

Deloitte Haskins & Sells LLP

Chartered Accountants
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INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HEXAWARE TECHNOLOGIES LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **HEXAWARE TECHNOLOGIES LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the Quarter ended 31st March, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related condensed interim consolidated financial statements in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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3. We did not audit the condensed interim financial statements of eight subsidiaries included in the consolidated financial results, whose condensed interim financial statements reflect total revenues of Rs. 10,643.69 lakhs and total profit after tax of Rs. 16.33 lakhs for the Quarter ended 31st March, 2016, as considered in the consolidated financial results. These interim financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:
 - a. includes the results of the following entities:
Hexaware Technologies Limited, Hexaware Technologies Inc., Hexaware Technologies Mexico S. De. R.L. De. C.V., Hexaware Technologies UK Ltd., Hexaware Technologies Asia Pacific Pte Limited, Hexaware Technologies GmbH, Hexaware Technologies Canada Limited, Risk Technology International Limited, Hexaware Technologies DO Brazil Ltd, Guangzhou Hexaware Information Technologies Company Limited and Hexaware Technologies Limited Liability Company;
 - b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the Quarter ended 31st March, 2016.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner
(Membership No.102912)

MUMBAI, 4th May, 2016

A) CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST MARCH 2016

(Rupees in Lakhs except per share data)

| PARTICULARS | QUARTER ENDED 31st MAR'2016 AUDITED | QUARTER ENDED 31st DEC'2015 (REFER NOTE 3) | QUARTER ENDED 31st MAR'2015 (AUDITED) | YEAR ENDED 31st DEC'2015 AUDITED |
|--|-------------------------------------|--|---------------------------------------|----------------------------------|
| INCOME | | | | |
| INCOME FROM OPERATIONS | 82,021.23 | 81,950.60 | 71,342.59 | 3,12,352.28 |
| EXPENSES | | | | |
| EMPLOYEE BENEFITS EXPENSE | 48,238.30 | 46,474.98 | 40,419.52 | 1,75,210.78 |
| SOFTWARE AND DEVELOPMENT EXPENSES | 13,809.90 | 14,912.29 | 12,082.77 | 54,040.31 |
| OPERATING AND OTHER EXPENSES | 7,297.90 | 7,457.53 | 6,012.59 | 27,408.09 |
| EMPLOYEE STOCK OPTION COMPENSATION COST | 733.64 | 76.66 | 116.73 | 2,111.03 |
| DEPRECIATION AND AMORTISATION | 1,383.23 | 1,314.65 | 1,154.28 | 4,824.68 |
| TOTAL EXPENSES | 71,462.97 | 70,236.11 | 59,785.89 | 2,63,594.89 |
| PROFIT FROM OPERATIONS BEFORE OTHER INCOME, EXCHANGE RATE DIFFERENCE & INTEREST | 10,558.26 | 11,714.49 | 11,556.70 | 48,757.39 |
| OTHER INCOME (NET) | 108.33 | 178.49 | 366.42 | 901.76 |
| EXCHANGE RATE DIFFERENCE (NET) GAIN / (LOSS) | 442.79 | 695.82 | (1,340.77) | 813.99 |
| PROFIT BEFORE INTEREST AND TAX | 11,109.38 | 12,588.80 | 10,582.35 | 50,473.14 |
| INTEREST | 0.36 | 3.58 | 1.57 | 11.89 |
| PROFIT BEFORE TAX | 11,109.02 | 12,585.22 | 10,580.78 | 50,461.25 |
| TAX EXPENSE | 2,690.50 | 2,649.09 | 2,245.75 | 11,140.12 |
| PROFIT AFTER TAX | 8,418.52 | 9,936.13 | 8,335.03 | 39,321.13 |
| PAID UP EQUITY SHARE CAPITAL (FACE VALUE OF RS. 2/- PER SHARE) | 6,035.77 | 6,031.26 | 6,022.47 | 6,031.26 |
| RESERVES AND SURPLUS | | | | 1,37,289.54 |
| EARNINGS PER SHARE (Rupees) | | | | |
| BASIC | 2.79 | 3.30 | 2.77 | 13.05 |
| DILUTED | 2.77 | 3.27 | 2.76 | 12.94 |

B) CONSOLIDATED SEGMENT REPORTING

| PARTICULARS | QUARTER ENDED 31st MAR'2016 AUDITED | QUARTER ENDED 31st DEC'2015 (REFER NOTE 3) | QUARTER ENDED 31st MAR'2015 (AUDITED) | YEAR ENDED 31st DEC'2015 AUDITED |
|---|-------------------------------------|--|---------------------------------------|----------------------------------|
| REVENUE BY INDUSTRY SEGMENT | | | | |
| TRAVEL AND TRANSPORTATION | 12,565.05 | 13,575.00 | 11,757.41 | 52,400.80 |
| BANKING AND FINANCIAL SERVICES | 32,170.78 | 30,736.64 | 26,707.58 | 1,16,608.40 |
| INSURANCE AND HEALTHCARE | 14,370.75 | 14,233.13 | 11,146.06 | 50,959.33 |
| MANUFACTURING, CONSUMER AND OTHERS | 22,914.65 | 23,405.83 | 21,731.54 | 92,383.75 |
| NET REVENUE FROM OPERATIONS | 82,021.23 | 81,950.60 | 71,342.59 | 3,12,352.28 |
| SEGMENT RESULT BEFORE TAX | | | | |
| TRAVEL AND TRANSPORTATION | 2,291.73 | 2,512.91 | 2,179.79 | 9,747.37 |
| BANKING AND FINANCIAL SERVICES | 3,256.44 | 3,192.28 | 3,506.87 | 14,215.51 |
| INSURANCE AND HEALTHCARE | 2,584.50 | 2,671.51 | 2,613.20 | 10,769.29 |
| MANUFACTURING, CONSUMER AND OTHERS | 3,808.82 | 4,652.44 | 4,411.12 | 18,849.90 |
| TOTAL | 11,941.49 | 13,029.14 | 12,710.98 | 53,582.07 |
| ADD : OTHER INCOME | 108.33 | 178.49 | 366.42 | 901.76 |
| ADD: EXCHANGE RATE DIFFERENCE (NET) GAIN / (LOSS) | 442.79 | 695.82 | (1,340.77) | 813.99 |
| LESS : INTEREST | 0.36 | 3.58 | 1.57 | 11.89 |
| LESS : OTHER UN-ALLOCABLE EXPENDITURE | 1,383.23 | 1,314.65 | 1,154.28 | 4,824.68 |
| PROFIT BEFORE TAX | 11,109.02 | 12,585.22 | 10,580.78 | 50,461.25 |

Notes on segment information

Principal segments

The Company has identified business segment as the primary segment. Business segments have been identified taking into account the services offered to customers globally operating in different industry segments, differing risks and returns, the organizational and the internal reporting systems.

Segmental capital employed

Assets and liabilities contracted have not been identified to any of the reportable segments as the assets are used interchangeably between segments and it is not practicable to reasonably allocate the liabilities to individual segments. Accordingly no disclosure relating to segment assets and segment liabilities are made.



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