



December 23, 2016

✓ **The Secretary**  
**BSE Limited**  
P J Towers  
Dalal Street  
Mumbai 400 001

**The Secretary**  
**The National Stock Exchange of India Limited**  
Exchange Plaza  
Plot no. C/1, G Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai - 400 051

Dear Sir/Madam,

**Sub: Buyback of 5,694,835 equity shares of INR 2/- each ("Share") of Hexaware Technologies Limited ("Company") at a price of INR 240/- per Share under tender offer route ("Buyback")**

We are pleased to inform you that Hexaware Technologies Limited has issued a public announcement for the Buyback of its equity shares through tender offer route ("**Public Announcement**"). The Public Announcement has been released to appear on December 23, 2016 in the following newspapers:

- Business Standard (English) (all editions)
- Business Standard (Hindi) (all editions)
- Navshakti (Marathi) (Mumbai edition)

Kotak Mahindra Capital Company Limited ("KMCC") has been appointed as the Manager to the Offer.

In this regard, please find enclosed copies of the Public Announcements that has been released to appear in Business Standard (English) on December 23, 2016.

Should you require any further clarification, please do not hesitate to contact Ritesh Desai (4336 0137) / Shobhit Grover (4336 0173) / Ajit Prabhakar (4336 0170).

Yours Sincerely,

For **Kotak Mahindra Capital Company Limited**

  
\_\_\_\_\_  
Shobhit Grover  
Vice President

Encl.: As above

## PUBLIC ANNOUNCEMENT

### FOR THE ATTENTION OF EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF HEXAWARE TECHNOLOGIES LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Part A of Schedule II to the Buyback Regulations.

OFFER TO BUY-BACK UP TO 5,694,835 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH ("EQUITY SHARES") AT A PRICE OF ₹ 240/- PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS.

#### 1. THE BUYBACK OFFER

1.1. The Board of Directors of Hexaware Technologies Limited (the "Company"), at its meeting held on Tuesday, October 25, 2016 ("Board Meeting") has approved the Buy-back of up to ₹ 5,694,835 (Five Million Six Hundred Ninety Four Thousand Eight Hundred and Thirty Five only) Equity Shares at a price of ₹ 240/- (Rupees Two Hundred and Forty only) per Equity Share (the "Buyback Price") up to an aggregate amount not exceeding ₹ 1,366,760,400 (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only) (the "Buyback Size") excluding the transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., which is 12% of the total paid-up equity capital and free reserves as per the audited accounts of the Company as on September 30, 2016, through the "Tender Offer" route as prescribed under the Buyback Regulations on a proportionate basis, from the equity shareholders/beneficial owners of the Equity Shares of the Company as on the Record Date (the process being referred hereinafter as "Buy-back" or "Buyback Offer"). The Company had sought approval of its shareholders, by a Special Resolution, through postal ballot notice dated November 21, 2016 (the "Notice"), the results of which were announced on December 22, 2016. The shareholders have authorised the Board of Directors (the "Board"), which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised "Committee" thereof) to determine the total amount to be deployed in the Buy-back, final Buy-back price, number of Equity Shares to be bought back within the aforesaid limits.

1.2. The Buy-back is in accordance with the provisions of Article 52A of the Articles of Association of the Company, Sections 68, 69, 70 of the Companies Act, 2013 and the rules made thereunder (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 (the "Management Rules") and the Buyback Regulations.

1.3. The Buy-back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Securities and Exchange Board of India ("SEBI"), and the Stock Exchanges on which the Equity Shares of the Company are listed, namely, the National Stock Exchange of India Limited ("NSE"), the BSE Limited ("BSE") (BSE together with NSE the "Stock Exchanges").

1.4. The Buy-back shall be undertaken on a proportionate basis from the Shareholders as of the Record Date being January 6, 2017 (the "Record Date") through the Tender Offer process prescribed under Regulation 4(1)(a) of the Buyback Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 (the "SEBI Circular"). In this regard, the Company will request BSE and NSE to provide the Acquisition Window. For the purpose of this Buy-back, NSE would be the Designated Stock Exchange.

