

# LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered Equity Shareholder of **Hexaware Technologies Limited** (the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Buyback Offer (Kotak Mahindra Capital Company Limited) or the Registrar to the Buyback Offer (Karvy Computershare Private Limited). Please refer to the section on 'Definitions' for the definition of the capitalized terms used herein.

## Hexaware Technologies Limited

Registered Office: 152, Millennium Business Park,  
Sector III 'A' Block, TTC Industrial Area, Mahape,  
Navi Mumbai 400710

Corporate Identification Number (CIN): L72900MH1992PLC069662

Telephone: +91-22-4159 9595; Fax: +91-22-4159 9578;

Contact Person: Ms. Gunjan Methi, Company Secretary

Email: [Investori@hexaware.com](mailto:Investori@hexaware.com), Website: [www.hexaware.com](http://www.hexaware.com)



**CASH OFFER TO BUYBACK NOT EXCEEDING 5,694,835 FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 2/- EACH, REPRESENTING 1.9% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EXISTING SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. JANUARY 6, 2017, ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" ROUTE AT A PRICE OF ₹ 240/- (RUPEES TWO HUNDRED AND FORTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT OF ₹ 1,366,760,400/- (RUPEES ONE BILLION THREE HUNDRED SIXTY SIX MILLION SEVEN HUNDRED SIXTY THOUSAND AND FOUR HUNDRED ONLY)**

- 1) The Buyback is in accordance with Article 52A of the Articles of Association of the Company and subject to the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 4 (1) (a) and other applicable provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Registrar of Companies, Reserve Bank of India, etc.
- 2) The Buyback Offer Size represents 12% of the fully paid-up equity share capital, securities premium and free reserves as per the audited accounts of the Company as on September 30, 2016 and is within the statutory limits of 25% of the fully paid-up equity share capital and free reserves as per the last audited accounts of the Company.
- 3) This Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e. Friday, January 6, 2017.
- 4) The procedure for tender and settlement is set out in paragraph 24 of this Letter of Offer. The tender form ("Tender Form") is enclosed together with this Letter of Offer.
- 5) For mode of payment of consideration to the Equity Shareholders, please refer to paragraph 24(21) of Letter of Offer.
- 6) A copy of the Public Announcement issued on December 23, 2016 and this Letter of Offer (including the Tender Form) is available on the website of the Securities and Exchange Board of India - <http://www.sebi.gov.in>
- 7) Equity Shareholders are advised to refer to paragraph 20 (Details of Statutory Approvals) and paragraph 25 (Note on Taxation) of this Letter of Offer before tendering their Equity Shares in the Buyback.

**BUYBACK OPENS ON : FEBRUARY 2, 2017 (THURSDAY)**

**BUYBACK CLOSES ON : FEBRUARY 15, 2017 (WEDNESDAY)**

**LAST DATE OF RECEIPT OF COMPLETED TENDER FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR AND TRANSFER AGENT : FEBRUARY 17, 2017 (FRIDAY)**

### MANAGER TO THE BUYBACK



**Kotak Mahindra Capital Company Limited**

27BKC, 1<sup>st</sup> floor, Plot no. C-27, "G" Block,  
Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Tel: +91 22 22 4336 0128

Fax: +91 22 22 6713 2447

Email: [project.Hexawarebuyback@kotak.com](mailto:project.Hexawarebuyback@kotak.com)

Contact Person: Mr. Ganesh Rane

SEBI Registration Number: INM000008704

CIN: U67120MH1995PLC134050

### REGISTRAR TO THE BUYBACK



**Karvy Computershare Private Limited**

Karvy Selenimum, Tower-B, Plot No 31 - 32,  
Gachibowli Financial District, Nanakramguda  
Hyderabad 500032, India

Tel: +91 40 6716 2222

Fax: +91 40 2343 1551

Email: [murali.m@karvy.com](mailto:murali.m@karvy.com)

Contact Person : Mr. M Murlu Krishna

SEBI Registration: INR000000221

CIN: U72400TG2003PTC041636

The Offer is pursuant to SEBI (Buy Back of Securities) Regulations, 1998 and subsequent amendments as well as in accordance with provisions of Section 68 and all other applicable provisions, if any, of the Companies Act, 2013

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## 1. SCHEDULE OF ACTIVITIES

Activity	Schedule of activities	
	Date	Day
Date of Board Meeting approving the proposal for the Buyback	<b>25<sup>th</sup> October, 2016</b>	<b>Tuesday</b>
Date on which the result of the postal ballot through which the Shareholders approved the Buyback was declared	<b>22<sup>nd</sup> December, 2016</b>	<b>Thursday</b>
Date of Public Announcement for Buyback	<b>22<sup>nd</sup> December, 2016</b>	<b>Thursday</b>
Date of publication of the Public Announcement for Buyback in newspapers	<b>23<sup>rd</sup> December, 2016</b>	<b>Friday</b>
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	<b>6<sup>th</sup> January, 2017</b>	<b>Friday</b>
<b>Buyback Opens on</b>	<b>2<sup>nd</sup> February, 2017</b>	<b>Thursday</b>
<b>Buyback Closes on</b>	<b>15<sup>th</sup> February, 2017</b>	<b>Wednesday</b>
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar and Transfer Agent (RTA)	<b>17<sup>th</sup> February, 2017</b>	<b>Friday</b>
Last date of verification by Registrar	<b>17<sup>th</sup> February, 2017</b>	<b>Friday</b>
Last date of providing Acceptance to the Stock Exchange by the Registrar	<b>21<sup>st</sup> February, 2017</b>	<b>Tuesday</b>
Settlement Date of bids on the Stock Exchange*	<b>22<sup>nd</sup> February, 2017</b>	<b>Wednesday</b>
Date of dispatch of share certificate(s) by RTA / return of unaccepted demat shares by Stock Exchange to Selling Member <sup>#</sup>	<b>22<sup>nd</sup> February, 2017</b>	<b>Wednesday</b>
Last Date of Extinguishment of Shares	<b>1<sup>st</sup> March, 2017</b>	<b>Wednesday</b>

\* Although as per the regulations, the last date of settlement of bids on the Stock Exchanges is 27<sup>th</sup> February 2017, the Company shall settle bids on 22<sup>nd</sup> February, 2017.

# Although as per the regulations, the last date of dispatch of share certificate(s) by RTA / return of unaccepted demat shares by Stock Exchange to Selling Member is 27<sup>th</sup> February 2017, the dispatch of share certificate(s) by RTA / return of unaccepted demat shares by Stock Exchange to Selling Member shall happen on 22<sup>nd</sup> February, 2017.

## 2. KEY DEFINITIONS

<b>Acceptance Form</b>	Tender Form
<b>Act</b>	The Companies Act, 2013, as amended
<b>Articles</b>	Articles of Association of the Company
<b>Board</b>	Board of Directors of the Company
<b>Board Meeting</b>	Meeting of Board of Directors of Hexaware Technologies Limited held on 25 <sup>th</sup> October, 2016
<b>Bank</b>	Kotak Mahindra Bank Limited
<b>BSE</b>	BSE Ltd
<b>Buyback Regulations</b>	Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998
<b>Buyback Committee</b>	Buyback committee comprising of Mr. Bharat Shah, Mrs. Meera Shankar, Mr. Jimmy Mahtani and Mr. Christian Oecking constituted on October 25, 2016
<b>Buyback Entitlement or Entitlement</b>	The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buyback, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio / percentage of Buyback applicable to such Shareholder
<b>Buyback or Buyback Offer or Offer</b>	Offer to buyback 5,694,835 Equity Shares of face value ₹ 2/- each of Hexaware Technologies Limited at a price of ₹ 240/- per Equity Share in accordance with the regulations and relevant provisions of the Act via the Tender Offer route
<b>Buyback Price or Offer Price</b>	Price at which shares will be bought back from the shareholders i.e. ₹ 240/- per Equity Share
<b>Buyback Size or Offer Size</b>	Number of Equity Shares proposed to be bought back multiplied by the Buyback Price i.e. ₹ 240/-
<b>Closing Date</b>	February 15, 2017
<b>Company</b>	Hexaware Technologies Limited
<b>Companies Act</b>	The Companies Act, 2013, as amended
<b>Draft Letter of Offer or DLoF</b>	Draft Letter of Offer dated December 28, 2016
<b>DP</b>	Depository Participant
<b>Designated Stock Exchange</b>	The designated stock exchange for the Buyback, being, BSE
<b>Equity Share(s) or Share(s)</b>	The Company's fully paid-up equity share(s) of face value of ₹ 2/- (Rupees Two only) each
<b>Equity Shareholder(s) or Shareholder(s) or Members</b>	Holders of the Equity Shares of the Company
<b>Eligible Person(s) or Eligible Shareholder(s)</b>	Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/ beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. January 6, 2017 and excludes Person(s) who do not have the capacity under applicable law to tender shares
<b>Escrow Account</b>	Escrow account opened in accordance with Buyback Regulations, in the name of 'Hexaware Technologies Buyback Escrow Account' bearing the account number 0411961693
<b>Escrow Agent</b>	Kotak Mahindra Bank Limited

<b>Escrow Agreement</b>	The Escrow Agreement entered into between the Company, the Manager to the Offer and Kotak Mahindra Bank Limited
<b>FEMA</b>	Foreign Exchange and Management Act, 1999
<b>General Category</b>	Eligible Shareholders other than the Small Shareholders
<b>IT Act/ Income Tax Act</b>	Income-tax Act, 1961, as amended
<b>LoF or Letter of Offer</b>	Letter of Offer dated January 21, 2017
<b>Manager to the Buyback or Manager to the Offer</b>	Kotak Mahindra Capital Company Limited
<b>NSE</b>	National Stock Exchange of India Limited
<b>OCB</b>	Overseas Corporate Bodies
<b>Offer Period or Tendering Period</b>	Period of ten working days from the date of opening of the Buyback Offer i.e. February 2, 2017 till its closure i.e. February 15, 2017 (both days inclusive)
<b>Opening Date</b>	February 2, 2017
<b>PA or Public Announcement</b>	The Public Announcement, made in accordance with the Buyback Regulations, dated December 22, 2016, published on December 23, 2016 in all English and Hindi editions of Business Standard (English and Hindi national daily), and Mumbai edition of Navshakti (Regional language daily – Marathi), each with wide circulation
<b>PAN</b>	Permanent Account Number
<b>RBI</b>	Reserve Bank Of India
<b>Record Date</b>	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom this Letter of Offer will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be January 6, 2017
<b>Registrar to the Buyback or Registrar to the Offer</b>	Karvy Computershare Private Limited
<b>Reserved Category</b>	The Small Shareholders eligible to tender Shares in the Buyback
<b>SEBI</b>	The Securities and Exchange Board of India
<b>Seller Member or Seller Broker</b>	A Stock broker (who is a member of the BSE and/or NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
<b>Small Shareholder</b>	An Equity Shareholder, who holds Equity Shares of market value not more than ₹ 200,000/- (Rupees Two Lacs only), on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. January 6, 2017
<b>Share Capital Rules</b>	Companies (Share Capital and Debentures) Rules, 2014
<b>Shareholders</b>	Holders of Equity Shares and includes beneficial owners thereof
<b>Stock Exchanges or Recognized Stock Exchanges</b>	National Stock Exchange of India Limited together with BSE Ltd
<b>Takeover Regulations</b>	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
<b>Tender Offer</b>	Method of buyback as defined in Regulation 2(1)(o) of the Buyback Regulations
<b>TRS</b>	Transaction Registration Slip

### 3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to the SEBI.

It is to be distinctly understood that submission of the Letter of Offer to SEBI should not, in any way be deemed/ construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in the offer document. The Manager to the Buyback, Kotak Mahindra Capital Company Limited certifies that the disclosures made in the offer document are generally adequate and are in conformity with the provisions of the Companies Act and the Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, Kotak Mahindra Capital Company Limited has furnished to SEBI a Due Diligence Certificate dated December 28, 2016 in accordance with BuyBack Regulations, which reads as follows:

“We have examined various documents and material papers relevant to the Buyback, as part of the due diligence carried out by us in connection with the finalisation of the Public Announcement dated December 22, 2016 and Letter of Offer dated January 21, 2017. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback.
- All legal requirements connected with the said offer including SEBI (Buy Back of Securities) Regulations, 1998, as amended, have been duly complied with.
- The disclosures in the Public Announcement and Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well-informed decision in respect of the Buyback.
- Funds used for Buyback shall be as per the provisions of the Companies Act, 2013, as amended”

The filing of the Letter of Offer with SEBI does not however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The Promoters/ directors of the Company declare and confirm that no information/ material likely to have a bearing on the decision of the Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ mis-representation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the promoters/ directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

The promoters/ directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

#### **Disclaimer for U.S. Persons**

The information contained in this Letter of Offer is exclusively intended for persons who are not U.S. Persons in term of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

### **Important Notice to All Shareholders**

This Letter of Offer has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer.

