADSs OR ORDINARY SHARES.

The discussion below of the US federal income tax consequences to US Holders will apply to you if you are a beneficial owner of ADSs or ordinary shares and you are, for US federal income tax purposes:

an individual who is a citizen or resident of the US;

a corporation (or other entity taxable as a corporation) organized under the laws of the United States, any State thereof or the District of Columbia;

an estate whose income is subject to US federal income taxation regardless of its source; or

a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more US persons for all substantial decisions of the trust or (2) has a valid election in effect under applicable US Treasury regulations to be treated as a US person.

If you are a partner in an entity treated as a partnership that holds ADSs or ordinary shares, your tax treatment will depend on your status and the activities of such entity.

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The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. If you hold ADSs, you should be treated as the holder of the underlying ordinary shares represented by those ADSs for US federal income tax purposes. The US Treasury has expressed concerns that intermediaries in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS may be taking actions that are inconsistent with the beneficial ownership of the underlying security (for example, pre-releasing ADSs to persons that do not have the beneficial ownership of the securities underlying the ADSs). Accordingly, the creditability of any foreign taxes paid and the availability of the reduced tax rate for any dividends received by certain non-corporate US Holders, including individuals US Holders (as discussed below), could be affected by actions taken by intermediaries in the chain of ownership between the holders of ADSs and us if as a result of such actions the holders of ADSs are not properly treated as beneficial owners of the underlying ordinary shares.

Distributions

Subject to the rules applicable to PFICs, discussed below, the gross amount of distributions made by us with respect to the ADSs or ordinary shares (including the amount of any taxes withheld therefrom) will be includable in your gross income in the year received (or deemed received) as dividend income to the extent that such distributions are paid out of our current or accumulated earnings and profits as determined under US federal income tax principles. To the extent the amount of the distribution exceeds our current and accumulated earnings and profits (as determined under US federal income tax principles), such excess amount will be treated first as a tax-free return of your tax basis in your ADSs or ordinary shares, and then, to the extent such excess amount exceeds your tax basis in your ADSs or ordinary shares, as capital gain. We do not intend to calculate our earnings and profits under US federal income tax principles. Therefore, a US Holder should expect that a distribution will be treated as a dividend. No dividends received deduction will be allowed for US federal income tax purposes with respect to dividends paid by us.

With respect to non-corporate US Holders, including individual US Holders, under current law dividends may be qualified dividend income that is taxed at the lower applicable capital gains rate provided that (1) we are neither a PFIC nor treated as such with respect to you (as discussed below) for either our taxable year in which the dividend is paid or the preceding taxable year, (2) certain holding period requirements are met, and (3) the ADSs or ordinary shares, as applicable, are readily tradable on an established securities market in the US. Under US Internal Revenue Service, or IRS, authority, common shares, or ADSs representing such shares, are considered to be readily tradable on an established securities market in the US if they are listed on the NYSE, as our ADSs are. However, based on existing guidance, it is not entirely clear whether any dividends you receive with respect to the ordinary shares will be taxed as qualified dividend income, because the ordinary shares are not themselves listed on US exchange. You should consult your tax advisors regarding the availability of the lower rate for dividends paid with respect to ADSs or ordinary shares, including the effects of any change in law after the date of this annual report.

The amount of any distribution paid in a currency other than the US dollar (a foreign currency) will be equal to the US dollar value of such foreign currency on the date such distribution is received by the depository, in the case of ADSs, or by you, in the case of ordinary shares, regardless of whether the payment is in fact converted into US dollars at that time. Gain or loss, if any, realized on the sale or other disposition of such foreign currency will be US source ordinary income or loss, subject to certain exceptions and limitations. If such foreign currency is converted into US dollars on the date of receipt, a US Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Subject to certain exceptions, for foreign tax credit purposes, dividends distributed by us with respect to ADSs or ordinary shares generally will constitute foreign source income. The limitation on foreign taxes eligible for credit is

calculated separately with respect to specific classes of income. For this purpose, dividends distributed by us with respect to the ADSs or ordinary shares will generally constitute passive category income. To the extent the dividends would be taxable as qualified dividend income with respect to non-corporate US Holders, including individual US Holders (subject to the discussion above), the amount of the dividends taken into account for purposes of calculating the foreign tax credit limitation will in general be limited to the gross amount of the dividend, multiplied by the reduced tax rate applicable to qualified dividend income and divided by the highest tax rate normally applicable to dividends. You are urged to consult your tax advisors regarding the foreign tax credit limitation and source of income rules with respect to distributions on the ADSs or ordinary shares.

Table of Contents***Sale or Other Disposition of ADSs or Ordinary Shares***

Subject to the PFIC rules discussed below, upon a sale or other taxable disposition of ADSs or ordinary shares, you generally will recognize a capital gain or loss for US federal income tax purposes in an amount equal to the difference between the US dollar value of the amount realized and your tax basis in such ADSs or ordinary shares. If the consideration you receive for the ADSs or ordinary shares is not paid in US dollars, the amount realized will be the US dollar value of the payment received determined by reference to the spot rate of exchange on the date of the sale or other disposition. However, if the ADSs or ordinary shares, as applicable, are treated as traded on an established securities market and you are either a cash basis taxpayer or an accrual basis taxpayer that has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), you will determine the US dollar value of the amount realized in a foreign currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. Your initial tax basis in your ADSs or ordinary shares will equal the US dollar value of the cost of such ADSs or ordinary shares, as applicable. If you use foreign currency to purchase ADSs or ordinary shares, the cost of such ADSs or ordinary shares will be the US dollar value of the foreign currency purchase price determined by reference to the spot rate of exchange on the date of purchase. However, if the ADSs or ordinary shares, as applicable, are treated as traded on an established securities market and you are either a cash basis taxpayer or an accrual basis taxpayer who has made the special election described above, you will determine the US dollar value of the cost of such ADSs or ordinary shares, as applicable, by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

Subject to certain exceptions and limitations, capital gain or loss on a sale or other taxable disposition of ADSs or ordinary shares generally will be US source gain or loss and treated as long-term capital gain or loss, if your holding period in the ADSs or ordinary shares exceeds one year. Subject to the PFIC rules discussed below and other limitations, if you are a non-corporate US Holder, including an individual US Holder, any long-term capital gain will be subject to US federal income tax at preferential rates. The deductibility of capital losses is subject to significant limitations.

Passive Foreign Investment Company

A non-US corporation is considered a PFIC for any taxable year if either:

at least 75% of its gross income is passive income, or

at least 50% of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income.

We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock.

Based on our financial statements and relevant market and shareholder data, we believe that we should not be treated as a PFIC with respect to our most recently closed taxable year. If we were treated as a PFIC for any year during which you held ADSs or ordinary shares, we will continue to be treated as a PFIC for all succeeding years during which you hold ADS or ordinary shares, absent a special election as discussed below. The application of the PFIC rules is subject to uncertainty in several respects, and we cannot assure you we will not be a PFIC for any taxable year.

If we are a PFIC for any taxable year during which you hold ADSs or ordinary shares, you will be subject to special tax rules with respect to any excess distribution you receive and any gain you recognize from a sale or other disposition (including a pledge) of the ADSs or ordinary shares, unless you make a mark-to-market or qualified electing fund, or QEF, election (if available) as discussed below. Distributions you receive in a taxable year that are greater than 125% of the average annual distributions you received during the shorter of the three preceding taxable years or your holding period for the ADSs or ordinary shares will be treated as an excess distribution.

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Under these special tax rules:

the excess distribution or gain will be allocated ratably over your holding period for the ADSs or ordinary shares,

the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which we became a PFIC, will be treated as ordinary income, and

the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and the interest charge normally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or excess distribution cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the ADSs or ordinary shares cannot be treated as capital, even if you hold the ADSs or ordinary shares as capital assets.

In addition, if we are a PFIC, to the extent any of our subsidiaries are also PFICs, you may be deemed to own shares in such subsidiaries that are directly or indirectly owned by us in that proportion which the value of the shares you own so bears to the value of all of our shares, and may be subject to the adverse tax consequences described above with respect to the shares of such subsidiaries you would be deemed to own.

If we are a PFIC, you may avoid taxation under the rules described above by making a QEF election to include your share of our income on a current basis in any taxable year that we are a PFIC, provided we agree to furnish you annually with certain tax information. However, we do not presently intend to prepare or provide such information.

Alternatively, if the ADSs are marketable stock (as defined below), you can avoid taxation under the unfavorable PFIC rules described above in respect of the ADSs by making a mark-to-market election in respect of the ADSs by the due date (determined with regard to extensions) for your tax return in respect of your first taxable year during which we are treated as a PFIC. If you make a mark-to-market election for the ADSs or ordinary shares, you will include in income in each of your taxable years during which we are a PFIC an amount equal to the excess, if any, of the fair market value of the ADSs or ordinary shares as of the close of your taxable year over your adjusted basis in such ADSs or ordinary shares. You are allowed a deduction for the excess, if any, of the adjusted basis of the ADSs or ordinary shares over their fair market value as of the close of the taxable year. However, deductions are allowable only to the extent of any net mark-to-market gains on the ADSs or ordinary shares included in your income for prior taxable years. Amounts included in your income under a mark-to-market election, as well as gain on the actual sale or other disposition of the ADSs or ordinary shares, are treated as ordinary income. Ordinary loss treatment also applies to the deductible portion of any mark-to-market loss on the ADSs or ordinary shares, as well as to any loss realized on the actual sale or disposition of the ADSs or ordinary shares, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such ADSs or ordinary shares. Your basis in the ADSs or ordinary shares will be adjusted to reflect any such income or loss amounts. Further, distributions would be taxed as described above under Distributions, except the preferential dividend rates with respect to qualified dividend income would not apply. You will not be required to recognize mark-to-market gain or loss in respect of your taxable years during which we were not at any time a PFIC.

The mark-to-market election is available only for marketable stock, which is stock that is traded in other than *de minimis* quantities on at least 15 days during each calendar quarter on a qualified exchange, including the NYSE, or other market, as defined in the applicable US Treasury regulations. Our ADSs are listed on the NYSE and consequently, if you hold ADSs the mark-to-market election would be available to you, provided the ADSs are traded in sufficient quantities. US Holders of ADSs or ordinary shares should consult their tax advisors as to whether the ADSs or ordinary shares would qualify for the mark-to-market election.

You also generally can make a deemed sale election in respect of any time we cease being a PFIC, in which case you will be deemed to have sold, at fair market value, your ADSs or ordinary shares (and shares of our PFIC subsidiaries, if any, that you are deemed to own) on the last day of our taxable year immediately prior to our taxable year in respect of which we are not a PFIC. If you make this deemed sale election, you generally would be subject to the unfavorable PFIC rules described above in respect of any gain realized on such deemed sale, but as long as we are not a PFIC for future years, you would not be subject to the PFIC rules for those future years.

If you hold ADSs or ordinary shares in any year in which we or any of our subsidiaries are a PFIC, you would be required to file an annual information report with the US Internal Revenue Service, for each entity that is a PFIC, regarding distributions received on the ADSs or ordinary shares and any gain realized on the disposition of the ADSs or ordinary shares. You should consult your tax advisors regarding the potential application of the PFIC rules to your ownership of ADSs or ordinary shares and the elections discussed above.

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US Information Reporting and Backup Withholding

Dividend payments with respect to ADSs or ordinary shares and proceeds from the sale, exchange or redemption of ADSs or ordinary shares may be subject to information reporting to the IRS and possible US backup withholding. Backup withholding will not apply, however, to a US Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding and establishes such exempt status. US Holders should consult their tax advisors regarding the application of the US information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your US federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS and furnishing any required information.

Additional Reporting Requirements

US individuals that own specified foreign financial assets with an aggregate value in excess of US\$50,000 are generally required to file an information report with respect to such assets with their tax returns. Specified foreign financial assets include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-US persons, (ii) financial instruments and contracts held for investment that have non-US issuers or counterparties, and (iii) interests in foreign entities. Our ADSs or ordinary shares may be subject to these rules. US Holders that are individuals should consult their tax advisers regarding the application of this requirement to their ownership of our shares.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

Publicly filed documents concerning our company which are referred to in this annual report may be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, N.E., Washington, D.C. 20549. Copies of these materials can also be obtained from the Public Reference Room at the Commission's principal office, 100 F Street, N.E., Washington D.C. 20549, after payment of fees at prescribed rates.

The Commission maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that make electronic filings through its Electronic Data Gathering, Analysis, and Retrieval, or EDGAR, system. We have made all our filings with the Commission using the EDGAR system.

I. Subsidiary Information

For more information on our subsidiaries, please see Part I Item 4. Information on the Company C. Organizational Structure.

Table of Contents**ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK****A. General**

Market risk is attributable to all market sensitive financial instruments including foreign currency receivables and payables. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments.

Our exposure to market risk is primarily a function of our revenue generating activities and any future borrowings in foreign currency. The objective of market risk management is to avoid excessive exposure of our earnings to losses. Most of our exposure to market risk arises from our revenue and expenses that are denominated in different currencies.

The following risk management discussion and the estimated amounts generated from analytical techniques are forward-looking statements of market risk assuming certain market conditions. Our actual results in the future may differ materially from these projected results due to actual developments in the global financial markets.

B. Risk Management Procedures

We manage market risk through our treasury operations. Our senior management and our Board of Directors approve our treasury operations objectives and policies. The activities of our treasury operations include management of cash resources, implementation of hedging strategies for foreign currency exposures, implementation of borrowing strategies and monitoring compliance with market risk limits and policies. Our Foreign Exchange Committee, comprising the Chairman of the Board, our Group Chief Executive Officer and our Group Chief Financial Officer, is the approving authority for all our hedging transactions.

Components of Market Risk***Exchange Rate Risk***

Our exposure to market risk arises principally from exchange rate risk. Although substantially all of our revenue less repair payments is denominated in pound sterling and US dollars, approximately 55.5% of our expenses (net of payments to repair centers made as part of our WNS Auto Claims BPM segment) in fiscal 2015 were incurred and paid in Indian rupees. The exchange rates among the Indian rupee, the pound sterling and the US dollar have changed substantially in recent years and may fluctuate substantially in the future. See Part I Item 5 Operating and Financial Review Prospects Foreign Exchange Exchange Rates.

Our exchange rate risk primarily arises from our foreign currency-denominated receivables. Based upon our level of operations in fiscal 2015, a sensitivity analysis shows that a 10% appreciation or depreciation in the pound sterling against the US dollar would have increased or decreased revenue by approximately \$27.3 million and increased or decreased revenue less repair payments by approximately \$24.3 million in fiscal 2015. Similarly, a 10% appreciation or depreciation in the Indian rupee against the US dollar would have increased or decreased our expenses incurred and paid in Indian rupee in fiscal 2015 by approximately \$24.7 million.

To protect against foreign exchange gains or losses on forecasted revenue and inter-company revenue, we have instituted a foreign currency cash flow hedging program. Our operating entities hedge a part of their forecast revenue and inter-company revenue denominated in foreign currencies with forward contracts and options.

Interest Rate Risk

Our exposure to interest rate risk arises principally from our borrowings which have a floating rate of interest, a portion of which is linked to the US dollar LIBOR and the remainder is linked to the Bank of England base rate. We manage this risk by maintaining an appropriate mix between fixed and floating rate borrowings and through the use of interest rate swap contracts. The costs of floating rate borrowings may be affected by the fluctuations in the interest rates.

Based upon our level of operations in fiscal 2015, if interest rates were to increase by 1.0%, the impact on annual interest expense on our floating rate borrowing would be approximately \$0.2 million.

We intend to selectively use interest rate swaps, options and other derivative instruments to manage our exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a periodic basis. We do not enter into hedging agreements for speculative purposes.

Table of Contents**ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES****A. Debt Securities**

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Our ADR facility is maintained with Deutsche Bank Trust Company Americas, or the Depositary, pursuant to a Deposit Agreement, dated as at July 18, 2006, among us, our Depositary and the holders and beneficial owners of ADSs. We use the term "holder" in this discussion to refer to the person in whose name an ADR is registered on the books of the Depositary.

In accordance with the Deposit Agreement, the Depositary may charge fees up to the amounts described below:

	Type of Service	Fees
1.	Issuance of ADSs, including upon the deposit of ordinary shares or to any person to whom an ADS distribution is made pursuant to share dividends or other free distributions of shares, bonus distributions, share splits or other distributions (except where converted to cash)	\$5.00 per 100 ADSs (or any portion thereof)
2.	Surrender of ADSs for cancellation and withdrawal of ordinary shares underlying such ADSs (including cash distributions made pursuant to a cancellation or withdrawal)	\$5.00 per 100 ADSs (or any portion thereof)
3.	Distribution of cash proceeds, including cash dividends or sale of rights and other entitlements, not made pursuant to a cancellation or withdrawal	\$2.00 per 100 ADSs (or any portion thereof)
4.	Issuance of ADSs upon the exercise of rights	\$5.00 per 100 ADSs (or any portion thereof)
5.	Operations and maintenance costs in administering the ADSs (provided that the total fees assessed under this item, combined with the total fees assessed under item 3 above, should not exceed \$0.02 per ADS in any calendar year)	\$0.02 per ADS per calendar year

In addition, holders or beneficial owners of our ADS, persons depositing ordinary shares for deposit and persons surrendering ADSs for cancellation and withdrawal of deposited securities will be required to pay the following charges:

taxes (including applicable interest and penalties) and other governmental charges;

registration fees for the registration of ordinary shares or other deposited securities with applicable registrar and applicable to transfers of ordinary shares or other deposited securities in connection with the deposit or withdrawal of ordinary shares or other deposited securities;

certain cable, telex, facsimile and electronic transmission and delivery expenses;

expenses and charges incurred by the Depositary in the conversion of foreign currency into US dollars;

fees and expenses incurred by the Depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, deposited securities, ADSs and ADRs;

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fees and expenses incurred by the Depositary in connection with the delivery of deposited securities; and

any additional fees, charges, costs or expenses that may be incurred by the Depositary from time to time. In the case of cash distributions, the applicable fees, charges, expenses and taxes will be deducted from the cash being distributed. In the case of distributions other than cash, such as share dividends, the distribution generally will be subject to appropriate adjustments for the deduction of the applicable fees, charges, expenses and taxes. In certain circumstances, the Depositary may dispose of all or a portion of such distribution and distribute the net proceeds of such sale to the holders of ADS, after deduction of applicable fees, charges, expenses and taxes.