1.5. In terms of the Buyback Regulations, under Tender Offer route, the Promoter and Promoter group have the option to participate in the Buy-back. In this regard, the Promoter and Promoter group have informed the Company vide their letter(s) dated October 25, 2016 and November 18, 2016 regarding their intention to participate in the Buy-back. The extent of their participation in the Buy-back has been detailed in clause 7 of this Public Announcement.

1.6. The Buy-back Price represents a premium of 16.6% and 16.5% over the volume weighted average market price of the Equity Shares on BSE and on NSE respectively during the 3 months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-back and 30.0% and 29.7% over the volume weighted average market price of the Equity Shares on the BSE and on the NSE, respectively for 2 weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-back.

1.7. The aggregate paid-up share capital and free reserves of the Company as on September 30, 2016 was ₹ 1,389.67 Million and under the provisions of the Act, the funds deployed for Buy-back shall not exceed 25% of the paid-up capital and free reserves of the Company. Accordingly, the maximum amount that can be utilised in the present Buy-back is ₹ 2,847.42 Million. The aggregate amount proposed to be utilised for the Buyback offer is ₹ 1,366,760,400/- (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only), which is within the maximum amount as aforesaid.

1.8. Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 75,477,805 Equity Shares being 25% of 301,911,222 Equity Shares of face value of ₹ 2/- each. Since the Company proposes to Buy-back up to 5,694,835 Equity Shares, the same is within the aforesaid 25% limit.

1.9. Pursuant to the proposed Buy-back and depending on the response to the Buy-back, the voting rights of the Promoter and Promoter group in the Company may change from the existing 71.20% holding in the total equity capital and voting rights of the Company. The Promoter and Promoter group of the Company are already in control over the Company and therefore such change in voting rights of the Promoter and Promoter group will not result in any change in control over the Company.

1.10. The holders of Global Depository Receipts ("GDRs") of the Company may participate in the Buy-back by withdrawing his or her GDRs from the depository facility, and acquiring underlying Equity Shares upon such withdrawal such that they are recorded as a Shareholder of the Company as on the Record Date and then tendering those Equity Shares back to the Company via their respective stock brokers. There can be no assurance that all the Equity Shares tendered by a GDR investor in the Buy-back will be accepted. GDR investors are advised to consult their legal advisors for advice prior to participating in the Buy-back, including advice related to any related regulatory approvals and tax issues.

1.11. A copy of this Public Announcement is available on the Company's website (www.hexaware.com) and is expected to be available on the Securities and Exchange Board of India ("SEBI") website www.sebi.gov.in during the period of the Buy-back and on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).

#### 2. NECESSITY AND BASIS FOR THE BUY-BACK

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding Equity Shares of the Company. The Board at its meeting held on October 25, 2016, considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts as on September 30, 2016 and considering these, the Board decided to allocate a sum of ₹ 1,366,760,400/- (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. for distributing to the members holding Equity Shares of the Company through the Buy-back.

After considering several factors and benefits to the members holding Equity Shares of the Company, the Board decided to recommend Buy-back of not exceeding 5,694,835 (representing 1.9% of the total number of Equity Shares in the paid-up share capital of the Company) at a price of ₹ 240/- (Rupees Two Hundred and Forty only) per Equity Share for an aggregate consideration of ₹ 1,366,760,400/- Buyback is a more efficient form of returning surplus cash to the members holding Equity Shares of the Company, inter-alia, for the following reasons:

- The Buy-back will help the Company to return surplus cash to its members holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the Small Shareholders. The Company believes that this reservation for Small Shareholders would benefit a large number of public shareholders, who would get classified as "Small Shareholder" as per Regulation 2(1)(la) of the Buyback Regulations;
- The Buy-back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in Shareholders' value;
- The Buy-back gives an option to the members holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment.
- Optimizes the capital structure.

#### 3. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUYBACK

The Company proposes to buyback not exceeding 5,694,835 (Five Million Six Hundred Ninety Four Thousand Eight Hundred and Thirty Five) Equity Shares of face value of ₹ 2/- each of the Company.

