



Celebrating 20 Years

Annual Report 2016-17

The Return on Beliefs



A Larsen & Toubro
Group Company

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Chairman's Message

Dear Shareholders,

During the year, your Company crossed several milestones in its ongoing journey of transformation. As it celebrates the major landmark of its 20th anniversary, it unfurled a new visual identity and also completed its maiden year as a listed Company. I am happy to share my thoughts with you as your Company scales up to the next level, and addresses a rapidly changing global environment.

The world is entering an era of fundamental changes. The way we live and do business is opening up new opportunities for digital solutions and service providers. Socio-political developments in different parts of the world, meanwhile, are increasingly impinging on international business, introducing an additional dimension to the conventional interplay of market forces. You would be happy to know that your Company's clear-sighted view of future demand, its focus on exponential technologies and its commitment to client-centricity should enable it to successfully face up to these emerging challenges.

LTI is at the forefront of architecting the digital strategy for the entire Larsen & Toubro Group. This



is among the largest and most ambitious digital initiatives in the country, unequalled for width, depth and sophistication. In tandem with other companies in the L&T Group, it will extend digital levers on profitability and growth deep into the organization, re-casting processes and realizing superior outcomes. The frontline experience gained in implementing a digital dimension to the multiple businesses of the Group should add greater traction to your Company's offerings in the digital space, across the globe.

LTI's investments in new service lines, partnerships and building a strong service and marketing engine are beginning to yield positive results across all performance parameters. Revenues are up by 11.2% year-on-year, while net income rose by 16.1% year-on-year. Margin expansion was on the back of a surge in digital revenue which now constitutes 26% of total revenue.

Accolades received by your Company include being rated by the Everest Group among the top 5 service providers for 'Best Overall Experience' by enterprise clients and being named as one of the

Breakthrough 15 Sourcing Standouts in the EMEA and Americas in the Global ISG Index for 1Q17.

Complacency inhibits change and I am sure that your Company's management will continue to look for ways to push the bar even higher, and rev up an innovative, inventive mindset. Since external transformation can only succeed in the long term if it is prefaced by internal transformation, LTI has embraced several company-wide change initiatives. A recent internal collaboration program engaged more than 20,000 employees across 27 countries, bringing them on the same platform to share experiences, driving agility and honing skills at every level in the organization.

I am confident that under its outstanding leadership team, LTI will provide positive business outcomes for our clients, energize the IT vision of the group, and build an organization that is primed for the future.

A.M. Naik
Founder Chairman

CEO's Message



It has been a gratifying experience for me to lead the Company in a period when the world is going through a fundamental change. We are witnessing the defining technological trend of the 21st century – the convergence of our digital and physical worlds.

Dear Shareholders,

It is my privilege to present your Company's first annual report as a publicly listed corporation. 2017 is a major milestone for us - we are celebrating our 20th anniversary and the launch of our new visual identity as LTI to set the Company on a new path of transformation and growth. It is also a significant milestone for me at a personal level because it marks my first complete financial year as the CEO. It has been a gratifying experience for me to lead the Company in a period when the world is going through a fundamental change. We are witnessing the defining technological trend of the 21st century – the convergence of our digital and physical worlds.

The convergence of digital and physical

The lines separating the bricks and bytes are rapidly getting blurred. Exponential technologies like Mobility, Internet of Things (IoT), Big Data, artificial intelligence, machine learning, and augmented reality are driving this convergence and businesses across industries are being transformed. Amidst these changes, global corporations are going through an unprecedented disruption and expect their transformation partners to help them with fundamental rethinking in their strategies and operations along multiple dimensions. Their expectations are to enhance agility and embrace exponential technologies to stay relevant in the converging world.

A new mandate for LTI

These expectations mean that our role as their IT services partner is also being redefined dramatically. To enable clients with these capabilities requires a radically different approach. We need to showcase a deep expertise in client industries, we need to bring together proven ecosystem integration capabilities and above all, we must deliver demonstrable return on investment within a defined timeframe to differentiate in this new landscape.

