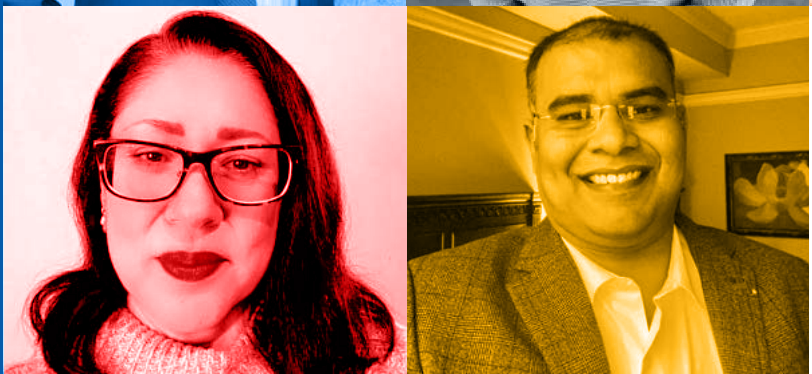
POWER OF People



HEXAWARE

Annual Report 2022

Index

HIGHLIGHTS 2022

Financial

Revenue
₹ 91,996 Mn
28.2% YoY

Adjusted EBITDA
₹ 14,664 Mn
7.5% YoY

Profit Before Tax (PBT)
₹ 11,230 Mn
19.3% YoY

Capex investments
₹ 1,192 Mn

Cash and cash equivalents
₹ 12,916 Mn
9.6% YoY

Non-Financial

New employees added (net)
4,442

Average training hours/employee
36

New customers added
31

CSR expenditure
₹ 127 Mn

Intellectual Properties (IPs) owned
33

POWER OF
People

Every day, Hexawarians wake up with a singular purpose: to create smiles through great people and technology. As a people-centric organisation, we take pride in building a diverse workforce and inclusive culture where our people feel engaged, informed, and respected.

Being technology enthusiasts, we, as a team, constantly push our boundaries and seek change to bring the future into the present. With a vision to be the world's most loved digital transformation partner, we strive to exceed customer expectations through relentless innovation, adding more value and helping our customers grow and thrive.

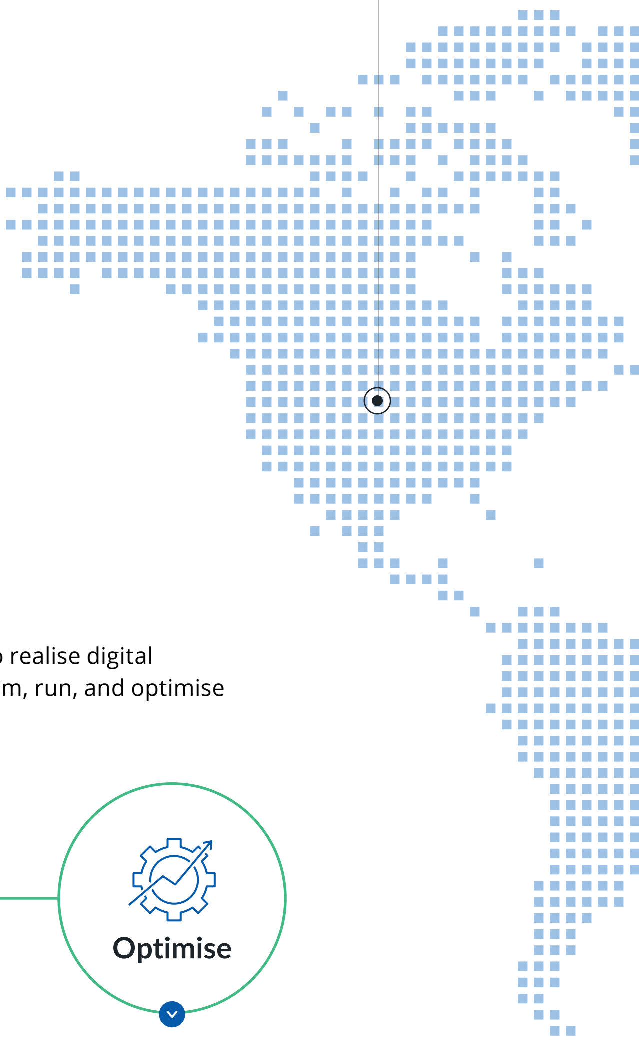
We are excited about the future and the opportunities ahead. Our passion for technology and focus on empowering our people will drive us forward to make an impact and create smiles worldwide. We recognise that true success goes beyond profitability. Therefore, we are committed to protecting the planet and building a better tomorrow for our customers, employees, partners, investors, and communities.

Creating Smiles Across the Globe

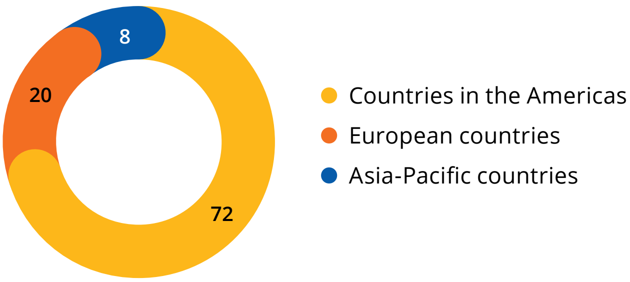
We are a global technology and business process services Company, empowering enterprises to realise their digital value.

Countries in the Americas

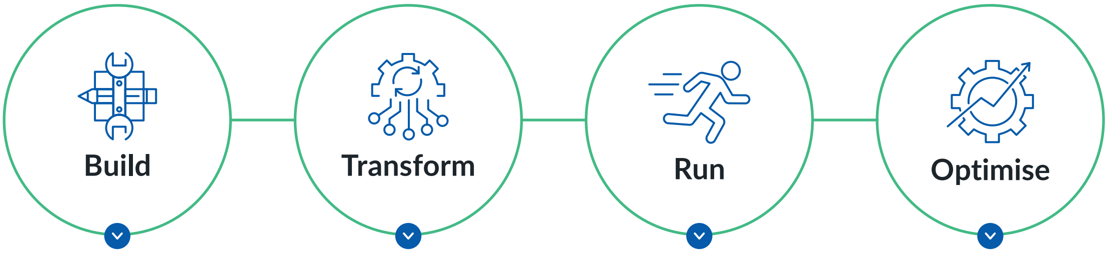
~4,500
Employees



Share of Revenue (%)



With 40+ offices in 19 countries, we empower enterprises across the world to realise digital transformation at scale and speed by partnering with them to build, transform, run, and optimise their technology and business processes.

