



Independent Auditor's Report

To the Board of Directors of Hexaware Technologies Romania SRL

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Hexaware Technologies Romania SRL ("the Company"), which comprise the balance sheet as at 31st December, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year ended on that date and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

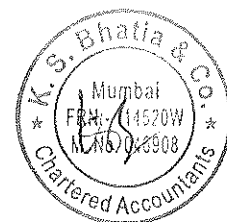
The Company's Board of Directors is responsible for the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) Financial Reporting as specified under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



K.S. Bhatia & Co.

Chartered Accountants

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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


Opinion

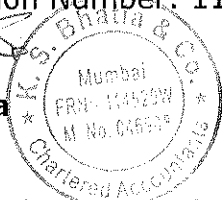
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st December, 2018 and financial performance including total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

for K. S. Bhatia & Co.

Chartered Accountants

Firm's Registration Number: 114520W


Kaushik Bhatia
Partner



Membership Number: 046908

Mumbai, 23 January 2019

HEXAWARE TECHNOLOGIES ROMANIA SRL
BALANCE SHEET

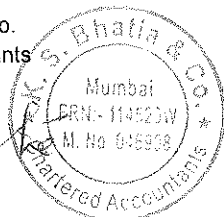
		As at	(RON) As at
	Note	December 31, 2018	December 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3	1,245,638	1,530,069
Financial Assets			
- Other financial assets	4	567,338	567,338
Total non-current assets		<u>1,812,976</u>	<u>2,097,407</u>
Current assets			
Financial Assets			
- Cash and cash equivalents	6	116,578	116,305
- Other financial assets	4	469,535	5,583
Other assets	5	-	556
Total current assets		<u>586,113</u>	<u>122,444</u>
Total assets		<u><u>2,399,089</u></u>	<u><u>2,219,851</u></u>
Equity and liabilities			
Equity			
Equity Share capital	8	112,500	112,500
Other Equity		(5,082,411)	(2,683,899)
Total equity		<u>(4,969,911)</u>	<u>(2,571,399)</u>
Current liabilities			
Financial Liabilities			
- Trade payables		7,336,342	4,768,301
- Other financial liabilities	7	12,000	8,500
Provisions			
- Employee benefit obligations towards compensated absences		20,658	14,449
Total current liabilities		<u>7,369,000</u>	<u>4,791,250</u>
Total liabilities		<u>7,369,000</u>	<u>4,791,250</u>
Total equity and liabilities		<u><u>2,399,089</u></u>	<u><u>2,219,851</u></u>

Notes 1 to 16 form an integral part of the financial statements

As per our report of even date

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


Kaushik Bhatia
Partner
M. No. 046908



For and on behalf of the Board



Amrinder Singh
Director

Place : Mumbai

Date : 23 JAN 2019

HEXAWARE TECHNOLOGIES ROMANIA SRL
STATEMENT OF PROFIT AND LOSS


(RON)

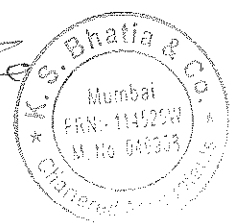
	Notes	For year ended	
		December 31, 2018	December 31, 2017
INCOME			
Revenue from information technology and consultancy services		462,672	-
EXPENSES			
Software and Development Expenses	14	4,375	-
Employee benefits expense	9	663,703	359,230
Operation and Other Expenses	10	1,830,989	1,771,366
Exchange Rate difference (net)		37,449	133,232
Depreciation and amortization expense		324,668	288,527
Total Expenses		2,861,184	2,552,355
Loss for the year		(2,398,512)	(2,552,355)
Basic Earnings per share (In RON)			
Basic and Diluted	11	(213.20)	(226.88)

Notes 1 to 16 form an integral part of the financial statements

As per our report of even date

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


Kaushik Bhatia
Partner
M. No. 046908



Place : Mumbai

Date : 23 JAN 2019

For and on behalf of the Board



Amrinder Singh
Director

HEXAWARE TECHNOLOGIES ROMANIA SRL
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

	As at January 1, 2018	Changes during the year	Amount in RON As at December 31, 2018
	112,500	-	112,500
	As at January 1, 2017	Changes during the year	As at December 31, 2017
	112,500	-	112,500