#### 4. BUYBACK PRICE AND BASIS OF DETERMINING THE PRICE OF THE BUYBACK

The Equity Shares of the Company are proposed to be bought back at a price of ₹ 240/- (Rupees Two Hundred and Forty only) per share ("Offer Price"). The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average market prices of the Equity Shares on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the Equity Shares are listed, the network of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buy-back on the earnings per share. The Offer Price represents:

- Premium of 16.6% and 16.5% volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the 3 months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-back.

- Premium of 30.0% and 29.7% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for 2 weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buy-back.

The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up capital and free reserves after the Buy-back.

#### 5. MAXIMUM AMOUNT REQUIRED FOR BUY-BACK, ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES AND SOURCE OF FUNDS FROM WHICH BUYBACK WOULD BE FINANCED

The Maximum amount required for Buy-back will not exceed ₹ 1,366,760,400/- (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., being 12% of fully paid up share capital and free reserves which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves of the Company as on September 30, 2016.

The funds for the implementation of the proposed Buy-back will be sourced out of the free reserves of the Company (including securities premium account) or such other source may be permitted by the Buyback Regulations or the Act. The funds used will not exceed 25% of the paid-up share capital and free reserves of the Company.

The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buy-back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

The funds borrowed, if any, from banks and financial institutions will not be used for the Buy-back.

#### 6. DETAILS OF SHAREHOLDING OF PROMOTERS AND THE DIRECTORS OF THE PROMOTER GROUP COMPANIES

6.1. The aggregate shareholding of the Promoter and Promoter group who are in control of the Company as on the date of the Notice, is as follows:

Sr. No	Name of Shareholder	No. of Shares held	Percentage
1	HT Global IT Solutions Holdings Ltd.	215,047,193	71.20
	<b>Total</b>	<b>215,047,193</b>	<b>71.20</b>

6.2. None of the Directors or Key Managerial Personnel of the Company hold any Equity Shares in the Company except for the following:

Sr. No	Shareholding of Directors & Key Managerial Personnel	No. of Shares held	Percentage
1	Mr. Bharat Shah*	30,000	0.01
2	Mr. Atul Nishar*	1,000	0.00
3	Mr. Basab Pradhan	15,000	0.00
4	Mr. Rajesh N Kanani	26,984	0.01
5	Ms. Gunjan Methi	926	0.00

\*Bharat Shah HUF is holding 50,000 Shares

\*Shares held by Mr. Atul Nishar's family members are as follows: Dr. (Mrs.) Alka Atul Nishar - Wife 1,000 shares, Ms. Devangi Atul Nishar - Daughter 3,43,720 Shares and Ms. Priyanka Atul Nishar - Daughter 3,15,690 Shares

6.3. No shares or other specified securities in the Company were either purchased or sold by any member of the Promoter/Promoter Group, and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board Meeting at which the Buy-back was approved and from that date till the date of the Notice.

6.4. Details of transactions by Directors/KMPs of the Company during the period of 6 months preceding the date of the Board Meeting at which the proposal for Buy-back was approved i.e. October 25, 2016

Name	Date of Transfer	Aggregate No. of Shares Purchased/ Sold	Nature of Transaction	Maximum Price (₹)*	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price	Average Price (₹)*
Mr. Bharat Shah	25-May-2016	7,000	Market Purchase	211.00	25-May-2016	210.90	25-May-2016	210.99
	26-May-2016	13,000*	Market Purchase	211.00	26-May-2016	210.15	26-May-2016	210.60
	31-May-2016	3,000*	Market Purchase	215.00	31-May-2016	215.00	31-May-2016	215.00
	01-Jun-2016	17,000*	Market Purchase	215.00	01-Jun-2016	211.45	01-Jun-2016	213.59
	10-Jun-2016	10,000*	Market Purchase	212.00	10-Jun-2016	211.95	10-Jun-2016	211.99
	16-Jun-2016	10,000*	Market Purchase	212.00	16-Jun-2016	211.25	16-Jun-2016	211.69

\*Excluding Brokerage and other transaction costs

\*Shares purchased by Bharat Shah HUF

\*Includes 10,000 shares purchased by Bharat Shah HUF

#### 7. INTENTION OF THE PROMOTERS OF THE COMPANY TO TENDER EQUITY SHARES FOR BUY-BACK INDICATING THE NUMBER OF SHARES, DETAILS OF ACQUISITION WITH DATES AND PRICE

HT Global IT Solutions Holdings Ltd. ("Promoter"), the Promoter of Hexaware Technologies Limited, hereby declares and confirms that it would be participating in the Buy-back and it may tender up to a maximum of 5,694,835 (Fifty Six Lakh Ninety Four Thousand and Eight Hundred Thirty Five) Equity Shares or such lower number of Equity Shares as permitted under applicable law.