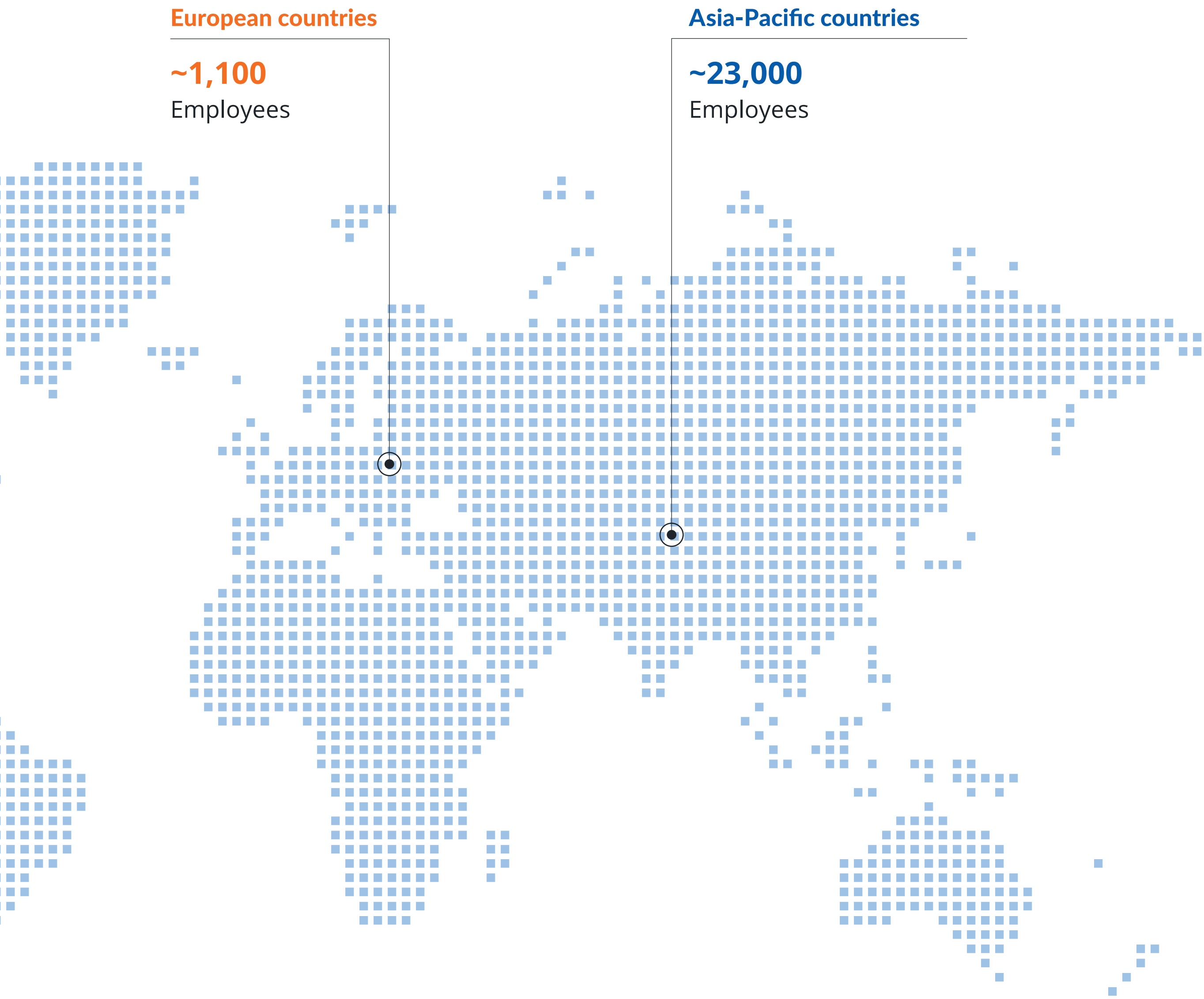


Build: Design, build, and market digital products, platforms, and applications that create the experiences customers want.

Transform: Achieve digital transformation and modernisation at speed and scale with actionable insights.

Run: Boost efficiency and lower costs across information technology (IT) landscapes.

Optimise: Enhance business outcomes through process optimisation.



$ 1.2 Bn
Revenue for 2022

30
Fortune 500 clients

28,500+
Employees worldwide

33
Years of experience

320+
Global customers

Redefining the Future

At the end of 2022, we restructured our services and refreshed our brand vision and values to create a new credo that better reflects our purpose of creating smiles through great people and technology.

The new brand characteristics help Hexawarians tell our brand story with a united voice — a voice that is helpful, friendly, and ready to solve problems for our customers as their most loved digital transformation partner.

To be the world's most loved digital transformation partner.

Put People First
Happy, engaged employees are productive, creative, and collaborative. We put our people first because it is the right thing to do and enables them to create better solutions for our customers.

Create Customer Value
As a trusted partner, we consistently surpass expectations and find ways to create more value for our customers to help their businesses grow and thrive.

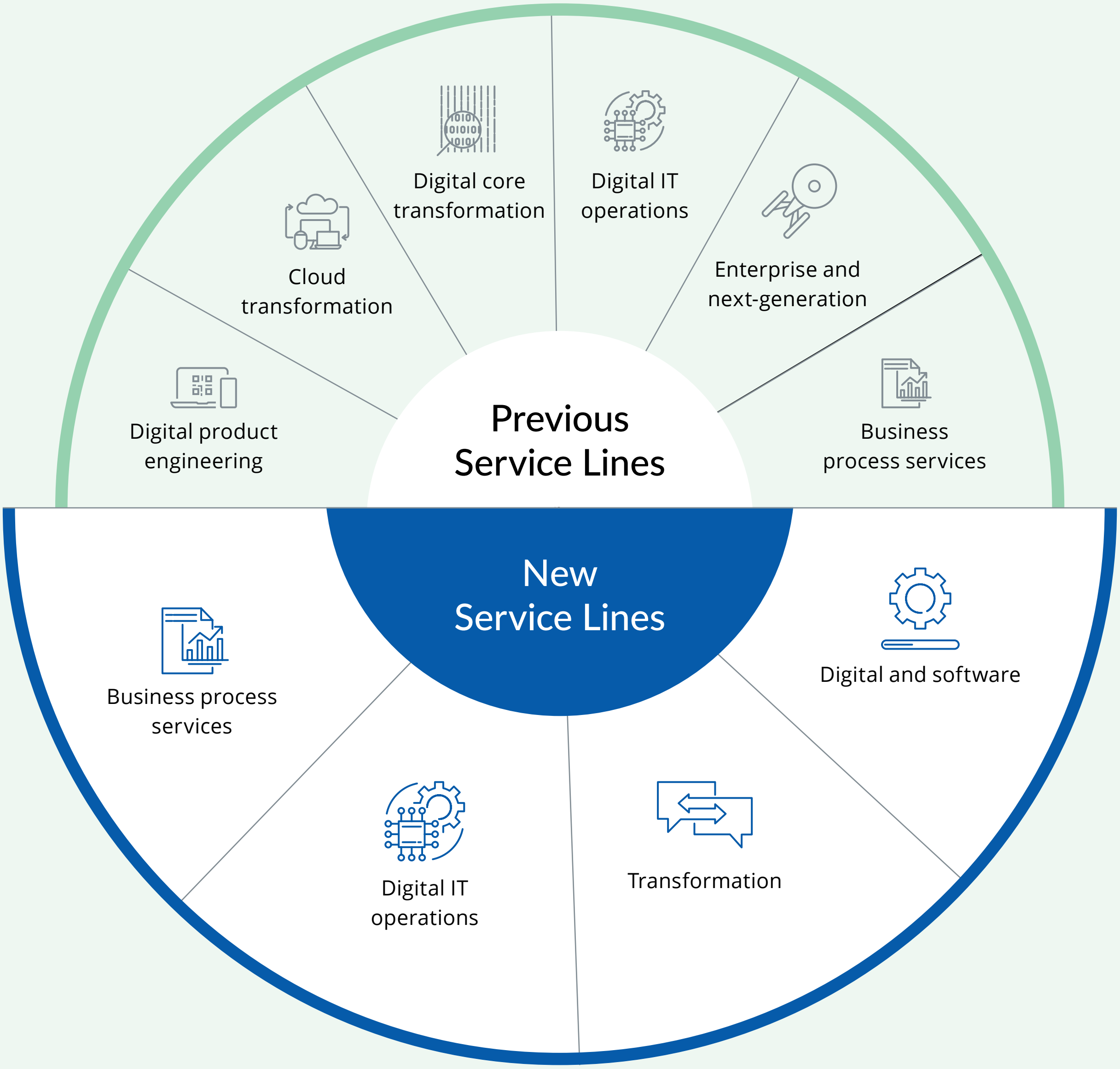
Innovate Relentlessly
We are technology-loving people who push boundaries and seek change to bring the future into the present. We are curious and continually find new ways to solve problems for our customers.

Be Sustainable
We integrate sustainability into everything we do and collaborate with our stakeholders to build a better tomorrow.

Come On In!
We ensure that everyone we interact with feels welcome, safe, and informed. In everything we do, we respect and value people—our employees, customers, partners, and the members of the communities we serve.

Service Line Restructure

In the final quarter of 2022, we began restructuring our service lines to simplify and minimise overlap. The new structure will enable us to focus on meaningful growth areas.



2022: A New Chapter in Our Brand Story

Service Lines

Digital & Software

We consolidated all our software services into a single unit that will handle any engagement, including building new digital products or platforms.

Transformation

Our transformation service line is responsible for handling cloud, data, and modernisation services, as well as partnerships and alliances.