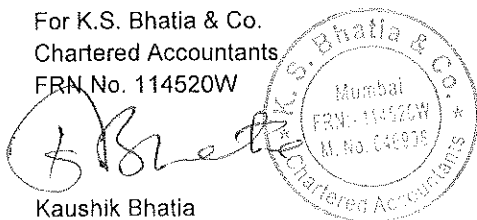
B. Other Equity

	<u>Reserves and Surplus</u>	
	Retained Earnings	Total
Balances as at January 1, 2018	(2,683,899)	(2,683,899)
Loss for the year	(2,398,512)	(2,398,512)
Other comprehensive income	-	-
Total comprehensive loss for the year	(2,398,512)	(2,398,512)
As at December 31, 2018	(5,082,411)	(5,082,411)
Balances as at January 1, 2017	(131,544)	(131,544)
(Loss) for the year	(2,552,355)	(2,552,355)
Other comprehensive income	-	-
Total comprehensive loss for the year	(2,552,355)	(2,552,355)
As at December 31, 2017	(2,683,899)	(2,683,899)

Notes 1 to 16 form an integral part of the financial statements

As per our report of even date

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



Kaushik Bhatia
 Partner
 M. No. 046908

Place : Mumbai
 Date : 30/12/2018

For and on behalf of the Board

Amrinder Singh
 Director

HEXAWARE TECHNOLOGIES ROMANIA SRL
CASH FLOW STATEMENT

(RON)

For year ended

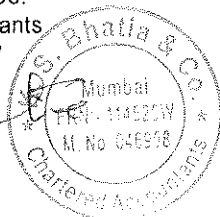
	December 31, 2018	December 31, 2017
Cash Flow from operating activities		
Net (loss) before tax	(2,398,512)	(2,552,355)
Adjustments for:		
Depreciation and amortization expense	324,668	288,527
Operating profit before working capital changes	(2,073,844)	(2,263,828)
Adjustments for:		
Trade and other receivables	(463,396)	373,777
Trade and other payables	2,577,750	2,512,228
Cash generated from operations	40,510	622,177
Direct Taxes Paid (net)	-	-
Net cash from operating activities	40,510	622,177
Cash flow from investing activities		
Purchase of property, plant & equipment	(40,237)	(619,340)
Net cash (used in) investing activities	(40,237)	(619,340)
Cash flow from financing activities		
Net cash (used in) financing activities	-	-
Net Increase in cash and cash equivalents	273	2,837
Cash and cash equivalents at the beginning of the year	116,305	113,468
Cash and cash equivalents at the end of the year (Refer note. 6)	116,578	116,305

Notes 1 to 16 form an integral part of the financial statements

As per our report of even date

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


 Kaushik Bhatia
 Partner
 M. No. 046908



For and on behalf of the Board



Amrinder Singh
 Director

Place : Mumbai
 Date :

23 JAN 2019

HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

1 Corporate Information

Hexaware Technologies Romania SRL, incorporated on 28th September 2016 under the laws of Romania, is a subsidiary of Hexaware Technologies UK Limited. These Financial Statement have been prepared & audited for purpose of consolidation with the holding company.

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

2 Significant Accounting Policies

2.1 Statement of compliance

The financial statements comply in all material aspects with Indian Accounting standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

2.2 Basis of Preparation

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair value and to the extent possible are, in same format as that adopted by the holding company for its separate financials.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

Key source of estimation uncertainty which may cause material adjustments:

2.3.1 Revenue recognition

The company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of completion method requires the company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date and can be reasonable estimated.

2.3.2 Others

Others areas involving estimates relates to provision for the doubtful debts, and useful lives of Property Plant & Equipment.

2.4 Revenue Recognition

Revenue is measured at fair value of consideration received or receivable.

Revenues from software solutions and consulting services are recognized on specified terms of contract.

In case of contract on time and material basis, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognized using percentage of completion method. The Company uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure the degree of completion. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provisions for estimated losses on such engagements are made during the year in which a loss becomes probable and can be reasonably estimated.

Amount received or billed in advance of services performed are recorded as unearned revenue

Unbilled services represents revenue recognized based on services performed in advance of billing in accordance with contract terms.