Details of the date and price of acquisition of the Equity Shares that Promoter and Promoter group intend to tender are set-out below:

##### HT GLOBAL IT SOLUTIONS HOLDINGS LTD.

Date	No. of Shares	Issue Price/ Transfer Price*	Consideration
11-Oct-13	124,973,436	135.00	Private Agreement with erstwhile Promoter and a Financial Investor
26-Nov-13	60,548,763	135.00	Open Offer
06-Aug-14	100,000	141.11	Market Purchase
07-Aug-14	24,000	142.61	Market Purchase
07-Aug-14	376,000	141.98	Market Purchase
08-Aug-14	24,121	145.17	Market Purchase
08-Aug-14	107,000	145.29	Market Purchase
11-Aug-14	36,226	147.30	Market Purchase
11-Aug-14	174,050	147.96	Market Purchase
12-Aug-14	25,000	149.57	Market Purchase
12-Aug-14	139,835	149.43	Market Purchase
13-Aug-14	30,000	149.14	Market Purchase
13-Aug-14	270,000	149.22	Market Purchase
14-Aug-14	15,000	146.84	Market Purchase
14-Aug-14	200,000	146.44	Market Purchase
18-Aug-14	3,272	150.45	Market Purchase
18-Aug-14	1,063	150.45	Market Purchase
22-Aug-14	8,000	156.88	Market Purchase
22-Aug-14	54,000	156.88	Market Purchase
25-Aug-14	42,100	158.90	Market Purchase
25-Aug-14	232,000	159.10	Market Purchase
26-Aug-14	50,000	160.70	Market Purchase
26-Aug-14	250,000	160.49	Market Purchase
27-Aug-14	13,000	161.56	Market Purchase
27-Aug-14	62,000	161.42	Market Purchase
30-Sep-14	27,288,327	195.49	Market Purchase (inter-se transfer from Parel Investment Holdings. Ltd by way of a block deal)*
<b>Total</b>	<b>215,047,193</b>		
<b>Maximum Equity Shares intended to be tendered</b>			<b>Up to 5,694,835</b>

\*Excluding transaction cost

\*Parel Investment Holdings Ltd. was a person acting in concert (PAC) along with HT Global IT Solutions Holdings Ltd. for the open offer in 2013. Parel Investment Holdings Ltd had acquired an aggregate of 27,288,327 Equity Shares via market purchases in 2013 and subsequently sold its entire holding in the Company to HT Global IT Solutions Holdings Ltd via an inter-se on-market block trade on September 30, 2014. Parel Investment Holdings Ltd. does not hold any shares in the Company as on the date of the Postal Ballot

- The Company confirms that there are no defaults made or subsisting in the repayment of deposits or interest thereon, redemption of debentures or interest payment thereon, redemption of preference shares or payment of dividend to any Shareholder, repayment of term loans or interest thereon to any financial institution or banks.

9. The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- Immediately following the date of the Board Meeting, and the date on which the results of Shareholders' Resolution passed by way of Postal Ballot/E-voting ("Postal Ballot Resolution") will be declared, approving the Buy-back, there will be no grounds on which the Company could be found unable to pay its debts;
- As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the Buy-back as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting as also from the date of Postal Ballot Resolution; and
- In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be

10. The text of the Report dated October 25, 2016 and revised by letter dated November 14, 2016 received from the Company's Auditors addressed to the Board of Directors of the Company is reproduced below:

The Board of Directors,

Hexaware Technologies Ltd,  
Mumbai

#### Auditor's Report relating to buyback of equity shares by the Company as required by the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (the "SEBI Buyback Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated 15<sup>th</sup> September, 2016 and is further to our report dated 25<sup>th</sup> October, 2016 issued to the Board of Directors of the Company. The Board of Directors of Hexaware Technologies Limited ("the Company") have approved a proposed Buy-back of Equity Shares by the Company at its meeting held on 25<sup>th</sup> October, 2016, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (the "SEBI Buyback Regulations"), as amended.