Key Offerings

Digital & Software

- Strategy and design
- Build, test, and implement
- Modernise and transform
- Run and scale

Transformation

- Cloud transformation
- Infrastructure migration
- Application modernisation
- Data, analytics, and artificial intelligence (AI) transformation

Business Process Services

This service line combines people, processes, and technology to deliver outstanding experiences and usher in a new era of business transformation across diverse industries.

- Hybrid cloud operations
- Data center transformation
- Workplace services
- Security services
- Application management and testing services
- Network services
- IT process and service management

Digital IT Operations

Through this service line, we offer focused offerings that help improve security, agility, efficiency, and experience across our customer's IT operations.

- Industry-specific operations
- Customer experience management
- Intelligent process automation services
- Knowledge process services
- Human resource outsourcing

A Holistic Value Creation Model for Success

Inputs

Financial Capital

₹ 41,230 Mn Equity / Net worth

₹ 827 Mn Debt

₹ 29,783 Mn capital employed (including lease liability)

Intellectual Capital

7 Innovation hubs

Human Capital

28,500+ Employees worldwide

36 Annual average training hours per employee

Natural and Manufactured Capital

₹ 1,021 Mn investment in plant, property and equipment

18,498,308 KW Energy consumption

132,402 KL Water consumed

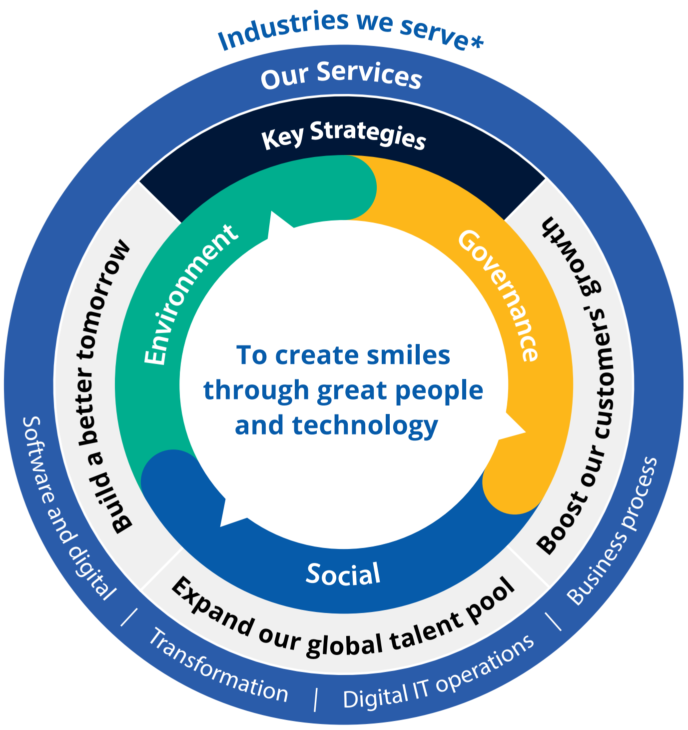
Social and Relationship Capital

₹ 127 Mn CSR spend

320+ global customers

25 NGO partners

Business Process and Strategy



***Industries we serve**

Banking

Financial services

Healthcare and insurance

Hi-tech and professional services

Global travel and transport

Manufacturing and consumer

Our business model centers on creating value holistically by integrating our services, people, processes, and technology to deliver innovative solutions that meet the unique needs of our clients. This approach enables us to achieve sustainable growth, profitability and long-term success.

Output	Outcomes
Financial Capital **₹ 91,996 Mn** revenue from operations **₹ 8,842 Mn** PAT **38.6%** ROCE **₹ 12,916 Mn** Cash and cash equivalent	• Profitable growth • Sustained cash-flow
Intellectual Capital **33** IPs owned **22** whitepapers published	• Diversified portfolio with industry-specific solutions
Human Capital **4,442** New employees added (net)	• Ranked top in multiple learning and talent management awards • Safe and inclusive workplaces
Natural and Manufactured Capital **124%** energy consumption increase over 2021 **98%** Increase in consumption due to resumption of office in 2022	• Committed to environmental stewardship • Higher EHS performance
Social and Relationship Capital **53,143** lives benefitted through our CSR efforts **31** new customers added in 2022	• Making a positive difference in the quality of lives of underprivileged communities • Partner of choice for key stakeholders

Stakeholders

- People
- Customers
- Partners
- Communities
- Investors

Smiling with Appreciation

Industry Analyst Recognitions

Gartner

Gartner, an information technology research and advisory company, delivers technology-related insights to its clients[1].

Gartner® 2022 Magic Quadrant™ for Public Cloud IT Transformation Services[2]

- Hexaware was recognised as a 'Visionary'

Gartner® 2022 Critical Capabilities for Public Cloud IT Transformation Services[3]

In the report, Hexaware was ranked:

- #2 for Strategic Cloud Transformation
- #3 for Modernizing Legacy Applications
- #3 for Enabling, Monitoring, and Optimization
- #4 for Knowledge Share
- #6 for Agile Migration

Gartner® 2022 Market Guide for ServiceNow Consulting, Implementation and Managed Services[4]

- Hexaware Technologies was recognised as a 'Representative Vendor'.

[1] Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organisation and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

[2] Gartner "Magic Quadrant for Public Cloud IT Transformation Services," Mark Ray, Tobi Bet, David Groombridge, Craig Lowery, DD Mishra, William Maurer, July 20, 2022. GARTNER and Magic Quadrant are registered trademarks and service marks of Gartner, Inc. and/or its affiliates in the U.S. and internationally and are used herein with permission. All rights reserved.

[3] Gartner "Critical Capabilities for Public Cloud IT Transformation Services July 20, 2022, Mark Ray, et. Al. GARTNER and Magic Quadrant are registered trademarks and service marks of Gartner, Inc. and/or its affiliates in the U.S. and internationally and are used herein with permission. All rights reserved.

[4] Gartner "Market Guide for ServiceNow Consulting, Implementation and Managed Services," Mark Ray, Andrew Miljanovski, Biswajit Maity, Stephanie Stoudt-Hansen, May 09, 2022.

ISG

ISG (Information Services Group) is a leader in proprietary research and advisory consulting. Their unparalleled database of contractual data – including over 180,000 contracts – sets the standard for sourcing contracts worldwide.

ISG Star of Excellence™

The Star of Excellence™ is an independent recognition of excellent service delivery. These results serve as a benchmark for measuring client-centricity in our industry. The ISG Star of Excellence™ is based on direct feedback from enterprise clients.

ISG Digital Case Study Awards™

ISG Digital Case Study Awards™ is a research programme that studies the objectives and drivers of excellence in digital transformation. Hexaware was one of only three service providers with eight or more standout case studies.

We believe our commitment to delivering exceptional experiences and driving positive change has earned us accolades and recognition across various aspects of our business. Our dedication towards excellence, drives us to remain steadfast in our pursuit of even greater achievements.

ISG Provider Lens™

ISG Provider Lens™ is a practitioner-led service provider comparison programme offering independent vendor evaluations and enterprise buying behaviour segmentation. The ISG Provider Lens™ is a critical source of data for the Candidate Provider Qualification (CPQ) process, wherein ISG advisors select applicable service providers to recommend for enterprise sourcing engagements.

Awards and Recognition

Whitelane Research

Whitelane Research is an independent organisation uniquely focused on IT sourcing across Europe.

2022 Europe IT Sourcing Study

This report analysed the sourcing relationships held by over 1,800 participants of the top IT spending organisations in Europe.

- Hexaware ranked #1 for Account Management Quality and Contractual Flexibility
- Hexaware ranked #2 for Sustainability
- Hexaware ranked #3 in Overall Customer Satisfaction

2022 BeLux IT Sourcing Study

This report analysed the sourcing relationships held by over 200 participants of the top IT spending organisations in Belgium and Luxembourg.

- Hexaware ranked #1 in the Service Delivery Quality, Account Management Quality, and Application Development, Maintenance and Testing categories
- Hexaware ranked #2 for Security
- Hexaware ranked #3 for Transformative Innovation

HFS Research

HFS is an analyst organisation that provides visionary insight into the major innovations impacting business operations, such as automation and process intelligence, blockchain, the metaverse, and Web3.