Revenue from business process management arises from unit-priced contracts, time based contracts and cost based projects. Such revenue is recognised on completion of the related services. It is billed in accordance with the specific terms of the contract with the client.

Revenue is reported net of discount and indirect taxes

2.5 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

a) Finance Lease

Assets taken on finance lease are capitalised at lower of present value of the minimum lease payments and the fair value and liability is recognised for an equivalent amount. Lease payments are apportioned between finance charge and reduction in outstanding liability so as to achieve a constant rate of interest on the remaining balance of liability.

b) Operating Leases

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on straight line basis over the lease term unless the payment to the lessor are structured to increase in line with expected general inflation.

2.6 (a) Functional and presentation currency

The local accounts are maintained in local and functional currency, which is Romanian Lei (RON)

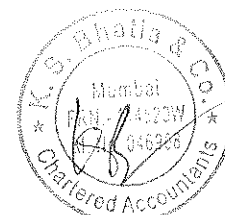
(b) Foreign currency

Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Monetary items denominated in foreign currency are restated using the exchange rate prevailing on the date of the Balance Sheet. The resulting exchange difference on such restatement and settlement is recognized in the profit or loss except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the of Balance Sheet. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing Cost

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



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

2.8 Employee Benefits

a) Post-employment benefits and other long term benefit plan

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

b) Short term employee benefit

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

2.9 Taxes on Income

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in net income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount expected to be paid or recovered from the domestic and overseas tax authorities using enacted or substantively enacted tax rates.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the entity intends to settle the asset and liability on a net basis.

2.10 Property, plant and equipment (PPE)

PPE are stated at cost of acquisition less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation

Depreciation is provided on straight-line method based on the estimated useful lives of the assets as follows:

Asset Class	Estimated useful Life
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	5 years
Furniture and Fixtures	8 years

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each year and adjusted prospectively where appropriate.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on derecognition is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

2.11 Impairment

a) Financial assets (other than at fair value)

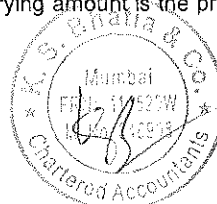
The Company assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets- Tangible assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs or allocated. Impairment loss is charged to the profit or loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.12 Provisions

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of a past event for which reliable estimate can be made of the amount of obligation and it is probable that the Company will be required to settle the obligation. When a provision is measured using cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows; unless the effect of time value of money is immaterial.



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

2.13 Non derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial assets and financial liabilities – subsequent measurement

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Share capital

Equity shares

Incremental costs directly attributable to the issue of equity shares, net of any tax effects, are recognised as a deduction from equity.

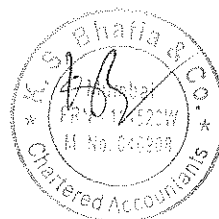
2.14 Earnings per share ('EPS')

Basic EPS are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3 Recent accounting pronouncements

Ind AS 115 Revenue from the contracts with customers replaces the current revenue recognition standard, Ind AS 18 Revenue and Ind AS 11 Construction Contracts. This standard provides a single principle based five step model to be applied to all contracts with customers. Guidance is provided on topics such as the point at which revenue is recognised, accounting for variable consideration, cost to fulfill a contract and obtaining a contract and various other related matters.

The standard is applicable to the Company with effect from January 1, 2019, to be applied retrospectively in accordance with the transition guidance. The Company is evaluating the impact of its adoption on its financial statements.



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

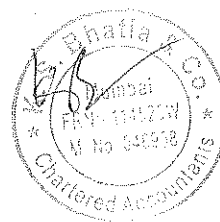
3 Property, Plant and Equipment (PPE)

PPE consist of the following:

	<u>Plant and Machinery</u>	<u>Furniture and Fixtures</u>	<u>Office Equipment</u>	<u>Electrical Fittings & Equipment</u>	<u>Total</u>	Curr: RON
COST						
At January 1, 2018	279,462	853,919	510,701	174,513	1,818,595	
Additions	-	-	40,237	-	40,237	
Disposals	-	-	-	-	-	
At December 31, 2018	<u>279,462</u>	<u>853,919</u>	<u>550,938</u>	<u>174,513</u>	<u>1,858,832</u>	
ACCUMULATED DEPRECIATION						
At January 1, 2018	84,254	100,306	83,467	20,499	288,526	
Charge for the year	93,145	106,740	102,969	21,814	324,668	
Disposals	-	-	-	-	-	
At December 31, 2018	<u>177,399</u>	<u>207,046</u>	<u>186,436</u>	<u>42,313</u>	<u>613,194</u>	
NET CARRYING AMOUNT						
At December 31, 2018	<u>102,063</u>	<u>646,873</u>	<u>364,502</u>	<u>132,200</u>	<u>1,245,638</u>	
COST						
At January 1, 2017	-	-	-	-	-	
Additions	279,462	853,919	510,701	174,513	1,818,595	
Disposals	-	-	-	-	-	
At December 31, 2017	<u>279,462</u>	<u>853,919</u>	<u>510,701</u>	<u>174,513</u>	<u>1,818,595</u>	
ACCUMULATED DEPRECIATION						
At January 1, 2017	-	-	-	-	-	
Charge for the year	84,254	100,306	83,467	20,499	288,526	
Disposals	-	-	-	-	-	
At December 31, 2017	<u>84,254</u>	<u>100,306</u>	<u>83,467</u>	<u>20,499</u>	<u>288,526</u>	
NET CARRYING AMOUNT						
At December 31, 2017	<u>195,208</u>	<u>753,613</u>	<u>427,234</u>	<u>154,014</u>	<u>1,530,069</u>	

Note:

i) Plant and machinery includes computer systems



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

4 Other financial assets (unsecured) (considered good)
Non-current

	<u>December 31, 2018</u>	Curr: RON <u>December 31, 2017</u>
Security deposits for premises and others	567,338	567,338
Employee advances	-	-
	<u>567,338</u>	<u>567,338</u>

B Current

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Other receivable from related parties	462,672	-
Employee advances	6,863	5,583
	<u>469,535</u>	<u>5,583</u>

5 Other assets (unsecured)
Current

	<u>December 31, 2018</u>	Curr: RON <u>December 31, 2017</u>
Prepaid Expenses	-	556
	<u>-</u>	<u>556</u>

6 Cash and cash equivalents

	<u>December 31, 2018</u>	Curr: RON <u>December 31, 2017</u>
In current accounts with banks	116,578	116,305
	<u>116,578</u>	<u>116,305</u>

7 Other financial liabilities

Current

	<u>December 31, 2018</u>	Curr: RON <u>December 31, 2017</u>
Accrued expenses	12,000	8,500
	<u>12,000</u>	<u>8,500</u>

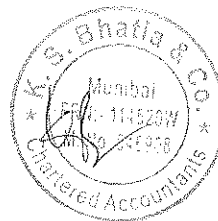


HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

8	Equity Share Capital		Curr: RON
8.1	<u>Authorised capital</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
	11,250 Equity shares of RON 10/- each	112,500	112,500
8.2	<u>Issued, subscribed and paid-up capital</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
		Amount in RON	Amount in RON
	<u>11250 EQUITY SHARES OF RON 10/- EACH FULLY PAID</u>	112,500	112,500
8.3	<u>Reconciliation of number of shares:</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
	Shares outstanding at the beginning of the year	11,250	11,250
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	11,250	11,250
8.4	<u>Rights, preferences and restrictions attached to equity shares:</u>		
	The Company has one class of equity shares having a par value of RON 10 each. Each shareholder is eligible for one vote per share held.		

8.5 Details of shares held by shareholders holding more than 5% shares:

<u>Name of Shareholder</u>	<u>December 31, 2018</u>		<u>December 31, 2017</u>	
	<u>Nos. of Shares held</u>	<u>% of holding</u>	<u>Nos. of Shares held</u>	<u>% of holding</u>
Hexaware Technologies UK Limited	10,125	90 %	10,125	90 %
Hexaware Technologies GmbH	1,125	10 %	1,125	10 %
	<u>11,250</u>	<u>100 %</u>	<u>11,250</u>	<u>100 %</u>

