



Dipl. Rüdiger M. Klönk · ERP · StB · Waldstrasse 4 · 63303 Dreieich

Hexaware Technologies UK Ltd.  
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IBAN DE03 5059 2200 0005 1100 17

Dreieich, 25<sup>th</sup>, January, 2017

**Review of financial statements 2016 and 2015**

Dear Sirs,

I have reviewed the attached financial statements and notes of Hexaware Technologies GmbH for the period ended as of December 31<sup>st</sup>, 2016 and 2015, which have been prepared by the company for the purposes of Consolidation of accounts by its Holding Company.

I confirm that the attached financial statements and notes have been prepared from the books and records of Hexaware Technologies GmbH and are in accordance with the statutory accounts of the company as audited by me.

Yours Faithfully

Rüdiger M. Klönk  
Certified Public Auditor

enclosures

FINANCIAL STATEMENTS

as of December 31<sup>st</sup>, 2016

Hexaware Technologies GmbH

Frankfurt am Main

HEXAWARE TECHNOLOGIES GMBH

BALANCE SHEET AS AT 31ST DECEMBER 2016.

PARTICULARS	Note	AS AT		AS AT	
		31ST DECEMBER 2016		31ST DECEMBER 2015	
		EUR	EUR	EUR	EUR
<b>EQUITY AND LIABILITIES</b>					
<b>SHARE HOLDERS' FUNDS :</b>					
a	SHARE CAPITAL	"2"	180,900	180,900	
b	RESERVES AND SURPLUS	"3"	<u>3,453,674</u>	<u>3,191,758</u>	
			3,634,574		3,372,658
<b>CURRENT LIABILITIES:</b>					
a	TRADE PAYABLES		70,815	127,763	
b	OTHER CURRENT LIABILITIES	"4"	511,674	814,878	
c	SHORT TERM PROVISIONS	"5"	<u>397,850</u>	<u>491,213</u>	
			980,339		1,433,854
	<b>TOTAL</b>		<u>4,614,913</u>	<u>4,806,512</u>	
<b>ASSETS</b>					
<b>NON CURRENT ASSETS</b>					
a	<b>FIXED ASSETS</b>	"6"			
	TANGIBLE ASSETS		8,336	16,416	
	INTANGIBLE ASSETS		<u>5,723</u>	<u>8,528</u>	24,944
			14,059		
b	NON CURRENT INVESTMENTS	"7"		2,500	-
c	OTHER NON CURRENT ASSETS	"8"		15,619	15,619
<b>CURRENT ASSETS</b>					
a	TRADE RECEIVABLES	"9"	1,763,893	2,064,574	
b	CASH AND CASH EQUIVALENTS	"10"	2,377,933	2,025,596	
c	SHORT TERM LOANS AND ADVANCES	"11"	209,836	166,118	
d	OTHER CURRENT ASSETS	"12"	231,073	509,661	
			4,582,735		4,765,949
	<b>TOTAL</b>		<u>4,614,913</u>	<u>4,806,512</u>	

NOTES FORMING PART OF FINANCIAL STATEMENTS "1 to 25"

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE .

*Signed for identification:*

*R. [Signature]*

*auditor*

For and on behalf of the Board

*Aminder*

Amrinder Singh  
Director

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST DECEMBER 2016

PARTICULARS	NOTE	FOR THE YEAR ENDED 31ST DECEMBER 2016		FOR THE YEAR ENDED 31ST DECEMBER 2015	
		EUR	EUR	EUR	EUR
<b>INCOME</b>					
REVENUE FROM OPERATIONS		11,293,801		13,681,069	
OTHER INCOME	"13"	<u>1</u>	11,293,802	<u>8</u>	13,681,077
<b>EXPENSES</b>					
SOFTWARE AND DEVELOPMENT EXPENSES	"14"	4,694,607		5,888,676	
EMPLOYEE BENEFITS EXPENSES	"15"	5,677,019		6,756,708	
OPERATION AND OTHER EXPENSES	"16"	569,773		595,701	
EXCHANGE RATE DIFFERENCE (NET)		(47,423)		-26,603	
DEPRECIATION	"6"	<u>12,910</u>		<u>15,950</u>	
			10,906,886		13,230,432
<b>PROFIT BEFORE TAX</b>			<u>386,916</u>		<u>450,645</u>
TAX EXPENSE					
INCOME TAX - CURRENT TAXES			125,000		153,600
<b>PROFIT FOR THE YEAR</b>			<u><u>261,916</u></u>		<u><u>297,045</u></u>
<b>EARNINGS PER SHARE (Refer Note no. 18)</b>					
- Basic and Diluted			72.39		82.10
Face Value of Common stock			50.00		50.00
NOTES FORMING PART OF FINANCIAL STATEMENTS	"1 to 25"				