HFS Top 10 Application Modernisation Services and Formidable Challengers Market Analysis Study

Hexaware ranked #1 among the Formidable Challengers in the HFS Top 10 Application Modernisation Services and Formidable Challengers Market Analysis Study for 2022.

Marketing and Branding/Digital Awards

- Won 17 categories in the MarCom Awards 2022, including 8 platinum and 7 gold awards and 2 honourable mentions
- Announced as a finalist for the 2022 ITSMA Marketing Excellence Awards
- Emerged as the winner in 17 categories in the Hermes Creative Awards 2022, including 7 platinum and 5 gold awards and 5 honourable mentions
- Received 18 Awards at the AVA Digital Awards 2022, including 6 platinum and 8 gold awards and 4 honourable mentions
- Bagged the Gold Award at the 12th global Eventex Awards 2022 for our virtual customer series, HexaRising

Corporate & Governance Awards

- Recognised by the Institute of Company Secretaries of India in the Unlisted Segment: Medium Category of the ICSI National Awards for Excellence in Corporate Governance
- Hexaware CFO Vikash Jain recognised among the Leading CFOs of the Year at the CFO Excellence Awards 2022, organised by the Confederation of Indian Industry (CII)
- CFO100 2023 Roll of Honour in the Capital Management category covering FY 2022
- Best CFO of the Year in IT & ITes at the ASSOCHAM Vibrant Bharat CFO Summit & Awards for outstanding financial leadership in FY 2022

People Best Practices

- Hexaware Receives 'Impactful Learning Programme of the Year' Award at L&D Confex & Awards 2023

Organisation Development Summit & Awards 2022

- Best Talent Development Strategy of the Year
- Best Organisational Development Programme
- Best Capability Development Programme of the Year

Future of Learning & Development Summit and Awards 2022

- Digital Learning Transformation Award
- Innovation in Learning Award

Brandon Hall Group HCM Excellence Awards 2022

- Gold Award for Best Learning Programme Supporting a Change Transformation Business Strategy
- Bronze Award for Best Advance in Senior Manager Development
- Gold Award in Talent Acquisition for Best Social Talent Acquisition Strategy

Awards for Best Employer Practices in Mexico

- Hexaware recognised on Forbes Mexico's Best Employers 2022 list
- Hexaware receives Best Place to Code® 2022 accreditation in Mexico

Environmental, Social, Governance (ESG) and Sustainability Awards

2022 Neo Group ESG Adoption Survey Report

Hexaware received high ESG adoption scores in the Neo Group ESG Adoption Survey Report. This report evaluates two criteria of ESG adoption – Operational-Performative Alignment and Cultural-Attitudinal Alignment. Hexaware ranked high in both parameters. We are especially proud of our high score on the Cultural-Attitudinal Alignment axis, which speaks to our efforts to inculcate ESG principles across our organisation as well as the efforts of Hexawarians to embrace these principles as a way of life both at work and at home.

Driving Technology Innovation while Navigating Global Uncertainty

Dear Shareholders,

What a Difference a Year Makes!

In the fall of 2021, the world was humming along for the most part. We had managed through the global pandemic of 2020-21 with great effort and scientific innovation. Most major economies were growing steadily and global financial markets were elevated and seemingly stable.

Then 2022 started and it all changed. Almost immediately, major cracks emerged across financial markets − first with significant declines in equity market valuations, to be quickly followed by increasing inflation with the resulting central bank rate hikes and volatile bond and commodity markets. February marked the start of the largest armed conflict of the current century. That conflict has in turn fueled ongoing global geopolitical divisions among major countries and alliances.

The relative calm of late 2021 has now been replaced by significant global uncertainty, with ongoing fears of a global recession and sustained tensions among major global blocs and countries. Rolling financial shocks in various places over the past six months – the UK Gilts crisis, the FTX meltdown, and most recently the Silicon Valley Bank and Credit Suisse takeovers – only heighten the ongoing concerns.

These uncertainties are likely to continue for the remainder of 2023, and even into 2024.

Despite this very uncomfortable level of uncertainty, our leadership team here at Hexaware is highly optimistic about the future. We feel privileged to be technologists and we are excited about the profound changes to come from digital innovation. We are proud of Hexaware's ongoing growth and success over the past year. Perhaps most importantly, we are excited about the creativity, work ethics, and positivism of our 28,500+ Hexaware technologists – each of whom is part of shaping the bold digital ambitions of our Hexaware customers and partners.

Technology-led Innovation Remains a Top Enterprise Priority

With the constant change and uncertainty, every large enterprise has an ever-shifting set of priorities.

But there has been one strategic constant for big companies and governments and other institutions over the past few decades – the absolute imperative to better use technology and data to drive digital innovation, not just within their own four walls, but also with their customers and partners.

New technologies and technology management approaches are coming fast and furious. Increasing alignment and collaboration between business leaders and technical leaders means that technology innovation is everywhere, all the time. It is everyone's job.

New technology models – anchored in multi-tenant cloud computing and Software-as-a-service – are reshaping the technical environment for most companies. The clearest sign of this revolution has been the accelerating shift from on-premises and owned infrastructures to the use of the cloud platforms provided by AWS, Google, Microsoft, and other platform providers.

Even more recently, rapid developments in data capture and storage, data engineering, and in data science are creating a new 'art of the possible' for enterprises. With the remarkable entrepreneurial energy going into these areas, the power of data and analytics has become even more clear: smart homes and smart cities; IoT and connected devices; data-driven e-commerce; and most recently, natural language processing, as evidenced by ChatGPT and other similar technologies.

Looking Back on Hexaware in 2022 – Continued Growth and Change

Just as technology and the art of the possible continue to change, so too Hexaware continues to innovate and adapt.

Hexaware remains committed to keeping all the historic characteristics that make us a great IT Partner. But we are also building the capabilities and tools required to re-imagine the digital enterprise with our customers and partners.

Today, Hexaware is a world-class digital innovation partner building the full range of innovative capabilities required by large enterprises. We leverage world-class software engineering, a cloud-first approach to infrastructure management, and data and analytics to enable digital competitive advantage.

We are also adding advanced tools and methodologies to support our joint work with our customers, and working closely with our major hyperscale and software partners to deliver on the platforms that our customers prefer.

We are also adding advanced tools and methodologies to support our joint work with our customers, and working closely with our major hyperscale and software partners to deliver on the platforms that our customers prefer.

Our investments in these areas are paying off – today approximately 80 to 90% of Hexaware's work is focused on digital innovation and transformation, up significantly from just 4 to 5 years ago.

The Hexaware Magic – Passion, Commitment, and Creativity

I have now been with Hexaware for over a year and have gotten to know the Company and its culture a lot better. As we enter 2023, I am even more excited about what Hexaware can do for its customers and with its partners. And this has all to do with Hexaware's people!

Every Hexawarian I have gotten to know, seems to have three characteristics. Firstly, they are passionate about new technologies and how those technologies can shape the world. Secondly, they are extremely committed to their customer's success and thus very attentive and responsive. Finally, they are creative and constructive in looking for great, actionable solutions to what their customers need.

This is an outstanding foundation for Hexaware's future success. Despite various challenges of 2022 and some significant uncertainty in the outlook for the coming year, I am confident that Hexaware will continue to drive bold digital innovation with its customers and partners.

Regards,

Michael W. Bender
Non-Executive Chairman

A Year of Exceptional Performance Powered by Our People

Dear Shareholders,

Hexaware delivered exceptional all-round performance in 2022 driven by our purpose of creating smiles – smiles for our customers, employees and the communities we live and work in. In fact, we were featured among The Economic Times Best Tech Brands of 2022.

2022 started with extremely strong and secular demand across all geographies and verticals and ended the year with demand continuing to be very strong in several pockets, but less secular.

What did not change during the year was the intense inflationary pressure on digital talent and the consequent effect on costs and profitability.

Our Customers Love the Impact We Create for Their Business

We are consistently in the top 10% globally in our customer satisfaction surveys. Furthermore, the awards we bring home such as the ISG Star of Excellence™ Awards, and the fact that we have been a Top-3 service provider for several years in the Whitelane Europe IT Sourcing Study are but a few proof points of how delighted our customers continue to be.