This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be dispatched to all Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Shareholders in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholders as an offer being made to them. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buyback Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

### **Forward Looking Statement:**

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement.

Actual results may differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, Company's ability to manage growth, intense competition in IT services including those factors which may affect Company's cost advantage, wage increases, Company's ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, Company's ability to manage its international operations, reduced demand for technology in its key focus areas, disruptions in telecommunication networks, Company's ability to successfully complete and integrate potential acquisitions, liability for damages on its service contracts, the success of the companies in which Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of its intellectual property and general economic conditions affecting its industry. Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## **4. DETAILS OF RESOLUTIONS PASSED AT THE BOARD MEETINGS**

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on October 25, 2016. The extracts of the Board resolution are as follows:

**"RESOLVED THAT** in accordance with Article 52A of the Articles of Association of the Company and the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the "Companies Act"), and in accordance with the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules") to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the "Buyback Regulations"), and any statutory modification(s) or re-enactment thereof, for the time being in force, and subject to the approval of shareholders by postal ballot

or e-voting and also such other approvals, permissions and sanctions of Securities and Exchange Board of India ("SEBI"), Registrar of Companies, Mumbai, Maharashtra (the "ROC") and/ or other authorities, institutions or bodies (the "Appropriate Authorities"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board" which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy back by the Company of its fully paid-up Equity Shares of ₹ 2/- each not exceeding 5,694,835 Equity Shares (representing 1.9% of the total number of Equity Shares in the paid-up share capital of the Company) to be financed out of the Free Reserves (including securities premium account) of the Company at a price of ₹ 240/- (Rupees Two Hundred and Forty only) per equity share (the "Buy Back Offer Price") payable in cash for an aggregate consideration not exceeding ₹ 1,366,760,400/- in the aggregate excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (the "Buyback Offer Size") which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company as on September 30, 2016 (the last audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback), from the equity shareholders of the Company (including persons who become the shareholders, by canceling Global Depository receipts ("GDR") held by them and receiving the underlying Equity Shares), as on the record date, on a proportionate basis, through the Tender Offer route as prescribed under the Buyback Regulations (hereinafter referred to as the "Buyback").

**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

**RESOLVED FURTHER THAT** such Buyback be made out of the Company's free reserves and / or such other sources as may be permitted by law through "Tender Offer" route and as required by the Buyback Regulations and the Companies Act, the Company may Buyback Equity Shares from all the existing members holding Equity Shares of the Company (including Promoters) on a proportionate basis, provided 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback 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 in terms of proviso to Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** Company has complied and shall continue to comply with Section 70 of the Companies Act, wherein:

- (a) It shall not directly or indirectly purchase its own shares:
  - (i) through any subsidiary company including its own subsidiary companies; or
  - (ii) through any investment company or group of investment companies;
- (b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years; and
- (c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act.

**RESOLVED FURTHER THAT** confirmation is hereby made by the Board that:

- (a) all Equity Shares of the Company are fully paid up;
- (b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- (c) The Company, as per provisions of Section 68(8) of the Companies Act, shall not make further issue of the same kind of Equity Shares or other specified securities within a period of six months after the completion



of the Buyback except by way of bonus shares or Equity Shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

- (d) The Company shall not raise further capital for a period of one year from the closure of the Buyback, except in discharge of subsisting obligations;
- (e) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (f) the aggregate consideration for Buyback not exceeding ₹ 1,366,760,400/-, does not exceed 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company on Sep 30, 2016 (the last audited financial statements available as on the date of the Board meeting);
- (g) the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 5,694,835 equity shares, does not exceed 25% of the total number of Equity Shares in the paid-up share capital of the Company;
- (h) the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buyback as prescribed under the Companies Act and rules made thereunder;
- (i) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date.

**RESOLVED FURTHER THAT** as required by Clause (x) of Part A of Schedule II under Regulation 5(1) of the Buyback Regulations, the Board hereby confirms that the Board has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company was being wound up under the provisions of Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, the Board has formed an opinion that:

- (a) Immediately following the date of this 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 Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- (b) As regards the Company's prospects for the year immediately following the date of this Board meeting approving the Buyback 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 this Board meeting as also from the date Postal Ballot Resolution; and
- (c) 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.

**RESOLVED FURTHER THAT** the proposed Buyback be implemented from the existing shareholders including the Promoter(s) of the Company, as have been disclosed under the shareholding pattern filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("SEBI Takeover Regulations") as the Board may consider appropriate, from its free reserves and/or surplus and/or cash balances and/ or internal accruals of the Company and/or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

**RESOLVED FURTHER THAT** Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback.

**RESOLVED FURTHER THAT** the Company shall not Buyback the locked-in Equity Shares or other specified securities, if any, and non-transferable Equity Shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable.

**RESOLVED FURTHER THAT** the draft of the Declaration of Solvency prepared in the prescribed form, placed before the meeting be and is hereby approved and Mr. R Srikrishna, CEO & Executive Director and Mr. Dileep Choksi, Independent Director be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and Ms. Gunjan Methi, Company Secretary be and is hereby authorised to file the same with the ROC and the SEBI.

**RESOLVED FURTHER THAT** Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** as per the provisions of Section 68(8) of the Companies Act, the Company will not issue same kind of shares or other specified securities within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

**RESOLVED FURTHER THAT** as per the provisions of regulation 19(f) of Buyback Regulations, the Company shall not raise further capital for a period of 1 (one) year from the closure of the Buyback offer, except in discharge of its subsisting obligations.

**RESOLVED FURTHER THAT** no information/ material likely to have a bearing on the decision of the investors has been/shall be suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act and Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback is being proposed keeping in mind the Company's desire to enhance overall shareholders value and the Buyback would lead to reduction in total number of equity shares.

**RESOLVED FURTHER THAT** a Committee be and is hereby constituted ("Buyback Committee") comprising of the following Directors, Mr. Bharat Shah, Mrs. Meera Shankar, Mr. Jimmy Mahtani and Mr. Christian Oecking, and that Mrs. Gunjan Methi, Company Secretary shall act as the Secretary to the Buyback Committee.

**RESOLVED FURTHER THAT** the Buyback Committee be and is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

- (a) finalizing the terms of Buyback like the mechanism for the Buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
- (b) entering into escrow arrangements as may be required in terms of the Buyback Regulations;
- (c) earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;
- (d) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;

- (e) preparation, finalisation, signing and filing of public announcement, the draft letter of offer/ letter of offer with the SEBI, ROC, the stock exchanges and other Appropriate Authority(ies);
- (f) making all applications to the Appropriate Authority(ies) for their requisite approvals including for approvals as may be required from the SEBI, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- (g) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or Board, as required under applicable law;
- (h) appointing any intermediaries / agencies / persons / advisors as may be required for the purposes of the Buyback and to decide and settle the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges, etc. and enter into agreements/ letters in respect thereof;
- (i) affixing the Common Seal of the Company on relevant documents required to be executed for the Buyback of shares in accordance with the provisions of the Articles of Association of the Company.
- (j) signing, executing and delivering such other documents, certificates, confirmations deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion as it may deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities.
- (k) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- (l) dealing with stock exchanges (including their clearing corporations), where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.
- (m) sub-delegating all or any of the authorisations conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.
- (n) giving such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;
- (o) settling and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.
- (p) to do all such acts, matters and things incidental and in connection with the Buyback and sign and deliver such documents as may be necessary, desirable and expedient.

**RESOLVED FURTHER THAT** the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members and Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions.

**RESOLVED FURTHER THAT** in terms of Regulation 19(3) of the Buyback Regulations, Ms. Gunjan Methi, Company Secretary, be and is hereby appointed as the Compliance Officer for the Buyback.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buyback Committee to Buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** the Company Secretary be and is hereby authorised to (i) maintain a register of securities bought back wherein details of Equity Shares bought back be entered including consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of Equity Shares and such other particulars as may be prescribed, (ii) authenticate the entries made in the said register.

**RESOLVED FURTHER THAT** Company Secretary for the time being, be and is hereby authorized to file necessary e-forms with the Registrar of Companies, Mumbai, Maharashtra, and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

## 5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated December 22, 2016 was made in the following newspapers on December 23, 2016, in accordance with Regulation 8(1) of the Buyback Regulations, within two working days from the date of passing the Special Resolution by the members of the Company, on December 22, 2016:

Publication	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

A copy of the Public Announcement is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in)

## 6. DETAILS OF THE BUYBACK OFFER

1. The Board of Directors of Hexaware Technologies Limited (the “**Company**”), at their meeting held on Tuesday, October 25, 2016 (“**Board Meeting**”) has approved the Buyback 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 “**Buyback**” or “**Buyback Offer**” or “**Buyback**”). 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.
2. The Buyback 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
3. The Buyback 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**”).
4. The Buyback 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 Buyback 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 CIRC/D/POLICYCELL/1/2015 dated April 13, 2015 (the “SEBI Circular”).

5. The Buyback 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 Buyback 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 Buyback
6. The aggregate paid-up share capital and free reserves of the Company as on September 30, 2016 was ₹ 11,389.67 Million and under the provisions of the Act, the funds deployed for Buyback 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 Buyback 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.
7. 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 outstanding as on September 30, 2016. Since the Company proposes to Buyback upto 5,694,835 Equity Shares, the same is within the aforesaid 25% limit.
8. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoter and Promoter group in the Company may change from the existing 71.20% holding, as on date of letter of offer, 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.
9. The holders of Global Depository Receipts (“GDRs”) of the Company may participate in the Buyback 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 Buyback will be accepted. GDR investors are advised to consult their legal advisors for advice prior to participating in the Buyback, including advice related to any related regulatory approvals and tax issues.

## **7. AUTHORITY FOR THE BUYBACK**

The Buyback is being undertaken by the Company in accordance with Article 52A of the Articles, the provisions of section 68, 69, 70 and other applicable provisions of the Companies Act, the Rules thereunder and the Buyback Regulations. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable laws.

**The Board at its meeting dated October 25, 2016, passed a resolution approving the Buyback of Equity Shares of the Company and sought approval of its Shareholders, by a special resolution, through a Postal Ballot Notice dated November 21, 2016. The Shareholders of the Company have approved the Buyback by way of a special resolution, through the postal ballot, on December 22, 2016.**

## **8. NECESSITY AND BASIS FOR THE BUYBACK**

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 Buyback.

After considering several factors and benefits to the members holding Equity Shares of the Company, the Board decided to recommend Buyback 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:

- i) The Buyback 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;
- ii) The Buyback, 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)(1a) of the Buyback Regulations;
- iii) The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- iv) The Buyback 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.
- v) Optimizes the capital structure.

## **9. 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 only) Equity Shares of face value of ₹ 2/- each of the Company.

## **10. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK**

The Maximum amount required for Buyback 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 reserve which is not exceeding 25% of the aggregate of the fully paid Share Capital and free reserve of the Company as on September 30, 2016.

The funds for the implementation of the proposed Buyback 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 Buyback 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 Buyback.

## **11. 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 ("**Buyback Price**"). The Buyback 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 BSE and NSE where the Equity Shares are listed, the networth of the Company, price earnings ratio, impact on other

financial parameters and the possible impact of Buyback on the earnings per Share.

The Offer Price represents:

- i) Premium of 16.6% and 16.5% volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.
- ii) 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 two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

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 as on September 30, 2016 at the conclusion of the Buyback. Currently, the company is a debt free company and as mentioned in paragraph 12(13) the debt-equity ratio at the conclusion of the Buyback (assuming full acceptance) based on the latest audited results as on September 30, 2016 shall be NIL.

For trends in the market price of the Equity Shares, please refer to paragraph 19 of this Letter of Offer.

The closing market price of the Equity Shares as on the date of intimation to the BSE and the NSE for the Board Meeting for considering the Buyback, was ₹ 191.70 on the BSE and the NSE.

The earning per share of the Company (on consolidated basis) pre-Buyback as on September 30, 2016 was ₹ 13.1 which will increase to ₹ 13.3 post Buyback assuming full acceptance of the Buyback and subject to notes as disclosed under Section 12.

The return of net-worth of the Company (on standalone basis) pre Buyback as on September 30, 2016 was 28.3% which will increase to 30.1% post Buyback assuming full acceptance of the Buyback and subject to notes as disclosed under Section 12.