IN TERMS OF AS OUR ATTACHED REPORT OF EVEN DATE .

*Signed for identification*

*R. Singh*

*auditor*

For and on behalf of the Board



Amrinder Singh  
Director

**HEXAWARE TECHNOLOGIES GMBH**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2016**

Particulars	FOR THE YEAR ENDED 31ST DECEMBER 2016	FOR THE YEAR ENDED 31ST DECEMBER 2015
	EUR	EUR
<b>A Cash Flow from operating activities</b>		
Net Profit before tax	386,916	450,645
Adjustments for:		
Depreciation	12,910	15,950
Interest income	(1)	(8)
<b>Operating Profit before working capital changes</b>	<b>399,825</b>	<b>466,587</b>
Adjustments for:		
Trade and other receivables	562,850	619,407
Trade and other payables	(453,516)	(150,154)
<b>Cash generated from operations</b>	<b>509,159</b>	<b>935,840</b>
Direct Taxes Paid	(154,798)	(296,594)
<b>Net cash from operating activities</b>	<b>354,361</b>	<b>639,246</b>
<b>B Cash flow from investing activities</b>		
Purchase of fixed assets	(2,025)	(12,784)
Interest received	1	8
<b>Net cash (used in) investing activities</b>	<b>(2,024)</b>	<b>(12,776)</b>
<b>C Cash flow from financing activities</b>		
Net Increase in cash and cash equivalents	352,337	626,470
Cash and cash equivalents at the beginning of the year	2,025,596	1,399,126
Cash and cash equivalents at the end of the year (Refer Note No.10)	2,377,933	2,025,596

In terms of our attached Report of even date

For and on behalf of the Board

*Signed for identification:*

*R. Singh*

*auditor*

*Amrinder*

Amrinder Singh  
Director

## Hexaware Technologies GmbH

### NOTES FORMING PART OF FINANCIAL STATEMENTS

#### Note "1"

##### A Company Overview

Hexaware Technologies GmbH (HT GmbH or the Company), incorporated in 2001 under the laws of Germany, is a wholly owned subsidiary of Hexaware Technologies Limited, India. These Financial Statement have been prepared & audited for purpose of consolidation with the holding company.

Hexaware Technologies GmbH is engaged in information technology consulting, software development and business process management. Hexaware provides multiple service offerings to its clients across various industries comprising travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, consumer and services. The various service offerings comprise application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance and independent testing.

##### B Significant Accounting Policies

###### 1 Basis of Preparation

(i) These financial statements are prepared in accordance with generally accepted accounting principles applicable in India under the historical cost convention, and to the extent possible are, in same format as that adopted by the holding company for its separate financials.

(ii) The local accounts are maintained in local and functional currency, which is Euro (EUR).

###### 2 Use of Estimates

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialised. Example of such estimates include provision for doubtful debts, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred to complete software development, the useful lives of depreciable fixed assets and provisions for impairment.

###### 3 Revenue Recognition

a) Revenues from software solutions and consulting services are recognised on specified terms of contract. In case of contract on time and material basis revenue is recognised when the related services are performed and in case of fixed price contracts revenue is recognised using the percentage of completion method of accounting. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated. Amount received or billed in advances of services performed are recorded as unearned revenue. Unbilled services included in other current assets, represents amount recognised based on services performed in advance of billing in accordance with contract terms.

b) Interest Income is recognised on time proportion basis.

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#### 4 Fixed Assets

Fixed assets, are stated at cost of acquisition less accumulated depreciation, amortisation and impairment, if any. Cost includes all expenses incurred for acquisition of assets.