If the Depositary determines that any distribution in property is subject to any tax or other governmental charge which the Depositary is obligated to withhold, the Depositary may withhold the amount required to be withheld and may dispose of all or a portion of such property in such amounts and in such manner as the Depositary deems necessary and appropriate to pay such taxes or charges and the Depositary will distribute the net proceeds of any such sale after deduction of such taxes or charges to the holders of ADSs entitled to the distribution.

During fiscal 2011, the Depositary has made a payment of \$5,500 to IPREO (Hemscott Holdings Limited) on behalf of our company in consideration for our access to the Bigdough investor relations tool.

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PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 under the Exchange Act, management has evaluated, with the participation of our Group Chief Executive Officer and Group Chief Financial Officer, the effectiveness of our disclosure controls and procedures as of the end of the period covered by this annual report. Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Commission. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Group Chief Executive Officer and Group Chief Financial Officer, as appropriate to allow timely decisions regarding our required disclosure.

Based on the foregoing, our Group Chief Executive Officer and Group Chief Financial Officer have concluded that, as at March 31, 2015, our disclosure controls and procedures were effective and provide a reasonable level of assurance.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting.

Internal control over financial reporting refers to a process designed by, or under the supervision of, our Group Chief Executive Officer and Group Chief Financial Officer and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and members of our Board of Directors; and

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

Management recognizes that there are inherent limitations in the effectiveness of any system of internal control over financial reporting, including the possibility of human error and the circumvention or override of internal control. Accordingly, even effective internal control over financial reporting can provide only reasonable assurance with respect to financial statement preparation, and may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of internal control over financial reporting as at March 31, 2015, based on the criteria established in 2013 *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the above criteria, and as a result of this assessment, management concluded that, as at March 31, 2015, our internal control over financial reporting was effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The effectiveness of our internal control over financial reporting as at March 31, 2015, has been audited by Grant Thornton India LLP, an independent registered public accounting firm, as stated in their report set out below.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders of

WNS (Holdings) Limited

We have audited the internal control over financial reporting of WNS (Holdings) Limited and Subsidiaries (the Company) as of March 31, 2015, based on criteria established in the 2013 *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2015, based on criteria established in 2013 *Internal Control Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended March 31, 2015 and our report dated May 5, 2015 expressed an unqualified opinion on those financial statements.

/s/ GRANT THORNTON INDIA LLP

Mumbai, India
May 5, 2015

Table of Contents**Changes in Internal Control over Financial Reporting**

Management has evaluated, with the participation of our Group Chief Executive Officer and Group Chief Financial Officer, whether any changes in our internal control over financial reporting that occurred during the period covered by the annual report have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on the evaluation we conducted, management has concluded that no such changes have occurred.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our Audit Committee members are Messrs. Albert Aboody (Chairman), John Freeland, Michael Menezes, and Jeremy Young. Each of Messrs. Aboody, Freeland, Menezes and Young is an independent director pursuant to the applicable rules of the Commission and the NYSE. See Part I Item 6. Directors, Senior Management and Employees A. Directors and Executive Officers for the experience and qualifications of the members of the Audit Committee. Our Board of Directors has determined that Messrs. Aboody and Menezes each qualifies as an audit committee financial expert as defined in Item 16A of Form 20-F.

ITEM 16B. CODE OF ETHICS

We have adopted a written Code of Business Ethics and Conduct that is applicable to all of our directors, senior management and employees. We have posted the code on our website at www.wns.com. **Information contained in our website does not constitute a part of this annual report.** We will also make available a copy of the Code of Business Ethics and Conduct to any person, without charge, if a written request is made to our General Counsel at our principal executive offices at Gate 4, Godrej & Boyce Complex, Pirojshanagar, Vikhroli (W), Mumbai 400 079, India.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES**Principal Accountant Fees and Services**

Grant Thornton India LLP has served as our independent public accountant for the fiscal year ended March 31, 2015. The following table shows the fees we paid or accrued for audit and other services provided by Grant Thornton India LLP for the years ended March 31, 2015 and March 31, 2014.

	Fiscal	
	2015	2014
Audit fees	\$ 482,300	\$ 465,000
Audit-related fees	47,634	24,800
Tax fees	32,400	26,000

Notes:

Audit fees: This category consists of fees billed for the audit of financial statements, quarterly review of financial statements and other audit services, which are normally provided by the independent auditors in connection with statutory and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements and include the group audit; statutory audits required by non-US jurisdictions; consents and attest services.

Audit-related fees: This category consists of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements or that are traditionally performed by the external auditor, and include service tax certifications and SAS 70 audits and out of pocket expenses.

Tax fees: This category includes fees billed for tax audits.

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Audit Committee Pre-approval Process

Our Audit Committee reviews and pre-approves the scope and the cost of all audit and permissible non-audit services performed by our independent auditor. All of the services provided by Grant Thornton India LLP during the last fiscal year have been pre-approved by our Audit Committee.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Neither we, nor any affiliated purchaser, made any purchase of our equity securities in fiscal 2015.

In March 2015, our shareholders authorized a share repurchase program for the repurchase of up to 1.1 million of our ADSs, each representing one ordinary share, at a price range of \$10 to \$30 per ADS. Pursuant to the terms of the repurchase program, our ADSs may be purchased in the open market from time to time for 12 months from April 1, 2015. We are not obligated under the repurchase program to repurchase a specific number of ADSs, and the repurchase program may be suspended at any time at our discretion.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

We have posted our Corporate Governance Guidelines on our website at www.wns.com. **Information contained in our website does not constitute a part of this annual report.**

Messrs. Adrian T. Dillon, Gareth Williams, Mrs. Renu S. Karnad and Sir Anthony A. Greener are members of our Board of Directors and they serve on each of our Compensation Committee and Nominating and Corporate Governance Committee, except Mr. Williams who serves only on the Compensation Committee. Messrs. Albert Aboody, Michael Menezes, John Freeland and Jeremy Young serve on our Audit Committee. Each of Messrs. Dillon, Freeland, Menezes, Young, Williams and Aboody, Mrs. Karnad and Sir Anthony satisfies the independence requirements of the NYSE listing standards and the independence requirements of Rule 10A-3 of the Exchange Act.

We are not aware of any significant differences between our corporate governance practices and those required to be followed by US issuers under the NYSE listing standards.

As a foreign private issuer, we are exempt from the rules under the Exchange Act governing the furnishing and content of proxy statements, including disclosure relating to any conflicts of interests concerning the issuer's compensation consultants, and our directors, senior management and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

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PART III

ITEM 17. FINANCIAL STATEMENTS

See Part III Item 18. Financial Statements for a list of our consolidated financial statements included elsewhere in this annual report.

ITEM 18. FINANCIAL STATEMENTS

The following statements are filed as part of this annual report, together with the report of the independent registered public accounting firm:

Report of Independent Registered Public Accounting Firm

Consolidated Statements of Financial Position as at March 31, 2015 and 2014

Consolidated Statements of Income for the years ended March 31, 2015, 2014 and 2013

Consolidated Statements of Comprehensive Income for the years ended March 31, 2015, 2014 and 2013

Consolidated Statements of Changes in Equity for the years ended March 31, 2015, 2014 and 2013

Consolidated Statements of Cash Flows for the years ended March 31, 2015, 2014 and 2013

Notes to Consolidated Financial Statements

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ITEM 19. EXHIBITS

The following exhibits are filed as part of this annual report:

- 1.1 Memorandum of Association of WNS (Holdings) Limited, as amended incorporated by reference to Exhibit 3.1 of the Registration Statement on Form F-1 (File No. 333-135590) of WNS (Holdings) Limited, as filed with the Commission on July 3, 2006.
- 1.2 Articles of Association of WNS (Holdings) Limited, as amended incorporated by reference to Exhibit 3.2 of the Registration Statement on Form F-1 (File No. 333-135590) of WNS (Holdings) Limited, as filed with the Commission on July 3, 2006.
- 2.1 Form of Deposit Agreement among WNS (Holdings) Limited, Deutsche Bank Trust Company Americas, as Depositary, and the holders and beneficial owners of American Depositary Shares evidenced by American Depositary Receipts, or ADR, issued thereunder (including the Form of ADR) incorporated by reference to Exhibit 4.1 of the Registration Statement on Form F-1 (File No. 333-135590) of WNS (Holdings) Limited, as filed with the Commission on July 3, 2006.
- 2.2 Specimen Ordinary Share Certificate of WNS (Holdings) Limited incorporated by reference to Exhibit 4.4 of the Registration Statement on Form 8-A (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on July 14, 2006.
- 4.1 Leave and Licence Agreement dated May 10, 2011 between Godrej & Boyce Manufacturing Company Limited and WNS Global Services Private Limited with respect to the lease of office premises with an aggregate area of 84,429 square feet at Plant 10 incorporated by reference to Exhibit 4.3 of the Annual Report on Form 20-F for fiscal 2012 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on April 26, 2012.
- 4.2 Leave and Licence Agreement dated May 10, 2011 between Godrej & Boyce Manufacturing Company Limited and WNS Global Services Private Limited with respect to the lease of office premises with an aggregate area of 108,000 square feet at Plant 5 incorporated by reference to Exhibit 4.4 of the Annual Report on Form 20-F for fiscal 2012 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on April 26, 2012.
- 4.3 Leave and Licence Agreement dated May 10, 2011 between Godrej & Boyce Manufacturing Company Limited and WNS Global Services Private Limited with respect to the lease of office premises with an aggregate area of 84,934 square feet at Plant 11 incorporated by reference to Exhibit 4.5 of the Annual Report on Form 20-F for fiscal 2012 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on April 26, 2012.
- 4.4 Lease Deed dated January 20, 2012 between Sri Divi Satya Mohan, Sri Attaluri Praveen and Sri Divi Satya Sayee Babu, on the one hand, and WNS Global Services Private Limited, on the other hand, with respect to lease of office premises incorporated by reference to Exhibit 4.8 of the Annual Report on Form 20-F for fiscal 2012 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on April 26, 2012.
- 4.5 Addendum to Lease Deed dated July 23, 2012 between Sri Divi Satya Mohan, Sri Attaluri Praveen and Sri Divi Satya Sayee Babu, on the one hand, and WNS Global Services Private Limited and WNS Business Consulting Services Private Limited, on the other hand. incorporated by reference to Exhibit 4.5 of the Annual Report on Form 20-F for fiscal 2013 (File No. 001-32945) of WNS (Holdings) Limited, as filed with

the Commission on May 2, 2013.

- 4.6 WNS (Holdings) Limited 2002 Stock Incentive Plan incorporated by reference to Exhibit 10.10 of the Registration Statement on Form F-1 (File No. 333-135590) of WNS (Holdings) Limited, as filed with the Commission on July 3, 2006.
- 4.7 Contract of Lease dated September 27, 2012 between Megaworld Corporation and WNS Global Services Philippines, Inc. with respect to lease of office premises incorporated by reference to Exhibit 4.6 of the Annual Report on Form 20-F for fiscal 2013 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on May 2, 2013.
- 4.8 Form of the Third Amended and Restated WNS (Holdings) Limited 2006 Incentive Award Plan incorporated by reference to Appendix A to WNS (Holdings) Limited's Proxy Statement which was furnished as Exhibit 99.3 of its Report on Form 6-K (File No. 001-32945), as furnished to the Commission on August 23, 2013.
- 4.9 Letter of Intent dated February 14, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 8th, 9th and 11th floors of Blocks A2 and A3 at World Tech Park incorporated by reference to Exhibit 4.15 of the Annual Report on Form 20-F for fiscal 2014 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on May 14, 2014.
- 4.10 Letter of Intent dated February 14, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 10th floor of Blocks A2 and A3 at World Tech Park incorporated by reference to Exhibit 4.16 of the Annual Report on Form 20-F for fiscal 2014 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on May 14, 2014.
- 4.11 Letter dated May 8, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to extension of existing letters of intent for lease of office premises at World Tech Park incorporated by reference to Exhibit 4.17 of the Annual Report on Form 20-F for fiscal 2014 (File No. 001-32945) of WNS (Holdings) Limited, as filed with the Commission on May 14, 2014.
- 4.12 Lease Deed commencing April 28, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 10th floor of Blocks A2 and A3 at World Tech Park.**
- 4.13 Lease Deed commencing April 28, 2014 between WNS Global Services Private Limited and DLF Assets Private Limited with respect to the lease of office premises on the 8th, 9th and 11th floors of Blocks A2 and A3 at World Tech Park.**
- 8.1 List of subsidiaries of WNS (Holdings) Limited.**
- 12.1 Certification by the Chief Executive Officer to 17 CFR 240, 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
- 12.2 Certification by the Chief Financial Officer to 17 CFR 240, 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
- 13.1 Certification by the Chief Executive Officer to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
- 13.2 Certification by the Chief Financial Officer to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
- 15.1 Consent of Grant Thornton India LLP, independent registered public accounting firm.**

** Filed herewith.

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SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Date: May 5, 2015

WNS (HOLDINGS) LIMITED

By: /s/ Keshav R. Murugesh

Name: Keshav R. Murugesh

Title: Group Chief Executive Officer

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders of

WNS (Holdings) Limited

We have audited the accompanying consolidated statements of financial position of WNS (Holdings) Limited and subsidiaries (the Company) as of March 31, 2015 and March 31, 2014, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended March 31, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of WNS (Holdings) Limited and subsidiaries as of March 31, 2015 and March 31, 2014, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2015, in conformity with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of March 31, 2015, based on criteria established in 2013 *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated May 5, 2015 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ GRANT THORNTON INDIA LLP

Mumbai, India
May 5, 2015

Table of Contents**WNS (HOLDINGS) LIMITED****CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in thousands, except share and per share data)

		As at	
	Notes	March 31, 2015	March 31, 2014
ASSETS			
Current assets:			
Cash and cash equivalents	5	\$ 32,448	\$ 33,691
Investments	6	133,542	83,817
Trade receivables, net	7	55,768	61,983
Unbilled revenue		39,675	34,716
Funds held for clients		12,737	15,936
Derivative assets	13	24,152	6,792
Prepayments and other current assets	8	16,758	16,925
Total current assets		315,080	253,860
Non-current assets:			
Goodwill	9	79,058	85,654
Intangible assets	10	43,274	67,222
Property and equipment	11	48,230	45,165
Derivative assets	13	5,715	4,131
Deferred tax assets	23	21,331	37,066
Investments	6		28,674
Other non-current assets	8	17,613	16,653
Total non-current assets		215,221	284,565
TOTAL ASSETS		\$ 530,301	\$ 538,425
LIABILITIES AND EQUITY			
Current liabilities:			
Trade payables		\$ 22,706	\$ 29,059
Provisions and accrued expenses	15	25,622	23,897
Derivative liabilities	13	1,784	9,076
Pension and other employee obligations	14	40,424	36,302
Short term line of credit	12	12,881	58,583
Current portion of long term debt	12	12,828	12,637
Deferred revenue	16	3,881	5,371
Current taxes payable		1,987	3,269
Other liabilities	17	5,931	6,650
Total current liabilities		128,044	184,844

Non-current liabilities:			
Derivative liabilities	13	390	1,399
Pension and other employee obligations	14	6,069	5,168
Long term debt	12		13,509
Deferred revenue	16	402	1,677
Other non-current liabilities	17	4,017	3,909
Deferred tax liabilities	23	2,273	2,949
Total non-current liabilities		13,151	28,611
TOTAL LIABILITIES		\$ 141,195	\$ 213,455
Shareholders' equity:			
Share capital (ordinary shares \$0.16 (10 pence) par value, authorized 60,000,000 shares; issued: 51,950,662 and 51,347,538 shares each as at March 31, 2015 and March 31, 2014, respectively)	18	8,141	8,044
Share premium		286,805	276,601
Retained earnings		180,345	121,731
Other components of equity		(86,185)	(81,406)
Total shareholders' equity		389,106	324,970
TOTAL LIABILITIES AND EQUITY		\$ 530,301	\$ 538,425

See accompanying notes.

Table of Contents**WNS (HOLDINGS) LIMITED****CONSOLIDATED STATEMENTS OF INCOME****(Amounts in thousands, except share and per share data)**

		Year ended March 31,		
	Notes	2015	2014	2013
Revenue		\$ 533,893	\$ 502,621	\$ 460,263
Cost of revenue	19	342,715	327,680	311,006
Gross profit		191,178	174,941	149,257
Operating expenses:				
Selling and marketing expenses	19	31,073	35,235	30,191
General and administrative expenses	19	70,013	55,385	57,091
Foreign exchange loss/(gain), net		(4,551)	11,173	5,496
Amortization of intangible assets	10	24,192	23,789	26,350
Operating profit		70,451	49,359	30,129
Other income, net	21	(11,912)	(9,525)	(4,767)
Finance expense	20	1,332	2,948	3,633
Profit before income taxes		81,031	55,936	31,263
Provision for income taxes	23	22,417	14,289	9,864
Profit		\$ 58,614	\$ 41,647	\$ 21,399
Earnings per share of ordinary share	24			
Basic		\$ 1.14	\$ 0.82	\$ 0.43
Diluted		\$ 1.10	\$ 0.79	\$ 0.41

See accompanying notes.

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WNS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands, except share and per share data)

		Year ended March 31,		
	Notes	2015	2014	2013
Profit		\$ 58,614	\$ 41,647	\$ 21,399
Other comprehensive income/(loss), net of taxes				
Items that will not be reclassified to profit or loss:				
Pension adjustment		(380)	1,605	(117)
Items that will be reclassified subsequently to profit or loss:				
Changes in fair value of cash flow hedges:				
Current period gain/(loss)		33,176	(21,404)	5,658
Reclassification to profit/(loss)		(7,745)	12,935	8,692
Foreign currency translation		(21,588)	(19,885)	(20,272)
Income tax provision/(benefit) relating to above	23	(8,242)	2,052	(4,304)
		\$ (4,399)	\$ (26,302)	\$ (10,226)
Total other comprehensive loss, net of taxes		\$ (4,779)	\$ (24,697)	\$ (10,343)
Total comprehensive income		\$ 53,835	\$ 16,950	\$ 11,056

See accompanying notes.