## **12. MANAGEMENT DISCUSSION AND ANALYSIS ON LIKELY IMPACT OF THE BUYBACK ON THE COMPANY**

1. The Buyback is not likely to cause any material impact on the profitability/ earnings of the Company, except to the extent of reduction of in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is 100% acceptance of the Equity Shares tendered in the Buyback from Shareholders on a proportionate basis, the funds deployed by the Company towards the Buyback would be ₹ 1,366,760,400/- (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.
2. The Buyback is not expected to impact growth opportunities for the Company.
3. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.
4. The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.
5. In terms of the Buyback Regulations, under Tender Offer route, the Promoter and Promoter group have the option to participate in the Buyback. 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 Buyback:

“HT Global IT Solutions Holding Ltd. (“**Promoter**”), the promoter of Hexaware Technologies Limited, hereby declares and confirms that it would be participating in the Buyback and it may tender up to a maximum of 5,694,835 (Fifty Six Lakh Ninety Four Thousand and Eight Hundred Thirty Five only) 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:

<b>HT GLOBAL IT SOLUTIONS HOLDINGS LTD.</b>			
<b>Date</b>	<b>No. of Shares</b>	<b>Issue Price/Transfer Price*</b>	<b>Consideration</b>
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
<b>27-Aug-14</b>	<b>62,000</b>	<b>161.42</b>	<b>Market Purchase</b>
<b>30-Sep-14</b>	<b>27,288,327</b>	<b>195.49</b>	<b>Market Purchase (inter-se transfer from Parel Investment Holdings Ltd by way of a block deal)^</b>
<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 date.



6. Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change.
7. The aggregate shareholding of the promoter group, is 215,047,193 Shares, comprising 71.20% of the equity share capital of the Company, as shown below

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>

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 <sup>#</sup>	30,000	0.01
2	Mr. Atul Nishar <sup>*</sup>	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

<sup>#</sup> Bharat Shah HUF is holding 50,000 Shares

<sup>\*</sup> 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 343,720 Shares and Ms. Priyanka Atul Nishar - Daughter 315,690 Shares

As mentioned in clause 5 of section 12, HT Global IT Solutions Holdings Ltd., intend to participate in the Buyback and tender an aggregate maximum number of 5,694,835 Equity Shares or such lower number of shares as permitted under applicable laws.

8. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoter and Promoter group in the Company may increase over 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 further increase in voting rights of the promoter group will not result in any change in control over the Company.
9. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Shareholders upto their entitlement, the aggregate shareholding of the Promoter and Promoter group, post Buyback may increase to 71.33% from 71.20% pre Buyback, and the aggregate shareholding of the public in the Company shall decrease to 28.67% post Buyback from 28.80% pre Buyback.
10. Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, their shareholding would undergo a change.
11. The debt-equity ratio at the conclusion of Buyback will be compliant with the permissible limit of 2:1 prescribed by the Companies Act, even if the response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their BuyBack Entitlement. Currently, the company is a debt free company and as mentioned in paragraph 12(13) the debt-equity ratio at the conclusion of the Buyback (assuming full acceptance) based on the latest audited results as on September 30, 2016 shall be NIL.
12. The Company shall not issue and allot any Shares including by way of bonus or convert any ESOPs into Shares, from the date of Public Announcement till the date of closure of this Buyback

13. The Company shall not raise further capital for a period of one year from the closure of Buyback except in discharge of its subsisting obligations.

Salient financial parameters consequent to the Buyback based on the latest audited results as on September 30, 2016 are as under:

Particulars	Pre Buyback	Post Buyback
Net Worth (in ₹ millions) <sup>a</sup>	12,463	11,097
Return on Net Worth/ Return on Equity (%) <sup>b</sup>	28.3	30.1
Basic Earnings per Share - Basic (₹) <sup>c</sup>	11.1	11.3
Book value per Share/ NAV per Share (₹) <sup>d</sup>	41.3	37.5
P/E as per the latest audited financial result (₹) <sup>e</sup>	18.4	18.0
Total Debt/Equity Ratio <sup>f</sup>	-	-

Notes:

- "Networth" excludes revaluation reserve based on audited financials as of September 30, 2016
- Return on Networth = Annualized Profit after Tax for the period of 9 month starting January 1, 2016 divided by average Networth for the period (computed as average of opening and closing Networth)
- Earnings per share = Annualized Profit after Tax for the period of 9 month starting January 1, 2016 divided by total number of shares outstanding at the end of the period.
- Book Value per Equity Share = Networth divided by total number of shares outstanding at the end of the period.
- Price / Earnings = Closing market price of the Equity Shares on NSE on December 22, 2016 divided by 9 months annualized Earnings starting January 1, 2016 per Equity Share
- Total debt / equity Ratio = Total debt divided by Networth

### 13. SOURCES OF FUNDS

- Assuming full acceptance, the funds that would be deployed by the Company for the purposes of the Buyback, would be ₹ 1,366,760,400/- (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only).
- The funds for Buyback will be available from cash balances available with the Company and /or liquidation of financial instruments held by the Company that have been generated through internal accruals. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds, if any, will not be used for the Buyback. The cost of financing the Buyback would be notional loss in other income, if any. However, if required, the Company may borrow funds in the ordinary course of its business.

### 14. DETAILS OF ESCROW ACCOUNT AND AMOUNT TO BE DEPOSITED THEREIN

In accordance with Regulation 10 of the Buyback Regulations, an Escrow Agreement has been entered into amongst the Company, Manager to the Buyback and the Escrow Agent having its registered office at 27 BKC, C27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 on December 21, 2016.

In terms of the Escrow Agreement, the Company has (a) opened an escrow account in the name and style "**Hexaware Technologies Buyback Escrow Account**" bearing the account number 0411961693 (b) a fixed deposit account linked to the above escrow account. The Company has deposited in the Escrow account cash aggregating to a sum of ₹ 286,676,040/- (Rupees Two Hundred Eighty Six Million Six Hundred Seventy Six Thousand and Forty only). This amount of cash deposited is equal to the amount required to be deposited in terms of the Buyback Regulations. This has been confirmed vide a confirmation letter dated December 21, 2016 issued by the Bank. In terms of the Escrow Agreement, the cash as well as any fixed deposit created there from will constitute the escrow amount and would form part of the Escrow Account.

The Manager to the Offer has been empowered to operate the Escrow Account in accordance with the Buyback Regulations

## 15. FIRM FINANCING ARRANGEMENTS

1. The Company, duly authorized by its Buyback Committee, has identified and earmarked funds for the purpose of fulfillment of the obligations of the Company under the Buyback. Such earmarked funds, together with funds provided for escrow arrangements, are in excess of the Buyback Size.
2. Based on the resolution of the Buyback Committee dated December 22, 2016 in this regard, and other facts/documents, Kaushik S. Bhatia, Proprietor of K.S Bhatia & Co., (Membership number 046908), Chartered Accountants, have certified, vide their letter dated December 22, 2016 that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback.
3. The Manager to the Buyback, having regard to the above, confirms that firm arrangements for fulfilling the obligations under the Buyback are in place.

## 16. CAPITAL STRUCTURE AND SHAREHOLDING PATTERNS

1. The capital structure as on date of this Letter of Offer is as follows:

	Pre Buyback (₹ In millions)
<b>Authorised Share Capital</b>	
475,000,000 Equity Shares of face value ₹ 2/- each	
1,100,000 series "A" Preference shares of ₹ 1,421/- each	950.00
(Authorised Preference share capital can be either cumulative or non cumulative with a power to the Company to convert the same into Equity Shares at any time)	1,563.10
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
302,028,195 fully paid-up Equity Shares of ₹ 2/- each	604.06

2. Assuming full acceptance in the Buyback the capital structure post Buyback would be as follows:

	Post Buyback (₹ In millions)
<b>Authorised Share Capital</b>	
475,000,000 Equity Shares of face value ₹ 2/- each	
1,100,000 series "A" Preference shares of ₹ 1,421/- each	950.00
(Authorised Preference share capital can be either cumulative or non cumulative with a power to the Company to convert the same into Equity Shares at any time.)	1,563.10
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
296,333,360 fully paid-up Equity Shares of ₹ 2/- each	592.67

3. As on the date of Public Announcement, there are no outstanding instruments convertible into Shares except 9,256,967 outstanding ESOPs/ RSUs granted by the Company.
4. The Company shall not issue and allot any Shares including by way of bonus or convert any ESOPs into Shares, from the date of Public Announcement till the date of closure of this Buyback.
5. There have been no other Buyback programmes of the Company over the last 3 years from the date of the Letter of Offer

6. The shareholding pattern of the Company as on January 6, 2017 (Record Date) as well as post Buyback shareholding, are as shown below:

Particulars	Number of Shares	% to existing share capital	No. of Shares post Buyback*	% holding post Buy-back*
Promoter Group	215,047,193	71.20%	211,377,326	71.33%
Foreign Investors (OCBs/FIIs/NRIs/Non-residents/Non-domestic companies)	32,958,973	10.91%	84,956,034	28.67%
Indian Financial Institutions/ Banks/Mutual Funds/Govt. Companies	19,418,151	6.43%		
Public including other Bodies Corporate	34,603,878	11.46%		
<b>Total</b>	<b>302,028,195</b>	<b>100.00%</b>	<b>296,333,360</b>	<b>100.00%</b>

\* Assuming full acceptance of Equity Shares in the Buyback in the ratio of their entitlement

7. No Equity Shares of the Company have been purchased/ sold by any member of the Promoter/ Promoter group, directors and key managerial personnel of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was approved and from the date of the Board Meeting till the date of this Letter of Offer, except for the following transactions:

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

8. Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be ₹ 592.67 Millions comprising 296,333,360 Shares of ₹ 2/- each as more fully set out in clause 16(2) of this Letter of Offer.
9. There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.

## 17. BRIEF INFORMATION ABOUT THE COMPANY

### 1. History and Overview of the Company

The Company is a public limited company and was incorporated on November 20, 1992 as “Aptech Information Systems Limited”. The name of the Company was subsequently changed to “Aptech Limited” with effect from August 5, 1996. The name of the Company was subsequently changed to “Hexaware Technologies Limited” with effect from April 2, 2002, pursuant to a composite restructuring scheme filed by the Company to: (a) demerge its training and education business into Aptech Training Limited; and (b) simultaneously merge the erstwhile Hexaware Technologies Limited, an unlisted software company, with the Company. The Company has its registered office at #152, Millennium Business Park, Sector III, ‘A’ Block, TTC Industrial Area, Mahape, Navi Mumbai 400 710. The Equity Shares of the Company got listed on BSE and NSE w.e.f. June 10, 2002 and June 14, 2002 respectively.

### 2. Growth of Business

The Company is one of the leading mid-size global provider of information technology (“IT”) and business process management (“BPM”) services. The market capitalization of the Company is approximately ₹ 62 billion, making it among the largest IT and BPM service provider listed in India by market capitalization.

The Company’s industry focus and client-centric approach allow it to leverage its domain expertise to deliver highly differentiated digital-led solutions. The Company targets its service offerings to certain industry verticals globally, including Banking and Financial Services (“BFS”), Healthcare and Insurance (“H&I”), Travel and Transportation (“T&T”), and Manufacturing, Consumer and Others (“M&C”).

The Company offers a comprehensive suite of services to its clients, key offerings include Application Development and Maintenance (“ADM”), Digital Assurance/Testing (“DA”), Business Intelligence and Analytics (“BIBA”), Infrastructure Management Services (“IMS”), BPM and Enterprise Solutions (“ES”).

The Company’s key clients include more than 25 Fortune 500 companies and industry leaders within their respective verticals. As of September 30, 2016, the Company had 222 clients, including top asset management firms, airlines, insurance companies and manufacturing and consumer companies. The tenure of the Company’s average business relationship with its top 20 clients (as of December 31, 2015) is approximately 11 years.

The Americas are the largest IT and BPM outsourcing market, according to NASSCOM. The Company derived 81.4% of its revenues from North America in fiscal 2015, compared to 12.8% from Europe and 5.8% from the rest of the world.

The Company has created a global service delivery model, which allows it to leverage both onsite employees that integrate with client organizations and cost-efficient and talented offshore employees across multiple locations. The proximity to clients, in particular, enables the Company to react in a timely fashion to changing client needs.

As of September 30, 2016, the Company had 11,859 employees.

#### **The Company’s Business Strategies**

The Company’s core business strategy of Shrink IT and Grow Digital goes to the heart of the budget priorities of most clients. Most clients have a fixed IT budget and are focused on maximizing the utility of every dollar spent.