- Hexaware Named Winner of 2022 ISG Star of Excellence™ Award for the Global Region and Universal Industry Categories
- Hexaware Among Highest-scored Companies for Customer Loyalty Based on CSAT (Feedback Insights)
- Hexaware Recognised as a Top IT Service Provider for the 5th Year in a Row in the Whitelane Research Europe IT Outsourcing Study 2022

Our Employees Create Magic for Our Customers

Our employees create smiles through the magic of their relentless work and focus on excellence, new technology and innovation. That's why we focus so strongly on creating a work environment that supports and inspires them. I'm proud to announce that we kicked off 2023 by being named among the Best Organisations for Women by The Economic Times. This award validates the hard work we have been doing internally to reach our goal of a 40% female workforce.

We are investing heavily in becoming a preferred employer for global and diverse digital talent. Mexico is now the 3rd largest country for us from a talent sourcing perspective, after India and the US. In 2022, we were recognised on Forbes Mexico's Best Employers list. We have now expanded our Mavericks programme – which

We also continue to have a solid outsourcing portfolio, and this business grew rapidly for the industry during the global financial crisis.

focuses on hiring fresh engineering graduates – to Mexico, as well as our Hexaware Future Leaders programme for Senior Management Trainees. We also spun-up a Mavericks programme in the US.

Expanding our global delivery and skill catchment pool continues to be a priority. We expanded all countries and also added Argentina to our substantial delivery network.

Delighted Employees and Customers Lead to Happy Shareholders and a Year of Many Firsts

- $ 1,165 million revenue, 23.3% constant currency growth – near the top of the industry
- Our top client now accounts for $ 100 million revenue
- Multiple verticals reached $ 200 million in revenue
- Adjusted EBIDTA of $ 185 million / 15.9% due to the intense talent cost inflation, but investment in multiple talent creation programmes during 2022 will result in material profitability improvement in 2023

Building for the Future

We are in the midst of high economic global uncertainty. Yet, every customer in every industry is desirous of transforming to a platform-based business that will allow their customers to consume products and services through new-age digital platforms.

Consequently, we expect our growth to be partially decoupled from global macros as spending on technology will remain a higher priority than most other spends. We also continue to have a solid outsourcing portfolio, and this business grew rapidly for the industry during the global financial crisis.

To ensure we address this opportunity, we are investing continuously. We added leadership where we needed to expand, and changed leadership where we needed to improve performance.

We reorganised into three major technology service lines plus a BPS business. Digital and software, Transformation and Digital IT operations are our three service lines. Each of these IT service lines is now a scale business ranging from $ 200 to $ 500 million, and each is underpinned by a platform that creates differentiation. Hexaware was positioned as a Visionary in the Gartner® 2022 Magic Quadrant™ for Public Cloud IT Transformation Services. Our cloud journey acceleration platform, Amaze®, is now patented in the US. **Tensai® is our AI Based platform** for Run & Secure. And, our newest platform RapidX will solve for what we believe will remain a massive constraint – software engineering talent.

Our Commitment to the Planet and Our Collective Future

There are three pathways to a safer and cleaner planet for our children. Consume less in general, prioritise green energy, and capture carbon. We will contribute in each pathway in multiple ways both in our own operations and also by building solutions that help our customers reduce waste and adopt green energy. We have a rapidly growing portfolio of customers in the climate tech space that will eventually change the world.

Our own commitment is unwavering for the facilities we own.

- Net-zero GHG emissions by 2040
- 70% green energy by 2030
- Zero waste to landfill by 2025
- No single use plastic
- Water neutral by 2030

On behalf of 28,500+ Hexawarians, I promise our customers outstanding service, and our shareholders our best effort to deliver great outcomes every year.

Regards,

R. Srikrishna
Chief Executive Officer

People Driving Progress

We exceeded, for the first time, $ 100 million in annual revenue from a single account. Further, our record 1100% overall dividend declared for the year reflects our commitment to shareholder value creation.

Dear Stakeholders,

The year 2022 was a remarkable year for Hexaware, surpassing expectations on multiple fronts. It was a year of many firsts, marking the beginning of a new era of success and prosperity. We crossed the milestone of $ 1 billion revenue for the first time in our history, reflecting our steadfast commitment to excellence. Further, we exceeded, $ 100 million in annual revenue from a single account for the first time - a testimony of our ability to cultivate long-term partnerships with our customers. We continued to bolster our business with enhanced operational stability, new business wins, expansion of our leadership bandwidth, industry-wide recognitions and stronger returns to our stakeholders. People remain the cornerstone of our success and we continue to strengthen our team with our people-first initiatives. We remain steadfast in our efforts to unleash the 'power of our people' to scale new heights in our business.

Inspiring Performance

Although the external world remained volatile during the year, 2022 will go down as a pivotal moment in Hexaware's history as we continued to push our boundaries and deliver superior financial performance.

Revenue for the year was ₹ 91,996 million, reflecting a growth of 28% over 2021. In USD terms, we registered a revenue of $ 1,165 million, a growth of 20% over 2021 and 23% in constant currency. Growth has been broad-based across verticals, with Hi-tech & Professional Services, Healthcare & Insurance, and Global Travel & Transportation leading the pack by posting y-o-y growth of 30%, 28%, and 21%, respectively. Among the regions, North America and Europe experienced double-digit growth; Europe led with a 33% growth in constant currency.

While the topline remained robust during the year, supply side constraints led to downward pressures on margins. To continue market share gain and address supply constraints we launched new programmes and materially scaled some of our existing programmes around skill creation – returns on many of these investments will be realised in CY23.

Throughout the year, we maintained our focus on optimising our cash conversion cycle, resulting in a robust operating cash flow. Our adjusted operating cash flow to adjusted EBITDA stood at healthy 67% during the year. We continue to be a capex light business, with overall capex spend being less than 2% of revenue on a consistent basis.

Our multi-pronged CSR policy focuses on the pressing needs of the marginalised and underserved members of our society around the areas of education, skill development, environment, health and sanitisation, empowering women and sports.

We continue to invest for the future, as we scale up our operations. One of the key internal transformation projects currently underway is transition of our ERP system from on-premises PeopleSoft to cloud-based Oracle Fusion Financials. We have committed to making meaningful investments in the project and expect to complete it by the end of 2023.

Value Creation for Our Shareholders

Shareholder value creation has always been a key priority for Hexaware. Strong financial results allow us to deliver more value for our shareholders. Our earnings per share was ₹ 29.3, a 18% increase over CY21 and returned ₹ 6,637 million to shareholders in the form of dividend. 2022 saw one of the highest dividends in the history of the Company with an overall dividend of 1100%, amounting to ₹ 22 per share.

Realising the Power of People

As businesses worldwide continued to recover, talent supply remained a pressing concern. We revamped our recruitment strategy and invested in expanding our Mavericks campus programme to the US and Mexico. We also invested heavily in lateral skill creation. We inducted 4,400+ net new members throughout the year as we continued to increase our global employee footprint.

Recognitions Our Way

This year was special as we were recognised by leading industry bodies across multiple workstreams.

- Recognised by the Institute of Company Secretaries of India in the Unlisted Segment: Medium Category for Excellence in Corporate Governance
- Recognised as a Leading CFO of the Year 2022 by CII under the Thematic Category of Excellence in Mergers & Acquisitions
- Best CFO of the Year in IT and ITES segment by ASSOCHAM
- CFO 100 Roll of Honour in the Capital Management category

Creating Smile for Our Communities

At Hexaware, our belief that the common good is more important than individual gain, led us to work relentlessly towards the betterment of our society. Our multi-pronged CSR policy focuses on the pressing needs of the marginalised and underserved members of our society around the areas of education, skill development, environment, health and sanitisation, empowering women and sports. During the year, we spent ₹ 127 million on CSR activities.

Looking Ahead

The external environment is clouded with uncertainties as we stepped into the new year. Hexaware is positioned well with widespread geographic presence, a diverse client base, relevant offerings and a strong team to navigate the uncertain times.

In conclusion, I would like to express our sincere gratitude to all of our key stakeholders. We are thankful to our Board for their invaluable guidance, the investors for placing their trust in us, our customers, partners, business associates, and bankers for their unwavering support. We would also like to thank our employees, without whom none of our success would be possible.