Table of Contents**WNS (HOLDINGS) LIMITED****CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(Amounts in thousands, except share and per share data)

	Share Capital		Share premium	Retained earnings	Other components of equity			Total shareholders equity
	Number	Par value			Foreign currency translation reserve	Cash flow hedging reserve	Pension adjustments	
Balance as at April 1, 2012	50,078,881	\$ 7,842	\$ 263,529	\$ 58,685	\$(41,784)	\$ (5,373)	\$ 791	\$ 283,690
Shares issued for exercised options and RSUs (Refer note 22)	509,163	80	198					278
Reversal of share issuance cost			10					10
Share-based compensation (Refer note 22)			5,352					5,352
Excess tax benefits from exercise of share-based options and RSUs			211					211
Transactions with owners	509,163	80	5,771					5,851
Profit				21,399				21,399
Other comprehensive income/(loss), net of taxes					(20,272)	10,046	(117)	(10,343)
Total comprehensive income for the year				21,399	(20,272)	10,046	(117)	11,056
Balance as at March 31, 2013	50,588,044	\$ 7,922	\$ 269,300	\$ 80,084	\$(62,056)	\$ 4,673	\$ 674	\$ 300,597

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WNS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Cont d)

(Amounts in thousands, except share and per share data)

	Share capital		Share premium	Retained earnings	Other components of equity			Total shareholders equity
	Number	Par value			Foreign currency translation reserve	Cash flow hedging reserve	Pension adjustments	
Balance as at April 1, 2013	50,588,044	\$ 7,922	\$ 269,300	\$ 80,084	\$(62,056)	\$ 4,673	\$ 674	\$ 300,597
Shares issued for exercised options and RSUs (Refer note 22)	759,494	122	157					279
Share-based compensation (Refer note 22)			6,935					6,935
Excess tax benefits from exercise of share-based options and RSUs			209					209
Transactions with owners	759,494	122	7,301					7,423
Profit				41,647				41,647
Other comprehensive income/(loss), net of taxes					(19,885)	(6,417)	1,605	(24,697)
Total comprehensive income for the year				41,647	(19,885)	(6,417)	1,605	16,950
Balance as at March 31, 2014	51,347,538	\$ 8,044	\$ 276,601	\$ 121,731	\$(81,941)	\$ (1,744)	\$ 2,279	\$ 324,970

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WNS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Cont d)

(Amounts in thousands, except share and per share data)

	Share capital		Share premium	Retained earnings	Other components of equity			Total shareholders equity
	Number	Par value			Foreign currency translation reserve	Cash flow hedging reserve	Pension adjustments	
Balance as at April 1, 2014	51,347,538	\$ 8,044	\$ 276,601	\$ 121,731	\$ (81,941)	\$ (1,744)	\$ 2,279	\$ 324,970
Shares issued for exercised options and RSUs (Refer note 22)	603,124	97	437					534
Share-based compensation (Refer note 22)			9,499					9,499
Excess tax benefits from exercise of share-based options and RSUs			268					268
Transactions with owners	603,124	97	10,204					10,301
Profit				58,614				58,614
Other comprehensive income/(loss), net of taxes					(21,588)	17,189	(380)	(4,779)
Total comprehensive income for the year				58,614	(21,588)	17,189	(380)	53,835
Balance as at March 31, 2015	51,950,662	\$ 8,141	\$ 286,805	\$ 180,345	\$ (103,529)	\$ 15,445	\$ 1,899	\$ 389,106

See accompanying notes.

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WNS (HOLDINGS) LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands)

	Year ended March 31,		
	2015	2014	2013
Cash flows from operating activities:			
Profit	\$ 58,614	\$ 41,647	\$ 21,399
Adjustments to reconcile profit to net cash generated from operating activities:			
Depreciation and amortization	38,579	37,749	41,059
Share-based compensation	9,499	6,935	5,343
Amortization of debt issue cost	81	113	209
Allowance for doubtful accounts	731	(449)	(115)
Unrealized exchange (gain)/loss, net	(1,665)	12,831	2,268
Current tax expense	16,914	11,828	13,425
Interest expense	1,251	2,812	3,210
Interest on deferred consideration		23	215
Interest income	(389)	(349)	(184)
Dividend income	(4,396)	(3,131)	(2,958)
Unrealized gain on investments	(4,553)	(4,000)	(102)
Loss/(gain) on sale of property and equipment	(587)	(28)	50
Deferred income taxes	5,503	2,461	(3,561)
Deferred rent	349	917	768
Excess tax benefit from share based compensation	(99)	(106)	(55)
Unrealized loss (gain) on derivative instruments	(3,148)	(3,697)	1,499
Others	55	56	55
Changes in operating assets and liabilities:			
Trade receivables and unbilled revenue	(7,874)	(4,085)	10,699
Other assets	1,144	(576)	3,133
Trade payables	(3,671)	(2,442)	(17,406)
Deferred revenue	(2,577)	(2,881)	(268)
Other liabilities	11,336	2,614	5,972
Cash generated from operating activities before interest and income taxes:	115,097	98,242	84,655
Income taxes paid	(18,685)	(14,251)	(16,419)
Interest paid	(1,328)	(2,957)	(3,594)
Interest received	454	357	169
Net cash provided by operating activities	95,538	81,391	64,811
Cash flows from investing activities:			

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Acquisition of iSoftStone assets and the workforce (Refer note 4b)	(328)		
Acquisition, net of cash acquired (Refer note 4a)			(7,053)
Deferred consideration paid towards acquisition of Fusion (Refer note 4a)		(7,608)	
Purchase of property and equipment and intangibles	(22,968)	(19,563)	(21,152)
Marketable securities purchased, net	(78,429)	23,598	(21,783)
Investments in fixed maturity plan (FMP)		(50,527)	(43,047)
Proceeds from sale of property and equipment	606	59	296
Investment in fixed deposit	(9,644)		
Dividend received	4,392	3,146	2,943
Proceeds from sale of fixed maturity plan (FMP)	66,126		
Government grants received			250
Net cash used in investing activities	(40,245)	(50,895)	(89,546)
Cash flows from financing activities:			
Direct cost incurred in relation to public offering			(16)
Proceeds from exercise of stock options	534	279	278
Repayment of long term debt	(12,007)	(16,836)	(26,133)
Proceeds from long term debt			7,000
Payment of debt issuance cost			(279)
Proceeds/(repayments) from short term borrowings, net	(43,521)	1,517	32,252
Excess tax benefit from share based compensation	99	106	55
Net cash provided by/ (used) in financing activities	(54,895)	(14,934)	13,157
Exchange difference on cash and cash equivalents	(1,641)	(9,749)	(7,269)
Net change in cash and cash equivalents	(1,243)	5,813	(18,847)
Cash and cash equivalents at the beginning of the year	33,691	27,878	46,725
Cash and cash equivalents at the end of the year	\$ 32,448	\$ 33,691	\$ 27,878
Non-cash transactions:			
Note 1: Liability towards property and equipment and intangible assets purchased on credit/deferred credit	\$ 2,431	\$ 2,486	\$ 2,394
<i>See accompanying notes.</i>			

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

1. Company overview

WNS (Holdings) Limited (WNS Holdings), along with its subsidiaries (collectively, the Company), is a global business process management (BPM) company with client service offices in Australia, Dubai (United Arab Emirates), London (UK), New Jersey (US) and Singapore and delivery centers in the People s Republic of China (China), Costa Rica, India, the Philippines, Poland, Romania, Republic of South Africa (South Africa), Sri Lanka, the United Kingdom (UK) and the United States (US). The Company s clients are primarily in the insurance; travel and leisure; diversified businesses including manufacturing, retail, consumer packaged goods (CPG), media and entertainment, and telecommunications; utilities; consulting and professional services; banking and financial services; healthcare; and shipping and logistics industries; as well as the public sector.

WNS Holdings is incorporated in Jersey, Channel Islands and maintains a registered office in Jersey at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES.

These consolidated financial statements were approved by the Board of Directors and authorized for issue on May 1, 2015.

2. Summary of significant accounting policies

a. Basis of preparation

These consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board.

These consolidated financial statements correspond to the classification provisions contained in IAS 1(*revised*), *Presentation of Financial Statements* .

Accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

b. Basis of measurement

These consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant IFRS:-

- a. Derivative financial instruments;
- b. Share based payment transactions;

c. Marketable securities; and

d. Investments in fixed maturity plan (FMP s).

c. Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements is included in the following notes:

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

i. Revenue recognition

For certain agreements, the Company has retroactive discounts related to meeting agreed volumes. In such situations, the Company records revenue at the discounted rate, although the Company initially bills at the higher rate, unless the Company can determine that the agreed volumes will not be met, based on the factors discussed above.

The Company provides automobile claims handling services, wherein the Company enters into contracts with its clients to process all their claims over the contract period and the fees are determined either on a per claim basis or is a fixed payment for the contract period. Where the contracts are on a per claim basis, the Company invoices the client at the inception of the claim process. The Company estimates the processing period for the claims and recognizes revenue over the estimated processing period. This processing period generally ranges between one to two months. The processing time may be greater for new clients and the estimated service period is adjusted accordingly. The processing period is estimated based on historical experience and other relevant factors, if any.

ii. Allowance for doubtful accounts

The allowance for doubtful accounts is evaluated on a regular basis and adjusted based upon management's best estimate of probable losses inherent in accounts receivable. In estimating probable losses, the Company reviews accounts that are past due, non-performing or in bankruptcy. The Company determines an estimated loss for specific accounts and estimates an additional amount for the remainder of receivables based on historical trends and other factors. Adverse economic conditions or other factors that might cause deterioration of the financial health of customers could change the timing and levels of payments received and necessitate a change in estimated losses.

iii. Current income taxes

The major tax jurisdictions for the Company are India, United Kingdom and the United States of America, though the Company also files tax returns in other foreign jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

iv. Deferred income taxes

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Company operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the

probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

v. Impairment

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

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In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

vi. Valuation of derivative financial instrument

Management uses valuation techniques in measuring the fair value of financial instruments, where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

vii. Accounting for defined benefit plans

In accounting for pension and post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgment. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

viii. Share-based compensation

The share based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

d. Basis of consolidation

The Company consolidates entities over which it has control. Control exists when the Company has existing rights that give the Company the current ability to direct the activities which affect the entity's returns; the Company is exposed to or has rights to return which may vary depending on the entity's performance; and the Company has the ability to use its power to affect its own returns from its involvement with the entity. Subsidiaries are consolidated from the date control commences until the date control ceases.

i. Business combinations

Business combinations are accounted for using the acquisition method under the provisions of IFRS 3 (Revised), *Business Combinations* .

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition. The cost of the acquisition also includes the fair value of any contingent consideration. Identifiable tangible and intangible assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

Transaction costs that the Company incurs in connection with a business combination such as finders fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

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ii. Transactions eliminated on consolidation

All significant intra-company balances, transactions, income and expenses including unrealized income or expenses are eliminated on consolidation.

e. Functional and presentation currency

The consolidated financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the functional currency). The consolidated financial statements are presented in US dollars (USD) which is the presentation currency of the Company and has been rounded off to the nearest thousands.

f. Foreign currency transactions and translation

i. Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of income. Gains/losses relating to translation or settlement of trading activities are disclosed under foreign exchange gains/losses and translation or settlements of financing activities are disclosed under finance expenses. In the case of foreign exchange gains/losses on borrowings that are considered as a natural economic hedge for the foreign currency monetary assets, such foreign exchange gains/losses, net are presented within results from operating activities.

ii. Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have local functional currency are translated into US dollars using exchange rates prevailing at the reporting date. Income and expense are translated at the average exchange rates for the period. Exchange differences arising, if any, are recorded in equity as part of the Company's other comprehensive income. Such exchange differences are recognized in the consolidated statement of income in the period in which such foreign operations are disposed. Goodwill and fair value adjustments arising on the acquisition of foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

g. Financial instruments initial recognition and subsequent measurement

Financial instruments are classified in the following categories:

Non-derivative financial assets comprising loans and receivables at fair value through profit or loss (FVTPL) or available-for-sale.

Non-derivative financial liabilities comprising long term and short term borrowings and trade and other payables.

Derivative financial instruments under the category of financial assets or financial liabilities at FVTPL. The classification of financial instruments depends on the purpose for which those were acquired. Management determines the classification of the Company's financial instruments at initial recognition.

i. Non-derivative financial assets

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss or provisions for doubtful accounts. Loans and receivables are represented by trade receivables, net of allowances for impairment, unbilled revenue, cash and cash equivalents, funds held for clients, prepayments and other assets.

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b) Financial assets designated as FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading if acquired principally for the purpose of selling in the short term or that meet certain conditions and are designated at FVTPL upon initial recognition. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are recognized immediately in profit or loss. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or are not classified in any of the other categories. Available-for-sale financial assets are recognized initially at fair value plus transactions costs. Subsequent to initial recognition, these are measured at fair value and changes therein, other than impairment losses, are recognized directly in other comprehensive income. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to the consolidated statement of income. These are presented as current assets unless management intends to dispose of the assets after 12 months from the balance sheet date.

ii. Non-derivative financial liabilities

All financial liabilities are recognized initially at fair value, except in the case of loans and borrowings which are recognized at fair value net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

Trade and other payables maturing later than 12 months after the balance sheet date are presented as non-current liabilities.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of income when the liabilities are derecognized as well as through the effective interest rate method amortization process.

iii. Derivative financial instruments and hedge accounting

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. The Company limits the effect of foreign exchange rate fluctuation by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counter party is a bank. The Company holds derivative financial instruments such as foreign exchange forward and option contracts and interest rate swaps to hedge certain foreign currency and interest rate exposures.

Cash flow hedges

The Company recognizes derivative instruments as either assets or liabilities in the statement of financial position at fair value. Derivative instruments qualify for hedge accounting when the instrument is designated as a hedge; the hedged item is specifically identifiable and exposes the Company to risk; and it is expected that a change in fair value of the derivative instrument and an opposite change in the fair value of the hedged item will have a high degree of correlation.

For derivative instruments where hedge accounting is applied, the Company records the effective portion of derivative instruments that are designated as cash flow hedges in other comprehensive income (loss) in the statement of comprehensive income, which is reclassified into earnings in the same period during which the hedged item affects earnings. The remaining gain or loss on the derivative instrument in excess of the cumulative change in the present value of future cash flows of the hedged item, if any (i.e., the ineffective portion) or hedge components excluded from the assessment of effectiveness, and changes in fair value of other derivative instruments not designated as qualifying hedges is recorded as gains/losses, net in the consolidated statement of income. Gains/losses on cash flow hedges on intercompany forecasted revenue transactions are recorded in foreign exchange gains/losses and cash flow hedge on interest rate swaps are recorded in finance expense. Cash flows from the derivative instruments are classified within cash flows from operating activities in the statement of cash flows.

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iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset against each other and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

v. Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation models. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including interest rate curves, credit risk, foreign exchange rates, and forward and spot prices for currencies.

vi. Impairment of financial assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

a) Loans and receivables

Impairment loss in respect of loans and receivables measured at amortized cost are calculated as the difference between their carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Such impairment loss is recognized in the consolidated statement of income.

b) Available-for-sale financial assets

Significant or prolonged decline in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. The cumulative loss that was recognized in the equity is transferred to the consolidated statement of income upon impairment.

h. Equity and share capital

i. Share capital and share premium

The Company has only one class of equity shares. Par value of the equity share is recorded as the share capital and the amount received in excess of par value is classified as share premium. The credit corresponding to the share-based compensation and excess tax benefit related to the exercise of share options is recorded in share premium.

ii. Retained earnings

Retained earnings comprise the Company's undistributed earnings after taxes.

iii. Other components of equity

Other components of equity consist of the following:

Cash flow hedging reserve

Changes in fair value of derivative hedging instruments designated and effective as a cash flow hedge are recognized net of taxes.

Foreign currency translation reserve

Foreign currency translation consists of the exchange difference arising from the translation of financial statement of foreign subsidiaries.

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Pension adjustments

This reserve represents cumulative actuarial gain and losses recognized on defined benefits plans.

i. Cash and cash equivalents

The Company considers all highly liquid investments with an initial maturity of up to three months to be cash equivalents. Cash equivalents are readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

j. Investments

i. Marketable securities

The Company's marketable securities represent liquid investments and are acquired principally for the purpose of earning daily dividend income. All additions and redemptions of such investments are recognized on the trade date. Investments are initially measured at cost, which is the fair value of the consideration paid, including transaction costs. Marketable securities are classified under Available-for-sale category of financial instruments and are recorded at fair value, with changes in fair value, if any recognized in the other comprehensive income. Dividend income earned on these investments is recorded in the consolidated statement of income.

ii. Investments in fixed maturity plan

The Company's investments in fixed maturity plan (FMPs) represent investments in mutual fund scheme wherein the mutual fund issuer has invested these funds in certificate of deposits with banks in India. The investments in FMP are designated as fair value through profit or loss and change in fair value recognized in the income statement. The fair value represents original cost of an investment and the investment's fair value at each reporting period or net asset value (NAV) as quoted.

The Company manages FMPs on a fair value basis in accordance with the entity's documented risk management, investment strategy and information provided to the key managerial personnel. The returns on the investment are measured based on the fair value movement rather than looking at the overall returns on the maturity. The Company's investment purchase and sale decisions are also based on the fair value fluctuations rather than a predetermined policy to hold the investment till maturity. Key management personnel believe that recording these investments through the income statement would provide more relevant information to measure the performance of the investment.

iii. Investments in fixed deposits

Investments in fixed deposits consist of term deposits with original maturities of more than three months with banks. These are designated as Loans and Receivables.

k. Funds held for clients

Some of the Company's agreements in the auto claims handling services allow the Company to temporarily hold funds on behalf of the client. The funds are segregated from the Company's funds and there is usually a short period of time between when the Company receives these funds from the client and when the payments are made on their behalf.

l. Property and equipment

Property and equipment are stated at historical cost. Cost includes expenditures directly attributable to the acquisition of the asset. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, which are as follows:

Asset description	Asset life (in years)
Buildings	20
Computers and software	3-4
Furniture, fixtures and office equipment	2-5
Vehicles	3
Leasehold improvements	Lesser of estimated useful life or lease term

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Assets acquired under finance leases are capitalized as assets by the Company at an amount equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Assets under finance leases and leasehold improvements are depreciated over the shorter of the lease term or the estimated useful life of the assets.

Advances paid towards the acquisition of property and equipment and the cost of property and equipment not put to use before the balance sheet date are disclosed as capital work-in-progress in note 11.

