

WNS (HOLDINGS) LTD
Form 6-K
October 22, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934
For the quarter ended September 30, 2015
Commission File Number 001 32945

WNS (HOLDINGS) LIMITED
(Exact name of registrant as specified in the charter)

Not Applicable
(Translation of Registrant's name into English)

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Jersey, Channel Islands

(Jurisdiction of incorporation or organization)

Gate 4, Godrej & Boyce Complex

Pirojshanagar, Vikhroli (W)

Mumbai 400 079, India

+91-22 - 4095 - 2100

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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WNS (Holdings) Limited is incorporating by reference the information and exhibits set forth in this Form 6-K into its registration statements on Form S-8 (Registration No: 333-136168), Form S-8 (File No. 333-157356), Form S-8 (File No. 333-176849), and Form S-8 (File No. 333-191416).

CONVENTIONS USED IN THIS REPORT

In this 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 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 and prepared in accordance with International Financial Reporting Standards and its interpretations, or IFRS, as issued by the International Accounting Standards Board, or the IASB, as in effect as at September 30, 2015. To the extent IASB issues any amendments or any new standards subsequent to September 30, 2015, there may be differences between IFRS applied to prepare the financial statements included in this report and those that will be applied in our annual financial statements for the year ending March 31, 2016. Unless otherwise indicated, references to GAAP in this report are to IFRS, as issued by the IASB. References to our ADSs in this report are to our American Depositary Shares, each representing one of our ordinary shares.

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 amounts listed are due to rounding.

In this 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, the Company, we, our and us refer to WNS (Holdings) Limited and its subsidiaries.

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

We also refer in various places within this 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 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.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This 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;

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 acquisitions, from time to time;

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 our other filings with the Securities and Exchange Commission, or the SEC, including in Risk Factors, Operating and Financial Review and Prospects and elsewhere in our annual report on Form 20-F for our fiscal year ended March 31, 2015. 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- FINANCIAL INFORMATION****WNS (HOLDINGS) LIMITED****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in thousands, except share and per share data)

	Notes	As at September 30, 2015	As at March 31, 2015
ASSETS			
Current assets:			
Cash and cash equivalents	5	\$ 39,311	\$ 32,448
Investments	6	89,798	133,542
Trade receivables, net	7	55,509	55,768
Unbilled revenue		45,683	39,675
Funds held for clients		12,500	12,737
Derivative assets	13	12,661	24,152
Prepayments and other current assets	8	19,242	16,758
Total current assets		274,704	315,080
Non-current assets:			
Goodwill	9	78,539	79,058
Intangible assets	10	38,259	43,274
Property and equipment	11	47,388	48,230
Derivative assets	13	2,593	5,715
Deferred tax assets		22,501	21,331
Other non-current assets	8	18,220	17,613
Total non-current assets		207,500	215,221
TOTAL ASSETS		\$ 482,204	\$ 530,301
LIABILITIES AND EQUITY			
Current liabilities:			
Trade payables		\$ 20,369	\$ 22,706
Provisions and accrued expenses	15	25,572	25,622
Derivative liabilities	13	4,219	1,784
Pension and other employee obligations	14	34,449	40,424
Short term line of credit	12		12,881
Current portion of long term debt	12		12,828
Deferred revenue	16	4,973	3,881
Current taxes payable		2,585	1,987
Other liabilities	17	5,813	5,931
Total current liabilities		97,980	128,044

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Non-current liabilities:			
Derivative liabilities	13	959	390
Pension and other employee obligations	14	6,673	6,069
Deferred revenue	16	154	402
Other non-current liabilities	17	4,136	4,017
Deferred tax liabilities		2,638	2,273
Total non-current liabilities		14,560	13,151
TOTAL LIABILITIES		\$ 112,540	\$ 141,195
Shareholders' equity:			
Share capital (ordinary shares \$0.16 (10 pence) par value, authorized 60,000,000 shares; issued: 52,286,515 and 51,950,662 shares each as at September 30, 2015 and March 31, 2015, respectively)	18	8,193	8,141
Share premium		296,609	286,805
Retained earnings		208,611	180,345
Other components of equity		(113,288)	(86,185)
Total shareholders' equity, including shares held in treasury		400,125	389,106
Less: 1,100,000 shares as of September 30, 2015 and Nil shares as of March 31, 2015, held in treasury, at cost	18	(30,461)	
Total shareholders' equity		369,664	389,106
TOTAL LIABILITIES AND EQUITY		\$ 482,204	\$ 530,301

See accompanying notes.

Table of Contents**WNS (HOLDINGS) LIMITED****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

(Amounts in thousands, except share and per share data)

	Notes	Three months ended September 30,		Six months ended September 30,	
		2015	2014	2015	2014
Revenue		\$ 141,039	\$ 134,075	\$ 275,170	\$ 265,080
Cost of revenue	19	90,493	84,545	179,293	170,784
Gross profit		50,546	49,530	95,877	94,296
Operating expenses:					
Selling and marketing expenses	19	8,028	8,222	15,463	15,880
General and administrative expenses	19	20,383	17,045	38,425	33,252
Foreign exchange (gain)/loss, net		(3,609)	(704)	(5,362)	602
Amortization of intangible assets		6,466	6,048	12,638	12,148
Operating profit		19,278	18,919	34,713	32,414
Other income, net	21	(1,808)	(2,934)	(3,968)	(6,012)
Finance expense	20	71	347	183	822
Profit before income taxes		21,015	21,506	38,498	37,604
Provision for income taxes	23	5,510	6,241	10,232	10,270
Profit		\$ 15,505	\$ 15,265	\$ 28,266	\$ 27,334
Earnings per share of ordinary share	24				
Basic		\$ 0.30	\$ 0.30	\$ 0.55	\$ 0.53
Diluted		\$ 0.29	\$ 0.29	\$ 0.53	\$ 0.52

See accompanying notes.

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WNS (HOLDINGS) LIMITED

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in thousands)

	Three months ended September 30,		Six months ended September 30,	
	2015	2014	2015	2014
Profit	\$ 15,505	\$ 15,265	\$ 28,266	\$ 27,334
Other comprehensive income, net of taxes				
Items that may not be reclassified to profit or loss:				
Pension adjustment	20	(31)	(577)	(338)
Items that are or may be reclassified subsequently to profit or loss:				
Changes in fair value of cash flow hedges:				
Current period gain/ (loss)	2,476	7,930	(6,918)	8,435
Reclassification to loss	(3,972)	(637)	(7,692)	(19)
Foreign currency translation	(13,650)	(10,288)	(16,204)	(10,115)
Income tax (provision)/ benefit relating to above	172	(2,832)	4,288	(2,855)
	\$ (14,974)	\$ (5,827)	\$ (26,526)	\$ (4,554)
Total other comprehensive loss, net of taxes	\$ (14,954)	\$ (5,858)	\$ (27,103)	\$ (4,892)
Total comprehensive income	\$ 551	\$ 9,407	\$ 1,163	\$ 22,442

See accompanying notes.

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WNS (HOLDINGS) LIMITED

UNAUDITED CONDENSED 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, 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	347,640	58	266					324
Share-based compensation			4,808					4,808
Excess tax benefits relating to share-based options and RSUs			207					207
Transactions with owners	347,640	58	5,281					5,339
Profit				27,334				27,334
Other comprehensive income/(loss), net of taxes					(10,115)	5,561	(338)	(4,892)