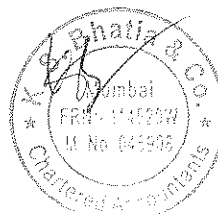


HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

	Curr: RON	
	For year ended	
9 Software and Development Expenses	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Consultant travel and related expenses	4,375	-
	<u>4,375</u>	<u>-</u>

	Curr: RON	
	For year ended	
10 Employee benefits expense	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Salary and allowances	626,966	290,062
Contribution to provident and other funds	20,192	62,127
Staff welfare expenses	16,545	7,041
	<u>663,703</u>	<u>359,230</u>

	Curr: RON	
	For year ended	
11 Operation and Other Expenses	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Rent	1,395,015	1,395,584
Travelling and conveyance	4,199	4,419
Electricity charges	79,509	72,219
Communication expenses	23,531	16,689
Repairs and maintenance	64,481	41,305
Printing and stationery	6,003	21,658
Legal and professional fees	195,457	111,850
Advertisement and business promotion	6,665	1,458
Staff recruitment expenses	53,248	51,113
Service charges	1,131	38,079
Seminar And Conference Expenses	-	16,992
	<u>1,830,989</u>	<u>1,771,366</u>



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

12 Earnings per share

The components of basic and diluted earnings per share (EPS) were as follows:

	For year ended	
	December 31, 2018	December 31, 2017
Net loss after tax (In RON)	(2,398,512)	(2,552,355)
Weighted average outstanding equity shares considered for basic EPS (Nos.)	11,250	11,250
Basic and diluted earnings per share (In RON)	(213.20)	(226.88)

13 Related party disclosures

(a) Names of related parties and description of relationship:

Ultimate Holding Company and it's subsidiaries

Baring Private Equity Asia GP V. LP, Cayman Island (Ultimate holding company) (control exists)
 The Baring Asia Private Equity Fund V, LP, Cayman Island
 Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius
 HT Global IT Solutions Holdings Limited, Mauritius.
 Hexaware Technologies Limited, India

Holding Company

Hexaware Technologies UK Limited, UK

Fellow Subsidiaries

Hexaware Technologies GmbH, Germany

Key Management Personnel

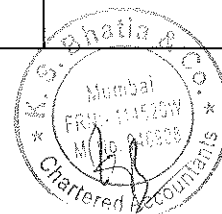
Mr Amrinder Singh

(b) Related Party Transactions:

Sr No	Particulars	Nature of relationship	For year ended	
			December 31, 2018	December 31, 2017
			RON	RON
1	Expenditure:			
	Reimbursement of Costs	Holding Company	2,550,791	3,037,761
2	Receiving of services	Fellow Subsidiary		
		Hexaware Technologies Inc., USA	462,672	-

(c) Outstanding Balances:

Sr No	Particulars	Nature of relationship	As at	
			December 31, 2018	31st December 2017
			RON	RON
1	Trade and other payables	Holding Company	7,319,090	4,768,299
2	Advances	Fellow Subsidiary Hexaware Technologies Inc., USA	462,672	-



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

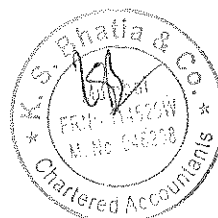
14 Financial Instruments

14.1 Financial Instruments by category

The carrying value / fair value of financial instruments by categories is as follows:

December 31, 2018	Curr: RON			
	Amortised Cost	Fair value through other comprehensive income	Fair value through Profit & Loss	Total carrying / fair value
Cash and cash equivalents	116,578	-	-	116,578
Other financial assets	1,036,873	-	-	1,036,873
	<u>1,153,451</u>			<u>1,153,451</u>
Trade payables	7,336,342	-	-	7,336,342
Other financial liabilities	12,000	-	-	12,000
	<u>7,348,342</u>			<u>7,348,342</u>

December 31, 2017	Curr: RON			
	Amortised Cost	Fair value through other comprehensive income	Fair value through Profit & Loss	Total carrying / fair value
Cash and cash equivalents	116,305	-	-	116,305
Other financial assets	572,921	-	-	572,921
	<u>689,226</u>			<u>689,226</u>
Trade payables	4,768,301	-	-	4,768,301
Other financial liabilities	8,500	-	-	8,500
	<u>4,776,801</u>			<u>4,776,801</u>



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

14 Financial Instruments (Cont'd)

14.2 Financial risk management

The Company has identified the risks under verticals like foreign currency fluctuation risk and liquidity risk. The Company has formulated policies, procedures and strategies for managing risks which is affirmed by management, after consultation with all business units, functions and department heads.