The Company assesses property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost to sell (FVLCTS) and its value-in-use (VIU). If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the consolidated statement of income. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

m. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is allocated to the cash-generating units expected to benefit from the synergies of the combination for the purpose of impairment testing. Goodwill is tested, at the cash-generating unit (or group of cash generating units) level, for impairment annually or if events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is carried at cost less accumulated impairment losses. Impairment loss on goodwill is not reversed. See further discussion on impairment testing under "Impairment of intangible assets and goodwill" below.

n. Intangible assets

Intangible assets are recognized only when it is probable that the expected future economic benefits attributable to the assets will accrue to the Company and the cost can be reliably measured. Intangible assets acquired in a business combination are recorded at fair value using generally accepted valuation methods appropriate for the type of intangible asset. Intangible assets with definite lives are amortized over the estimated useful lives and are reviewed for impairment, if indicators of impairment arise. See further discussion on impairment testing under "Impairment of intangible assets and goodwill" below.

The Company's definite lived intangible assets are amortized over the estimated useful life of the assets:

Asset description	Weighted average amortization period (in months)
Customer contracts	99
Customer relationship	91
Software	58

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o. Impairment of intangible assets and goodwill

Goodwill is not subject to amortization and tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's FVLCTS and VIU. For the purposes of assessing impairment, assets are grouped at the cash generating unit level which is the lowest level for which there are separately identifiable cash flows. Impairment losses recognized in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating units (or group of cash generating units) and then, to reduce the carrying amount of the other assets in the cash generating unit (or group of cash generating units) on a pro rata basis. Intangible assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

p. Employee benefits

i. Defined contribution plans

US Savings Plan

Eligible employees of the Company in the US participate in a savings plan (the Plan) under Section 401(k) of the United States Internal Revenue Code (the Code). The Plan allows for employees to defer a portion of their annual earnings on a pre-tax basis through voluntary contributions to the Plan. The Plan provides that the Company can make optional contributions up to the maximum allowable limit under the Code.

UK Pension Scheme

Eligible employees in the UK contribute to a defined contribution pension scheme operated in the UK. The assets of the scheme are held separately in an independently administered fund. The pension expense represents contributions payable to the fund maintained by the Company.

Provident Fund

Eligible employees of the Company in India, the Philippines, Sri Lanka and the UK participate in a defined contribution fund in accordance with the regulatory requirements in the respective jurisdictions. Both the employee and the Company contribute an equal amount to the fund which is equal to a specified percentage of the employee's salary.

The Company has no further obligation under defined contribution plans beyond the contributions made under these plans. Contributions are charged to income in the year in which they accrue and are included in the consolidated

statement of income.

ii. Defined benefit plan

Employees in India, the Philippines and Sri Lanka are entitled to a defined benefit retirement plan covering eligible employees of the Company. The plan provides for a lump-sum payment to eligible employees, at retirement, death, and incapacitation or on termination of employment, of an amount based on the respective employees' salary and tenure of employment (subject to a maximum of approximately \$16 per employee in India). In India contributions are made to funds administered and managed by the Life Insurance Corporation of India (LIC) and Aviva Life Insurance Company Private Limited (ALICPL) (together, the Fund Administrators) to fund the gratuity liability of an Indian subsidiary. Under this scheme, the obligation to pay gratuity remains with the Company, although the Fund Administrators administer the scheme. The Company's Sri Lanka subsidiary, Philippines subsidiary and one Indian subsidiary have unfunded gratuity obligations.

Gratuity liabilities are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability, respectively, in accordance with IAS 19, *Employee Benefits* (revised 2011). The discount rate is based on the government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in other comprehensive income in the statement of comprehensive income in the period in which they arise.

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iii. Compensated absences

The Company's liability for compensated absences, which are expected to be settled within one year, is determined on an accrual basis for the entire unused vacation balance standing to the credit of each employee as at year-end and were charged to income in the year in which they accrue.

q. Share-based payments

The Company accounts for share-based compensation expense relating to share-based payments using a fair value method in accordance with IFRS 2 *Share-based Payments*. Grants issued by the Company vest in a graded manner. Under the fair value method, the estimated fair value of awards is charged to income over the requisite service period, which is generally the vesting period of the award, for each separately vesting portion of the award as if the award was, in substance, multiple awards. The Company includes a forfeiture estimate in the amount of compensation expense being recognized based on the Company's estimate of equity instruments that will eventually vest.

r. Provisions and accrued expenses

A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are recognized at present value by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

s. Revenue recognition

The Company derives revenue from BPM services comprised of back office administration, data management, contact center management and auto claims handling services.

Revenue is recognized to the extent it is probable that the economic benefit will flow to the Company, the amount of revenue can be measured reliably, collection is probable, and the cost incurred or to be incurred can be measured reliably. Revenue from rendering services is recognized on an accrual basis when services are performed.

Revenue earned by back office administration, data management and contact center management services

Back office administration, data management and contact center management contracts are based on the following pricing models:

- a) per full-time-equivalent arrangements, which typically involve billings based on the number of full-time employees (or equivalent) deployed on the execution of the business process outsourced;
- b) per transaction arrangements, which typically involve billings based on the number of transactions processed (such as the number of e-mail responses, or airline coupons or insurance claims processed);
- c) fixed-price arrangements, which typically involve billings based on achievements of pre-defined deliverables or milestones;
- d) outcome-based arrangements, which typically involve billings based on the business result achieved by our clients through our service efforts (such as measured based on a reduction in days sales outstanding, improvement in working capital, increase in collections or a reduction in operating expenses); or
- e) other pricing arrangements, including cost-plus arrangements, which typically involve billing the contractually agreed direct and indirect costs and a fee based on the number of employees deployed under the arrangement.

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Revenues from the Company's services are recognized primarily on a time-and-material, cost-plus or unit-priced basis. Revenues under time-and-material contracts are recognized as the services are performed. Revenues are recognized on cost-plus contracts on the basis of contractually agreed direct and indirect costs incurred on a client contract plus an agreed upon profit mark-up. Revenues are recognized on unit-price based contracts based on the number of specified units of work delivered to a client. Such revenues are recognized as the related services are provided in accordance with the client contract.

Amounts billed or payments received, where revenue recognition criteria have not been met, are recorded as deferred revenue and are recognized as revenue when all the recognition criteria have been met. However, the costs related to the performance of BPM services unrelated to transition services (see discussion below) are recognized in the period in which the services are rendered. An upfront payment received towards future services is recognized ratably over the period when such services are provided.

The Company has certain minimum commitment arrangements that provide for a minimum revenue commitment on an annual basis. Any revenue shortfall as compared to minimum commitment is invoiced and recognized at the reporting period end.

For certain BPM customers, the Company performs transition activities at the outset of entering into a new contract. The Company has determined these transition activities do not meet the criteria using the guidance in IAS 18 *Revenue* (IAS 18), to be accounted for as a separate unit of accounting with stand-alone value separate from the ongoing BPM contract. Accordingly, transition revenue and costs are subsequently recognized ratably over the period in which the BPM services are performed. Further, the deferral of costs is limited to the amount of the deferred revenue. Any costs in excess of the deferred transition revenue are recognized in the period incurred.

Revenue earned by auto claims handling services

Auto claims handling services include claims handling and administration (Claims Handling), car hire and arranging for repairs with repair centers across the UK and the related payment processing for such repairs (Accident Management). With respect to Claims Handling, the Company receives either a per-claim fee or a fixed fee. Revenue for per claim fee is recognized over the estimated processing period of the claim, which currently ranges from one to two months and revenue for fixed fee is recognized on a straight line basis over the period of the contract. In certain cases, the fee is contingent upon the successful recovery of a claim on behalf of the customer. In these circumstances, the revenue is deferred until the contingency is resolved. Revenue in respect of car hire is recognized over the car hire term.

In order to provide Accident Management services, the Company arranges for the repair through a network of repair centers. The repair costs are invoiced to customers. In determining whether the receipt from the customers related to payments to repair centers should be recognized as revenue, the Company considers the criteria established by IAS 18, Illustrative example (IE) 21 *Determining whether an entity is acting as a principal or as an agent*. When the Company determines that it is the principal in providing Accident Management services, amounts received from

customers are recognized and presented as third party revenue and the payments to repair centers are recognized as cost of revenue in the consolidated statement of income. Factors considered in determining whether the Company is the principal in the transaction include whether:

- a) the Company has the primary responsibility for providing the services,
- b) the Company negotiates labor rates with repair centers,
- c) the Company is responsible for timely and satisfactory completion of repairs, and
- d) the Company bears the risk that the customer may not pay for the services provided (credit risk).

If there are circumstances where the above criteria are not met and therefore the Company is not the principal in providing Accident Management services, amounts received from customers are recognized and presented net of payments to repair centers in the consolidated statement of income. Revenue from Accident Management services is recorded net of the repairer referral fees passed on to customers.

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t. Leases

The Company leases most of its delivery centers and office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses. Rental expenses for operating leases with step rents are recognized on a straight-line basis over the lease term. When a lease agreement undergoes a substantial modification of the existing terms, it would be accounted as a new lease agreement with the resultant deferred rent liability credited to the consolidated statement of income.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

u. Income taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in statements of income except to the extent it relates to items directly recognized in equity, in which case it is recognized in equity.

i. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. Though the Company has considered all these issues in estimating its income taxes, there could be an unfavorable resolution of such issues that may affect results of the Company's operations.

ii. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial

recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

The Company recognizes deferred tax liabilities for all taxable temporary differences except those associated with the investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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v. Finance expense

Finance expense comprises of interest cost on borrowings, transaction cost and the gains/losses on settlement of related derivative instruments. The foreign exchange gains/losses on borrowings are considered as a natural economic hedge for the foreign currency monetary assets which are classified as foreign exchange gains/losses, net within results from operating activities. Borrowing costs are recognized in the consolidated statement of income using the effective interest method.

w. Earnings per share

Basic earnings per share are computed using the weighted-average number of ordinary shares outstanding during the period. Diluted earnings per share is computed by considering the impact of the potential issuance of ordinary shares, using the treasury stock method, on the weighted average number of shares outstanding during the period, except where the results would be anti-dilutive.

x. Government grants

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to depreciable assets are treated as deferred income and are recognized in the statement of comprehensive income on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of comprehensive income over the periods necessary to match them with the related costs that they are intended to compensate.

3. New accounting pronouncements not yet adopted by the Company

Certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Company's accounting periods beginning on or after April 1, 2015 or later periods. Those which are considered to be relevant to the Company's operations are set out below.

- i. In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers (IFRS 15). This standard provides a single, principle-based five-step model to be applied to all contracts with customers. Guidance is provided on topics such as the point at which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various other related matters. IFRS 15 also introduced new disclosure requirements with respect to revenue.

The five steps in the model under IFRS 15 are : (i) identify the contract with the customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the

performance obligations in the contracts; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

IFRS 15 replaces the following standards and interpretations:

IAS 11 Construction Contracts

IAS 18 Revenue

IFRIC 13 Customer Loyalty Programmes

IFRIC 15 Agreements for the Construction of Real Estate

IFRIC 18 Transfers of Assets from Customers

SIC-31 Revenue - Barter Transactions Involving Advertising Services

When first applying IFRS 15, it should be applied in full for the current period, including retrospective application to all contracts that were not yet complete at the beginning of that period. In respect of prior periods, the transition guidance allows an option to either:

apply IFRS 15 in full to prior periods (with certain limited practical expedients being available); or

retain prior period figures as reported under the previous standards, recognizing the cumulative effect of applying IFRS 15 as an adjustment to the opening balance of equity as at the date of initial application (beginning of current reporting period).

IFRS 15 is effective for fiscal years beginning on or after January 1, 2017. Earlier application is permitted. The Company is currently evaluating the impact that this new standard will have on its consolidated financial statements.

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

- ii. In July 2014, the IASB finalized and issued IFRS 9 Financial Instruments. IFRS 9 replaces IAS 39 Financial instruments: recognition and measurement, the previous Standard which dealt with the recognition and measurement of financial instruments in its entirety upon former s effective date.

Key requirements of IFRS 9:

- i. Replaces IAS 39 s measurement categories with the following three categories:

fair value through profit or loss (FVTPL)

fair value through other comprehensive income (FVTOCI)

amortized cost

- ii. Eliminates the requirement for separation of embedded derivatives from hybrid financial assets, the classification requirements to be applied to the hybrid financial asset in its entirety.
- iii. Requires an entity to present the amount of change in fair value due to change in entity s own credit risk in other comprehensive income.
- iv. Introduces new impairment model, under which the expected credit loss are required to be recognized as compared to the existing incurred credit loss model of IAS 39.
- v. Fundamental changes in hedge accounting by introduction of new general hedge accounting model which:

Increases the eligibility of hedged item and hedging instruments;

Introduces a more principles based approach to assess hedge effectiveness.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

Earlier application is permitted provided that all the requirements in the Standard are applied at the same time with two exceptions:

- i. The requirement to present changes in the fair value of a liability due to changes in own credit risk may be applied early in isolation;
- ii. Entity may choose as its accounting policy choice to continue to apply hedge accounting requirements of IAS 39 instead of new general hedge accounting model as provided in IFRS 9.

The Company is currently evaluating the impact of this new standard on its consolidated financial statements.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****4. Acquisitions****a) Fusion**

On June 21, 2012, the Company acquired all outstanding equity shares of Fusion Outsourcing Services (Proprietary) Limited (Fusion) (subsequently renamed as WNS Global Services SA (Pty) Ltd), a provider of a range of outsourcing services including contact center, customer care and business continuity services to both South African and international clients.

The purchase price for the acquisition was £10,000 (\$15,680 based on the exchange rate on June 21, 2012) plus £399 (\$644 based on the exchange rate on October 30, 2012) towards adjustment for cash and working capital.

In accordance with the terms of the sale and purchase agreement entered in connection with the acquisition of Fusion, £5,000 (\$7,840 based on the exchange rate on June 21, 2012) was paid at the completion arrangement on June 21, 2012, £399 (\$644 based on the exchange rate on October 30, 2012) was paid based on completion accounts on October 30, 2012 and the remainder £5,000 (\$7,840 based on the exchange rate on June 21, 2012) was paid on May 31, 2013 along with interest of 3% per annum above the base rate of Barclays Bank Plc. amounting to £151.

The Company incurred acquisition related cost of \$401 which has been included in General and administrative expenses in the consolidated statements of income.

The purchase price has been allocated to the assets acquired and liabilities assumed as set out below:

	Amount
Cash	\$ 1,431
Trade receivables	3,309
Prepayments and other current assets	185
Property and equipment	2,315
Deferred tax assets, net	1,722
Intangible assets	
Customer relationship	2,148
Customer contracts	1,427
Software	383
Current liabilities	(2,795)
Net assets acquired	\$ 10,125
Less: Purchase consideration	16,324

Goodwill on acquisition	\$ 6,199
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b) iSoftStone

On September 11, 2014, the Company entered into an agreement with iSoftStone Information Technology Co. Ltd. (iSoftStone), a provider of business process outsourcing and management services, pursuant to which the Company agreed to acquire certain assets and the workforce of iSoftStone effective October 13, 2014(Acquisition Date). The purchase price of the transaction, which was paid in cash, was \$328. The excess of purchase price over the assets acquired amount to \$144, which has been recognized as goodwill.

Goodwill is attributable mainly to benefit from the assembled workforce of iSoftStone.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****5. Cash and cash equivalents**

The Company considers all highly liquid investments with an initial maturity of up to three months to be cash equivalents. Cash and cash equivalents consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Cash and bank balance	\$ 24,976	\$ 25,546
Short term deposits with bank	7,472	8,145
Total	\$ 32,448	\$ 33,691

Short term deposits can be withdrawn by the Company at any time without prior notice and are readily convertible into known amounts of cash with an insignificant risk of changes in value.

6. Investments

Investments consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Marketable securities ⁽¹⁾	\$ 94,054	\$ 18,332
Investments in FMPs	29,911	94,159
Investment in fixed deposit	9,577	
Total	\$ 133,542	\$ 112,491

Note:

(1) Marketable securities represent short term investments made principally for the purpose of earning dividend income.

The current and non current classification of investments are as follows:

	As at	
	March 31, 2015	March 31, 2014
Current investments	\$ 133,542	\$ 83,817
Non- current investments		28,674
Total	\$ 133,542	\$ 112,491

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Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****7. Trade receivables, net**

Trade receivables consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Trade receivables	\$ 61,104	\$ 66,982
Allowances for doubtful account receivables	(5,336)	(4,999)
Total	\$ 55,768	\$ 61,983

The movement in the allowances for doubtful trade receivables is as follows:

	Year ended March 31,		
	2015	2014	2013
Balance at the beginning of the year	\$ 4,999	\$ 5,145	\$ 5,470
Charged to operations	2,534	1,211	1,190
Write-offs	(621)	(1,058)	(955)
Reversals	(1,182)	(602)	(349)
Translation adjustment	(394)	303	(211)
Balance at the end of the year	\$ 5,336	\$ 4,999	\$ 5,145

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****8. Prepayments and other assets**

Prepayment and other assets consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Current:		
Service tax and other tax receivables	\$ 5,971	\$ 5,710
Deferred transition cost	132	235
Employee receivables	1,103	1,398
Advances to suppliers	697	609
Prepaid expenses	5,048	4,683
Other assets	3,807	4,290
Total	\$ 16,758	\$ 16,925
Non-current:		
Deposits	\$ 6,476	\$ 6,355
Non-current tax assets	4,873	4,288
Service tax and other tax receivables	4,581	3,324
Deferred transition cost	117	173
Others	1,566	2,513
Total	\$ 17,613	\$ 16,653

9. Goodwill

The movement in goodwill balance by reportable segment as at March 31, 2015 and 2014 is as follows:

	WNS Global BPM	WNS Auto Claims BPM	Total
Balance as at April 1, 2013	\$ 55,886	\$ 31,246	\$ 87,132
Foreign currency translation	(4,580)	3,102	(1,478)
Balance as at March 31, 2014	\$ 51,306	\$ 34,348	\$ 85,654
	144		144

Goodwill arising from acquisition of iSoftStone assets and the workforce (See Note 4b)

Foreign currency translation	(2,931)	(3,809)	(6,740)
Balance as at March 31, 2015	\$ 48,519	\$ 30,539	\$ 79,058

The carrying value of goodwill allocated to the cash generating units (CGU) is as follows:

	As at	
	March 31, 2015	March 31, 2014
WNS Global BPM*	\$ 3,927	\$ 3,917
South Africa	4,252	4,882
Research & Analytics	36,508	38,197
Technology Services	3,832	4,310
WNS Auto Claims BPM	30,539	34,348
	\$ 79,058	\$ 85,654

* Excluding Research & Analytics, South Africa and Technology Services.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

Key assumptions on which the Company has based its determination of VIUs include:

- a) Estimated cash flows for five years based on approved internal management budgets with extrapolation for the remaining period, wherever such budgets were shorter than five years period.
- b) Terminal value arrived by extrapolating last forecasted year cash flows to perpetuity using long-term growth rates. These long-term growth rates take into consideration external macro-economic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
- c) The discount rates used are based weighted average cost of capital of a comparable market participant, which are adjusted for specific country risks.