Warm regards

Vikash Jain
Chief Financial Officer

Building Strong Relationships for Lasting Impact

At Hexaware, we believe that true success comes from working together with all our stakeholders. Through active stakeholder engagement, we identify the unique needs and priorities of each group and work collaboratively to drive positive change. By honoring our stakeholders and investing in their success, we are committed to creating a brighter future for everyone involved.

People

We strive to provide our employees with a fulfilling career, opportunities for learning and development, a safe and healthy work environment, and an inclusive and diverse workplace.

Customers

Our focus on customer satisfaction is reflected in our commitment to delivering high-quality products and services, providing effective grievance redressal, maintaining seamless relationships and responsible business conduct.

Partners

We value our partnerships and seek to establish mutually beneficial relationships with industry leaders to drive 360-degree business growth and ensure diversity across the business ecosystem.

Investors

We understand the importance of transparency and accountability in maintaining the trust of our investors. To this end, we provide regular updates on our economic performance, including annual reports, statutory corporate disclosures, financial reports, and business continuity plans.

Communities

We are committed to creating a positive social impact and striving for sustainability with local communities through our CSR initiatives, employee volunteering activities, and disaster relief and rehabilitation.

CULTIVATING A CULTURE OF

Learning, Inclusion, and Growth

At Hexaware, we strive to foster an inclusive culture where everyone feels safe, welcome, and informed. We are committed to continuously investing in our employees and making Hexaware an employer of choice through award-winning programs, resources, and support that celebrates career milestones and rewards exemplary performance.

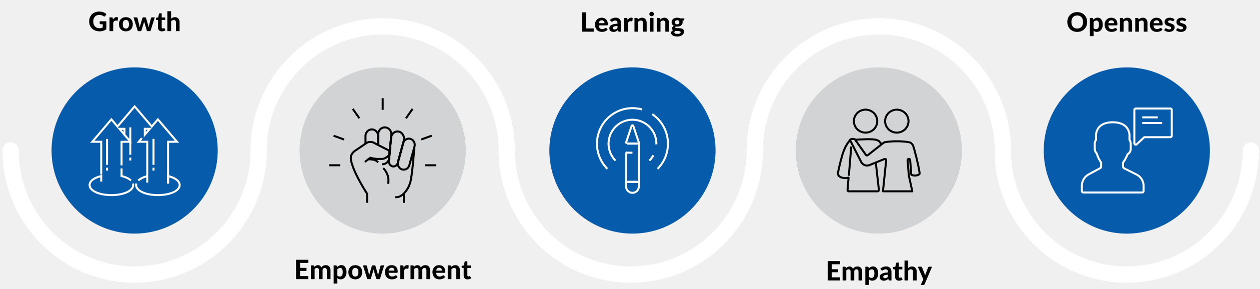
One of our DE&I top priorities is increasing the number of women to at least 40% by 2030 through hiring and combatting biases in our systems, decision making and ways of working. Building a more gender-balanced company is not only a moral imperative and the right thing to do. It is also a business imperative as it positively affects leadership, employee wellbeing, creativity, innovation, and therefore our company performance.

Gwen Kolader
VP - Global Head DE&I

Inculcating an Inclusive Culture

At Hexaware, we are proud to be a people-centric organisation that prioritises the wellbeing of our employees. Our commitment to creating a positive workplace culture is reflected in our efforts to celebrate the diversity of our people and grow our inclusive culture.

Strong Employee Value Proposition



Diversity and Inclusion

We welcome talent from all walks of life and encourage the uniqueness in each Hexawarian by respecting different backgrounds and experiences. The sheer mix of varied views, ideas and insights makes us stronger and helps us serve our stakeholders, employees, customers, and community better. We have implemented many DEI (diversity, equity, and inclusion) initiatives as part of our growth story. We are committed to empowering our stakeholders and driving positive change.

Key DEI Programs Include:

- Rising W@H (Women @ Hexaware), which provides participants with a year and a half of special learning and mentorship opportunities. In recognition of International Women's Day 2022, a special session was conducted by Mukta Arya, Managing Director and Chief Human Resources Officer (Asia-Pacific) of Societe Generale, and an Associate Certified Coach (ACC) with the International Coaching Federation, to honor the invaluable contributions made by women.
- Humans of Hexaware is our treasure trove of inspiring stories from Hexaware offices across the world about overcoming adversity, finding work/life balance, and achieving milestones to help us find connectedness and belonging.

32.7%
Female employees

90+
Nationalities

Creating Smiles for Our People

Learning and Development

We are committed to providing our employees with opportunities for learning and growth. We believe that continuous learning and development are essential to building a strong and sustainable organisation. We also understand the importance of leadership development and are committed to empowering our employees to become inclusive leaders.

At Hexaware, I have enjoyed sharing and learning every day from my leaders and my teammates from all over the world.

Paulina Romo
Hexaware Mexico

Key learning and development programs under our HexaVarsity banner include:

EVOLVE

This is a role-based certification programme that enables employees to upgrade their skills to keep pace with the latest technology and market trends.

Ignite

This is a leadership development programme that focuses on improving action-orientation and boosting creativity amongst our leaders and managers.

Mavericks

Our programme for campus hires, encourages young professionals to become more resourceful and self-reliant through hands-on training and mentorship opportunities.

CTaDel

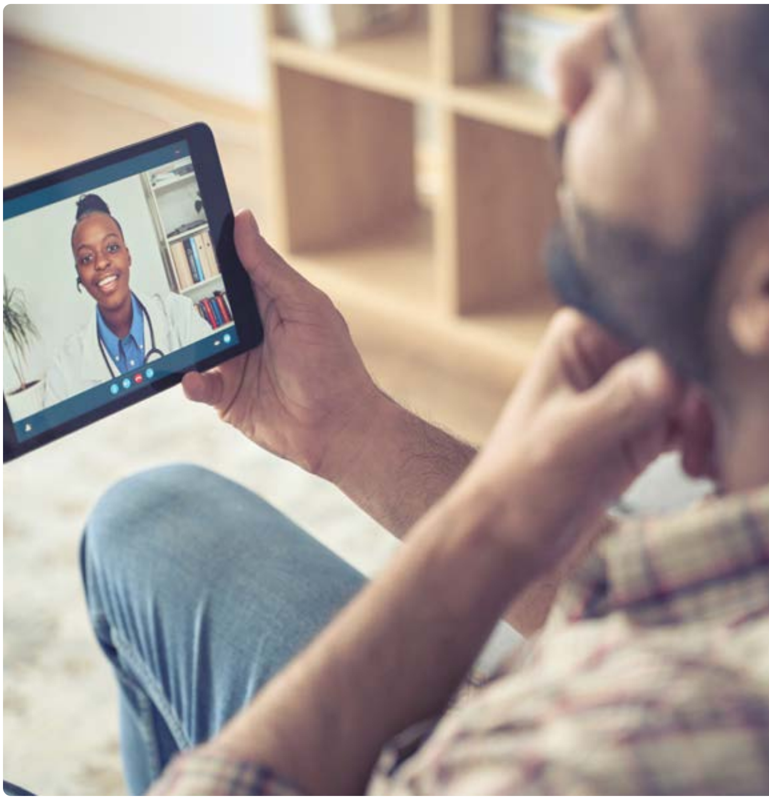
Our customer centric talent development programme ensures our employees are equipped with account-specific skills.

Employee Safety and Well-being

The safety and well-being of our employees is of utmost importance to us. We have implemented a range of initiatives to ensure that our employees feel safe, supported, and valued. From mental health and wellness programmes to safety protocols and policies, we are dedicated to creating a workplace where our employees can thrive.

Policies such as our Code of Conduct, Social Media Policy, Cordial Work Environment Policy, Whistle Blower Policy, Anti-bribery Policy, and Prevention of Sexual Harassment Policy all help keep our employees safe.

We encourage the well-being of employees through initiatives such as The Wellness Corner – a free-to-use app that enables Hexawarians to consult a doctor on behalf of themselves or an immediate family member, join live sessions, order discounted medicines, and more.