#### **Shrink IT**

Based on its years of experience and current trends in the IT and BPM industries, the Company believes that most clients spend on an average 30-40% more than they should on commodity IT services, such as ASM, IMS and BPM. The Company intends to position itself as the go-to service provider to help its clients reduce their commodity IT expenditure through its “Shrink IT” proposition.

The Company aims to capture an increased share of their existing clients' overall IT services expenditure and to win business from incumbent IT services providers by helping clients optimize their expenditure on commodity IT through a combination of levers like automation and innovative technologies.

### Grow Digital

The Company intends to be at the forefront of enabling clients to embrace digitization by changing the way they interact with their end customers, employees and suppliers, and help them gain a competitive advantage in the marketplace.

The Company's digital strategy is focused on transforming consumer experiences and improving the efficiency of business processes. The Company intends to continue investing in its digital offering and provide value to its clients by harnessing the power of data to derive real-time actionable insights, re-engineering business processes, modernizing application and infrastructure landscapes and building systems of engagement.

We believe that the Company's "Grow Digital" strategy will create better engagement with clients, enabling the Company to compete successfully, position itself as a thought leader and keep its offerings responsive and relevant in a fast-changing industry.

More details about the Company performance, strategy and governance is available in the annual reports, quarterly investor information decks and quarterly earnings call transcripts available on the website of the Company [www.hexaware.com](http://www.hexaware.com) under Investor section.

### 3. Details of the changes in share capital of the Company since listing are as follows:

Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
Opening Balance						22,098,292	22.10
13-Nov-02	14,536	0.07	10.00	45.00	ESOP	22,112,828	22.11
19-Feb-03	11,871	0.05	10.00	45.00	ESOP	22,124,699	22.12
4-Jul-03	146,425	0.66	10.00	45.00	ESOP	22,271,124	22.27
11-Sep-03	281,350	1.25	10.00	45.00	ESOP	22,552,474	22.55
10-Dec-03	70,774	0.31	10.00	45.00	ESOP	22,623,248	22.62
3-Mar-04	65,807	0.29	10.00	45.00	ESOP	22,689,055	22.69
2-Jun-04	129,909	0.57	10.00	45.00	ESOP	22,818,964	22.82
6-Aug-04	363,152	1.57	10.00	45.00	ESOP	23,182,116	23.18
6-Aug-04	22,835	0.10	10.00	125.00	ESOP	23,204,951	23.20
7-Oct-04	94,056	0.40	10.00	45.00	ESOP	23,299,007	23.30
7-Oct-04	4,598	0.02	10.00	125.00	ESOP	23,303,605	23.30
12-Jan-05	101,887	0.44	10.00	45.00	ESOP	23,405,492	23.41
12-Jan-05	4,709	0.02	10.00	125.00	ESOP	23,410,201	23.41
12-Jan-05	2,624	0.01	10.00	353.00	ESOP	23,412,825	23.41
4-Apr-05	57,478	0.24	10.00	45.00	ESOP	23,470,303	23.47
4-Apr-05	6,295	0.03	10.00	125.00	ESOP	23,476,598	23.48
4-Apr-05	4,887	0.02	10.00	353.00	ESOP	23,481,485	23.48
4-Apr-05	788	0.00	10.00	368.00	ESOP	23,482,273	23.48
5-Aug-05	877,605	0.74	2.00	9.00	ESOP	118,288,970	23.66
5-Aug-05	115,770	0.10	2.00	25.00	ESOP	118,404,740	23.68
5-Aug-05	27,930	0.02	2.00	70.60	ESOP	118,432,670	23.69

Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
5-Aug-05	9,380	0.01	2.00	73.60	ESOP	118,442,050	23.69
4-Oct-05	86,760	0.07	2.00	9.00	ESOP	118,528,810	23.71
4-Oct-05	13,745	0.01	2.00	25.00	ESOP	118,542,555	23.71
4-Oct-05	30,150	0.03	2.00	73.60	ESOP	118,572,705	23.71
23-Nov-05	767,510	0.64	2.00	9.00	ESOP	119,340,215	23.87
23-Nov-05	11,930	0.01	2.00	25.00	ESOP	119,352,145	23.87
23-Nov-05	1,550	0.00	2.00	70.60	ESOP	119,353,695	23.87
23-Nov-05	5,000	0.00	2.00	80.40	ESOP	119,358,695	23.87
22-Feb-06	314,215	0.26	2.00	9.00	ESOP	119,672,910	23.93
22-Feb-06	12,615	0.01	2.00	25.00	ESOP	119,685,525	23.94
22-Feb-06	18,435	0.02	2.00	70.60	ESOP	119,703,960	23.94
22-Feb-06	94,850	0.08	2.00	73.60	ESOP	119,798,810	23.96
22-Feb-06	6,250	0.01	2.00	101.00	ESOP	119,805,060	23.96
25-Apr-06	108,575	0.09	2.00	9.00	ESOP	119,913,635	23.98
25-Apr-06	19,045	0.02	2.00	25.00	ESOP	119,932,680	23.99
25-Apr-06	22,050	0.02	2.00	70.60	ESOP	119,954,730	23.99
25-Apr-06	130,005	0.11	2.00	73.60	ESOP	120,084,735	24.02
25-Apr-06	4,750	0.00	2.00	145.00	ESOP	120,089,485	24.02
25-Apr-06	10,569,790	8.09	2.00	142.10	Preferential Allotment*	130,659,275	26.13
22-Aug-06	1,056,120	0.80	2.00	9.00	ESOP	131,715,395	26.34
22-Aug-06	115,835	0.09	2.00	25.00	ESOP	131,831,230	26.37
22-Aug-06	25,625	0.02	2.00	70.60	ESOP	131,856,855	26.37
22-Aug-06	3,000	0.00	2.00	73.60	ESOP	131,859,855	26.37
22-Aug-06	2,500	0.00	2.00	145.00	ESOP	131,862,355	26.37
22-Nov-06	100,895	0.08	2.00	9.00	ESOP	131,963,250	26.39
22-Nov-06	15,810	0.01	2.00	25.00	ESOP	131,979,060	26.40
22-Nov-06	1,565	0.00	2.00	73.60	ESOP	131,980,625	26.40
19-Feb-07	25,530	0.02	2.00	9.00	ESOP	132,006,155	26.40
19-Feb-07	11,545	0.01	2.00	25.00	ESOP	132,017,700	26.40
19-Feb-07	8,750	0.01	2.00	70.60	ESOP	132,026,450	26.41
19-Feb-07	5,000	0.00	2.00	80.40	ESOP	132,031,450	26.41
19-Feb-07	2,500	0.00	2.00	101.00	ESOP	132,033,950	26.41
19-Feb-07	21,250	0.02	2.00	145.00	ESOP	132,055,200	26.41
30-Mar-07	618,920	0.47	2.00	9.00	ESOP	132,674,120	26.53
30-Mar-07	49,810	0.04	2.00	25.00	ESOP	132,723,930	26.54
30-Mar-07	84,980	0.06	2.00	70.60	ESOP	132,808,910	26.56
30-Mar-07	131,610	0.10	2.00	73.60	ESOP	132,940,520	26.59
30-Mar-07	67,115	0.05	2.00	80.40	ESOP	133,007,635	26.60
30-Mar-07	17,450	0.01	2.00	145.00	ESOP	133,025,085	26.61
18-Jul-07	13,500	0.01	2.00	70.60	ESOP	133,038,585	26.61
20-Aug-07	940	0.00	2.00	9.00	ESOP	133,039,525	26.61

Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
20-Aug-07	4,625	0.00	2.00	25.00	ESOP	133,044,150	26.61
11-Sep-07	10,555,700	7.35	2.00	142.10	Allotment on Conversion of Redeemable and/or Optionally Convertible Preference Shares#	143,599,850	28.72
15-Oct-07	16,635	0.01	2.00	25.00	ESOP	143,616,485	28.72
2-Jun-08	750	0.00	2.00	25.00	ESOP	143,617,235	28.72
23-Jul-08	25,000	0.02	2.00	9.00	ESOP	143,642,235	28.73
8-Dec-08	8,500	0.01	2.00	9.00	ESOP	143,650,735	28.73
28-Jan-10	329,846	0.23	2.00	2.00	ESOP	143,980,581	28.80
28-Jan-10	40,000	0.03	2.00	54.00	ESOP	144,020,581	28.80
22-Mar-10	374,937	0.26	2.00	24.90	ESOP	144,395,518	28.88
29-Apr-10	281,374	0.19	2.00	24.90	ESOP	144,676,892	28.94
29-Apr-10	500	0.00	2.00	26.60	ESOP	144,677,392	28.94
10-Jun-10	13,460	0.01	2.00	10.00	ESOP	144,690,852	28.94
10-Jun-10	122,250	0.08	2.00	24.90	ESOP	144,813,102	28.96
29-Jul-10	18,266	0.01	2.00	10.00	ESOP	144,831,368	28.97
29-Jul-10	136,683	0.09	2.00	24.90	ESOP	144,968,051	28.99
29-Jul-10	40,000	0.03	2.00	54.00	ESOP	145,008,051	29.00
27-Oct-10	7,179	0.00	2.00	10.00	ESOP	145,015,230	29.00
27-Oct-10	183,750	0.13	2.00	24.90	ESOP	145,198,980	29.04
27-Oct-10	2,000	0.00	2.00	26.60	ESOP	145,200,980	29.04
13-Jan-11	110,676	0.08	2.00	10.00	ESOP	145,311,656	29.06
13-Jan-11	179,375	0.12	2.00	24.90	ESOP	145,491,031	29.10
13-Jan-11	2,000	0.00	2.00	26.60	ESOP	145,493,031	29.10
17-Feb-11	52,750	0.04	2.00	24.90	ESOP	145,545,781	29.11
2-Mar-11	145,545,781	50.00	2.00	-	BONUS^	291,091,562	58.22
5-May-11	124,550	0.04	2.00	5.00	ESOP	291,216,112	58.24
5-May-11	1,397,622	0.48	2.00	12.45	ESOP	292,613,734	58.52
5-May-11	1,000	0.00	2.00	13.30	ESOP	292,614,734	58.52
28-Jul-11	25,394	0.01	2.00	5.00	ESOP	292,640,128	58.53
28-Jul-11	423,500	0.14	2.00	12.45	ESOP	293,063,628	58.61
28-Jul-11	8,000	0.00	2.00	13.30	ESOP	293,071,628	58.61
21-Oct-11	121,300	0.04	2.00	12.45	ESOP	293,192,928	58.64
21-Oct-11	100,000	0.03	2.00	36.65	ESOP	293,292,928	58.66
21-Oct-11	28,000	0.01	2.00	40.28	ESOP	293,320,928	58.66
21-Oct-11	37,500	0.01	2.00	42.85	ESOP	293,358,428	58.67
3-Feb-12	92,250	0.03	2.00	12.45	ESOP	293,450,678	58.69
3-Feb-12	12,000	0.00	2.00	30.70	ESOP	293,462,678	58.69
3-Feb-12	26,500	0.01	2.00	40.28	ESOP	293,489,178	58.70
3-Feb-12	19,550	0.01	2.00	59.25	ESOP	293,508,728	58.70



Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
23-Mar-12	288,902	0.10	2.00	5.00	ESOP	293,797,630	58.76
23-Mar-12	1,488,872	0.50	2.00	12.45	ESOP	295,286,502	59.06
23-Mar-12	27,500	0.01	2.00	40.28	ESOP	295,314,002	59.06
23-Mar-12	19,500	0.01	2.00	59.25	ESOP	295,333,502	59.07
28-Apr-12	40,283	0.01	2.00	5.00	ESOP	295,373,785	59.07
28-Apr-12	434,700	0.15	2.00	12.45	ESOP	295,808,485	59.16
28-Apr-12	9,000	0.00	2.00	13.30	ESOP	295,817,485	59.16
28-Apr-12	15,000	0.01	2.00	30.70	ESOP	295,832,485	59.17
28-Apr-12	20,500	0.01	2.00	40.28	ESOP	295,852,985	59.17
28-Apr-12	37,500	0.01	2.00	42.85	ESOP	295,890,485	59.18
28-Apr-12	4,500	0.00	2.00	51.98	ESOP	295,894,985	59.18
28-Apr-12	67,745	0.02	2.00	59.25	ESOP	295,962,730	59.19
27-Jun-12	33,500	0.01	2.00	12.45	ESOP	295,996,230	59.20
27-Jun-12	5,000	0.00	2.00	40.28	ESOP	296,001,230	59.20
27-Jun-12	60,000	0.02	2.00	71.10	ESOP	296,061,230	59.21
30-Jul-12	1,189	0.00	2.00	5.00	ESOP	296,062,419	59.21
30-Jul-12	119,000	0.04	2.00	12.45	ESOP	296,181,419	59.24
30-Jul-12	35,742	0.01	2.00	30.70	ESOP	296,217,161	59.24
30-Jul-12	48,000	0.02	2.00	40.28	ESOP	296,265,161	59.25
30-Jul-12	13,500	0.00	2.00	59.25	ESOP	296,278,661	59.26
30-Jul-12	10,000	0.00	2.00	69.95	ESOP	296,288,661	59.26
30-Jul-12	51,807	0.02	2.00	79.85	ESOP	296,340,468	59.27
1-Nov-12	98,290	0.03	2.00	12.45	ESOP	296,438,758	59.29
1-Nov-12	34,258	0.01	2.00	30.70	ESOP	296,473,016	59.29
1-Nov-12	46,000	0.02	2.00	40.28	ESOP	296,519,016	59.30
1-Nov-12	12,650	0.00	2.00	59.25	ESOP	296,531,666	59.31
1-Nov-12	13,125	0.00	2.00	79.85	ESOP	296,544,791	59.31
13-Feb-13	144,500	0.05	2.00	12.45	ESOP	296,689,291	59.34
13-Feb-13	5,000	0.00	2.00	30.70	ESOP	296,694,291	59.34
13-Feb-13	46,750	0.02	2.00	59.25	ESOP	296,741,041	59.35
13-Feb-13	1,500	0.00	2.00	79.85	ESOP	296,742,541	59.35
23-Mar-13	293,779	0.10	2.00	5.00	ESOP	297,036,320	59.41
23-Mar-13	1,215,464	0.41	2.00	12.45	ESOP	298,251,784	59.65
23-Mar-13	3,500	0.00	2.00	40.28	ESOP	298,255,284	59.65
23-Mar-13	37,500	0.01	2.00	42.85	ESOP	298,292,784	59.66
23-Mar-13	10,400	0.00	2.00	59.25	ESOP	298,303,184	59.66
23-Mar-13	5,693	0.00	2.00	79.85	ESOP	298,308,877	59.66
29-Apr-13	42,210	0.01	2.00	5.00	ESOP	298,351,087	59.67
29-Apr-13	248,250	0.08	2.00	12.45	ESOP	298,599,337	59.72
29-Apr-13	8,000	0.00	2.00	13.30	ESOP	298,607,337	59.72
29-Apr-13	4,500	0.00	2.00	51.98	ESOP	298,611,837	59.72
29-Apr-13	3,750	0.00	2.00	59.25	ESOP	298,615,587	59.72

Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
29-Apr-13	12,500	0.00	2.00	79.85	ESOP	298,628,087	59.73
19-Jul-13	113,000	0.04	2.00	12.45	ESOP	298,741,087	59.75
19-Jul-13	6,000	0.00	2.00	59.25	ESOP	298,747,087	59.75
19-Jul-13	40,000	0.01	2.00	71.10	ESOP	298,787,087	59.76
2-Sep-13	16,355	0.01	2.00	5.00	ESOP	298,803,442	59.76
2-Sep-13	287,250	0.10	2.00	12.45	ESOP	299,090,692	59.82
2-Sep-13	1,000	0.00	2.00	13.30	ESOP	299,091,692	59.82
2-Sep-13	164,000	0.05	2.00	40.28	ESOP	299,255,692	59.85
2-Sep-13	50,000	0.02	2.00	51.98	ESOP	299,305,692	59.86
2-Sep-13	73,405	0.02	2.00	59.25	ESOP	299,379,097	59.88
2-Sep-13	5,000	0.00	2.00	69.95	ESOP	299,384,097	59.88
2-Sep-13	20,000	0.01	2.00	71.10	ESOP	299,404,097	59.88
2-Sep-13	199,000	0.07	2.00	79.85	ESOP	299,603,097	59.92
13-Nov-13	119,750	0.04	2.00	12.45	ESOP	299,722,847	59.94
13-Nov-13	53,500	0.02	2.00	40.28	ESOP	299,776,347	59.96
13-Nov-13	50,000	0.02	2.00	51.98	ESOP	299,826,347	59.97
13-Nov-13	7,100	0.00	2.00	59.25	ESOP	299,833,447	59.97
13-Nov-13	42,500	0.01	2.00	79.85	ESOP	299,875,947	59.98
17-Feb-14	232,500	0.08	2.00	12.45	ESOP	300,108,447	60.02
17-Feb-14	14,000	0.00	2.00	40.28	ESOP	300,122,447	60.02
17-Feb-14	37,500	0.01	2.00	42.85	ESOP	300,159,947	60.03
17-Feb-14	15,000	0.00	2.00	59.08	ESOP	300,174,947	60.03
17-Feb-14	57,000	0.02	2.00	59.25	ESOP	300,231,947	60.05
17-Feb-14	10,000	0.00	2.00	69.95	ESOP	300,241,947	60.05
17-Feb-14	25,000	0.01	2.00	79.85	ESOP	300,266,947	60.05
30-Apr-14	4,875	0.00	2.00	79.85	ESOP	300,271,822	60.05
30-Apr-14	35,750	0.01	2.00	59.25	ESOP	300,307,572	60.06
30-Apr-14	4,500	0.00	2.00	51.98	ESOP	300,312,072	60.06
30-Apr-14	8,000	0.00	2.00	30.70	ESOP	300,320,072	60.06
30-Apr-14	4,500	0.00	2.00	12.45	ESOP	300,324,572	60.06
13-Aug-14	76,500	0.03	2.00	12.45	ESOP	300,401,072	60.08
13-Aug-14	140,500	0.05	2.00	40.28	ESOP	300,541,572	60.11
13-Aug-14	25,000	0.01	2.00	51.98	ESOP	300,566,572	60.11
13-Aug-14	12,000	0.00	2.00	59.08	ESOP	300,578,572	60.12
13-Aug-14	48,650	0.02	2.00	59.25	ESOP	300,627,222	60.13
13-Aug-14	10,000	0.00	2.00	69.95	ESOP	300,637,222	60.13
13-Aug-14	163,375	0.05	2.00	79.85	ESOP	300,800,597	60.16
7-Nov-14	12,000	0.00	2.00	12.45	ESOP	300,812,597	60.16
7-Nov-14	10,000	0.00	2.00	40.28	ESOP	300,822,597	60.16
7-Nov-14	22,500	0.01	2.00	59.25	ESOP	300,845,097	60.17
7-Nov-14	78,375	0.03	2.00	79.85	ESOP	300,923,472	60.18
11-Feb-15	71,000	0.02	2.00	12.45	ESOP	300,994,472	60.20

Date of Issue	No. of shares issued	% of Total Outstanding Equity Capital	Face Value (₹)	Issue Price (₹)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative Equity Share Capital	
						Cumulative capital (No. of shares)	Cumulative Capital (in Cr)
11-Feb-15	8,000	0.00	2.00	30.70	ESOP	301,002,472	60.20
11-Feb-15	16,000	0.01	2.00	40.28	ESOP	301,018,472	60.20
11-Feb-15	97,750	0.03	2.00	59.25	ESOP	301,116,222	60.22
11-Feb-15	7,500	0.00	2.00	79.85	ESOP	301,123,722	60.22
2-May-15	12,000	0.00	2.00	12.45	ESOP	301,135,722	60.23
2-May-15	24,000	0.01	2.00	40.28	ESOP	301,159,722	60.23
2-May-15	79,500	0.03	2.00	51.98	ESOP	301,239,222	60.25
2-May-15	5,000	0.00	2.00	59.08	ESOP	301,244,222	60.25
2-May-15	94,000	0.03	2.00	59.25	ESOP	301,338,222	60.27
2-May-15	2,500	0.00	2.00	69.95	ESOP	301,340,722	60.27
2-May-15	37,500	0.01	2.00	79.85	ESOP	301,378,222	60.28
16-Sep-15	33,700	0.01	2.00	12.45	ESOP	301,411,922	60.28
16-Sep-15	42,700	0.01	2.00	59.25	ESOP	301,454,622	60.29
16-Sep-15	51,500	0.02	2.00	79.85	ESOP	301,506,122	60.30
26-Nov-15	31,000	0.01	2.00	12.45	ESOP	301,537,122	60.31
26-Nov-15	11,400	0.00	2.00	59.25	ESOP	301,548,522	60.31
26-Nov-15	14,375	0.00	2.00	79.85	ESOP	301,562,897	60.31
7-Feb-16	47,300	0.02	2.00	12.45	ESOP	301,610,197	60.32
7-Feb-16	14,900	0.00	2.00	59.25	ESOP	301,625,097	60.33
7-Feb-16	2,000	0.00	2.00	69.95	ESOP	301,627,097	60.33
7-Feb-16	3,750	0.00	2.00	79.85	ESOP	301,630,847	60.33
25-Mar-16	9,000	0.00	2.00	59.25	ESOP	301,639,847	60.33
25-Mar-16	148,500	0.05	2.00	12.45	ESOP	301,788,347	60.36
19-Apr-16	16,000	0.01	2.00	12.45	ESOP	301,804,347	60.36
19-Apr-16	2,500	0.00	2.00	79.85	ESOP	301,806,847	60.36
19-Apr-16	7,500	0.00	2.00	59.25	ESOP	301,814,347	60.36
1-Aug-16	5,000	0.00	2.00	69.95	ESOP	301,819,347	60.36
1-Aug-16	21,000	0.01	2.00	59.25	ESOP	301,840,347	60.37
22-Sep-16	66,875	0.02	2.00	79.85	ESOP	301,907,222	60.38
22-Sep-16	4,000	0.00	2.00	59.08	ESOP	301,911,222	60.38
25-Oct-16	9,000	0.00	2.00	59.25	ESOP	301,920,222	60.38
25-Oct-16	107,973	0.04	2.00	2.00	ESOP	302,028,195	60.41

Notes:

- \* Private Placement of 10,569,790 Equity Shares of ₹ 2/- each at a premium of ₹ 140.10/- per share to GA Global Investments Limited
- # Redemption of 1,055,570 Redeemable and/or Optionally Convertible Preference Shares issued and allotted to GA Global Investments Limited
- ^ Allotted under bonus issue in the ratio of 1:1

The Board of Directors of the Company comprises the following:

Name	Designation	Qualifications	Date of Appointment / Reappointment	Other Directorships
Atul Nishar	Chairman	CA and LLB	20/11/1992	1. Allygrow Technologies Private Limited 2. Namaste America - Indo American Association For Art & Culture
R Srikrishna	CEO & Executive Director	Electrical Engineer and MBA from IIM	17/10/2014	1. Xurmo Technologies Private Limited
Jimmy Mahtani	Vice Chairman	Graduated with honours and BSc in Business Administration	11/10/2013	1. CMS Info Systems Limited 2. H R Cafe India Private Limited 3. JSM Corporation Private Limited 4. RSP Design Consultants (India) Private Limited
Kosmas Kalliarekos	Director	B.S in Economics and MBA from Harvard School	11/10/2013	1. RSP Design Consultants (India) Private Limited
P.R. Chandrasekar	Director	Engineer from IIT Madras and MBA	02/06/2008	1. Risk Technology International Limited
Bharat D. Shah	Independent Director	BSc and degree in applied chemistry	29/07/2008, reappointed on 17/10/2014 and 17/10/2016	1. Strides Shasun Limited 2. 3M India Limited 3. Exide Industries Limited 4. Mahindra Lifespace Developers Limited 5. Salisbury Investments Private Limited 6. HDFC Securities Limited 7. IDFC Alternatives Limited 8. AGS Transact Technologies Limited 9. India Transact Services Limited 10. Faering Capital Trustee Company Private Limited 11. Atlas Documentary Facilitators Company Private Limited 12. Vanita Vishram 13. TATA Sky Limited
Dileep C. Choksi	Independent Director	CA, CWA and LLB	11/10/2013, reappointed on 17/10/2014 and 17/10/2016	1. Arvind Limited 2. Lupin Limited 3. Aia Engineering Limited 4. Swaraj Engines Ltd 5. ICICI Bank Limited 6. Tata Housing Development Company Limited 7. ICICI Home Finance Company Limited 8. Miramac Properties Private Limited 9. Mafatlal Cipherspace Private Limited

Name	Designation	Qualifications	Date of Appointment / Reappointment	Other Directorships
Basab Pradhan	Independent Director	Bachelor of Technology from IIT Kanpur and MBA from IIM Ahmedabad	09/06/2014, reappointed on 09/06/2016	NIL
Christian Oecking	Independent Director	Engineer from University of Dortmund	26/06/2014. Reappointed on 26/06/2016	NIL
Meera Shankar	Independent Director	Master in Arts and English Literature.	11/04/2016	1. ITC Limited 2. Pidilite Industries Limited 3. Adani Transmission Limited

The details of change in Board of Directors during the last 3 years from the date of this LoF are as under:

Name	Appointment/Resignation	Effective Date	Reasons
Jimmy Mahtani	Appointment	11/10/2013	
Kosmas Kalliarekos	Appointment	11/10/2013	
Dileep C. Choksi	Appointment	11/10/2013	
Abhay Havaladar	Resignation	13/02/2014	Resignation by Director
L S Sarma	Resignation	11/10/2013	Resignation by Director
Shailesh Haribhakti	Resignation	11/10/2013	Resignation by Director
S. Doreswamy	Resignation	11/10/2013	Resignation by Director
Preeti Metha	Resignation	11/10/2013	Resignation by Director
Subrata Kumar Mitra	Resignation	11/10/2013	Resignation by Director
Ashish Dhawan	Resignation	11/10/2013	Resignation by Director
Jack Hennessey	Appointment	05/11/2014	
Basab Pradhan	Appointment	09/06/2014	
Christian Oecking	Appointment	26/06/2014	
R. V Ramanan	Resignation	16/09/2014	Resignation by Director
R Srikrisha	Appointment	17/10/2014	
Punita Kumar Sinha	Appointment	26/03/2015	
Jack Hennessey	Cessation	09/02/2016	Vacation of office
Dr. Punita Kumar Sinha	Resignation	12/01/2016	Resignation by Director
Meera Shankar	Appointment	11/04/2016	

The Buyback will not result in any benefit to any directors of the Company / promoters / person in control of the Company / group companies except to the extent of their intention to participate in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback.