The key assumptions used in performing the impairment test, by each CGU, were as follows:

	WNS Global		CGU s		
	BPM*	South Africa	Research & Analytics	Technology Services	WNS Auto Claims BPM
Discount rate	19.0%	20.0%	19.0%	13.5%	13.5%
Perpetual growth rate	3.0 %	3.0%	3.0%	3.0%	2.0%

* Excluding research & analytics, South Africa and Technology Services

The assumptions used were based on the Company's internal budget. The Company projected revenue, operating margins and cash flows for a period of five years, and applied a perpetual long-term growth rate thereafter.

In arriving at its forecasts, the Company considered past experience, economic trends and inflation as well as industry and market trends. The projections also took into account factors such as the expected impact from new client wins and expansion from existing clients businesses and efficiency initiatives, and the maturity of the markets in which each business operates.

Based on the above, no impairment was identified as of March 31, 2015 as the recoverable amount of the CGUs exceeded the carrying value.

An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

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(Amounts in thousands, except share and per share data)

10. Intangible assets

The changes in the carrying value of intangible assets for the year ended March 31, 2014 are as follows:

	Customer contracts	Customer relationship	Intellectual property rights	Leasehold benefits	Covenant not-to-compete	Software	Total
Gross carrying value							
Balance as at April 1, 2013	\$ 170,858	\$ 65,475	\$ 4,675	\$ 1,835	\$ 338	\$ 6,143	\$ 249,324
Additions	167					5,083	5,250
Translation adjustments	(8,469)	(76)	464		23	(403)	(8,461)
Balance as at March 31, 2014	\$ 162,556	\$ 65,399	\$ 5,139	\$ 1,835	\$ 361	\$ 10,823	\$ 246,113
Accumulated amortization							
Balance as at April 1, 2013	\$ 105,858	\$ 43,556	\$ 4,675	\$ 1,835	\$ 338	\$ 958	\$ 157,220
Amortization	16,379	5,798				1,612	23,789
Translation adjustments	(2,802)	142	464		23	55	(2,118)
Balance as at March 31, 2014	\$ 119,435	\$ 49,496	\$ 5,139	\$ 1,835	\$ 361	\$ 2,625	\$ 178,891
Net carrying value as at March 31, 2014	\$ 43,121	\$ 15,903	\$	\$	\$	\$ 8,198	\$ 67,222

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The changes in the carrying value of intangible assets for the year ended March 31, 2015 are as follows:

	Customer contracts	Customer relationship	Intellectual property rights	Leasehold benefits	Covenant not-to-compete	Software	Total
Gross carrying value							
Balance as at April 1, 2014	\$ 162,556	\$ 65,399	\$ 5,139	\$ 1,835	\$ 361	\$ 10,823	\$ 246,113
Additions						2,207	2,207
Translation adjustments	(3,803)	(1,471)	(570)		(29)	(619)	(6,492)
Balance as at March 31, 2015	\$ 158,753	\$ 63,928	\$ 4,569	\$ 1,835	\$ 332	\$ 12,411	\$ 241,828
Accumulated amortization							
Balance as at April 1, 2014	\$ 119,435	\$ 49,496	\$ 5,139	\$ 1,835	\$ 361	\$ 2,625	\$ 178,891
Amortization	16,153	5,720				2,319	24,192
Translation adjustments	(2,397)	(1,307)	(570)		(29)	(226)	(4,529)
Balance as at March 31, 2015	\$ 133,191	\$ 53,909	\$ 4,569	\$ 1,835	\$ 332	\$ 4,718	\$ 198,554
Net carrying value as at March 31, 2015	\$ 25,562	\$ 10,019	\$	\$	\$	\$ 7,693	\$ 43,274

As at March 31, 2015, the estimated remaining weighted average amortization periods for intangible assets are as follows:

	Balance Life (In months)
Customer contracts	20
Customer relationship	27
Software	35

The estimated annual amortization expense based on remaining weighted average amortization periods for intangible assets and exchange rates, each as at March 31, 2015 are as follows:

	Amount
2016	\$ 24,037
2017	15,654
2018	1,835

2019	1,050
2020	698
	\$ 43,274

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

11. Property and equipment

The changes in the carrying value of property and equipment for the year ended March 31, 2014 are as follows:

Gross carrying value	Buildings	Furniture, Computers fixtures and and office equipment		Vehicles	Leasehold improvements	Total
		software				
Balance as at April 1, 2013	\$ 11,132	\$ 65,169	\$ 56,351	\$ 1,099	\$ 47,885	\$ 181,636
Additions		5,552	4,819	6	3,708	14,085
Disposal/Retirements/Adjustments			(124)	(513)	(394)	(1,031)
Translation adjustments	(509)	(2,609)	(4,367)	(104)	(4,025)	(11,614)
Balance as at March 31, 2014	\$ 10,623	\$ 68,112	\$ 56,679	\$ 488	\$ 47,174	\$ 183,076
Accumulated depreciation						
Balance as at April 1, 2013	\$ 2,344	\$ 58,222	\$ 44,148	\$ 972	\$ 33,623	\$ 139,309
Depreciation	530	4,358	4,796	75	4,201	13,960
Disposal/Retirements/Adjustments			(117)	(498)	(395)	(1,010)
Translation adjustments	(105)	(2,230)	(3,400)	(92)	(2,947)	(8,774)
Balance as at March 31, 2014	\$ 2,769	\$ 60,350	\$ 45,427	\$ 457	\$ 34,482	\$ 143,485
Capital work-in-progress						5,574
Net carrying value as at March 31, 2014						\$ 45,165

The changes in the carrying value of property and equipment for the year ended March 31, 2015 are as follows:

Gross carrying value	Buildings	Furniture, Computers fixtures and And office equipment		Vehicles	Leasehold improvements	Total
		software				
Balance as at April 1, 2014	\$ 10,623	\$ 68,112	\$ 56,679	\$ 488	\$ 47,174	\$ 183,076
Additions		7,033	7,367	209	7,782	22,391
On acquisition of iSoftStone assets and the workforce (See Note 4b)		98	51			149
Disposal/Retirements/Adjustments		(3,292)	(2,596)	(221)	(3,160)	(9,269)

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Translation adjustments	(218)	(4,436)	(2,860)	(21)	(2,438)	(9,973)
Balance as at March 31, 2015	\$ 10,405	\$ 67,515	\$ 58,641	\$ 455	\$ 49,358	\$ 186,374
Accumulated depreciation						
Balance as at April 1, 2014	\$ 2,769	\$ 60,350	\$ 45,427	\$ 457	\$ 34,482	\$ 143,485
Depreciation	526	4,403	4,771	71	4,616	14,387
Disposal/Retirements/Adjustments		(2,901)	(2,524)	(221)	(3,152)	(8,798)
Translation adjustments	(63)	(3,784)	(2,277)	(18)	(1,630)	(7,772)
Balance as at March 31, 2015	\$ 3,232	\$ 58,068	\$ 45,397	\$ 289	\$ 34,316	\$ 141,302
Capital work-in-progress						3,158
Net carrying value as at March 31, 2015						\$ 48,230

Certain property and equipment are pledged as collateral against borrowings with a carrying amount of \$12,392 and \$12,627 as at March 31, 2015 and 2014.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****12. Loans and borrowings***Short-term line of credit*

The Company's Indian subsidiary, WNS Global Services Private Limited (WNS Global), has secured and unsecured lines of credit with banks amounting to \$61,449. Of these available lines of credit, as at March 31, 2015, \$11,823 (March 31, 2014 \$52,925) was utilized for working capital requirements.

The Company has also established a line of credit in the UK amounting to £9,880 (\$14,602 based on the exchange rate on March 31, 2015), of which £716 (\$1,058 based on the exchange rate on March 31, 2015; \$5,658 based on the exchange rate on March 31, 2014) was utilized for working capital requirements as at March 31, 2015.

Further the Company has also established a line of credit in South Africa amounting to ZAR 30,000 (\$2,468 based on the exchange rate on March 31, 2015). There was no outstanding balance as at March 31, 2015.

Long-term debt

The long-term loans and borrowings consist of the following:

	As at			
	March 31, 2015		March 31, 2014	
Interest rate	Foreign currency	Total	Foreign currency	Total
3M USD LIBOR + 3.1%	\$	6,990	\$	6,944
Bank of England base rate + 2.25%	£	3,952	£	7,904
Bank of England base rate + 2.25%	£		£	3,672
		\$ 12,828		\$ 26,146
Current portion of long term debt		\$ 12,828		\$ 12,637
Long term debt				\$ 13,509

The Company has pledged trade receivables, other financial assets, property and equipment with a carrying amount of \$149,670 and \$145,523 as of March 31, 2015 and March 31, 2014, respectively, as collateral for the above mentioned borrowings. In addition, the facility agreements for the above mentioned borrowings contain certain restrictive covenants on the indebtedness of the Company, total borrowings to tangible net worth ratio, total borrowings to EBITDA ratio and a minimum interest coverage ratio. As of March 31, 2015 the Company was in compliance with all

of the covenants.

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Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

13. Financial instruments**Financial instruments by category**

The carrying value and fair value of financial instruments by class as at March 31, 2015 are as follows:

Financial assets

	Loans and receivables	Financial assets at FVTPL	Derivative designated as cash flow hedges (carried at fair value)	Available for sale	Total carrying value	Total fair value
Cash and cash equivalents	\$ 32,448	\$	\$	\$	\$ 32,448	\$ 32,448
Bank deposits and marketable securities	9,577			94,054	103,631	103,631
Trade receivables	55,768				55,768	55,768
Unbilled revenue	39,675				39,675	39,675
Funds held for clients	12,737				12,737	12,737
Prepayments and other assets (1)	3,161				3,161	3,161
Investment in FMP		29,911			29,911	29,911
Other non-current assets (2)	6,476				6,476	6,476
Derivative assets		2,274	27,593		29,867	29,867
Total carrying value	\$ 159,842	\$ 32,185	\$ 27,593	\$ 94,054	\$ 313,674	\$ 313,674

Financial liabilities

	Financial liabilities at FVTPL	Derivative designated as cash flow hedges (carried at fair value)	Financial liabilities at amortized cost	Total carrying value	Total fair value
Trade payables	\$	\$	\$ 22,706	\$ 22,706	\$ 22,706
Current portion of long term debt			12,828	12,828	12,828
Short term line of credit			12,881	12,881	12,881

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Other employee obligations (3)			36,290	36,290	36,290
Provision and accrued expenses (4)			24,869	24,869	24,869
Other liabilities (5)			304	304	304
Derivative liabilities	791	1,383		2,174	2,174
Total carrying value	\$ 791	\$ 1,383	\$ 109,878	\$ 112,052	\$ 112,052

Notes:

- (1) Excluding non-financial assets \$13,597.
- (2) Excluding non-financial assets \$11,137.
- (3) Excluding non-financial liabilities \$10,203.
- (4) Excluding non-financial liabilities \$753.
- (5) Excluding non-financial liabilities \$9,644.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The carrying value and fair value of financial instruments by class as at March 31, 2014 are as follows:

Financial assets

	Loans and Receivables	Financial assets at FVTPL	Derivative designated as cash flow hedges (carried at fair value)	Available for sale	Total carrying value	Total fair value
Cash and cash equivalents	\$ 33,691	\$	\$	\$	\$ 33,691	\$ 33,691
Bank deposits and marketable securities				18,332	18,332	18,332
Trade receivables	61,983				61,983	61,983
Unbilled revenue	34,716				34,716	34,716
Funds held for clients	15,936				15,936	15,936
Prepayments and other assets (1)	3,716				3,716	3,716
Investment in FMP		94,159			94,159	94,159
Other non-current assets (2)	6,355				6,355	6,355
Derivative assets		1,118	9,805		10,923	10,923
Total carrying value	\$ 156,397	\$ 95,277	\$ 9,805	\$ 18,332	\$ 279,811	\$ 279,811

Financial liabilities

	Financial liabilities at FVTPL	Derivative designated as cash flow hedges (carried at fair value)	Financial liabilities at amortized cost	Total carrying value	Total fair value
Trade payables	\$	\$	\$ 29,059	\$ 29,059	\$ 29,059
Current portion of long term debt			12,637	12,637	12,637
Long term debt			13,509	13,509	13,509
Short term line of credit			58,583	58,583	58,583
Pension and other employee obligations (3)			32,369	32,369	32,369
Provision and accrued expenses (4)			23,204	23,204	23,204
Other liabilities (5)			1,660	1,660	1,660

Derivative liabilities	674	9,801	10,475	10,475
Total carrying value	\$ 674	\$ 9,801	\$ 171,021	\$ 181,496

Notes:

- (1) Excluding non-financial assets \$13,209.
- (2) Excluding non-financial assets \$10,298.
- (3) Excluding non-financial liabilities \$9,102.
- (4) Excluding non-financial liabilities \$693.
- (5) Excluding non-financial liabilities \$8,899.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

Financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements as at March 31, 2015 are as follows:

Description of types of financial assets	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities in the statement of financial position		Related amount not set off in financial instruments		
		Net amounts offset of financial assets presented in the statement of financial position		Financial instruments	Cash collateral received	Net amount
Derivative assets	\$ 29,867	\$	\$ 29,867	\$ (1,670)	\$	\$ 28,197
Total	\$ 29,867	\$	\$ 29,867	\$ (1,670)	\$	\$ 28,197

Description of types of financial liabilities	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets offset in the statement of financial position		Related amount not set off in financial instruments		
		Net amounts of financial liabilities presented in the statement of financial position		Financial instruments	Cash collateral pledged	Net amount
Derivative liabilities	\$ 2,174	\$	\$ 2,174	\$ (1,670)	\$	\$ 504
Total	\$ 2,174	\$	\$ 2,174	\$ (1,670)	\$	\$ 504

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

Financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements as at March 31, 2014 are as follows:

Description of types of financial assets	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities in the statement of financial position	Net amounts offset of financial assets presented in the statement of financial position	Related amount not set off in financial instruments		
				Financial instruments	Cash collateral received	Net amount
Derivative assets	\$ 10,923	\$	\$ 10,923	\$ (3,758)	\$	\$ 7,165
Total	\$ 10,923	\$	\$ 10,923	\$ (3,758)	\$	\$ 7,165

Description of types of financial liabilities	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets offset in the statement of financial position	Net amounts offset of financial liabilities presented in the statement of financial position	Related amount not set off in financial instruments		
				Financial instruments	Cash collateral pledged	Net amount
Derivative liabilities	\$ 10,475	\$	\$ 10,475	\$ (3,758)	\$	\$ 6,717
Total	\$ 10,475	\$	\$ 10,475	\$ (3,758)	\$	\$ 6,717

Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

The assets and liabilities measured at fair value on a recurring basis as at March 31, 2015 are as follows:-

Description	March 31, 2015	Fair value measurement at reporting date using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
<i>Financial assets at FVTPL</i>				
Foreign exchange contracts	\$ 2,274	\$	\$ 2,274	\$
Investment in FMPs	29,911	29,911		
<i>Financial assets at fair value through other comprehensive income</i>				
Foreign exchange contracts	27,593		27,593	
Investments available for sale	94,054	94,054		
Total assets	\$ 153,832	\$ 123,965	\$ 29,867	\$
Liabilities				
<i>Financial liabilities at FVTPL</i>				
Foreign exchange contracts	\$ 791	\$	\$ 791	\$
<i>Financial liabilities at fair value through other comprehensive income</i>				
Foreign exchange contracts	1,383		1,383	
Total liabilities	\$ 2,174	\$	\$ 2,174	\$

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The assets and liabilities measured at fair value on a recurring basis as at March 31, 2014 are as follows:

Description	March 31, 2014	Fair value measurement at reporting date using		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
<i>Financial assets at FVTPL</i>				
Foreign exchange contracts	\$ 1,118	\$	\$ 1,118	\$
Investment in FMPs	94,159	94,159		
<i>Financial assets at fair value through other comprehensive income</i>				
Foreign exchange contracts	9,805		9,805	
Investments available for sale	18,332	18,332		
Total assets	\$ 123,414	\$ 112,491	\$ 10,923	\$
Liabilities				
<i>Financial liabilities at FVTPL</i>				
Foreign exchange contracts	\$ 674	\$	\$ 674	\$
<i>Financial liabilities at fair value through other comprehensive income</i>				
Foreign exchange contracts	9,801		9,801	
Total liabilities	\$ 10,475	\$	\$ 10,475	\$

The fair value is estimated using discounted cash flow approach which involves assumptions and judgments regarding risk characteristics of the instruments, discount rates, future cash flows, foreign exchange spot and forward premium rates. During the year ended March 31, 2015 and 2014, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****Derivative financial instruments**

The primary risks managed by using derivative instruments are foreign currency exchange risk and interest rate risk. Forward and option contracts up to 24 months on various foreign currencies are entered into to manage the foreign currency exchange rate risk on forecasted revenue denominated in foreign currencies and monetary assets and liabilities held in non-functional currencies. The Company's primary exchange rate exposure is with the US dollars, pound sterling and the Indian rupee. For derivative instruments which qualify for cash flow hedge accounting, the Company records the effective portion of gain or loss from changes in the fair value of the derivative instruments in other comprehensive income (loss), which is reclassified into earnings in the same period during which the hedged item affects earnings. Derivative instruments qualify for hedge accounting when the instrument is designated as a hedge; the hedged item is specifically identifiable and exposes the Company to risk; and it is expected that a change in fair value of the derivative instrument and an opposite change in the fair value of the hedged item will have a high degree of correlation. Determining the high degree of correlation between the change in fair value of the hedged item and the derivative instruments involves significant judgment including the probability of the occurrence of the forecasted transaction. When it is probable that a forecasted transaction will not occur, the Company discontinues the hedge accounting and recognizes immediately in the consolidated statement of income, the gains and losses attributable to such derivative instrument that were accumulated in other comprehensive income (loss).