2. The accompanying Statement of permissible capital payment (including premium) as at 30<sup>th</sup> September, 2016 (hereinafter referred together as the "Statement") is prepared by the management, which we have initiated for identification purposes only.

#### Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

#### Auditors Responsibility

4. Pursuant to the requirements of the SEBI Buyback Regulations, as amended, it is our responsibility to provide a reasonable assurance:

- whether we have inquired into the company's state of affairs of the Company in relation to its latest audited standalone financial statements as at and for the nine months ended 30<sup>th</sup> September, 2016;
- if the amount of the permissible capital payment for the proposed Buyback of equity shares is properly determined considering the audited standalone financial statements for the period ended 30<sup>th</sup> September, 2016; and
- if the Board of Directors have formed the opinion as specified in clause (x) of Schedule II to the SEBI Buyback Regulations, as amended on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the resolution by the Board of Directors of the Company.

5. The standalone financial statements referred to in paragraph 4 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated 25<sup>th</sup> October, 2016. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

6. We conducted our examination of the Statement in accordance with the Guidance note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

#### Opinion

8. Based on enquiries conducted and our examination as above, we report that:

- We have enquired into the state of affairs of the Company in relation to its audited standalone financial statements for the period ended 30<sup>th</sup> September, 2016 which has been approved by the Board of Directors of the Company on 25<sup>th</sup> October, 2016.
- The amount of permissible capital payment (including premium) towards the proposed Buyback of equity shares as computed in the statement attached herewith, is properly determined in our view in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company for the period ended 30<sup>th</sup> September, 2016.
- The Board of Directors of the Company, in their meeting held on 25<sup>th</sup> October, 2016 have formed their opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, as amended, on reasonable grounds, that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 25<sup>th</sup> October, 2016.

#### Restriction on Use

9. This report has been issued at the request of the Company solely for use of the Company in relation to filing information with the explanatory statement to the notice for special resolution and in connection with the proposed Buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, as amended to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to Buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For Deloitte Haskins & Sells LLP,  
Chartered Accountants  
(Registration No. 117366W/W-100018)

Abhijit A. Damle  
Partner  
(Membership No. 102912)

Date: October 25, 2016 (First Report); November 14, 2016 (Revised Report)

Place: Mumbai

#### Annexure A

##### Statement of permissible capital payment (including premium) as at 30<sup>th</sup> September, 2016

The amount of permissible capital payment (including premium) towards the proposed Buyback of equity shares as computed in the table below is properly determined in our view in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the period ended 30<sup>th</sup> September, 2016.

Particulars as on 30 <sup>th</sup> September, 2016		Amount (₹ in millions)
Paid up capital (301,911,222 shares of ₹ 2/- each)	A	603.82
Free Reserves:		
Profit and loss account balance		3,866.12
Securities Premium		4,783.98
General reserve		2,135.75
Total Free Reserves	B	10,785.85
Total paid up capital and free reserves	A+B	11,389.67
Maximum amount permissible for Buyback under Section 68 of the Companies Act, 2013 (25% of the total paid up capital and free reserves)		2,847.42

Maximum amount permitted by Board Resolution dated 25 <sup>th</sup> October, 2016 approving Buyback, subject to shareholder approval, based on the audited accounts for the period ended 30 <sup>th</sup> September, 2016.	1,366.76
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For Hexaware Technologies Limited  
Rajesh Kanani  
Chief Financial Officer  
25<sup>th</sup> October, 2016