(i) Foreign Currency fluctuations Risk

Foreign exchange fluctuations are one of the key risks impacting our business. The company's transactions are predominantly in RON and incurs foreign currency risk on transactions that are denominated by currency other than RON such as EUR, GBP etc. The company do not hedge any currency exposures.

Curr: RON

The following table analyses foreign currency risk from financial instruments as at December 31, 2018:

	<u>EUR</u>	<u>GBP</u>	<u>Others*</u>
Net financial assets	116,578	-	-
Net financial liabilities	7,319,090	-	-
Net assets/(liabilities)	<u>(7,202,512)</u>	-	-

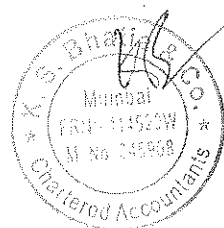
Curr: RON

The following table analyses foreign currency risk from financial instruments as at December 31, 2017:

	<u>EUR</u>	<u>GBP</u>	<u>Others*</u>
Net financial assets	116,305	-	-
Net financial liabilities	4,768,299	-	-
Net assets/(liabilities)	<u>(4,651,994)</u>	-	-

10% depreciation /(appreciation) of the respective foreign currencies with respect to functional currency of the Company would result in the increase/ (decrease) in Company's loss approximately by RON 720,251 and RON 465,199 for the year ended December 31, 2018 and December 31, 2017 respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.



14 Financial Instruments (Cont'd)

(ii) Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investment requirements. The Company's inability to meet such requirements in stipulated period may hamper growth plan and even ongoing operations. Further, the Company's inability to quickly convert assets into cash without incurring any appreciable loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by maintaining high cash / bank balances.

As at December 31, 2018, the Company had total cash / bank balance and investments of RON 116,578 which constitutes approximately 5% of total assets. The Company does not have any debt and thus manages its liquidity requirements through funds generated from operations.

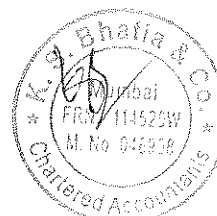
The tables below provide details of the contractual maturities of significant financial liabilities as at:

	Curr: RON		
<u>As at December 31, 2018</u>	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>Total</u>
Trade payables	2,568,043	4,768,299	7,336,342
Others (Refer note 7)	12,000	-	12,000
Total	2,580,043	4,768,299	7,348,342

	Curr: RON		
<u>As at December 31, 2017</u>	<u>Less than 1 year</u>	<u>1-2 years</u>	<u>Total</u>
Trade payables	4,768,301	-	4,768,301
Others (Refer note 7)	8,500	-	8,500
Total	4,776,801	-	4,776,801

(iii) Interest rate risk

The Company does not have any debt. Hence, the Company is not significantly exposed to interest rate risk.



HEXAWARE TECHNOLOGIES ROMANIA SRL
NOTES TO THE FINANCIAL STATEMENTS

- 15 The Company recognized RON NIL (Previous Year RON-61,470) for Social security and pension contributions in profit and loss account. The contributions payable to these plans by the company are at rates specified in the rules of the schemes

- 16 The Company takes on lease office space and accommodation for its employees under various operating leases. The lease rentals towards operating lease agreements recognised in the Statement of Profit and Loss for the year is RON 1395,015 (December 31, 2017 RON 1395,584)

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

Curr: RON

Particulars	December 31, 2018	December 31, 2017
Not later than one year	1,402,053	1,136,363
Later than one year and not later than five years	3,037,781	2,982,953
Total	4,439,834	4,119,316

- 17 There is only one reportable business segment viz software consultancy, the results of which are disclosed in the financial statements.

18 Material events after Balance Sheet date

There is no significant event after reporting date which requires amendments or disclosure to the financial statements.

19 Approval of the financial statements

The financial statements were approved for issue by the Board of Directors on 23rd January 2019