The following table presents the notional values of outstanding foreign exchange forward contracts and foreign exchange option contracts:

	As at	
	March 31,	March 31,
	2015	2014
Forward contracts (Sell)		
In US dollars	\$ 168,315	\$ 139,980
In United Kingdom Pound Sterling	141,693	140,357
In Euro	9,745	10,241
In Australian dollars	25,065	21,102
Others	13,887	19,421
	\$ 358,705	\$ 331,101
Option contracts (Sell)		
In US dollars	\$ 79,898	\$ 75,843
In United Kingdom Pound Sterling	106,767	126,280
In Euro	7,697	8,995
In Australian dollars	19,462	19,408

Others	3,342	4,279
	\$ 217,166	\$ 234,805

The amount of gain/(loss) reclassified from other comprehensive income into consolidated statement of income in respective line items for the years ended March 31, 2015, 2014 and 2013 are as follows:

	Year ended March 31,		
	2015	2014	2013
Revenue	\$ 4,347	\$ 4,938	\$ 1,763
Foreign exchange gain/(loss), net	3,399	7,997	6,968
Finance expense			(39)
Income tax related to amounts reclassified into statement of income	(2,764)	(4,418)	(3,566)
Total	\$ 4,982	\$ 8,517	\$ 5,126

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

As at March 31, 2015, the gain amounting to \$15,445 on account of cash flow hedges is expected to be reclassified from other comprehensive income into statement of income over a period of 24 months.

Due to the discontinuation of cash flow hedge accounting on account of non-occurrence of original forecasted transactions by the end of the originally specified time period, the Company recognized in the consolidated statement of income for the years ended March 31, 2015, 2014 and 2013 gains of \$13, \$125 and \$1,105, respectively.

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, interest risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Risk management procedures

The Company manages market risk through treasury operations. Senior management and Board of Directors approve the Company's treasury operations' objectives and policies. The activities of treasury operations include management of cash resources, implementation of hedging strategies for foreign currency exposures, implementation of borrowing strategies and monitoring compliance with market risk limits and policies. The Company's foreign exchange committee, comprising the Chairman of the Board, Group Chief Executive Officer and Group Chief Financial Officer, is the approving authority for all hedging transactions.

Components of market risk

Exchange rate or currency risk:

The Company's exposure to market risk arises principally from exchange rate risk. Although substantially all of revenue is denominated in pound sterling and US dollars, a significant portion of expenses for the year ended March 31, 2015 (net of payments to repair centers made as part of the Company's WNS Auto Claims BPM segment) were incurred and paid in Indian rupees. The exchange rates among the Indian rupee, the pound sterling and the US dollar have changed substantially in recent years and may fluctuate substantially in the future. The Company hedges a portion of forecasted external and inter-company revenue denominated in foreign currencies with forward contracts and options.

Based upon the Company's level of operations for the year ended March 31, 2015, a sensitivity analysis shows that a 10% appreciation or depreciation in the pound sterling against the US dollar would have increased or decreased, respectively, the Company's revenue for the year ended March 31, 2015 by approximately \$27,342. Similarly, a 10% appreciation or depreciation in the Indian rupee against the US dollar would have increased or decreased, respectively, the Company's expenses incurred and paid in Indian rupee for the year ended March 31, 2015 by approximately \$24,681.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The foreign currency risk from non-derivative financial instruments as at March 31, 2015 is as follows:

	As at March 31, 2015						Total
	US Dollar	Pound Sterling	Indian Rupees	Australian Dollar	Euro	Other Currencies	
Cash and cash equivalents	\$ 171	\$ 236	\$	\$ 1,858	\$ 264	\$ 137	\$ 2,666
Trade receivables	81,456	63,670	5,916	7,615	2,311	2,797	163,765
Unbilled revenue	3,782	602		2,156	1,705	142	8,387
Prepayments and other current assets	495	190	240	15	52	28	1,020
Other non-current assets	23					16	39
Trade payables	(52,309)	(46,402)	(13,679)	(4,998)	(1,106)	(816)	(119,310)
Provisions and accrued expenses	(2,032)	(371)	(15)	(7)	(233)	(76)	(2,734)
Current portion of long term debt							
Pension and other employee obligations		(12)			(42)	(224)	(278)
Short term line of credit		(11,823)					(11,823)
Long term debt	(7,000)						(7,000)
Other liabilities	(36)					(2)	(38)
Net assets (liabilities)	\$ 24,550	\$ 6,090	\$ (7,538)	\$ 6,639	\$ 2,951	\$ 2,002	\$ 34,694

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The foreign currency risk from non-derivative financial instruments as at March 31, 2014 is as follows:

	As at March 31, 2014						Total
	US Dollar	Pound Sterling	Indian Rupees	Australian Dollar	Euro	Other Currencies	
Cash and cash equivalents	\$ 3,706	\$ 382	\$	\$	\$ 57	\$ 317	\$ 4,462
Trade receivables	89,182	50,721	6,179	10,799	4,805	2,682	164,368
Unbilled revenue	3,745	280		2,267	677	238	7,207
Prepayments and other current assets	710	1,379	244	10	271	34	2,648
Other non-current assets	3					17	20
Trade payables	(39,130)	(20,497)	(11,380)	(10,010)	(1,239)	(158)	(82,414)
Provisions and accrued expenses	(2,546)	(31)	(217)	(8)	(317)	(32)	(3,151)
Current portion of long term debt							
Pension and other employee obligations		(15)			(54)	(301)	(370)
Short term line of credit	(25,000)	(27,925)					(52,925)
Long term debt	(7,000)						(7,000)
Other liabilities	(44)					(2)	(46)
Net assets (liabilities)	\$ 23,626	\$ 4,294	\$ (5,174)	\$ 3,058	\$ 4,200	\$ 2,795	\$ 32,799

Other currencies reflect currencies such as Philippines Peso (PHP), Canadian dollar (CAD), Polish zloty (PLN), Sri Lankan Rupee (LKR), Romanian Leu (RON) and South African Rand (ZAR) etc.

As at March 31, 2015, every 5% appreciation or depreciation of the respective foreign currencies compared to the functional currency of the Company would impact the Company's profit before tax from operating activities by approximately \$695.

Interest rate risk:

The Company's exposure to interest rate risk arises principally from borrowings which have a floating rate of interest, a portion of which is linked to the US dollar LIBOR and the remainder is linked to the BOE rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. The costs of floating rate borrowings may be affected by the fluctuations in the interest rates. If interest rates were to increase by 100 bps, additional annual interest expense on the Company's floating rate

borrowing would amount to approximately \$218.

The Company intends to selectively use interest rate swaps, options and other derivative instruments to manage exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a periodic basis. The Company does not enter into hedging agreements for speculative purposes.

Credit risk:

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in the United Kingdom and the United States. Credit risk is managed through periodical assessment of the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. The credit risk on marketable securities, FMPs, bank deposits and derivative financial instruments is limited because the counterparties are banks and mutual funds with high credit-ratings assigned by international credit-rating agencies.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The following table gives details in respect of the percentage of revenue generated from the Company's top customer and top five customers:

	Year Ended March 31,		
	2015	2014	2013
Revenue from top customer	13.4%	15.2%	16.9%
Revenue from top five customers	33.0%	36.9%	37.1%

Financial assets that are neither past due nor impaired

Cash equivalents, bank deposits, marketable securities, investment in FMPs, unbilled revenue and other assets, are neither past due and nor impaired except trade receivables as described below.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due but not impaired except for trade receivables. The Company's credit period generally ranges from 30-60 days. The age-wise break up of trade receivables, net of allowances that are past due beyond credit period, are as follows:

	As at	
	March 31, 2015	March 31, 2014
Neither past due nor impaired	\$ 40,544	\$ 48,421
Past due but not impaired		
Past due 0-30 days	10,811	7,322
Past due 31-60 days	1,091	1,625
Past due 61-90 days	496	1,077
Past due over 90 days	2,826	3,538
Past due and impaired	5,336	4,999
Total	\$ 61,104	\$ 66,982
Allowances for doubtful account receivables	\$ (5,336)	\$ (4,999)
Trade receivables net of allowances for doubtful account receivables	\$ 55,768	\$ 61,983

Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses and service financial obligations. In addition, the Company has concluded arrangements with well reputed banks and has unused lines of credit of \$65, 638 as of March 31, 2015 that could be drawn upon should there be a need.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The contractual maturities of financial liabilities are as follows:

	As at March 31, 2015			
	Less than 1 Year	1-2 years	2-4 years	Total
Long term debt ⁽¹⁾	\$ 12,841	\$	\$	\$ 12,841
Trade Payables	22,706			22,706
Short term line of credit	12,881			12,881
Provision and accrued expenses	24,869			24,869
Other liabilities	304			304
Other employee obligations	36,290			36,290
Derivative financial instruments	1,784	390		2,174
Total	\$ 111,675	\$ 390	\$	\$ 112,065

Notes:

- (1) Before netting off debt issuance cost of \$13.
(2) Non-financial liabilities are explained in financial instruments categories table above.

	As at March 31, 2014			
	Less than 1 Year	1-2 years	2-4 years	Total
Long term debt ⁽¹⁾	\$ 12,672	\$ 13,569	\$	\$ 26,241
Trade Payables	29,059			29,059
Short term line of credit	58,583			58,583
Provision and accrued expenses	23,204			23,204
Other liabilities	1,660			1,660
Other employee obligations	32,369			32,369
Derivative financial instruments	9,076	1,399		10,475
Total	\$ 166,623	\$ 14,968	\$	\$ 181,591

Notes:

(1) Before netting off debt issuance cost of \$95.

(2) Non-financial liabilities are explained in financial instruments categories table above.

The balanced view of liquidity and financial indebtedness is stated in the table below. This calculation of the net cash position is used by the management:

	As at	
	March 31, 2015	March 31, 2014
Cash and cash equivalents	\$ 32,448	\$ 33,691
Investments	133,542	112,491
Short term line of credit	(12,881)	(58,583)
Long term debt ⁽¹⁾	(12,828)	(26,146)
Net cash position	\$ 140,281	\$ 61,453

Note:

(1) This includes the current portion of long term debt.

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

14. Pension and other employee obligations

Pension and other employee obligations consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Current:		
Salaries and bonus	\$ 36,290	\$ 32,234
Pension	496	363
Withholding taxes on salary and statutory payables	3,638	3,572
Other employees payable		133
Total	\$ 40,424	\$ 36,302
Non-current:		
Pension	\$ 6,069	\$ 5,168

Employee benefit costs consist of the following:

	Year ended March 31,		
	2015	2014	2013
Salaries and bonus	\$ 252,420	\$ 235,280	\$ 225,184
Employee benefit plans:			
Defined contribution plan	7,396	6,434	6,521
Defined benefit plan	1,874	2,234	1,957
Share based compensation	9,499	6,935	5,343
Total	\$ 271,189	\$ 250,833	\$ 239,005

Employee benefit costs is recognized in the following line items in the consolidated statement of income:

	Year ended March 31,		
	2015	2014	2013

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Cost of revenue	\$ 199,766	\$ 184,655	\$ 178,206
Selling and marketing expenses	23,073	26,397	22,570
General and administrative expenses	48,350	39,831	38,229
Total	\$ 271,189	\$ 250,883	\$ 239,005

Defined contribution plan

The Company's contributions to defined contribution plans are as follows:

	Year ended March 31,		
	2015	2014	2013
India	\$ 5,115	\$ 4,534	\$ 4,798
Philippines	63	57	57
South Africa	518	494	349
Sri Lanka	577	466	291
United Kingdom	831	743	849
United States	292	140	177
Total	\$ 7,396	\$ 6,434	\$ 6,521

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****Defined benefit plan**

The net periodic cost recognized by the Company in respect of gratuity payments under the Company's gratuity plans covering eligible employees of the Company in India, the Philippines and Sri Lanka is as follows:

	Year ended March 31,		
	2015	2014	2013
Service cost	\$ 1,351	\$ 1,780	\$ 1,487
Interest on the net defined benefit liability	523	454	470
Net gratuity cost	\$ 1,874	\$ 2,234	\$ 1,957

	As at	
	March	March
	2015	2014
Change in projected benefit obligations		
Obligation at beginning of the year	\$ 6,337	\$ 7,134
Foreign currency translation	(248)	(633)
Service cost	1,351	1,780
Interest cost	541	479
Benefits paid	(1,079)	(792)
Actuarial (gain)/loss		
From changes in demographic assumptions	(44)	(56)
From changes in financial assumptions	308	(494)
From actual experience compared to assumptions	155	(1,081)
Benefit obligation at end of the year	\$ 7,321	\$ 6,337
Change in plan assets		
Plan assets at beginning of the year	\$ 806	\$ 357
Foreign currency translation	(37)	(31)
Expected return on plan assets	18	25
Actuarial loss/(gain)	39	(26)
Actual contributions	939	1,273
Benefits paid	(1,009)	(792)

Plan assets at end of the year	\$ 756	\$ 806
Accrued pension liability		
Current	\$ 496	\$ 363
Non-current	6,069	5,168
Net amount recognized	\$ 6,565	\$ 5,531
Present value of funded defined benefit obligation	\$ 5,271	\$ 4,925
Fair value of plan assets	(756)	(806)
	4,515	4,119
Present value of unfunded defined benefit obligation	\$ 2,050	\$ 1,412

Weighted average duration of defined benefit obligation (both funded and unfunded)

8.64 years

7.68 years

Net amount recognized relating to India plan, Philippines plan and Sri Lanka plan was \$4,525, \$1,640 and \$400 as at March 31, 2015 and \$4,134, \$1,046 and \$351 as at March 31, 2014, respectively.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The assumptions used in accounting for the gratuity plans are as follows:

	Year ended March 31,		
	2015	2014	2013
Discount rate:			
India	8.00%	8.75%	7.85%
Philippines	5.03%	5.52%	3.91%
Sri Lanka	9.85%	9.50%	11.00%
Rate of increase in compensation level	6% to 8%	6% to 8%	8.00%
Expected rate of return on plan assets	8.00%	8.75%	7.50%

The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on current market yields on government securities adjusted for a suitable risk premium to reflect the additional risk for high quality corporate bonds.

As at March 31, 2015, for each of the Company's defined benefit plans, the sensitivity of the defined benefit obligation to a change in each significant actuarial assumption is as follows:

	India	Philippines	Sri Lanka
Discount rate:			
Increase in discount rate by 1%	(4.1)%	(20.5)%	(9.4)%
Decrease in discount rate 1%	3.4%	26.6%	11.4%
Rate of increase in compensation level:			
Increase in salary escalation rate by 1%	3.0%	24.7%	11.5%
Decrease in salary escalation rate by 1%	(3.8)%	(19.6)%	(9.6)%

Each sensitivity amount is calculated assuming that all other assumptions are held constant. The Company is not able to predict the extent of likely future changes in these assumptions, but based on past experience, the discount rate for each plan could change by up to 1% within a 12 month period.

As at March 31, 2015, \$3 and \$753 (\$3 and \$803, respectively, as at March 31, 2014) of the fund assets are invested with LIC and ALICPL, respectively. Of the funds invested with LIC, approximately 40% and 60% of the funds are invested in unquoted government securities and money market instruments, respectively. Of the funds invested with ALICPL, approximately 64% and 36% are invested in unquoted government securities and money market instruments, respectively. Since the Company's plan assets are managed by third party fund administrators, the contributions made by the Company are pooled with the corpus of the funds managed by such fund administrators and invested in accordance with regulatory guidelines. The Company's funding policy is to contribute to the Plan amounts necessary on an actuarial basis to, at a minimum, satisfy the minimum funding requirements. Additional discretionary

contributions above the minimum funding requirement can be made and are generally based on adjustment for any over or under funding.

The expected benefits are based on the same assumptions used to measure the Company's defined benefit obligations as at March 31, 2015. The Company expects to contribute \$1,215 for the year ending March 31, 2016. The maturity analysis of the Company's defined benefit payments is as follows:

	Amount
2016	\$ 1,270
2017	1,140
2018	912
2019	785
2020	669
Thereafter	2,112
	\$ 6,888

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15. Provisions and accrued expenses

Provisions and accrued expenses consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Provisions	\$ 753	\$ 693
Accrued expenses	24,869	23,204
Total	\$ 25,622	\$ 23,897

A summary of activity for provisions is as follows:

	As at	
	March 31, 2015	March 31, 2014
Balance at the beginning of the year	\$ 693	\$ 674
Additional provision	754	649
Provision used	(692)	(622)
Translation adjustments	(2)	(8)
Balance at the end of the year	\$ 753	\$ 693

16. Deferred revenue

Deferred revenue consists of the following:

	As at	
	March 31, 2015	March 31, 2014
Current:		
Payments in advance of services	\$ 600	\$ 775
Advance billings	2,384	3,651

Claims handling		11
Others	897	934
Total	\$ 3,881	\$ 5,371

	As at	
	March 31, 2015	March 31, 2014
Non-current:		
Payments in advance of services	\$ 220	\$ 495
Advance billings	163	1,182
Other	19	
Total	\$ 402	\$ 1,677

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Other liabilities consist of the following:

	As at	
	March 31, 2015	March 31, 2014
Current:		
Withholding taxes and value added tax payables	\$ 3,989	\$ 3,265
Deferred rent	806	644
Other liabilities	1,136	2,741
Total	\$ 5,931	\$ 6,650
Non-current:		
Deferred rent	\$ 3,601	\$ 3,609
Other liabilities	416	300
Total	\$ 4,017	\$ 3,909

18. Share capital

As at March 31, 2015, the authorized share capital was £6,100 divided into 60,000,000 ordinary shares of 10 pence each and 1,000,000 preferred shares of 10 pence each. The Company had 51,950,662 ordinary shares outstanding as at March 31, 2015. There were no preferred shares outstanding as at March 31, 2015.

As at March 31, 2014, the authorized share capital was £6,100 divided into 60,000,000 ordinary shares of 10 pence each and 1,000,000 preferred shares of 10 pence each. The Company had 51,347,538 ordinary shares outstanding as at March 31, 2014. There were no preferred shares outstanding as at March 31, 2014.

In March 2015, WNS Holdings shareholders authorized a share repurchase program for the repurchase of up to 1.1 million of our ADSs, each representing one ordinary share, at a price range of \$10 to \$30 per ADS. Pursuant to the terms of the repurchase program, WNS Holdings ADSs may be purchased in the open market from time to time for 12 months from April 1, 2015. WNS Holdings are not obligated under the repurchase program to repurchase a specific number of ADSs, and the repurchase program may be suspended at any time at WNS Holdings discretion.