Intangible assets are recorded at cost of acquisition and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

#### 5 Depreciation and amortization

Depreciation and amortization on Fixed Assets is provided on straight-line method based on the estimated useful lives of the assets determined as under

Asset Class	Estimated useful Life
Computers Systems (included in Plant & Machinery)	3 years
Software	3 years
Office Equipments	5 years
Furniture and Fixtures	8 years
Improvement to Leased Premises	Over the lease period

#### 6 Foreign Currency Transactions / Translation

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Exchange differences arising on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss

Monetary items denominated in foreign currency are restated using the exchange rate prevailing at the date of the Balance Sheet and the resulting net exchange difference is recognised in the Statement of Profit and Loss.

#### 7 Employee Benefits

##### a. Post employment benefits and other long term benefit plans

Payments to defined contribution retirement schemes viz. contribution to the Federal pension plans are expensed as incurred.

##### b. Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period when the employee renders those services. These benefits include compensated absences such as leave expected to be availed within a year and bonus payable.

#### 8 Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

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## **9 Leases**

### **Operating Leases**

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on straight line basis over the lease term.

## **10 Taxes on Income**

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) on "Accounting for Taxes on Income". Tax expense comprises both current tax and deferred tax. Current tax is measured at the amount expected to be paid or recovered from the tax authorities using the applicable tax rates. Deferred taxes are recognised for future tax consequence attributable to timing difference between taxable income and accounting income, measured at relevant enacted tax rates.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.


Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and the entity intends to settle the asset and liability on a net basis.

## **11 Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised, but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

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## NOTES TO BALANCE SHEET

PARTICULARS	AS AT 31ST DECEMBER 2016		AS AT 31ST DECEMBER 2015	
	EUR	EUR	EURO	EUR
<b>NOTE "2" - SHARE CAPITAL</b>				
a <b>AUTHORISED</b>				
3,618 (3,618) EQUITY SHARES OF Euro 50/- EACH		180,900		180,900
		<u>180,900</u>		<u>180,900</u>
b <b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>				
3,618 (3,618) EQUITY SHARES OF Euro 50/- EACH FULLY PAID		180,900		180,900
		<u>180,900</u>		<u>180,900</u>
<b>TOTAL</b>		<u>180,900</u>		<u>180,900</u>

c. The entire share capital of the Company is held by Hexaware Technologies Limited, India since incorporation

d. Shares allotted as fully paid up by way of bonus shares during five years preceding December 31, 2016

NIL

e. Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Euro 50 each. Each shareholder is eligible for one vote per share held.

PARTICULARS	AS AT 31ST DECEMBER 2016		AS AT 31ST DECEMBER 2015	
	EUR	EUR	EUR	EUR
<b>NOTE "3" - RESERVES AND SURPLUS</b>				
BALANCE IN STATEMENT OF PROFIT AND LOSS				
OPENING BALANCE	3,191,758		2,894,713	
ADD: PROFIT FOR THE YEAR	261,916		297,045	
CLOSING BALANCE		<u>3,453,674</u>		<u>3,191,758</u>
<b>TOTAL</b>		<u>3,453,674</u>		<u>3,191,758</u>

### NOTE "4" - OTHER CURRENT LIABILITIES

a) UNEARNED REVENUES	21,926	125,501
b) STATUTORY LIABILITIES	151,386	272,729
c) EMPLOYEE RELATED LIABILITIES	241,540	241,350
d) FOR EXPENSES	<u>96,822</u>	<u>175,298</u>
<b>TOTAL</b>	<u>511,674</u>	<u>814,878</u>

### NOTE "5" - SHORT TERM PROVISIONS

PROVISION FOR EMPLOYEE BENEFITS - COMPENSATED ABSENCES	<u>397,850</u>	<u>491,213</u>
<b>TOTAL</b>	<u>397,850</u>	<u>491,213</u>

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## NOTE "6" - FIXED ASSETS

(Amount in EUR)