#### 11. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- 11.1. As required under the Buyback Regulations, the Company has fixed Friday, January 6, 2017 as the Record Date for the purpose of determining the entitlement and the names of the Shareholders, who will be eligible to participate in the Buy-back. The Equity Shares proposed to be bought back by the Company shall be divided into two categories; (a) reserved category for Small Shareholders and (b) the general category for all other Shareholders.
- 11.2. As defined in the Buyback Regulations, a "Small Shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price of the Equity Shares on the Stock Exchanges, having the highest trading volume in respect of such Equity Shares as on Record Date, of not more than ₹ 2,00,000/- (Rupees Two Lacs only).
- 11.3. In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of Small Shareholders as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-back.
- 11.4. On the basis of the shareholding as on the Record Date, the Company will determine the entitlement of each Shareholder to tender their Equity Shares in the Buy-back. This entitlement for each Shareholder will be calculated based on the number of Equity Shares held by the respective Shareholder as on the Record Date and the ratio of Buy-back applicable in the category to which such Shareholder belongs. The final number of Equity Shares that the Company shall buyback from Shareholders will be based on the total number of shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Shareholders.
- 11.5. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Shareholders in that category, and thereafter from Shareholders who have tendered over and above their entitlement in other category.
- 11.6. Shareholders' participation in Buy-back will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of Equity Shares accepted under the Buy-back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-back, without additional investment. Shareholders may also tender a part of their entitlement. Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any.
- 11.7. The maximum tender under the Buy-back by any Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
- 11.8. The Equity Shares tendered as per the entitlement by Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- 11.9. Detailed instructions for participation in the Buy-back (tender of Equity Shares in the Buy-back) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Shareholders as on Record Date.

#### 12. PROCESS AND METHOD TO BE ADOPTED FOR BUY-BACK

- 12.1. The Buy-back is open to all Equity Shareholders/beneficial owners of the Company holding Equity Shares either in physical and/or electronic form on the Record Date.
- 12.2. The Buy-back shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
- 12.3. For implementation of the Buy-back, the Company has appointed Kotak Securities Limited as the registered broker to the Company (the "Company's Broker") to facilitate the process of tendering of Equity Shares through Stock Exchange Mechanism for the Buy-back and through whom the purchases and settlements on account of the Buy-back would be made by the Company. The contact details of the Company's Broker are as follows:

#### KOTAK SECURITIES LIMITED

27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051  
**Contact Person:** Ms. Naaz Khan,  
**Tel.:** +91 22 3030 5757;  
**Email:** Naaz.Khan@kotak.com  
**Website:** www.kotaksecurities.com  
**SEBI Registration No. NSE Capital Market:** INB230808130;  
**BSE Equity:** INB010808153  
**CIN:** U99999MH1994PLC134051

- 12.4. The Company shall request Stock Exchanges to provide a separate Acquisition Window to facilitate placing of sell orders by Shareholders who wish to tender their Equity Shares in the Buy-back. The details of the platform will be specified by Stock Exchanges from time to time.
- 12.5. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company Broker. During the tendering period, the order for selling the Equity Shares will be placed by the Shareholders through their respective stock brokers (each, a "Shareholder Broker") during normal trading hours of the secondary market. In the tendering process, the Company Broker may also process the orders received from the Shareholders.
- 12.6. **Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form:**
- 12.6.1. Shareholders who desire to tender their Equity Shares in the electronic form under the Buy-back would have to do so through their respective Shareholder Broker by indicating to their broker the details of Equity Shares they intend to tender under the Buy-back.
- 12.6.2. The Shareholder Broker would be required to transfer the number of Equity Shares by using the settlement number and the procedure prescribed by the Clearing Corporation of India Ltd. ("Clearing Corporation") for the transfer of the Equity Shares to the Special Account of the Clearing Corporation before placing the bids/orders and the same shall be validated at the time of order entry.
- 12.6.3. The details of the Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by Stock Exchanges/Clearing Corporation.
- 12.6.4. For Custodian Participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 12.6.5. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ('TRS') generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- 12.7. **Procedure to be followed by Registered Equity Shareholders holding Equity Shares in the Physical form:**
- 12.7.1. Shareholders who are holding physical Equity Shares and intend to participate in the Buy-back will be required to approach the Shareholder Broker along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the Shareholder's PAN Card, (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Shareholder has deceased, etc., as applicable. In addition, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- 12.7.2. Based on these documents, the concerned Shareholder Broker shall place the bid on behalf of Shareholders holding Equity Shares in physical form using the Acquisition Window of Stock Exchanges. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.
- 12.7.3. The Shareholder Broker/Shareholder has to deliver the original share certificate(s) & documents (as mentioned in Paragraph 12.7.1 above) along with TRS either by registered post or courier or hand delivery to the Registrar and Transfer Agent ('RTA') (at the address mentioned at paragraph 14 below or the collection center of the RTA, details of which will be included in the Letter of Offer) within 2 (two) days of bidding by Shareholder Broker. The envelope should be super scribed as "Hexaware Technologies Limited-Buyback Offer 2016".  
One copy of the TRS will be retained by RTA and it will provide acknowledgement of the same to the Shareholder Broker/Shareholder.
- 12.7.4. Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buy-back by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. RTA will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once RTA confirms the bids it will be treated as 'Confirmed Bids'
- 12.8. Modification/cancellation of orders will be allowed during the tendering period of the Buy-back.
- 12.9. The cumulative quantity tendered shall be made available on the websites of Stock Exchanges (BSE's website - www.bseindia.com/NSE's website- www.nseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