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19. Expenses by nature

Expenses by nature consist of the following:

	Year ended March 31,		
	2015	2014	2013
Employee cost	\$ 271,189	\$ 250,883	\$ 239,005
Repair payments	30,877	31,099	24,132
Facilities cost	70,801	65,652	65,684
Depreciation	14,387	13,960	14,709
Legal and professional expenses	13,108	17,735	15,162
Travel expenses	15,806	16,804	15,214
Others	27,633	22,167	24,382
Total cost of revenue, selling and marketing and general and administrative expenses	\$ 443,801	\$ 418,300	\$ 398,288

20. Finance expense

Finance expense consists of the following:

	Year ended March 31,		
	2015	2014	2013
Interest expense	\$ 1,251	\$ 2,812	\$ 3,224
Interest on deferred purchase consideration		23	215
Interest rate swap			(15)
Debt issue cost	81	113	209
Total	\$ 1,332	\$ 2,948	\$ 3,633

21. Other income, net

Other income, net consists of the following:

	Year ended March 31,		
	2015	2014	2013
Income from interest and dividend on marketable securities	\$ 4,785	\$ 3,480	\$ 3,140
Net gain/(loss) arising on financial assets designated as			
FVTPL	4,553	4,000	102
Others	2,574	2,045	1,525
Total	\$ 11,912	\$ 9,525	\$ 4,767

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Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****22. Share-based payments**

The Company has two share-based incentive plans, the 2002 Stock Incentive Plan adopted on July 1, 2002 and the 2006 Incentive Award Plan adopted on June 1, 2006, as amended and restated in February 2009 and September 2011 (collectively referred to as the Plans). Under the Plans, share based options may be granted to eligible participants. Options are generally granted for a term of ten years and have a graded vesting period of up to four years. The Company settles employee share-based option exercises with newly issued ordinary shares. As at March 31, 2015, the Company had 445,888 ordinary shares available for future grants.

Share-based compensation expense during the years ended March 31, 2015, 2014 and 2013 are as follows:

	Year ended March 31,		
	2015	2014	2013
Share-based compensation expense recorded in	\$	\$	\$
Cost of revenue	856	1,316	992
Selling and marketing expenses	779	591	425
General and administrative expenses	7,864	5,028	3,926
Total share-based compensation expense	\$ 9,499	\$ 6,935	\$ 5,343

Upon exercise of share options and RSUs, the Company issued 603,124, 759,494 and 509,163 shares, respectively, during the years ended March 31, 2015, 2014 and 2013.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)*****Share-based options***

Movements in the number of options outstanding under the 2006 Incentive Award Plan and their related weighted average exercise prices are as follow:

	Shares	Weighted average exercise price	Weighted average remaining contract term (in years)	Aggregate intrinsic value
Outstanding as at April 1, 2013	902,245	\$ 21.60	3.45	\$ 491
Exercised	(45,131)	7.01		
Lapsed	(1,000)	12.26		
Outstanding as at March 31, 2014	856,114	\$ 22.38	2.52	\$ 339
Exercised	(39,827)	13.76		
Lapsed	(1)	2.72		
Outstanding as at March 31, 2015	816,286	\$ 22.80	1.53	\$ 2,407
Options exercisable	816,286	\$ 22.80	1.53	\$ 2,407

The aggregate intrinsic value of options exercised during the year ended March 31, 2015 and 2014 was \$306 and \$584, respectively. The total grant date fair value of options vested during the year ended March 31, 2015 and 2014 was \$nil for each year. Total cash received as a result of option exercised during the year ended March 31, 2015 and March 31, 2014 was \$535 and \$279, respectively.

The fair value of options granted is estimated on the date of grant using the Black-Scholes-Merton option-pricing model. No options were granted during the years ended March 31, 2015, 2014 and 2013.

The weighted average share price of options exercised during the year ended March 31, 2015, 2014 and 2013 was \$21.13, \$19.09 and \$11.23 respectively. The options outstanding at March 31, 2015 had an exercise price per option in the range of \$5.7 to \$35.3 (March 31, 2014: \$2.7 to \$35.3) and a weighted average remaining contractual term of 1.53 years (March 31, 2014: 2.52 years)

Restricted Share Units

The 2006 Incentive Award Plan also allows for grant of RSUs. Each RSU represents the right to receive one ordinary share and vests over a period of up to three years.

Movements in the number of RSUs outstanding under the 2006 Incentive Award Plan and their related weighted average exercise prices are as follow:

	Shares	Weighted average fair value	Weighted average remaining contract term (in years)	Aggregate intrinsic value
Outstanding as at April 1, 2013	1,482,177	\$ 11.41	7.82	\$ 21,847
Granted	592,547	14.87		
Exercised	(676,045)	12.24		
Forfeited	(53,567)	12.64		
Lapsed				
Outstanding as at March 31, 2014	1,345,112	\$ 12.47	7.93	\$ 24,212
Granted	560,024	19.19		
Exercised	(516,171)	11.81		
Forfeited	(65,467)	16.44		
Lapsed				
Outstanding as at March 31, 2015	1,323,498	\$ 15.37	7.86	\$ 32,187
RSUs exercisable	406,699	\$ 11.28	5.98	\$ 9,891

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The fair value of RSUs is generally the market price of the Company's shares on the date of grant. As at March 31, 2015, there was \$4,768 of unrecognized compensation cost related to unvested RSUs. This amount is expected to be recognized over a weighted average period of 2.73 years. To the extent the actual forfeiture rate is different than what the Company has anticipated, share based compensation related to these RSUs will be different from the Company's expectations.

The weighted average grant date fair value of RSUs granted during the year ended March 31, 2015, 2014 and 2013 was \$19.19, \$14.87, and \$10.93 per ADS, respectively. The aggregate intrinsic value of RSUs exercised during the year ended March 31, 2015 and 2014 was \$9,529 and \$13,139, respectively. The total grant date fair value of RSUs vested during the year ended March 31, 2015 and 2014 was \$5,878 and \$4,909, respectively.

The weighted average share price of RSU exercised during the year ended March 31, 2015, 2014 and 2013 was \$18.46, \$19.43 and \$10.63, respectively.

Performance share units

The 2006 Incentive Award Plan also allows for grant of performance share units (PSUs). Each PSU represents the right to receive one ordinary share based on the Company's performance against specified targets and vests over a period of up to four years.

Movements in the number of PSUs outstanding under the 2006 Incentive Award Plan and their related weighted average exercise prices are as follow:

	Shares	Weighted average fair value	Weighted average remaining contract term (in years)	Aggregate intrinsic value
Outstanding as at April 1, 2013	951,190	\$ 10.44	8.26	\$ 14,021
Granted	203,434	14.53		
Exercised	(38,318)	8.77		
Forfeited	(638,393)	10.90		
Outstanding as at March 31, 2014	477,913	\$ 11.70	7.98	\$ 8,602
Granted	327,409	19.02		
Exercised	(47,126)	9.69		
Forfeited	(198,626)	11.22		

Outstanding as at March 31, 2015	559,570	\$ 14.98	8.16	\$ 13,609
PSUs exercisable	31,409	\$ 9.38	5.85	\$ 764

The fair value of PSUs is generally the market price of the Company's shares on the date of grant, and assumes that performance targets will be achieved. As at March 31, 2015, there was \$4,023 of unrecognized compensation cost related to unvested PSUs, net of forfeitures. This amount is expected to be recognized over a weighted average period of 1.66 years. Over the performance period, the number of shares that will be issued will be adjusted upward or downward based upon the probability of achievement of the performance targets. The ultimate number of shares issued and the related compensation cost recognized as expense will be based on a comparison of the final performance metrics to the specified targets.

The weighted average grant date fair value of PSUs granted during the years ended March 31, 2015, 2014 and 2013 was \$19.02, \$14.53, and \$9.63 respectively, per ADS. The aggregate intrinsic value of PSUs exercised during the year ended March 31, 2015 and 2014 was \$1,000 and \$789, respectively. The total grant date fair value of PSUs vested during the year ended March 31, 2015 and 2014 was \$388 and \$712, respectively.

The weighted average share price of PSU exercised during the year ended March 31, 2015, 2014 and 2013 was \$21.23, \$20.60 and \$nil, respectively.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****23. Income taxes**

The domestic and foreign source component of profit (loss) before income taxes is as follows:

	Year ended March 31,		
	2015	2014	2013
Domestic	\$ (3,351)	\$ (3,501)	\$ (589)
Foreign	84,382	59,437	31,852
Profit before income taxes	\$ 81,031	\$ 55,936	\$ 31,263

The Company's provision for income taxes consists of the following:

	Year ended March 31,		
	2015	2014	2013
Current taxes			
Domestic taxes	\$	\$	\$
Foreign taxes	16,914	11,828	13,425
	16,914	11,828	13,425
Deferred taxes			
Domestic taxes			
Foreign taxes	5,503	2,461	(3,561)
	5,503	2,461	(3,561)
	\$ 22,417	\$ 14,289	\$ 9,864

Domestic taxes are nil as there are no statutory taxes applicable in Jersey, Channel Islands. Foreign taxes are based on applicable tax rates in each subsidiary's jurisdiction.

The Company has a delivery center located in Gurgaon, India registered under the Special Economic Zone (SEZ) scheme is eligible for 50% income tax exemption from fiscal 2013 to fiscal 2022. The Company in fiscal 2012 started

operations in delivery centers in Pune, Mumbai and Chennai, India registered under the SEZ scheme that are eligible for 100% income tax exemption until fiscal 2016 and 50% income tax exemption from fiscal 2017 to fiscal 2026. During fiscal 2015, the Company started its operations in new delivery centers in Gurgaon and Pune, India registered under the SEZ scheme that are eligible for 100% income tax exemption until fiscal 2019, and 50% income tax exemption from fiscal 2020 to fiscal 2029. The Government of India pursuant to the Indian Finance Act, 2011 has also levied minimum alternate tax (MAT) on the book profits earned by the SEZ units at the prevailing rate which is currently 20.96%. The Company's operations in Costa Rica are eligible for a 100% income tax exemption until fiscal 2017 and 50% income tax exemption from fiscal 2018 to fiscal 2021. The Company's operations in Philippines located in Eastwood Avenue, Manila were eligible for tax exemptions until fiscal 2015. During fiscal 2013, the Company started operations in a new delivery center in Philippines located in Techno Plaza II, Manila which is eligible for tax exemption until fiscal 2017. The Government of Sri Lanka has exempted profits earned from export revenue from tax, which enables the Company's Sri Lankan subsidiary to continue to claim a tax exemption.

If the income tax exemption was not available, the additional income tax expense at the respective statutory rates in India and Sri Lanka would have been approximately \$3,011, \$1,671 and \$769 for the years ended March 31, 2015, 2014 and 2013, respectively. Such additional tax would have decreased the basic and diluted earnings per share for the year ended March 31, 2015 by \$0.06 and \$0.06, respectively (\$0.03 and \$0.03, respectively for the year ended March 31, 2014 and \$0.02 and \$0.01, respectively, for the year ended March 31, 2013).

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

Income taxes recognized directly in equity are as follows:

	Year ended March 31,		
	2015	2014	2013
Current taxes:			
Excess tax deductions related to share-based payments	(99)	(104)	(55)
	\$ (99)	\$ (104)	\$ (55)
Deferred taxes:			
Excess tax deductions related to share-based payments	(169)	(105)	(156)
	\$ (169)	\$ (105)	\$ (156)
Total income tax recognized directly in equity	\$ (268)	\$ (209)	\$ (211)

Income taxes recognized in other comprehensive income are as follows:

	Year ended March 31,		
	2015	2014	2013
Current taxes			
Deferred taxes:			
Unrealized gain/(loss) on cash flow hedging derivatives	8,242	(2,052)	4,304
Total income tax recognized directly in other comprehensive income	\$ 8,242	\$ (2,052)	\$ 4,304

The reconciliation of estimated income tax to provision for income tax:

	Year ended March 31,		
	2015	2014	2013
Profit before income taxes	\$ 81,031	\$ 55,936	\$ 31,263
Income tax expense at tax rates applicable to individual entities	26,749	20,365	11,094

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Effect of:			
Items not deductible for tax	228	80	96
Exempt income	(5,228)	(3,509)	(1,766)
(Gain)/Loss in respect of which deferred tax (liability)/asset not recognized due to uncertainty and ineligibility to carry forward	318	(47)	2,983
Temporary difference that will reverse during tax holiday period	1,175	(2,154)	(2,338)
Change in tax rate and law	268	169	(318)
Provision for uncertain tax position	(345)	(163)	(80)
State taxes	17	27	(5)
Others, net	(765)	(479)	198
Provision for income tax	\$ 22,417	\$ 14,289	\$ 9,864

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

Deferred taxes for the year ended March 31, 2015 arising from temporary differences and unused tax losses can be summarized below:

	Opening Balance	Additions due to acquisition during the year	Recognized in income statement	Recognized in equity	Recognized in/ Reclassified from Other income	Foreign comprehensive currency translation	Closing balance
Deferred tax assets:							
Property and equipment	\$ 8,280	\$	\$ (1,386)	\$	\$	\$ (356)	\$ 6,538
Net operating loss carry forward	4,363		246			(305)	4,304
Accruals deductible on actual payment	3,720		639			(158)	4,201
Share-based compensation	5,356		803	169		(218)	6,110
Minimum alternate tax	15,289		(6,405)			(557)	8,327
Others	1,710		(160)			(106)	1,444
Total deferred tax assets	\$ 38,718	\$	\$ (6,263)	\$ 169	\$	\$ (1,700)	\$ 30,924
Deferred tax liabilities:							
Intangibles	4,886		(2,751)			(90)	2,045
Unrealized gain/(loss) on cash flow hedging and investments	(285)		1,991		8,242	(127)	9,821
Total deferred tax liabilities	\$ 4,601	\$	\$ (760)	\$	\$ 8,242	\$ (217)	\$ 11,866
Net deferred tax assets/(liabilities)	\$ 34,117	\$	\$ (5,503)	\$ 169	\$ (8,242)	\$ (1,483)	\$ 19,058

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

Deferred taxes for the year ended March 31, 2014 arising from temporary differences and unused tax losses can be summarized below:

	Opening balance	Additions due to acquisition during the year	Recognized in income in statement	Recognized in equity	Recognized in/ Reclassified from Other income	Foreign comprehensive currency translation	Closing balance
Deferred tax assets:							
Property and equipment	\$ 9,927	\$	\$ (821)	\$	\$	\$ (826)	\$ 8,280
Net operating loss carry forward	4,165		695			(497)	4,363
Accruals deductible on actual payment	3,298		764			(342)	3,720
Share-based compensation	4,200		1,303	105		(252)	5,356
Minimum alternate tax	23,306		(5,668)			(2,349)	15,289
Others	1,397		261			52	1,710
Total deferred tax assets	\$ 46,293	\$	\$ (3,466)	\$ 105	\$	\$ (4,214)	\$ 38,718
Deferred tax liabilities:							
Intangibles	7,008		(1,798)			(324)	4,886
Unrealized gain/(loss) on cash flow hedging	1,249		793		(2,052)	(275)	(285)
Total deferred tax liabilities	\$ 8,257	\$	\$ (1,005)	\$	\$ (2,052)	\$ (599)	\$ 4,601
Net deferred tax assets/(liabilities)	\$ 38,036	\$	\$ (2,461)	\$ 105	\$ 2,052	\$ (3,615)	\$ 34,117

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

(Amounts in thousands, except share and per share data)

Deferred taxes for the year ended March 31, 2013 arising from temporary differences and unused tax losses can be summarized below:

	Opening Balance	Additions due to acquisition during the year	Recognized in the statement of income	Recognized in equity	Recognized in/ Reclassified from Other comprehensive income	Foreign currency translation	Closing balance
Deferred tax assets:							
Property and equipment	\$ 10,574	\$ (45)	\$ 71	\$	\$	\$ (673)	\$ 9,927
Net operating loss carry forward	470	2,542	1,465			(312)	4,165
Accruals deductible on actual payment	2,084	190	980			44	3,298
Share-based compensation	3,057		918	156		69	4,200
Minimum alternate tax	26,461		(1,250)			(1,905)	23,306
Others	1,140	36	262			(41)	1,397
Total deferred tax assets	\$ 43,786	\$ 2,723	\$ 2,446	\$ 156	\$	\$ (2,818)	\$ 46,293
Deferred tax liabilities:							
Intangibles	6,885	1,001	(685)			(193)	7,008
Unrealized gain/(loss) on cash flow hedging	(2,851)		(430)		4,304	226	1,249
Total deferred tax liabilities	\$ 4,034	\$ 1,001	\$ (1,115)	\$	\$ 4,304	\$ 33	\$ 8,257
Net deferred tax assets/(liabilities)	\$ 39,752	\$ 1,722	\$ 3,561	\$ 156	\$ (4,304)	\$ (2,851)	\$ 38,036

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

Deferred tax presented in the statement of financial position is as follows:

	As at	
	March 31, 2015	March 31, 2014
Deferred tax assets	21,331	37,066
Deferred tax liabilities	(2,273)	(2,949)
Net deferred tax assets	\$ 19,058	\$ 34,117

There are unused tax losses amounting to \$44,540 as at March 31, 2015 for which no deferred tax asset has been recognized as these losses either relate to certain tax jurisdictions where the group entities have had past losses and there is no conclusive evidence to support the view that sufficient taxable profit will be generated by such group entities in the future to offset such losses or there is uncertainty in the treatment of such losses under the tax laws of the relevant jurisdictions. The expiry dates of the tax benefit for these losses depend on the local tax laws of each jurisdiction and, if not utilized, would expire on various dates starting from financial year 2016 to 2022. However, in the UK there is no expiry period for the unused tax losses.

MAT paid by the India entity as per the Indian Income tax Act can be carried forward and set-off against future income tax liabilities of the company under normal tax provisions within a period of ten years. Such credit for MAT paid, has been recognized on the basis of estimated taxable income in future years and, if not utilized, would expire in financial year 2021 and 2022.

Deferred income tax liabilities on earnings of Company's subsidiaries have not been provided as such earnings are deemed to be permanently reinvested in the business and the Company is able to control the timing of the reversals of temporary differences associated with these investments. Accordingly, temporary difference on which deferred tax liability has not been recognized amounts to \$233,214, \$158,352 and \$139,267 as at March 31, 2015, 2014 and 2013, respectively.

