



***K. S. Bhatia & Co.***

**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**

**To the Board of Directors of Hexaware Technologies Saudi LLC**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of Hexaware Technologies Saudi LLC ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> December 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to

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# K. S. Bhatia & Co.

CHARTERED ACCOUNTANTS

the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

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

## Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> December 2016, and its loss and its cash flows for the year ended on that date.

## Other matter

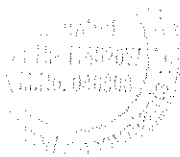
8. This report is intended solely for the information of the Company's and its holding company's board of directors and members as a body and is not intended to be and should not be used by anyone other than specified parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, the company's and holding company's board of directors and members as a body, for our audit work, for this report, or for the opinions we have formed.

**For K. S. Bhatia & Co.**  
**Chartered Accountants**  
**FRN: 114520W**

**Kaushik S. Bhatia**  
**Partner**

**M. No. 046908**

Mumbai, 02 February 2017



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HEXAWARE TECHNOLOGIES SAUDI LLC

BALANCE SHEET AS 31ST DECEMBER 2016

Particulars	Note No.	As at	
		31st December 2016 SAR	31st December 2016 SAR
<b>I. EQUITY AND LIABILITIES</b>			
Share Holders' Funds :			
a) Share Capital			
b) Reserves and Surplus	"3"	(149,731)	(149,731)
Share application money pending allotment			
			500,000
Current Liabilities :			
a) Trade Payables		94,779	
b) Other Current Liabilities	"4"	93,755	188,534
<b>Total</b>			
			<b>538,803</b>

<b>II. ASSETS</b>			
Current Assets :			
Cash and Cash Equivalents - Balance in bank in current account		500,100	
Prepaid Expenses		38,703	538,803
<b>Total</b>			
			<b>538,803</b>

Notes forming part of financial statements "1 to 6"

In terms of our attached report of even date

For K. S. Bhatia & Co  
Chartered Accountants  
FRN No. 114520W

Kaushik Bhatia  
Partner  
M. No. 046908

Place : Mumbai  
Date :

For and on behalf of the Board

Authorised Signatory

HEXAWARE TECHNOLOGIES SAUDI LLC

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

Particulars	Note No.	For the period ended	
		31st December 2016 SAR	SAR
<b>INCOME</b>			
Revenue from Operations		-	-
<b>EXPENSES</b>			
Rent		8,600	
Legal and Professional Charges		133,131	
Brokerage		8,000	
			149,731
(Loss) Before Tax			(149,731)
Less : Provision For Taxation		-	-
(Loss) After Tax			(149,731)


Notes forming part of financial statements

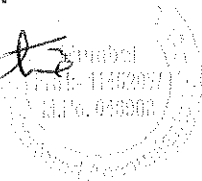
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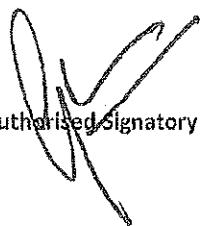
In terms of our attached report of even date

For K. S. Bhatia & Co  
Chartered Accountants  
FRN No. 114520W

For and on behalf of the Board

  
Kaushik Bhatia  
Partner  
M. No. 046908



  
Authorized Signatory

Place : Mumbai

Date :

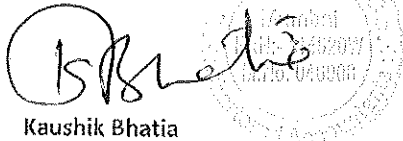
HEXAWARE TECHNOLOGIES SAUDI LLC

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2016

Particulars	For the Period ended 31st December 2016 (SAR)
<b>A Cash Flow from operating activities</b>	
Net Loss before tax	(149,731)
Operating Loss before working capital changes	(149,731)
Adjustments for :	
Trade and other receivables	(38,703)
Trade and other payables	188,534
Cash used in operating activities	100
<b>B Cash flow from financing activities</b>	
Share Application Money	500,000
Net cash from financing activities	500,000
Net increase in cash and cash equivalents	500,100
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	500,100

As per our attached Report of even date

For K. S. Bhatia & Co  
Chartered Accountants  
FRN No. 114520W



Kaushik Bhatia  
Partner  
M. No. 046908

For and on behalf of the Board



Authorized Signatory

Place : Mumbai  
Date :

HEXAWARE TECHNOLOGIES SAUDI LLC

NOTES FORMING PART OF FINANCIAL STATEMENTS

**1) BACKGROUND :**

Hexaware Technologies Saudi LLC is a subsidiary of Hexaware Technologies Ltd, India. The Financial statements have been prepared and audited for the purpose of consolidation with the holding Company.

The Company is engaged in information and 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.

**2) SIGNIFICANT ACCOUNTING POLICIES :**

**a) Basis of preparation of accounts**

i) These Financial Statements are prepared in accordance with generally accepted accounting principles in India under 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 Saudi Riyal (SAR).

**b) 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 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/materialise.

**c) Foreign Currency Transaction / Translation**

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Exchange difference 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 recognized in the Statement of profit and Loss.

**d) Taxes on Income**

Income Taxes are accounted for in accordance with Accounting Standard 22 (AS 22) on "Accounting for Taxes on Income". Tax expense comprises of 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 tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income, measured at relevant enacted or substantively enacted tax rates. At each Balance Sheet date the Company reassesses unrealised deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

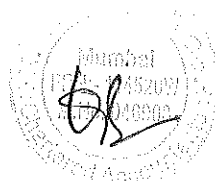
Minimum Alternate Tax (MAT) credit entitlement is recognized in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India (ICAI). MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. At each balance sheet date the Company reassesses MAT credit assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be and adjusts the same accordingly.

**e) 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.

**f) 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.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars As at  
31st December 2016  
SAR

3) Reserves And Surplus

Balance in Statement of Profit and Loss

Opening Balance

Add : (Loss) for the period

Closing Balance

(149,731)

(149,731)

4) Other Current Liabilities

For expenses

93,755

93,755

5) Related Party

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

Sr. No	Name of Related parties	Country
	Ultimate Holding company and its Subsidiaries	
1	Baring Private Equity Asia GP V, LP ( ultimate holding company) (control exists)	Cayman Island
2	The Baring Asia Private Equity Fund V, LP	Cayman Island
3	Baring Private Equity Asia V Mauritius Holding (4) Limited	Mauritius
4	HT Global IT Solutions Holdings Limited	Mauritius
	Holding Company	
	Hexaware Technologies Limited	India
	Fellow Subsidiary	
	Hexaware Technologies Asia Pacific Pte Ltd	Singapore

(b) Transactions with related parties :

Transactions with Holding Company	For the Period ended 31st December 2016 (SAR)
Reimbursement of Cost	93,755

(c) Closing Balance as on 31st December 2016 :

Transactions with Holding Company	As At 31st December 2016 (SAR)
Payable towards reimbursement of cost (Expense)	93,755

6) Company had received the investment license however final registration is under process.

For and on behalf of the Board

Authorised Signatory

Place : Mumbai

Date :