## 18. FINANCIAL INFORMATION

The brief audited financial information of the Company for the last three financial years and the period ended September 30, 2016 are provided below

### (a) Based on audited standalone financial statements

(₹ Millions, except per share data)

Period Ending	Sept 30, 2016	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
Period	9 months	12 Months	12 Months	12 Months
Income from Operations	10,242	12,936	11,546	10,200
Other Income	60	103	595	333
Total Income	10,302	13,039	12,140	10,533
Total Expenses excluding Interest, Depreciation, Tax & Extraordinary items	6,812	8,550	7,923	6,121
Interest	1	0	8	1
Depreciation	320	408	392	310
Profit before Tax	3,169	4,081	3,818	4,100
Provision for tax (incl. deferred tax)	665	751	634	761
Profit/ (Loss) after tax(ordinary activities)	2,504	3,330	3,184	3,340

As on	Sept 30, 2016	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
Equity Share Capital	604	603	602	600
Reserves & Surplus	11,859	10,496	9,772	8,286
Net Worth	12,463	11,100	10,373	8,885
Total Debt	-	-	-	-
Total Capital Employed	12,463	11,100	10,373	8,885
<b>Key Financial Ratios</b>				
Earnings per Share (₹)	11.1*	11.0	10.6	11.1
Book value per Share (₹)	41.3	36.8	34.5	29.6
Debt-Equity Ratio	-	-	-	-
Return on Networkth (%)	28.3%	31.0%	33.1%	35.7%

Notes: \*Earnings per Share and Return on Networkth have been calculated using annualized earnings

1. *Earnings per Share = Profit After Tax / Number of Shares at the end of the period*
2. *Book value per Share = Net Worth (excluding Revaluation Reserves) / Number of Shares at the end of the period*
3. *Debt-Equity Ratio = Total Debt/ Networkth (excluding Revaluation Reserves)*
4. *Return on Networkth = Profit after tax/ Average Networkth (excluding Revaluation Reserves)*

(b) Based on audited consolidated financial statements

(₹ Millions, except per share data)

Period Ending	Sept 30, 2016	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
Period	9 Months	12 Months	12 Months	12 Months
Income from Operations	25,940	31,235	25,817	22,853
Other Income	25	90	228	373
Total Income	25,965	31,325	26,045	23,226
EBITDA before ESOPs/RSU cost	4,316	5,569	4,776	5,122
EBITDA after ESOPs/RSU cost	4,124	5,358	4,776	5,122
Interest	1	1	9	2
Depreciation	419	482	440	386
Exceptional Items	-	-	66	-
Profit before Tax	3,959	5,046	4,181	4,795
Provision for tax (incl. deferred tax)	1,003	1,114	980	1,004
Profit/ (Loss) after tax	2,956	3,932	3,202	3,791

As on	Sept 30, 2016	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013
Equity Share Capital	604	603	602	600
Reserves & Surplus	15,528	13,729	12,304	11,392
Net Worth	16,132	14,332	12,906	11,992
Total Debt	-	-	-	-
Total Capital Employed	16,132	14,332	12,906	11,992
<b>Key Ratios</b>				
Earnings per Share (₹)	13.1*	13.0	10.6	12.6
Book value per Share (₹)	53.4	47.5	42.9	40.0
Debt-Equity Ratio	-	-	-	-
Return on Networth (%)	25.9%*	28.9%	25.7%	31.6%

Notes: \*Earnings per Share and Return on Networth have been calculated using annualized earnings

1. Earnings per Share = Profit After Tax, Minority Interest and share of profit/Loss from associates / Number. of Shares at the end of the period
2. Book value per Share = Net Worth (excluding Revaluation Reserves & Minority Interest) / Number. of Shares at the end of the period
3. Debt-Equity Ratio = Total Debt/ Networth (excluding Revaluation Reserves but including Minority Interest)
4. Return on Networth = Profit after tax/ Average Networth (excluding Revaluation Reserves & Minority Interest)
5. EBITDA excludes other income and exchange rate differences

The Company shall abide with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company has complied with sections 68, 69 and 70 of the Companies Act, 2013.

## 19. STOCK MARKET DATA

1. The Shares of the Company are listed on BSE and NSE.

2. The high, low and average market prices for the last four years (April to March periods) and the monthly high, low and average market prices for the 6 months preceding the Public Announcement and the corresponding volumes on BSE are as follows:

Period	High (₹)	Date of High	Number of Shares traded on that date	Low (₹)	Date of Low	Number of Shares traded on that date	Average Price* (₹)	Total volume traded in period
<b>4 Years</b>								
FY16 (Apr 15 – Mar 16)	335.45	13-Apr-15	54,571	202.90	24-Aug-15	409,573	257.87	26,245,534
FY15 (Apr 14 - Mar 15)	317.25	31-Mar-15	194,063	130.60	16-May-14	190,067	191.42	87,234,987
FY14 (Apr 13 - Mar 14)	167.00	28-Feb-14	652,135	72.30	25-Jun-13	755,207	117.49	81,448,010
FY13 (Apr 12 - Mar 13)	142.00	14-Sep-12	102,507	72.60	25-Jan-13	1,420,117	109.21	76,931,477
<b>6 months</b>								
1 <sup>st</sup> Jun – 30 <sup>th</sup> Jun 2016	236.00	23-Jun-16	1,133,077	210.10	13-Jun-16	58,754	218.17	3,554,193
1 <sup>st</sup> July – 31 <sup>st</sup> July 2016	233.95	29-Jul-16	263,444	215.10	20-Jul-16	80,504	224.01	2,515,243
1 <sup>st</sup> Aug- 31 <sup>st</sup> Aug 2016	226.45	2-Aug-16	79,462	197.05	29-Aug-16	235,453	214.55	2,192,260
1 <sup>st</sup> Sep – 30 <sup>th</sup> Sep 2016	207.95	7-Sep-16	136,587	183.95	30-Sep-16	48,488	197.28	1,721,069
1 <sup>st</sup> Oct – 31 <sup>st</sup> Oct 2016	210.60	25-Oct-16	731,658	178.10	17-Oct-16	76,755	191.69	3,028,537
1 <sup>st</sup> Nov – 30 <sup>th</sup> Nov 2016	209.95	28-Nov-16	129,925	185.25	9-Nov-16	167,819	196.89	1,917,787

Source: [www.bseindia.com](http://www.bseindia.com)

\*Arithmetical average of closing prices

3. The high, low and average market prices for the last four years (April to March periods) and the monthly high, low and average market prices for the 6 months preceding the Public Announcement and the corresponding volumes on NSE are as follows:

Period	High (₹)	Date of High	Number of Shares traded on that date	Low (₹)	Date of Low	Number of Shares traded on that date	Average Price* (₹)	Total volume traded in period
<b>4 Years</b>								
FY16 (Apr 15 – Mar 16)	335.75	13-Apr-15	646,108	201.50	24-Aug-15	5,486,282	257.98	289,972,352
FY15 (Apr 14 - Mar 15)	316.75	31-Mar-15	2,017,730	130.00	16-May-14	1,279,360	191.44	429,861,086
FY14 (Apr 13 - Mar 14)	166.80	25-Feb-14	2,488,836	72.30	25-Jun-13	4,350,397	117.48	514,279,574
FY13 (Apr 12 - Mar 13)	140.90	14-Sep-12	708,838	72.60	25-Jan-13	8,435,830	109.28	510,390,304
<b>6 months</b>								
1 <sup>st</sup> Jun – 30 <sup>th</sup> Jun 2016	236.35	23-Jun-16	8,474,812	210.00	13-Jun-16	722,165	218.18	25,961,838
1 <sup>st</sup> July – 31 <sup>st</sup> July 2016	233.90	5-Jul-16	1,351,485	214.80	20-Jul-16	833,761	223.98	20,711,276
1 <sup>st</sup> Aug- 31 <sup>st</sup> Aug 2016	226.70	2-Aug-16	778,504	197.00	29-Aug-16	2,088,654	214.60	18,594,207
1 <sup>st</sup> Sep – 30 <sup>th</sup> Sep 2016	208.40	07-Sep-16	1,755,261	183.10	30-Sep-16	650,391	197.24	17,637,728
1 <sup>st</sup> Oct – 31 <sup>st</sup> Oct 2016	210.50	25-Oct-16	5,460,902	177.95	18-Oct-16	758,043	191.79	21,756,972
1 <sup>st</sup> Nov – 30 <sup>th</sup> Nov 2016	209.40	28-Nov-16	1,724,609	185.20	9-Nov-16	1,391,403	196.95	17,629,059

Source: [www.nseindia.com](http://www.nseindia.com)

\*Arithmetical average of closing prices



4. Notice of the first Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on October 20, 2016. The closing price of the Company's equity share on October 20, 2016 on BSE and NSE was ₹ 191.70. The Board, at its meeting held on October 25, 2016, approved the proposal for the Buyback at a price not exceeding ₹ 240/- per share and the intimation was sent to BSE and NSE on the same day. The high and low market prices on BSE on October 24, 2016, (being the trading day previous to the day on which the Board Meeting was held to approve the Buyback) were ₹ 199.95 and ₹ 196.15 respectively and on NSE were ₹ 199.90 and ₹ 196.10 respectively.

## 20. STATUTORY APPROVALS

The Buyback offer is subject to approvals, if any required, under the provisions of the Companies Act, the Buyback Regulations, FEMA and / or such other acts in force for the time being.

The Board at its meeting held on October 25, 2016 approved the proposal for the Buyback.

The Buyback of Shares from non-residents ("NR") and Non Resident Indian ("NRI") shareholders will be subject to approvals, if any, of the appropriate authorities, including Reserve Bank of India (RBI), as applicable. The Company will have the right to make payment to the Eligible Sellers in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Sellers in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

As of date, there is no other statutory or regulatory approval required to implement the Buyback, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

## 21. REGISTRAR TO THE BUYBACK

The Company has appointed the following as the Registrars to the Buyback:

Name	:	M/s Karvy Computershare Private Limited
Address	:	Karvy Selenium, Tower B, Plot Number 31- 32 Gachibowli Financial District, Nanakramguda, Hyderabad 500 032, India
Contact Person	:	Mr. M Murali Krishna
Phone	:	+91 40 6716 2222
Fax:	:	+91 40 2343 1551
Email	:	murali.m@karvy.com

In case of any query, the shareholders may contact the Registrar during working hours i.e. 10 am and 4 pm all working days except Saturday, Sunday and public holidays.

## 22. COLLECTION CENTRES

Eligible Shareholders are requested to submit their Form(s) and requisite documents either by registered post/ courier to the Registrar to the Buyback, superscribing the envelope as "**Hexaware Technologies Buyback 2016**", or hand deliver the same to the Registrar at the address mentioned in paragraph 21.