Employee Engagement

We believe in recognising and rewarding our employees for their exemplary performance and contribution to the organisation's success. In 2022, we launched a revamped recognition and rewards programme called R&R 2.0. This programme enables managers and peers to acknowledge accomplishments with awards such as Culture Champ, Tech Guru, Rockstar of the Month, and more. Each award is worth a certain number of points that can be redeemed for any of over 10,000 items from leading retailers in our R&R portal.

Our recognition and rewards programme includes:

- ‘Spot’ recognitions and other awards for exceptional performance
- Long-service awards for employees who have completed significant years of service
- Annual awards for outstanding performers
- Performance-based incentives and bonuses

INNOVATING RELENTLESSLY FOR

Customer Delight

At Hexaware, we are dedicated to providing our customers with tailor-made solutions and superior customer experience. Our commitment to delivering value through industry-specific solutions has helped us achieve a heightened customer experience.

We continue to invest in state-of-the-art research and innovation, where our teams of innovation architects, full stack developers, and subject matter experts create unique Intellectual Properties (IP). Our Bottom-Up Disruption (BUD) programme encourages the crowdsourcing of ideas, while our Brainbox programme incentivises Hexawarians to contribute ideas for Customer Value Additions (CVAs).

In 2022, we received US patent approval for our cloud transformation platform, Amaze® for Applications. Amaze® for Applications is an end-to-end cloud transformation platform for modernising and migrating custom Java and .NET applications from monolithic to cloud-native architecture in any cloud environment.

To further protect our IP, we have initiated the process at patent and trademark offices across approximately 50 countries for Amaze® and other intellectual properties. We actively monitor third-party claims on our properties across the globe. During the year, we actively prevented third parties from claiming rights to our IP and took measures to defend ourselves.

Business Benefits Realised

50%
Cost benefits through Amaze® architecture patterns and frameworks

70% Automation in BI modernisation

40% Effort savings for legacy to SAP migration via Triadic

40%
Savings on Application Service Management transition & update via Probe

70%
Reduction in manual effort via test automation suite for Guidewire

30%
Reduction in patient readmission rates and operational expenses via CarrotCube

60%
Reduction in automation suite maintenance effort via BPT Automation Accelerator

Brainbox Programme

We incentivise our employees to contribute ideas for adding value to the customers' IT landscape through our Brainbox programme. Our Brainbox programme has been instrumental in driving employee engagement and innovation.

To date, we have posted 7,368 ideas with 73% employee participation. 5,124 ideas have been implemented. Brainbox has saved $ 166 million / year and 33,236,814 hours / year in effort for our customers, thus delivering value over and beyond the contract.

Your outstanding commitment to a successful time-launch of our e-commerce sites is appreciated by our entire team, and we look forward to our continued partnership.

Vice President
IT large manufacturer

Congratulations to an amazing team reaching an incredible milestone! We truly appreciate all the partnership, focus & effort that went into making this happen. Thank you for all your support. We wouldn't have made it to this point without you!!

Chief Information Officer
Multinational Conglomerate

Fantastic job on delivering high-quality, timely, relevant data as part of the strategic transformation programme.

Chief Data Officer
Big 4 player

Creating Smiles for Our Customers across Industries

We focus on servicing select domains where we have developed deep expertise to deliver innovative solutions that address the unique challenges faced by our customers. This has helped us bring smiles to our clients across industries.

Banking

Transforming the banking landscape

Read more on **page 30**

Financial Services

Empowering financial services firms for a digital-first world

Read more on **page 32**

Healthcare & Life Sciences

Developing next-gen solutions for a better healthcare ecosystem

Read more on **page 36**

Insurance

Next-gen solutions for a better insurance ecosystem

Read more on **page 40**

Manufacturing

Advanced manufacturing solutions for a digital world

Read more on **page 42**

Consumer & Retail

Driving definitive retail and CPG experiences for the future

Read more on **page 46**

Global Travel and Transportation

Streamlining operations and enhancing customer experience

Read more on **page 48**

Hi-Tech and Professional Services

Innovative solutions built on trust

Read more on **page 52**

Transforming the Banking Landscape

We offer comprehensive IT services to various segments of the banking industry, including consumer and corporate banking, payments and cards, mortgage, and risk and compliance. We provide various services, from enhancing legacy platforms with micro-services and fintech solutions to greenfield implementation and first-time integrations.

Revenue - Banking

(₹ in Million)

Market Dynamics

The banking industry is approaching 2022 with cautious optimism as it emerges from the pandemic and prepares for a potential recession. The global spread of the virus presented a significant challenge to banks, requiring them to adapt quickly to remain relevant. Older banks with aging technology recognised the value of digital technologies, while fintech companies had to adjust to the reopening of markets and the resumption of business-as-usual. In response, organisations are re-evaluating their IT landscapes and transformation roadmaps in 2022, exploring new initiatives and business models to remain competitive in a rapidly evolving market.

Our Response

In 2022, Hexaware Banking launched The Payscopium, a unique value proposition that offers banks and fintechs a perspective on navigating the future of technology and positioning themselves at the forefront of the industry. The Payscopium was published in Harvard Business Review (HBR) in the fall of 2022 and has received positive responses from the banking community. Traditional banks face the challenge of identifying new sources of revenue generation amid the pandemic's cost pressures and increasing competition from fintechs. To address this, Hexaware has introduced PaymatiX, an analytical Datawarehouse that has gained significant market interest among Tier-I banks since its launch last year.

Outlook

The start of 2023 was promising; however, recent events have brought forth evident challenges faced by banks globally. Unforeseen circumstances have led several banks to evaluate their current digital footprint and consider reinventing themselves. Hexaware will be developing a roadmap to help the banks in their journey shortly. We also expect a significant uptick in the number of banks re-evaluating their strategies with tactical investment in their technology landscape to make them savvier. We also hope digital currency preparation and readiness will become a priority in more geographies in 2023. The market is ripe for innovative products which help address the need for cheaper capital and next-generation entrepreneurs. The first responders will be best placed to capture the market.

Case Study

Cutting-edge Payment Fraud Detection Platform

Challenge

Our client, a leading payment solutions provider, needed a robust and innovative platform to detect payment fraud in real-time.

Solution

Our first-of-its-kind platform built on AWS utilises advanced data science techniques and machine learning to check account numbers and IBANs against customer-entered names before executing a money transfer.

With 5 billion checks performed, we created a solution that combines cutting-edge data science with transaction and payer behaviour knowledge.

Outcome

- 5 billion checks performed to date with remarkable accuracy
- 81% of related payment frauds prevented
- Prevented fraudulent transactions for 250+ corporates and 100+ bank groups

Empowering Financial Services Firms for a Digital-first World

As the financial services industry pivots toward digital transformation, we are committed to helping our clients stay ahead of the curve. Our transformative technology solutions enable financial services firms to thrive in a digital-first world. We work closely with our clients, delivering customised solutions that align with their business objectives.

Revenue - Financial Services

(₹ in Million)

Market Dynamics

The financial services industry continues to be under pressure due to ever-changing market dynamics and the impact of COVID-19 lockdowns. Early adopters of touchless services were able to reap the benefits of digitalisation and maintain the highest level of customer service and delight throughout the pandemic. But financial services companies that could not pivot quickly enough lost market share. Additionally, born-in-the-cloud fintech's are threatening already stagnant revenue streams, leading to a highly competitive market. Organisations are increasingly looking at their ecosystems to identify shortcomings that constrain growth. Even the most ardent detractors are realising the need of digitalising their ecosystems to leverage the strengths, scalability, and elasticity of the cloud – not just as a hosting platform, but as a mechanism to remain relevant during tough times.

Our Response

Hexaware's strategic focus of enabling digitalisation through cloudification is most relevant during this era of transformation. We are working closely with our financial services customers to provide them with a gamut of transformative technology solutions, including:

Domain-led Transformations	Customer Experience Journeys	Cloud Migration and Transformation	Application Modernisation	Automation

Domain-led Transformations

- **ESG compliance:** With an evolving mandate for ESG reporting, capital markets customers are focusing on evaluating their holdings to ensure that they comply with ESG guidelines.
- **Wealth management:** We are reimagining our strategies to faster penetrate this ever-growing market through a combination of key partnerships, domain focus, and best practices from working with similar customers.
- **Cyber security:** We are addressing concerns of customers around security-related aspects, especially in a work-from-home environment.