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		AS AT 01.01.2016	ADDITION	DEDUCTIONS	AS AT 31.12.2016	AS AT 01.01.2016	FOR THE YEAR	DEDUCTIONS	AS AT 31.12.2016	AS AT 31.12.2016	AS AT 31.12.2015
	<b>TANGIBLE ASSETS</b>										
1	PLANT & MACHINERY										
	COMPUTERS	94,197	-	9,112	85,085	83,433	5,055	9,112	79,376	5,709	10,764
	OFFICE EQUIPMENT	23,173	-	1,632	21,541	17,521	3,025	1,632	18,914	2,627	5,652
2	FURNITURE & FIXTURES	41,046	-	4,469	36,577	41,046	-	4,469	36,577	-	-
	IMPROVEMENTS TO LEAHEOLD										
3	PREMISES	32,000	-	-	32,000	32,000	-	-	32,000	-	-
	<b>INTANGIBLE ASSETS</b>										
	SOFTWARE	66,658	2,025	60,575	8,108	58,130	4,830	60,575	2,385	5,723	8,528
	<b>CURRENT YEAR</b>	<b>257,074</b>	<b>2,025</b>	<b>75,788</b>	<b>183,311</b>	<b>232,130</b>	<b>12,910</b>	<b>75,788</b>	<b>169,253</b>	<b>14,058</b>	<b>24,944</b>
	<b>PREVIOUS YEAR</b>	<b>244,290</b>	<b>12,784</b>		<b>257,074</b>	<b>216,180</b>	<b>15,950</b>	<b>-</b>	<b>232,130</b>	<b>24,944</b>	

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PARTICULARS	AS AT 31ST DECEMBER 2016		AS AT 31ST DECEMBER 2015	
	EUR	EUR	EUR	EUR
<b>NOTE "7" - NON CURRENT INVESTMENTS</b>				
1,125 EQUITY SHARES OF RON 10/- EACH FULLY PAID UP, in HEXAWARE TECHNOLOGIES ROMANIA SRL.	2,500		-	
		2,500		-
<b>TOTAL</b>		<b>2,500</b>		<b>-</b>
<b>NOTE "8" - OTHER NON CURRENT ASSETS</b>				
NON CURRENT BANK BALANCES			15,619	
RESTRICTED BANK BALANCES	15,619			15,619
		15,619		15,619
<b>TOTAL</b>		<b>15,619</b>		<b>15,619</b>
<b>NOTE "9" - TRADE RECEIVABLES (UNSECURED)</b>				
a OVER SIX MONTHS FROM DUE DATE				
CONSIDERED GOOD	6,393		-	
CONSIDERED DOUBTFUL	33,648		32,143	
	40,041		32,143	
LESS: PROVISION FOR DOUBTFUL TRADE RECEIVABLES	33,648		32,143	
		6,393		-
b OTHERS				
CONSIDERED GOOD	1,757,500		2,064,574	
CONSIDERED DOUBTFUL	-		-	
	1,757,500		2,064,574	
LESS: PROVISION FOR DOUBTFUL TRADE RECEIVABLES			-	
		1,757,500		2,064,574
<b>TOTAL</b>		<b>1,763,893</b>		<b>2,064,574</b>
<b>NOTE "10. - CASH AND CASH EQUIVALENTS</b>				
<b>CASH AND CASH EQUIVALENTS CONSISTS OF THE FOLLOWING</b>				
BALANCES WITH BANKS IN CURRENT ACCOUNTS	2,377,933		2,025,596	
OTHER BANK BALANCES MARGIN MONEY	15,619		15,619	
BANK BALANCES RECLASSIFIED AS NON CURRENTASSETS RESTRICTED BANK BALANCES	(15,619)		(15,619)	
<b>TOTAL</b>		<b>2,377,933</b>		<b>2,025,596</b>
<b>NOTE "11" - SHORT TERM LOANS AND ADVANCES</b>				
UNSECURED, CONSIDERED GOOD				
i. LOANS AND ADVANCES TO RELATED PARTIES	67,326		53,049	
ii. ADVANCE INCOME TAX (NET OF PROVISION FOR TAX)	70,220		40,422	
iii. OTHER LOANS AND ADVANCES	72,290		72,647	
<b>TOTAL</b>		<b>209,836</b>		<b>166,118</b>
<b>NOTE "12" - OTHER CURRENT ASSETS</b>				
UNBILLED SERVICES	231,073		509,661	
		231,073		509,661
<b>TOTAL</b>		<b>231,073</b>		<b>509,661</b>