Preparing LTI for this change

Recognizing these changes, LTI is transforming itself to be a truly next-generation IT services partner. This necessitates us to be a 2-Speed company – operating at two levels simultaneously. On one hand, we need to be among the very best today, delivering profitable growth consistently and building a resilient portfolio. On the other hand, we need to define what we stand for, and invent the next generation, best-of-breed services company.

Our LTI 2.0 transformation journey has set us firmly on this path. Our focus on Big 5 exponential technologies of Digital, Analytics, Automation, IoT and Cloud along with our investments in strategic acquisitions like AugmentIQ is changing the very constitution of the Company. Digital services now contribute 26% of our revenue, our Mosaic platform is accelerating digital transformation with unique offerings like Mosaic Experience, Mosaic Automation, Mosaic Decisions, Mosaic AI and Mosaic Things. Industry analysts and experts are recognizing our capabilities. Above all, our customer satisfaction has improved significantly and they see us as a true partner in their transformation journey.

The Return on Beliefs

One of the most important metrics for every shareholder is the Return. As you go through the pages of this Annual Report, you will have an opportunity to evaluate various returns – the return on investment, the return on assets, and the return on equity.

In addition to those, I also want to talk about a different return – **the Return on Beliefs**.

In August 2015, I walked into LTI with a belief. A belief in the industry. A belief in the Company. A belief in our founders. And a belief in our real-world expertise. I also believed in the passion and ambition of more than 20,000 LTItes to design innovative solutions for our clients. I believed truly that LTI is best placed to win in the converging world because we bring a rich, real-world expertise, and an engineering mindset and the right team to lead this change.

While we still have a long road ahead, the return on this belief is now visible and your Company is one of the fastest growing providers in the industry. As we begin our next twenty years' journey, our key beliefs will drive everything we do. We are committing ourselves to a strong system of beliefs that we will follow unfailingly.

Finally, as we talk about beliefs, more than anyone else, I want to thank you, as the owners of this Company, for your belief in LTI and in our ability to be a challenger in a crowded marketplace. We will continue to work hard and disrupt the market with our innovative solutions and client-centricity.

Let's solve

Sanjay Jalona

Chief Executive Officer & Managing Director

Board of Directors



Standing (L-R)

- Sanjeev Aga
- Sudhir Chaturvedi
- S. N. Subrahmanyam
- Sanjay Jalona
- R. Shankar Raman
- Aftab Zaid Ullah
- Arjun Gupta

Sitting (L-R)

- Shubhalakshmi Panse
- Samir Desai
- A. M. Naik
- M. M. Chitale
- Vedika Bhandarkar



Leadership Team

Corporate

- Sanjay Jalona
Chief Executive Officer & Managing Director
- Aftab Zaid Ullah
Chief Operating Officer
- Sudhir Chaturvedi
President Sales
- Ashok Kumar Sonthalia
Chief Financial Officer
- Rajesh Save
Global Human Resources Head
- Peeyush Dubey
Chief Marketing Officer
- Angna Arora
Head Secretarial & Compliance Officer

Vertical Head

- Anil Vazirani
Chief Business Officer, Insurance Americas
- Harsh Naidu
Chief Business Officer, Banking & Financial Services, Americas
- Siddharth Bohra
Chief Business Officer, Tech, Media, CRP & Digital, Americas
- Rohit Kedia
Chief Business Officer, Manufacturing & ERP, Americas
- Sarbajit Deb
Chief Business Officer, Nordics
- Satya Samal
Chief Business Officer, Europe (excluding Nordics)

Year at a glance

Among the
Top 20
Global IT
Services
Companies

Annual
Revenue of
\$970M

20,000+
employees
Working out of
23 Delivery
Centers

43 Sales
Offices
across
27
Countries

250+
Clients

Including
52
Fortune 500
Companies



Our Beliefs



go the Extra mile

We will go farther to win the trust of our clients. We will strive to become the most client-centric Company in the industry. We will continuously adapt ourselves to the changing business realities of our clients.