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

From time to time, the Company receives orders of assessment from the Indian tax authorities assessing additional taxable income on the Company and/or its subsidiaries in connection with their review of their tax returns. The Company currently has orders of assessment outstanding for various years through fiscal 2012, which assess additional taxable income that could in the aggregate give rise to an estimated \$48,629 in additional taxes, including interest of \$17,222. These orders of assessment allege that the transfer prices the Company applied to certain of the international transactions between WNS Global and its other wholly-owned subsidiaries were not on arm's length terms, disallow a tax holiday benefit claimed by the Company, deny the set off of brought forward business losses and unabsorbed depreciation and disallow certain expenses claimed as tax deductible by WNS Global. The Company has appealed against these orders of assessment before higher appellate authorities.

In addition, the Company has orders of assessment pertaining to similar issues that have been decided in favor of the Company by first level appellate authorities, vacating the tax demands of \$39,620 in additional taxes, including interest of \$12,299. The income tax authorities have filed appeals against these orders at higher appellate authorities.

Uncertain tax positions are reflected at the amount likely to be paid to the taxation authorities. A liability is recognized in connection with each item that is not probable of being sustained on examination by taxing authority. The liability is measured using single best estimate of the most likely outcome for each position taken in the tax return. Thus the provision would be the aggregate liability in connection with all uncertain tax positions. As of March 31, 2015, the Company has provided a tax reserve of \$14,474 primarily on account of the Indian tax authorities denying the set off of brought forward business losses and unabsorbed depreciation.

As at March 31, 2015, corporate tax returns for years ended March 31, 2012 (for certain legal entities) and onward remain subject to examination by tax authorities in India.

Based on the facts of these cases, the nature of the tax authorities' disallowances and the orders from first level appellate authorities deciding similar issues in favor of the Company in respect of assessment orders for earlier fiscal years and after consultation with the Company's external tax advisors, the Company believes these orders are unlikely to be sustained at the higher appellate authorities. The Company has deposited \$12,134 of the disputed amounts with the tax authorities and may be required to deposit the remaining portion of the disputed amounts with the tax authorities pending final resolution of the respective matters.

Others

On March 21, 2009, the Company received an assessment order from the Indian service tax authority, demanding payment of \$5,557 of service tax and related penalty for the period from March 1, 2003 to January 31, 2005. The assessment order alleges that service tax is payable in India on BPM services provided by the Company to clients based abroad as the export proceeds are repatriated outside India by the Company. In response to the appeal filed by the Company with appellate tribunal against the assessment order in April 2009, the appellate tribunal has remanded the matter back to lower tax authorities to be adjudicated afresh. After consultation with Indian tax advisors, the Company believes this order of assessment is more likely than not to be upheld in favor of the Company. The

Company intends to continue to vigorously dispute the assessment.

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Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****24. Earnings per share**

The following table sets forth the computation of basic and diluted earnings per share:

	Year ended March 31,		
	2015	2014	2013
Numerator:			
Profit	\$ 58,614	\$ 41,647	\$ 21,399
Denominator:			
Basic weighted average ordinary shares outstanding	51,633,516	50,958,864	50,309,140
Dilutive impact of equivalent stock options and RSUs	1,795,465	1,730,293	1,402,392
Diluted weighted average ordinary shares outstanding	53,428,981	52,689,157	51,711,532

The computation of earnings per ordinary share (EPS) was determined by dividing profit by the weighted average ordinary shares outstanding during the respective periods.

The Company excludes options with exercise price that are greater than the average market price from the calculation of diluted EPS because their effect would be anti-dilutive. In the years ended March 31, 2015, 2014 and 2013, the Company excluded from the calculation of diluted EPS options to purchase 314,454; 314,454; and 815,378 shares, respectively.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****25. Related party**

The following is a list of the Company's subsidiaries as at March 31, 2015:

Direct subsidiaries	Step subsidiaries	Place of incorporation
WNS Global Services Netherlands Cooperative U.A.		The Netherlands
	WNS Global Services Philippines Inc.	Philippines
	WNS Global Services (Romania) S.R.L.	Romania
WNS North America Inc.		Delaware, USA
	WNS Business Consulting Services Private Limited	India
	WNS Global Services Inc.	Delaware, USA
	WNS BPO Services Costa Rica, S.R.L	Costa Rica
WNS Global Services (UK) Limited		United Kingdom
	WNS Workflow Technologies Limited	United Kingdom
	Accidents Happen Assistance Limited	United Kingdom
	WNS Global Services SA (Pty) Ltd.	South Africa
	WNS Legal Assistance LLP (2)	United Kingdom
WNS (Mauritius) Limited		Mauritius
	WNS Capital Investment Limited	Mauritius
	WNS Customer Solutions (Singapore) Private Limited	Singapore
	WNS Customer Solutions (Private) Limited	Sri Lanka
	WNS Global Services (Australia) Pty Ltd	Australia
	Business Applications Associates Beijing Limited	China
	WNS Global Services Private Limited (1)	India

WNS Global Services (Private) Limited

Sri Lanka

WNS Global Services (Dalian) Co. Ltd.

China

Notes:

- (1) WNS Global Services Private Limited is being held jointly by WNS (Mauritius) Limited and WNS Customer Solutions (Singapore) Private Limited. The percentage of holding for WNS (Mauritius) Limited is 80% and for WNS Customer Solutions (Singapore) Limited is 20%.
- (2) All the above subsidiaries are wholly owned except WNS Legal Assistance LLP, a limited liability partnership, organized under the laws of England and Wales in November 2014. We intend for WNS Legal Assistance LLP to provide legal and professional services for our Auto Claims BPM (as defined in Note 26) segment in the UK. WNS Legal Assistance LLP is 80% owned by WNS Global Services (UK) Limited and 20% owned by Prettys.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

Name of the related party	Relationship
Warburg Pincus and its affiliates (till February 12, 2013)	Principal shareholder
Datacap Software Private Limited (Datacap) (till December 31, 2013)	A company of which a member of key management is a principal shareholder
Acumentor Inc. (w.e.f April 1, 2014)	An entity of which a member of key management is the sole proprietor
Surface Architectural Supply Inc. (w.e.f September 1, 2014)	A company in which a member of key management has a controlling stake
J F Fitness of Virginia (w.e.f September 1, 2014)	A company in which a member of key management has a controlling stake
Sheron LLC (w.e.f April 1, 2014)	A company which a close relative of the member of key management owns and controls
Key management personnel	
Adrian T. Dillon (Appointed on September 21, 2012)	Chairman (Appointed as Chairman effective January 1, 2014, was Non-Executive Vice Chairman till December 31, 2013)
Keshav R. Murugesh	Director and Group Chief Executive Officer
Jeremy Young	Director
Deepak S. Parekh (Ceased to be director from September 4, 2012)	Director
Renu S. Karnad (Appointed on September 21, 2012)	Director
Eric B. Herr (Ceased to be director from April 30, 2014)	Director (Ceased to be Chairman from January 1, 2014)
Richard O. Bernays (Ceased to be director from December 31, 2013)	Director
Anthony A. Greener	Director
Albert Aboody	Director
Alok Misra (Ceased to be CFO from August 17, 2012)	Group Chief Financial Officer
Deepak Sogani (Resigned on August 27, 2013)	Group Chief Financial Officer
Johnson J. Selvadurai (Ceased to be an executive officer from January 1, 2014)	Managing Director Europe
	Chief Sales and Marketing Officer

Michael Garber (Ceased to be an executive officer from January 1, 2014)	
Kumar Subramaniam (Appointed as Interim Group Chief Financial Officer for the period August 17, 2012 to December 2, 2012)	Group Chief Financial Officer
Ronald Strout (Ceased to be an executive officer from June 28, 2012)	Chief of Staff and Head Americas
Swaminathan Rajamani	Chief People Officer
Ronald Gillette (Appointed as executive officer on January 1, 2014)	Chief Operating Officer
Sanjay Puria (Appointed as Group Chief Financial Officer effective August 28, 2013)	Group Chief Financial Officer
Gareth Williams (Appointed on January 1, 2014)	Director
Michael Menezes (Appointed on January 1, 2014)	Director
John Freeland (Appointed on September 1, 2014)	Director

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

Nature of transaction with related parties	Year ended March 31,		
	2015	2014	2013
Revenue			
Warburg Pincus and its Affiliates	\$	\$	\$ 3,753
Cost of Revenue			
Datacap		21	27
Key management personnel*			
Remuneration and short-term benefits	3,763	3,890	3,365
Defined contribution plan	82	108	106
Other benefits	14	30	23
Share based compensation	5,759	3,259	3,036

* Defined benefit plan is not disclosed as these are determined for the Company as a whole.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****26. Operating segments**

The Company has several operating segments based on a mix of industry and the types of services. The composition and organization of these operating segments currently is designed in such a way that the back office shared processes, i.e. the horizontal structure, delivers service to industry specific back office and front office processes i.e. the vertical structure. These structures represent a matrix form of organization structure, accordingly operating segments have been determined based on the core principle of segment reporting in accordance with IFRS 8 Operating segments (IFRS 8). These operating segments include travel, insurance, banking and financial services, healthcare, utilities, retail and consumer products groups, auto claims and others. The Company believes that the business process outsourcing services that it provides to customers in industries other than auto claims such as travel, insurance, banking and financial services, healthcare, utilities, retail and consumer products groups and others that are similar in terms of services, service delivery methods, use of technology, and long-term gross profit and hence meet the aggregation criteria in accordance with IFRS 8. WNS Assistance and Accidents Happen Assistance Limited (which constitutes WNS Auto Claims BPM), which provide automobile claims handling services, do not meet the aggregation criteria. Accordingly, the Company has determined that it has two reportable segments WNS Global BPM and WNS Auto Claims BPM .

The Chief Operating Decision Maker (CODM) has been identified as the Group Chief Executive Officer. The CODM evaluates the Company s performance and allocates resources based on revenue growth of vertical structure.

In order to provide accident management services, the Company arranges for the repair through a network of repair centers. Repair costs paid to automobile repair centers are invoiced to customers and recognized as revenue except the cases where the Company has concluded that it is not the principal in providing claims handling services and hence it would be appropriate to record revenue from repair services on a net basis i.e. net of repair cost. The Company uses revenue less repair payments for Fault repairs as a primary measure to allocate resources and measure segment performance. Revenue less repair payments is a non-GAAP measure which is calculated as (a) revenue less (b) in the Company s auto claims business, payments to repair centers for Fault repair cases where the Company acts as the principal in its dealings with the third party repair centers and its clients. For Non-fault repairs , revenue including repair payments is used as a primary measure. As the Company provides a consolidated suite of accident management services including credit hire and credit repair for its Non-fault repairs business, the Company believes that measurement of that line of business has to be on a basis that includes repair payments in revenue.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The segment results for the year ended March 31, 2015 are as follows:

	Year ended March 31, 2015			Total
	WNS Global BPM	WNS Auto Claims BPM	Inter segments*	
Revenue from external customers	\$ 472,840	\$ 61,053	\$	\$ 533,893
Segment revenue	\$ 473,056	\$ 61,053	\$ (216)	\$ 533,893
Payments to repair centers		30,878		30,878
Revenue less repair payments	473,056	30,175	(216)	503,015
Depreciation	14,027	360		14,387
Other costs	360,299	24,403	(216)	384,486
Segment operating profit	98,730	5,412		104,142
Other income, net	(11,140)	(772)		(11,912)
Finance expense	1,332			1,332
Segment profit before income taxes	108,538	6,184		114,722
Provision for income taxes	21,246	1,171		22,417
Segment profit	87,292	5,013		92,305
Amortization of intangible assets				24,192
Share based compensation expense				9,499
Profit				\$ 58,614
Addition to non-current assets	\$ 20,923	\$ 1,785	\$	\$ 22,708
Total assets, net of elimination	393,152	137,149		530,301
Total liabilities, net of elimination	\$ 78,539	\$ 62,656	\$	\$ 141,195

* Transactions between inter segments represent invoices raised by WNS Global BPM on WNS Auto Claims BPM for business process outsourcing services rendered by the former to latter.

One customer in the WNS Global BPM segment accounted for 13.4% of the Company's total revenue for the year ended March 31, 2015. The receivables from this customer comprised 9.8% of the Company's total accounts receivables as at March 31, 2015.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The segment results for the year ended March 31, 2014 are as follows:

	Year ended March 31, 2014			Total
	WNS Global BPM	WNS Auto Claims BPM	Inter segments*	
Revenue from external customers	\$ 439,654	\$ 62,967	\$	\$ 502,621
Segment revenue	\$ 439,916	\$ 62,967	\$ (262)	\$ 502,621
Payments to repair centers		31,100		31,100
Revenue less repair payments	439,916	31,867	(262)	471,521
Depreciation	13,366	594		13,960
Other costs	353,892	23,848	(262)	377,478
Segment operating profit	72,658	7,425		80,083
Other income, net	(8,600)	(925)		(9,525)
Finance expense	2,948			2,948
Segment profit before income taxes	78,310	8,350		86,660
Provision for income taxes	12,293	1,996		14,289
Segment profit	66,017	6,354		72,371
Amortization of intangible assets				23,789
Share based compensation expense				6,935
Profit				\$ 41,647
Addition to non-current assets	\$ 17,321	\$ 1,487	\$	\$ 18,808
Total assets, net of elimination	408,972	129,453		538,425
Total liabilities, net of elimination	\$ 162,896	\$ 50,559	\$	\$ 213,455

* Transactions between inter segments represent invoices raised by WNS Global BPM on WNS Auto Claims BPM for business process outsourcing services rendered by the former to latter.

One customer in the WNS Global BPM segment accounted for 15.2% of the Company's total revenue for the year ended March 31, 2014. The receivables from this customer comprised 10.4% of the Company's total accounts receivables as at March 31, 2014.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)**

The segment results for the year ended March 31, 2013 are as follows:

	Year ended March 31, 2013			Total
	WNS Global BPM	WNS Auto Claims BPM	Inter segments*	
Revenue from external customers	\$ 405,131	\$ 55,132	\$	\$ 460,263
Segment revenue	\$ 405,438	\$ 55,132	\$ (307)	\$ 460,263
Payments to repair centers		24,133		24,133
Revenue less repair payments	405,438	30,999	(307)	436,130
Depreciation	13,694	1,015		14,709
Other costs	335,008	24,898	(307)	359,599
Segment operating profit	56,736	5,086		61,822
Other expense/(income), net	(3,952)	(815)		(4,767)
Finance expense	3,633			3,633
Segment profit before income taxes	57,055	5,901		62,956
Provision for income taxes	8,893	971		9,864
Segment profit	48,162	4,930		53,092
Amortization of intangible assets				26,350
Share based compensation expense				5,343
Profit				\$ 21,399
Addition to non-current assets	\$ 28,214	\$ 1,150	\$	\$ 29,364
Total assets, net of elimination	423,309	111,584		534,893
Total liabilities, net of elimination	\$ 188,669	\$ 45,627	\$	\$ 234,296

* Transactions between inter segments represent invoices raised by WNS Global BPM on WNS Auto Claims BPM for business process outsourcing services rendered by the former to latter.

One customer in the WNS Global BPM segment accounted for 16.9% of the Company's total revenue for the year ended March 31, 2013. The receivables from this customer comprised 9.1% of the Company's total accounts receivables as at March 31, 2013.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****External Revenue**

Revenues from the geographic segments based on domicile of the customer. The Company's external revenue by geographic area is as follows:

	March 31,	Year ended	March 31,
	2015	March 31,	March 31,
		2014	2013
Jersey, Channel Islands	\$	\$	\$
UK	281,928	265,026	245,300
US	138,501	137,369	140,218
Europe (excluding UK)	28,758	26,989	27,291
South Africa	17,405	20,502	14,238
Australia	34,193	18,510	10,830
Rest of the world	33,108	34,225	22,386
Total	\$ 533,893	\$ 502,621	\$ 460,263

The Company's non-current assets (excluding goodwill and intangibles) by geographic area are as follows:

	As at	
	March 31,	
	2015	2014
Jersey, Channel Islands	\$	\$
UK	4,133	3,276
North America	3,266	3,774
India	28,066	22,605
South Africa	2,830	4,126
Philippines	4,420	5,734
Rest of the world	5,515	5,650
Total	\$ 48,230	\$ 45,165

27. Commitment and Contingencies*Leases*

The Company has entered into various non-cancelable operating lease agreements for certain delivery centers and offices with original lease periods expiring between fiscal 2016 and 2028. The details of future minimum lease payments under non-cancelable operating leases as at March 31, 2015 are as follows:

	Operating lease
Less than 1 year	\$ 18,225
1-3 years	25,266
3-5 years	14,910
More than 5 years	23,128
Total minimum lease payments	\$ 81,529

Rental expenses were \$23,794, \$22,994 and \$22,459, respectively, for the years ended March 31, 2015, 2014, and 2013.

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WNS (HOLDINGS) LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share data)

Capital commitments

As at March 31, 2015 and 2014, the Company had committed to spend approximately \$3,107 and \$3,576, respectively, under agreements to purchase property and equipment. These amounts are net of capital advances paid in respect of these purchases.

Bank guarantees and others

Certain subsidiaries of the Company hold bank guarantees aggregating \$895 and \$694 as at March 31, 2015 and 2014, respectively. These guarantees have a remaining expiry term ranging from one to five years.

Restricted time deposits placed with bankers as security for guarantees given by them to regulatory authorities aggregating \$510 and \$881 as at March 31, 2015 and 2014, respectively, are included in other current assets. These deposits represent cash collateral against bank guarantees issued by the banks on behalf of the Company to third parties.

Contingencies

In the ordinary course of business, the Company is involved in lawsuits, claims and administrative proceedings. While uncertainties are inherent in the final outcome of these matters, the Company believes, after consultation with counsel, that the disposition of these proceedings will not have a material adverse effect on the Company's financial position, results of operations or cash flows.

Table of Contents**WNS (HOLDINGS) LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****(Amounts in thousands, except share and per share data)****28. Additional capital disclosures**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focuses on keeping a strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company.

The capital structure as at March 31, 2015 and 2014 was as follows:

	March 31, 2015	As at March 31, 2014	% Change
Total equity attributable to the equity shareholders of the Company	\$ 389,106	\$ 324,970	20%
As percentage of total capital	94%	79%	
Short term line of credit	12,881	58,583	
Long term debt(1)	12,828	26,146	
Total debt	\$ 25,709	\$ 84,729	(70)%
As percentage of total capital	6%	21%	
Total capital (debt and equity)	\$ 414,815	\$ 409,698	1%

Note:

The Company is predominantly equity-financed. This is also evident from the fact that debt represented only 6% and 21% of total capital as at March 31, 2015 and 2014, respectively.