## 23. PROCESS AND METHODOLOGY FOR THE BUYBACK

1. The Company proposes to Buyback not exceeding 5,694,835 Equity Shares from all the existing Shareholders / beneficial owners of Equity Shares of the Company, on a proportionate basis, through the Tender Offer route at a price of ₹ 240/- (Rupees Two Hundred Forty only) per Equity Share, payable in cash for an aggregate amount of ₹ 1,366,760,400 (Rupees One Billion Three Hundred Sixty Six Million Seven Hundred Sixty Thousand and Four Hundred only) (being less than 25% of the total paid-up equity capital and free reserves of the Company as per the audited accounts of the Company as on September 30, 2016). The maximum number of Equity Shares proposed to be bought back represents 1.9% of the total paid-up equity share capital of the Company. The Buyback is in accordance with Article 52A of the Articles of Association of the Company and subject to the provisions of Section 68 and all other applicable provisions, if any, of the Companies Act and in compliance with Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc.
2. The aggregate shareholding of the promoter group/ persons in control is 215,047,193 Equity Shares, which represents 71.20% of the existing equity share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the promoters of a company have the option to participate in the Buyback. In this regard, the promoter entities as listed in clause 5 section 12 of this Letter of Offer have expressed their intention, vide their letter dated October 25, 2016 and November 18, 2016 to participate in the Buyback and offer upto an aggregate maximum of 5,694,835 Equity Shares or such lower number of Equity Shares as permitted under applicable laws.
3. Assuming response to the Buyback Offer is to the extent of 100% from all the Shareholders upto their entitlement (full acceptance), post Buyback the aggregate shareholding of the Promoter and Promoter group will be 211,377,326 Equity Shares, representing 71.33% of the post Buyback equity share capital of the Company i.e an increase of 0.13% (rounded-off) from their present holding of 71.20% of the pre Buyback equity share capital of the Company.
4. Record Date, ratio of Buyback and entitlement of each Shareholder
  - a. The company has announced January 6, 2017 as the Record Date for the purpose of determining the entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.
  - b. The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
    - Reserved category for Small Shareholders ( "**Reserved Category**"); and
    - General category for all Shareholders other than Small Shareholders ("**General Category**")
  - c. 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 on January 6, 2017 i.e. Record Date, of not more than ₹ 200,000/- (Rupees Two Lacs). As on the Record Date, the closing price on NSE was ₹ 201.10/- per Equity Share, accordingly all Shareholders holding not more than 994 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.
  - d. Based on the above definition, there are 99,613 Small Shareholders with aggregate shareholding of 18,377,843 Shares, as on the Record Date, which constitutes 6.08% of the outstanding paid up equity share capital of the Company and 322.71% of the number of Equity Shares which are proposed to be bought back as part of this Buyback Offer.
  - e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 854,226 Equity Shares which is higher of:
    - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 5,694,835 Equity Shares which works out to 854,226 Equity Shares; or
    - ii. The number of Equity Shares entitled as per their shareholding as on Record Date [i.e.(18,377,843/

302,028,195) X 5,694,835] which works out to 346,250 Equity Shares. All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoters Group also intends to offer Equity Shares held by them in the Buyback.

- f. Accordingly, General Category shall consist of 4,840,609 Equity Shares.
- g. Based on the above, the entitlement ratio of Buyback for both categories is decided as below:

**Category Entitlement Ratio of Buyback**

Category	Entitlement Ratio of Buyback
Reserved Category	35 Equity Shares out of every 753 fully paid-up Equity Shares held on the Record Date
General Category	5 Equity Shares out of every 293 fully paid-up Equity Shares held on the Record Date

*Note: The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buy-back may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 4.64813% and for General category for all other Eligible Shareholders is 1.70654%*

**5. Fractional Entitlements**

If the entitlement under Buyback, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share) then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback Offer, for both categories of Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 21 or less Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

**6. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a. Full acceptance of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 23(6)(a), in case, there are any Shares left to be bought back in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c. Post the acceptance as described in paragraph 23(6)(a) and (b), in case, there are any validly tendered unaccepted Shares in the Reserved Category (“**Reserved Category Additional Shares**”) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 23(6)(b), shall be reduced by one.

- d. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 23(6)(c), will be made as follows:
- For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

7. **Basis of Acceptance of Equity Shares validly tendered in the General Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

- a. Full Acceptance of Shares from Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b. Post the acceptance as described in paragraph 23(7)(a), in case, there are any validly tendered unaccepted Shares in the General Category ("**General Category Additional Shares**") and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the General Category Additional Shares by the Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.
- c. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 23(7)(b), will be made as follows:
- For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

8. **Basis of Acceptance of Equity Shares between the two categories**

- a. After acceptances of tenders, as mentioned in paragraph 23(6) and 23(7), in case, there are any Shares left to be bought back in one category ("**Partially Filled Category**") and there are additional unaccepted validly tendered Shares ("**Further Additional Shares**") in the second category ("**Over Tendered Category**"), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per Shareholder shall be equal to Further Additional Shares validly tendered by the Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 23(8)(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 23(6)

- c. Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 23(8)(a):
- For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board or any person(s) authorized by the Board will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in section 23.

9. **For avoidance of doubt, it is clarified that, in accordance with the clauses above:**

- **Shares accepted under the Buyback from each Eligible Shareholder, shall be lower of the following:**
  - **the number of Shares tendered by the respective Shareholder and**
  - **the number of Shares held by the respective Shareholder, as on the Record Date.**
- **Shares tendered by any Shareholder over and above the number of Shares held by such Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.**

10. **Clubbing of Entitlement**

In order to ensure that the same shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common Permanent Account Number (“**PAN**”) for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds / trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories.

## **24. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT**

1. The Buyback is open to all Equity Shareholders/ beneficial owners of the Company holding Equity Shares either in physical and/or dematerialized form on the Record Date.
2. The Company proposes to effect the Buyback through Tender Offer route, on a proportionate basis. This Letter of Offer, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Equity Shareholders of the Company whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date.

The Eligible Shareholders whose email ids are not registered with the Depository Participants shall be sent the Letter of Offer (including the Tender Form) in physical form by registered post / speed post / courier. The Eligible Shareholders whose email ids are registered with the Depository Participants shall be sent the Letter of Offer (including the Tender Form) through electronic means in accordance with the provisions in

the Companies Act, 2013 (either as text or as an attachment or as a notification providing electronic link / url (uniform resource locator)). However, in case a physical copy of the Letter of Offer is required by any Eligible Shareholder who has been sent the Letter of Offer by electronic means, then a request may be made to the Registrar to the Buyback in writing on plain paper stating name, address, number of Equity Shares held as on the Record Date, Client ID number, DP Name / ID, beneficiary account number and upon receipt of such a request, the same shall be provided to such Eligible Shareholder.

3. The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court/ any other competent authority for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.
4. The Company shall comply with Regulation 19(5) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferrable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.
5. Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also accept a part of their Buyback entitlement. Shareholders also have the option of tendering additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in section 23 of this Letter of Offer.
6. The maximum tender under the Buyback by any Shareholder cannot exceed the number of Equity Shares held by the Shareholder as on the Record Date.
7. The Buyback shall be implemented by the Company 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 (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
8. For implementation of the Buyback, 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 Buyback as described in this paragraph 24. In the tendering process, the Company's Broker may also process the orders received from the Shareholders. 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

9. The Company will request BSE and NSE to provide the separate Acquisition Window to facilitate placing of sell orders by Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. The details of the platform will be specified by the recognized stock exchange from time to time.

10. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Seller Member(s)**”).
11. At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company’s Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market.
12. Seller Members can enter orders for demat Shares as well as physical Shares.
13. Modification / cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Shares shall be clubbed and considered as ‘one’ bid for the purposes of Acceptance.
14. The cumulative quantity tendered shall be made available on BSE website – www.bseindia.com and NSE website – www.nseindia.com - throughout the trading session and will be updated at specific intervals during the Tendering Period.
15. Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form
  - a) Shareholders who desire to tender their Equity Shares in the dematerialised form under the Buyback would have to do so through their respective Seller Member by indicating to their Seller Member the details of Equity Shares they intend to tender under the Buyback.
  - b) The Eligible Shareholder/ Seller Member 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 shares to the special account of Clearing Corporation before placing the bids/ orders and the same shall be validated at the of order entry. The details of the special account of Clearing Corporation shall be informed in issue opening circular that will be issued by recognized stock exchange / Clearing Corporation.
  - c) For Custodian Participant orders for demat 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 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 custodian again for confirmation.
  - d) Upon placing the bid, the Seller Member shall provide a Transaction Registration Slip (‘TRS’) generated by the exchange bidding system to the Shareholder. TRS will contain the details order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
  - e) Eligible Shareholders who have tendered their Equity Shares in the Buyback can ‘hand deliver’ Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in same order in which they hold the shares, along with the TRS generated by the exchange bidding system at the head-office (mentioned in section 21 of this Letter of Offer) of Registrar to the Buyback Offer. TRS will be generated by the respective Seller Members. Equity Shareholders who cannot hand deliver the Tender Form and other documents at the head-office of Registrar to the Buyback Offer, may send the same by registered post/ speed post, at their own risk, superscribing the envelope as “Hexaware Technologies Buyback Offer 2016”, to the Registrar to the Buyback Offer at their office mentioned on the cover page of this Letter of Offer, so that the same are received not later than 2 (two) days from the Closing Date i.e. February 17, 2017 (by 5 PM).
  - f) Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):

- i. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
  - ii. Duly attested death certificate and succession certificate/ legal heirship certificate/court approved scheme of merger / amalgamation for a company, in case any Eligible Shareholder has expired; and
  - iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- g) In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form shall file a copy of the following documents:
- i. Approval from the appropriate authority for such merger;
  - ii. The scheme of merger; and
  - iii. The requisite form filed with MCA intimating the merger.
- h) In case of non-receipt of the completed Tender Form and other documents, but receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Shareholders.
- i) The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buyback decided by the Company.
- j) The acceptance from all non-resident Shareholders (excluding FIIs) is subject to the Company receiving the permission received by them from the RBI to acquire the Equity Shares held by them in the Company. In case the Equity Shares are held on repatriation basis, the non-resident Shareholder should obtain and deliver to the Company a letter from its authorised dealer/ bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the non-resident Shareholder from the appropriate account as specified by RBI in its approval. In case the non-resident Shareholder is not in a position to produce the said certificate, the shares would be deemed to have been acquired on non-repatriation basis and in that case the Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid shares accepted under the Buyback. If any of the above stated documents (as applicable) are not sent across to the Company, the Equity Shares tendered under the Buyback are liable to be subsequently rejected.

**16. Procedure to be followed by Registered Equity Shareholders holding Equity Shares in Physical form**

- a) Shareholders who are holding physical Equity Shares and intend to participate in the Buyback are required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including the:
- i. The Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - ii. Original share certificates
  - iii. Valid share transfer form(s) (SH-4) 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
  - iv. Self-attested copy of the Shareholder's PAN Card



- v. Any other relevant documents such as (but not limited to):
  - Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form
  - Notarized copy of death certificate/ succession certificate or probated will, if the original Shareholder has deceased
  - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- vi. In addition to the above, 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.
- b) Seller Member should place bids on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the bid, the Seller Member 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 Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.
- c) In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form shall file a copy of the following documents:
  - i. Approval from the appropriate authority for such merger;
  - ii. The scheme of merger; and
  - iii. The requisite form filed with MCA intimating the merger.

After placement of bid, as mentioned in paragraph 24(16)(b), the Seller Member must ensure delivery of Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in paragraph 24(16)(a)) either by registered post or courier or hand delivery to the Registrar and Transfer Agent ('RTA') (at the address mentioned on the cover page and mentioned in paragraph 21 of this Letter of Offer) not later than 2 (two) days from the Closing Date i.e. February 17, 2017 (by 5 PM). The envelope should be superscribed as "Hexaware Technologies Buyback Offer 2016". One copy of the TRS will be retained by RTA and it will provide acknowledgement of the same to the Seller Member.

- d) Shareholders holding physical shares should note that physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Shares for Buyback 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 recognized stock exchange shall display such bids as 'Unconfirmed Physical Bids'. Once, RTA confirms the bids it will be treated as 'Confirmed Bids'.
- e) In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback Offer before Closing Date.

**17. For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with paragraph 20 "DETAILS OF THE STATUTORY APPROVALS"):**

- a) Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b) In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Seller shall obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such

Equity Shares, payment for the same was made by the non-resident Eligible Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Seller is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Seller shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity shares accepted under the Buyback.