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**NOTES TO STATEMENT OF PROFIT AND LOSS**

PARTICULARS	FOR THE YEAR ENDED 31ST DECEMBER 2016		FOR THE YEAR ENDED 31ST DECEMBER 2015	
	EUR	EUR	EUR	EUR
<b>NOTE "13" - OTHER INCOME</b>				
INTEREST		1		8
<b>TOTAL</b>		<u>1</u>		<u>8</u>
<b>NOTE "14" - SOFTWARE AND DEVELOPMENT EXPENSES</b>				
CONSULTANTS' TRAVEL AND RELATED EXPENSES		67,604		95,513
SOFTWARE EXPENSES *		4,627,003		5,793,163
<b>TOTAL</b>		<u>4,694,607</u>		<u>5,888,676</u>
* INCLUDES SUBCONTRACTING CHARGES		4,608,420		5,789,480
<b>NOTE "15" - EMPLOYEE BENEFITS EXPENSES</b>				
SALARY AND OTHER ALLOWANCES		4,850,751		5,733,623
CONTRIBUTION TO OTHER FUNDS		774,785		956,575
STAFF WELFARE EXPENSES		51,483		66,510
<b>TOTAL</b>		<u>5,677,019</u>		<u>6,756,708</u>
<b>NOTE "16" - OPERATIONS AND OTHER EXPENSES</b>				
RENT		55,503		60,058
RATES AND TAXES		2,433		3,009
TRAVELLING AND CONVEYANCE EXPENSES		145,074		110,837
COMMUNICATION EXPENSES		47,749		48,202
REPAIRS AND MAINTENANCE				
- BUILDING		5,647		6,508
- PLANT AND MACHINERY		23,963		23,884
- OTHERS		68		-
PRINTING AND STATIONERY		1,285		737
AUDIT FEES		25,948		24,315
LEGAL AND PROFESSIONAL FEES		53,672		136,267
SEMINAR AND CONFERENCE EXPENSES		117,500		101,579
INSURANCE PREMIUM		14,368		17,977
PROVISION FOR BAD DEBTS		1,505		25,955
BANK CHARGES		11,308		20,900
STAFF RECRUITMENT EXPENSES		8,375		15,473
SERVICE CHARGES		55,375		-
<b>TOTAL</b>		<u>569,773</u>		<u>595,701</u>

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**Note "17" Related Parties Disclosures**

**( a ) Name of Related parties and description of relationship:**

Ultimate Holding company and its subsidiaries

- Baring Private Equity Asia GP V. LP , Cayman Island
- The Baring Asia Private Equity Fund V, LP, Cayman Island
- Baring Private Equity Asia V Mauritius Holding (4) Limited. Mauritius
- HT Global IT solutions Holding Limited, India
- Hexaware Technologies Limited, India

Fellow Subsidiaries – Hexaware Technologies Inc, USA  
Hexaware Technologies UK Limited, UK  
Hexaware Technologies Romania SRL

Key Management Personnel – Mr. Amrinder Singh

**( b ) Related Party Transactions:**

Sr. No.	Description and Nature of Transaction	Holding Company EUR	Fellow Subsidiaries EUR	Total EUR
1	<b>Expenditure</b>			
	Software and Development Expenses - subcontracting charges	4,132,640	-	4,132,640
		(5,092,850)	-	(5,092,850)
	Reimbursement of Costs	143,944	121,434	265,377
		(174,760)	(83,585)	(258,345)
2	<b>Recovery of Cost</b>	-	79,676	79,676
		-	(96,298)	(96,298)
3	<b>Investment during the year</b>	-	2,500	2,500
		-	(Nil)	(Nil)

**( c ) Outstanding Balances:**

Sr. No.	Description and Nature of Transaction	Holding Company EUR	Fellow Subsidiaries EUR	Total EUR
1	<b>Advances</b>			
	Balance as at 31st December 2016	54,883	12,443	67,326
	Balance as at 31st December 2015	(46,620)	(6,429)	(53,049)
2	<b>Sundry Creditors</b>			
	Balance as at 31st December 2016	-	-	-
	Balance as at 31st December 2015	13,544	(-)	13,544
3	<b>Investment in equity</b>	-	2,500	2,500

Notes: Previous year figures are given in brackets.