#### 12.10. Method of Settlement

- Upon finalization of the basis of acceptance as per Buyback Regulations:
- 12.10.1. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 12.10.2. The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buy-back, the Shareholder Broker will receive funds payout in their settlement bank account.
- 12.10.3. The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchange.
- 12.10.4. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Shareholders would be returned to the Shareholder Broker by Clearing Corporation in payout. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Shareholders directly by RTA.
- 12.10.5. The Shareholder Broker would issue contract note and pay the consideration for the Equity Shares accepted under the Buy-back and return the balance unaccepted Equity Shares to their respective clients. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
- 12.10.6. Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buy-back (secondary market transaction). The Buy-back consideration received by the selling Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.
- 12.11. The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

#### 13. COMPLIANCE OFFICER

Ms. Gunjan Methi, Company Secretary  
Hexaware Technologies Limited  
**Tel.:** 022 - 4159 9595;  
**Fax:** 022 - 4159 9578;  
**Email:** investori@hexaware.com

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10 AM and 5 PM on all working days except Saturday, Sunday and Public holidays.

#### 14. REGISTRAR TO THE OFFER AND INVESTOR SERVICE CENTRE

In case of any query, the Shareholders may contact the Registrar & Share Transfer Agent during working hours i.e. 10 AM and 4.30 PM on all working days except Saturday, Sunday and Public holidays.

**KARVY COMPUTERSHARE PRIVATE LIMITED**  
 Karvy Selenium, Tower B, Plot Number 31- 32  
 Gachibowli Financial District,  
 Nanakramguda, Hyderabad - 500 032, India  
**Tel.:** +91 40 6716 2222  
**Fax:** +91 40 2343 1551  
**Contact Person:** Mr. M Murali Krishna  
**E-mail:** murali.m@karvy.com  
**SEBI Registration Number:** INR000000221

#### 15. MANAGER TO THE BUY-BACK

**KOTAK MAHINDRA CAPITAL COMPANY LIMITED**  
 27 BKC, 1<sup>st</sup> Floor Plot no. C-27, G Block, Bandra Kurla  
 Complex Bandra (East) Mumbai - 400 051  
**Tel:** +91 22 4336 0128; **Fax:** +91 22 6713 2445  
**Contact Person:** Mr. Ganesh Rane  
**Email:** Project.Hexawarebuyback@kotak.com  
**SEBI Registration Number:** INM000008704

#### 16. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company, in their capacity as directors, accept full and final responsibility for the information contained in this Public Announcement and confirm that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of  
**Hexaware Technologies Limited**

<b>Sd/-</b> <b>Mr. R Srikrishna</b> CEO & Executive Director DIN: 3160121	<b>Sd/-</b> <b>Mr. Dileep Choksi</b> Director DIN: 00016322	<b>Sd/-</b> <b>Ms. Gunjan Methi</b> Company Secretary Membership No.: ACS 16317
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**Date :** December 22, 2016  
**Place :** Mumbai