- c) If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

**18. In case of non-receipt of this Letter of Offer:**

- (a) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e [www.hexaware.com](http://www.hexaware.com) or by providing their application in writing on plain paper, signed by all Equity Shareholders, stating name & address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ID, beneficiary account number and number of Equity Shares tendered for the Buyback.
- (b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Offer by providing their application in writing on plain paper signed by all Equity Shareholders stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Equity Shareholders' PAN card(s) and executed share transfer form in favour of the Company. The transfer form SH-4 can be downloaded from the Company's website [www.hexaware.com](http://www.hexaware.com) Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 24(16)(a), reach the collection centres not later than 2 (two) days from the Closing Date i.e February 17, 2017 (by 5 PM). If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

**Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by BSE and NSE before the Closing Date.**

**The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.**

19. The Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any Eligible Shareholder, shall not invalidate the offer to any person who is eligible to receive this offer under the Buyback.
20. The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Equity Shareholders of the Company. The Company does not accept any responsibility for the decision of any Equity Shareholder to either participate or to not participate in the Buyback Offer. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Equity Shareholders are advised to adequately safeguard their interest in this regard.

**21. Method of Settlement**

Upon finalization of the basis of acceptance as per Buyback Regulations:

- 1) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

- 2) The Company will pay the consideration to the Company's Brokers on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Seller Member/ Custodian Participant will receive funds payout in their settlement bank account. The Seller Members/ Custodian Participants would pay the consideration to their respective clients. The payment of consideration to all Shareholders validly participating in the Buyback will be made in Indian National Rupees.
  - 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 Brokers 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.
  - 4) Excess demat shares or unaccepted demat Shares, if any, tendered by the Shareholders would be returned to the respective Seller Members by Clearing Corporation as part of the exchange payout process, not later February 22, 2017. In case of Custodian Participant orders, excess demat shares or unaccepted demat Shares, if any, will be returned to the respective Custodian Participant. The Seller Members/ Custodian Participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
  - 5) Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by RTA. The Company will issue a new single share certificate for all the unaccepted physical shares and return the same to the sole/ first Shareholder (in case of joint Shareholders). Share certificates in respect of unaccepted/ rejected Shares and other documents, if any, will be sent by Registered Post/ Speed Post at the Shareholders' sole risk to the sole/ first Shareholder (in case of joint Shareholders), at the address recorded with the Company, not later than February 22, 2017.
  - 6) Every Seller Member, who puts in a valid bid on behalf of an Eligible Shareholder, would issue a contract note & pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted demat Equity Shares to their respective clients. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
22. Shareholders who intend to participate in the Buyback should consult their respective Seller Members for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Seller Members, 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.
23. 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 Regulations.
24. Rejection Criteria
- The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:
- For Eligible Shareholders holding shares in the dematerialized form if:
- a) The Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or
  - b) If there is a name mismatch in the dematerialised account of the Shareholder.
- For Eligible Shareholders holding Equity Shares in the physical form if:
- a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of February 17, 2017, Friday by 5:00p.m.;

- b) If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

## 25. NOTE ON TAXATION

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.**

Given below is a broad summarization of the applicable sections of the Income-tax Act, 1961 relating to treatment of income-tax in case of Buyback of listed Equity Shares on the stock exchange, which is provided only as a guidance.

### 1. CLASSIFICATION OF SHARES AND SHAREHOLDERS

- a) Based on the provisions of the Income Tax Act, shares can be classified under the following two categories:
  - i. Shares held as investment (Income from transfer taxable under the head “Capital Gains”)
  - ii. Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains from Business or Profession”)
- b) Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:
  - a. Resident Shareholders being:
    - Individuals, HUF, AOP and BOI
    - Others
  - b. Non Resident Shareholders being:
    - NRIs
    - FIIs
    - Others:
      - Company
      - Other than Company

### 2. SHARES HELD AS INVESTMENT

- a) For non-residents, taxability of capital gains would be subject to beneficial provisions of applicable Double Taxation Avoidance Agreement (“DTAA”).
- b) The taxability as per the provisions of the Income Tax Act is discussed below.
  - i. To determine the nature of capital gains as to whether the capital gains are short-term or long-term in nature, as per the provisions of the Income Tax Act:
    - Where a capital asset, being listed Equity Shares of the Company being bought back, is held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset, and the gains arising therefrom shall be taxable as short-term capital gains (STCG).

- Similarly, where listed Equity Shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset, and the gains arising therefrom shall be taxable as long-term capital gains (LTCG).
- ii. Capital gains on buyback of shares are governed by the provisions of section 46A of the Income Tax Act. As per the provisions of section 46A, buyback of shares held as investment, would attract capital gains in the hands of shareholders as per provisions of section 48 of the Income Tax Act. The provisions of tax on distributed income of domestic company for buy back under Section 115QA of the Income Tax Act do not apply for shares listed on the stock exchange.

#### **Buyback of shares through a recognized stock exchange**

- c) Where transaction for transfer of such Equity Shares (ie buyback) is entered into through a recognized stock exchange and such transaction is chargeable to Securities Transaction Tax (STT), the taxability is as under (for all categories of shareholders):
- i. LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act; and
  - ii. STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act.

Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG.

- d) In addition to the above STCG tax, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:
- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds ₹ 10 crores and @ 7% where the total income exceeds ₹ 1 crore but is less than or equal to ₹ 10 crores.
  - In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds ₹ 10 crores and @ 2% where the total income exceeds ₹ 1 crore but is less than or equal to ₹ 10 crores.
  - In case of co-operative society, firm, local authority: Surcharge @ 12% is leviable where the total income exceeds ₹ 1 crore.
  - In case of other assesseees (individuals, HUF, AOP and BOI): Surcharge @ 15% is leviable where the total income exceeds ₹ 1 crore.
  - Education Cess @ 2% and Secondary Higher Education Cess @ 1% is leviable in all cases.

### **3. SHARES HELD AS STOCK-IN-TRADE**

- a) If the shares are held as stock-in-trade by any of the Shareholders of the Company, then the gains would be characterized as business income. In such a case, the provisions of section 46A of the Income Tax Act would not apply.
- b) Resident Shareholders
- i. For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
  - ii. For persons other than individuals, HUF, AOP, BOI profits would be taxable at applicable rate. No benefit of indexation by virtue of period of holding would be available in any case.
- c) Non Resident Shareholders
- i. For Non Residents, taxability of profits as business income would be subject to beneficial provisions of applicable DTAA.

- ii. Where DTAA provisions are not applicable:
  - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
  - For foreign companies, profits would be taxed in India @ 40%
  - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%
- d) In addition to the above, Surcharge, Education and Secondary Higher Education Cess will be applicable as specified above in para 2(d)

#### **4. TAX DEDUCTION AT SOURCE**

- a) In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

- b) In the case of Non Resident Shareholders

Since the Buyback is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore recommended that the non-resident shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

#### **5. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.**

##### *Notes*

- a) *The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares.*
- b) *All the above benefits are as per the current tax laws (including amendments made by the Finance Act, 2016), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any change or amendments in the law or relevant regulations would necessitate a review of the above.*
- c) *Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.*

#### **26. DECLARATION BY THE BOARD OF DIRECTORS**

1. The Board of Directors confirm that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
2. The Board of Directors confirm that based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), The Board of Directors have formed an opinion that;
  - a) Immediately following the date of the Letter of Offer, there are no grounds on which the Company could be found unable to pay its debts
  - b) As regards its prospects for the year immediately following the date of the Letter of Offer that, having regard to their intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will be available to the Company during the said 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 that date.
  - c) In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act

This declaration is made and issued by the Board of Directors in terms of the resolution passed at the meeting held on October 25, 2016.

For and on behalf of the Board of Directors of the Company

Sd/-

Sd/-

**Mr. R Srikrishna**  
**CEO & Executive Director**  
**DIN: 03160121**

**Mr. Dileep Choksi**  
**Director**  
**DIN: 00016322**

In addition, the Company has also confirmed that it is in compliance with section 159, 207 and 211 of the Act.

## **27. AUDITOR'S CERTIFICATE**

The text of the Report dated 25 October 2016 and revised by letter dated 14 November 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 initialed 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:
  - (i) 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;
  - (ii) if the amount of the permissible capital payment for the proposed buy back of Equity Shares is properly determined considering the audited standalone financial statements for the period ended 30<sup>th</sup> September, 2016 ; and
  - (iii) 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:
  - (i) 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.
  - (ii) The amount of permissible capital payment (including premium) towards the proposed buy back 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.
  - (iii) 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, 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 30th September, 2016**

The amount of permissible capital payment (including premium) towards the proposed buy back 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.

<b>Particulars as on 30<sup>th</sup> September, 2016</b>		<b>Amount (₹ in millions)</b>	
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 September 30, 2016.			1,366.76

For Hexaware Technologies Limited  
Rajesh Kanani  
Chief Financial Officer  
25<sup>th</sup> October, 2016

## **28. MATERIAL DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection at the office of the Manager to the Buyback at 27BKC, Plot no. C-27, 1st floor, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051 on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 am to 1:00 pm up to the date of closure of the Buyback.

- a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Hexaware Technologies Limited
- b) Copy of the annual reports of Hexaware Technologies Limited for the years ended December 31, 2013, December 31, 2014 and December 31, 2015;
- c) Copy of the resolution passed by the Board of Directors at the meeting held on October 25, 2016 approving proposal for Buyback;
- d) Copy of Certificate dated October 25, 2016 and revised by letter dated November 14, 2016 received from Deloitte Haskins & Sells LLP, in terms of clause (xi) of Part A to Schedule II of the Buyback Regulations;
- e) Copy of Declaration of solvency and an affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act;
- f) Copy of Escrow Agreement dated December 21, 2016 between Hexaware Technologies Limited, Kotak

Mahindra Bank, Mumbai and Kotak Mahindra Capital Company, confirming that ₹ 286,676,040/- (Rupees Two Hundred Eighty Six Million Six Hundred Seventy Six Thousand and Forty only) is kept in escrow account and a certificate dated December 21, 2016 from Kotak Mahindra Bank, Mumbai confirming the balance to the credit of Escrow Account;

- g) Copy of DP Escrow Agreement dated December 21, 2016 between Hexaware Technologies, Kotak Mahindra Capital Company and Kotak Mahindra Bank Limited
- h) Copy of the certificate from Kaushik S. Bhatia, dated December 22, 2016 certifying that the Company has made firm arrangement of funds for the purposes of Buyback of 5,694,835 Equity Shares at the price of ₹ 240/- per Equity Share;
- i) Copy of Public Announcement published in the newspapers on December 23, 2016 regarding Buyback of Equity Shares;
- j) Copy of SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2017/0000001654/1 dated January 19, 2017;

## 29. INVESTOR SERVICE CENTER AND COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback:

Name	: Ms. Gunjan Methi
Designation	: Company Secretary
Address	: Hexaware Technologies Limited 152, Millennium Business Park, Sector III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai 400710
Tel	: +91-22-41599595
Email id	: <a href="mailto:Investori@hexaware.com">Investori@hexaware.com</a>

In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer, from Monday to Friday between 10 am to 5 pm on all working days, at the above mentioned address

## 30. REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievance relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit etc.) the investor can approach the Compliance Officer for redressal.

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, or any regulation or under clause (f) of subsection (2) of Section 68 of the Companies Act, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act.

The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Maharashtra, Mumbai  
100, Everest, Marine Drive, Mumbai – 400 002

## 31. MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:

<b>Name</b>	: Kotak Mahindra Capital Company Limited
<b>Address</b>	: 27BKC, 1st floor, Plot no. C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
<b>Phone</b>	: +91 22 22 4336 0128
<b>Fax</b>	: +91 22 22 6713 2447
<b>Email</b>	: <a href="mailto:Project.Hexawarebuyback@kotak.com">Project.Hexawarebuyback@kotak.com</a>
<b>Contact Person</b>	: <a href="#">Mr. Ganesh Rane</a>
<b>SEBI Registration Number</b>	: <a href="#">INM000008704</a>

### **32. LEGAL COUNSEL TO THE BUYBACK:**

#### **KHAITAN & CO,MUMBAI**

One Indiabulls Centre, 13th Floor, Tower 1  
841 Senapati Bapat Marg, Mumbai 400 013, India

[www.khaitanco.com](http://www.khaitanco.com)

Tel: +91 22 6636 5000

Fax: +91 22 6636 5050

Email: mumbai@khaitanco.com

### **33. DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors of the Company accepts responsibility for all the information contained in this Letter of Offer and confirm that this Letter of Offer contains true, factual and material information and does not contain any misleading information. This Letter of Offer is issued under the authority of the Board.

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

Sd/-

Sd/-

Sd/-

**Mr. R Srikrishna**  
**CEO & Executive Director**  
**DIN: 03160121**

**Mr. Dileep Choksi**  
**Director**  
**DIN: 00016322**

**Ms. Gunjan Methi**  
**Company Secretary**  
**Membership No.: ACS 16317**

Date: January 21, 2017

Place: Mumbai

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