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**Note "18" Earning Per Share (EPS)**

The components of earnings per share are as follows:

Earnings per share is calculated as follows	For the Year Ended 31st December 2016	For the Year Ended 31st December 2015
	EUR	EUR
Net Profit as per statement of Profit and Loss	261,916	297,045
Weighted average outstanding equity shares (Nos.)	3,618	3,618
Basic and diluted earnings per share	72.39	82.10

**Note "19" Segments**

**Primary Segment: Business Segment:**

	Travel & Transportation EUR	Banking & Financial Services EUR	Insurance & Healthcare EUR	Manufacturing & Consumer Services EUR	Total EUR
Segment Revenue	3,464,299	6,453,706	859,940	515,856	11,293,801
	(4,145,491)	(8,227,875)	(852,529)	(455,174)	(13,681,069)
Segment result - Profit	108,097	201,376	26,833	16,097	352,403
	(133,319)	(264,609)	(27,417)	(14,639)	(439,984)
Less: Unallocable expenses					-34,513
					(-10,653)
Add: Other income					1
					(8)
Profit before tax					386,916
					(450,645)
Less Provision for taxation					125,00
					(153,600)
Profit after tax					261,916
					(297,045)

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Notes:

1. The Company has identified business segment as the primary segment taking into account the services offered to customers globally operating in different industry segments. Segments have been identified taking into account the, differing risks and returns, the organizational structure and the internal reporting system.
2. Revenues and expenses directly attributable to segments are reported under each reportable segment. Common expenses which are not directly identifiable to each reporting segment have been allocated to each reporting segment on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.
3. 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.
4. The Company operates mainly in European markets and in the opinion of the management has only one reportable geographical segment, the results of which are disclosed in the financial statements.
5. Previous year figures are given in brackets.

**Note "20"**

The Company recognized EUR 389,095 (Previous Year EUR 488,013) for pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes

**Note "21" Lease**

Operating Lease:

The Company takes on lease office space, accommodation for its employees and vehicles under various operating leases ranging from one month to five years. The lease rentals towards non cancellable agreement recognized in the Profit and loss account for the year are EUR 55,503 (Previous Year EUR 58,470).

The future minimum lease payments and payment profile of operating leases are as follows:

	Total minimum lease payments outstanding as on	
	31st December 2016	31st December 2015
	EUR	EUR
Not later than one year	194,398	194,398
Later than one year but not later than five years	418,989	554,807
Later than five years	-	-
<b>Total</b>	<b>613,387</b>	<b>749,205</b>

S. J. I.  
R. [Signature]

**Note "22"**

Bank Guarantee outstanding EUR 15,619 ( Previous Year EUR 15,619)

**Note "23" Expenditure & Earnings in foreign currency :**

All transactions reflected in these financial statements are in foreign currency i.e other than Indian Rupees.

**Note "24" Unhedged foreign currency exposure:**

As of the balance sheet date the Company has the net receivable foreign currency exposure that are not hedged by derivative instrument or otherwise amounting to EUR 1,428,048.(P.Y.1,104,455)

**Note "25"**

Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

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In terms of our attached report of even date

*Signed for identification:*



*auditor*

For and on Behalf of the Board



Amrinder Singh  
Director

Place:  
Date:

*Deerids*  
*Jan 25<sup>th</sup>, 2017*





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LONDON E14 5 NR  
United Kingdom

Dreieich, 25<sup>th</sup> January, 2017

**To whomsoever it may concern**

Certified that Issued, Subscribed and Paid-up Share Capital of Hexaware Technologies GmbH, Lyoner Strasse 15, 60528 Frankfurt am Main (Germany) as on 31.12.2016 is as follows:

<b>Name of Shareholder</b>	<b>Shares held</b>	<b>Amount €</b>
Hexaware Technologies Limited, India	3.618 Equity Shares of 50 Euro each fully paid up	180.900,00
Total		<u>180.900,00</u>

Yours Faithfully

Rüdiger M. Klönk  
Certified Public Auditor