Customer Experience Journeys

- **Customer empowerment through self-services:** Helping businesses align and create a unified view of their digital programmes, leveraging our Mobiquity NorthStar framework.

Cloud Migration and Transformations

- **Amaze® cloud migration and transformations platform:** Our key workhorse driving digitalisation transformation through cloudification enables our financial services clients to leapfrog into the cloud in the shortest possible time. We have multiple large customers who have already experienced the magic of Amaze and are on a risk-mitigated journey to migrate and transform their ecosystems to the cloud.
- **Amaze® for capital markets:** A cloud-native data integration platform that leverages no-code, low-code technology based on intelligent automation principles to deliver a superior end-user experience and enhance productivity. In addition, we provide a seamless data integration service for faster cloud adoption. The solution also supports business use cases, including investment data consolidation, ESG consolidation, regulatory and compliance reporting, direct indexing, and private and alternative market data.

Creating Smiles for Our Customers: Financial Services

Application Modernisation

- **Embrace modernisation framework:** Many of our customers are on legacy platforms. They swear by the platform's resilience and performance, but such platforms lack the scalability, elasticity, and customisability of cloud solutions. Hexaware leverages its HexaImaging platform to reverse engineer these legacy platforms to create roadmaps for modernising the application landscape. Our Embrace framework provides a holistic approach to modernisation by integrating technology and operations. We also leverage Amaze® for Capital Markets to modernise data in a low-risk and multi-stage process.

Automation

- **Data monetisation and advanced analytics:** Our customers are sitting on a wealth of data that can be monetised to create new revenue avenues. By applying advanced analytics, this data can be abstracted and monetised. We are working with our customers, using industry-standard principles like composable enterprise architecture, to meet increased demand to gain insights using alternative data, data analytics, and AI/ML models for better decision-making.

- **KYC/AML:** Many of our customers struggle with hampered growth due to the tremendous time and effort they spend onboarding new clients. Our suite of solutions leverages AI/ML, NLP, and OCR technology to drastically reduce onboarding time.

Outlook

Despite the predicted recession-driven head winds of the next two years, Hexaware has a positive outlook for the coming years, especially for the Financial Services industry. Companies tend to reduce their operational costs in this economic climate, which is a key lever for outsourcing. The focus will continue to be on cloud transformation, considering the benefit it brings. Organisations will also continue to look for alternate revenue generation opportunities. Asset Servicing and Exchanges companies have acquired large volumes of data, and they will look to monetise it as a new source of revenue. The focus on Environment, Social and Governance (ESG) will continue to pick up along with regulatory pressures especially on governance. The incorporation of blockchain into the daily functioning of organisations is also on the near horizon. For Hexaware, these are the new areas of growth, and we are building capabilities and services in line with this that will take us into the next 3-5 years of growth.

Case Study
Transformation Partnership with a Leading Secondary Mortgage Player

Challenge
A leading secondary mortgage player was looking for a transformation partner to help modernise their legacy platforms.

Solution
Hexaware evaluated the existing application landscape and analysed and categorised their applications for applications for transformation to the cloud. Once the categorisation was complete, we embarked on a journey of transforming their applications to cloud, leveraging our Amaze® platform, which drastically reduced the transformation time from 6-9 months to less than 8 weeks.

Outcome
Our solution helped the client define their overall cloud migration strategy, and our Amaze® platform enabled them to achieve over 45% savings in the transformation journey through automation.

Case Study
Core Modernisation for a Global Investment Bank and Financial Services Firm

Challenge
Our customer, a global investment bank and financial services firm, required a comprehensive solution to modernise their core IT infrastructure. The focus was on end-to-end (E2E) automation of IT domains such as L2 data center ops, E2E server and app patching, and end-user services.

Solution
We helped to revamp the client's entire IT infrastructure with our proprietary platform Tensai®. Our solution automated their end-to-end infrastructure processes, including server decommissioning, server and application patching, and end-user services. Our automation system helped to reduce manual errors, increased efficiency, and provided real-time tracking.

Outcome
Our solution not only transformed the client's IT infrastructure but also provided them with significant cost savings with a 415% return on investment.

Building Breakthrough Solutions to Reimagine Medicine and Healthcare

Our Life Sciences & Healthcare team has a singular purpose – spreading smiles to the patient community.

Revenue - Healthcare & Insurance

(₹ in Million)

We have been heads-down the past few years working on many of the toughest industry issues, including the world's first FDA-approved digital pill, the largest COVID-rescue study and vaccine, co-engineering a human data sciences cloud, performing the largest cloud migration in the healthcare industry, and building the first SaaS platform for pharmacy benefit managers.

We are delivering technology as a force multiplier to enable our customers to operate competitively and deliver highly impactful clinical and healthcare products and services.

Hexaware is a leader in the digital transformation of clinical, operational, and commercial organisations and processes. We push technology boundaries to deliver personalised medicine at scale leveraging cloud, automation, and digital products. We are further leveraging our consulting expertise to relentlessly squeeze inefficiencies and costs from our clients' operations.

Market Dynamics

The challenges created by the pandemic took a toll on patients and providers alike. Life sciences and healthcare companies had to quickly embrace transformation to meet those challenges. This led to enhanced patient centricity, a rise in digitalisation, and increased agility across the sector. Further transformation has been fuelled by economic concerns; enterprises rush to drive efficiency improvements and cost reduction as they brace for a potential recession. The following were the major trends of 2022:

- Digital clinical trials
- Personalised medicine like cell & gene therapy
- Increasing brand gravity through patient/member engagement
- Real-world evidence and analytics
- AI for patient engagement

Our Response

Hexaware was named a Global Leader in Patient Engagement Digital Transformation in the ISG Provider Lens™ Life Sciences Digital Services 2022 Quadrant Study.

We work with 5 of the top 10 pharma companies, top CROs, top healthcare payers, and several emerging/leading med-tech and health-tech companies across the globe.

Our Carrot Cube platform helps accelerate digital clinical trials. With functionality supporting clinical trials from patient recruitment to tele-health, Carrot Cube significantly improves the agility of clinical trials.

We are the industry's leading player in the cell & gene therapy (C&GT) sector with significant domain and technology capabilities. We consult design, build and deliver end-to-end functionality like Chain of Identity (COI) & Chain of Custody (COC) on platforms like Salesforce Health Cloud. Through our focus on the C&GT sector, we are taking personalised medicine to the next level.

Our life sciences consulting team partnered with pharma and healthcare companies to build great digital products. Leveraging our North Star framework, we have developed patient and customer journeys that deliver therapeutic insights, patient education, and nurse concierge programmes that substantially improve brand gravity and patient engagement.

Leveraging our experience with Snowflake's Life Sciences & Healthcare Data cloud, we are delivering real-time real-world analytics through machine learning and AI to pharma and healthcare companies. This allows our customers to analyse patient and member behaviour to determine the right interventions to drive quality of care.

Outlook

By innovating in the healthcare and life sciences industries, Hexaware can exponentially grow the market share in pharma, healthcare, and med tech sectors in the next 3-5 years. We aspire to be the most preferred digital transformation partner for leading healthcare companies across the globe. By aligning our vertical strategy with our service lines (namely, Cloud & Data, Digital & Software and Digital IT Ops), we will deliver exceptional patient engagement, address the challenges of cell and gene therapy companies, and drive competitive edge for healthcare and life sciences enterprises through our insights and AI/ML solutions.

Case Study

Designed and Implemented Complete Chain of Identity/Chain of Custody Platform for Personalised Cell Therapy Treatment for US-based Late-stage Oncology Company

Challenge

A biopharmaceutical company involved in developing and commercialising novel cancer immunotherapies based on tumor infiltrating lymphocytes (TIL) was committed to continuous innovation in cell therapy, including gene-edited cell therapy, which may be a promising option for patients with cancer. They sought a partner to help develop and implement a complete chain of custody/chain of identity platform.

Solution

Hexaware partnered with the customer to develop a robust platform leveraging Salesforce to enable 'flexible manufacturing' and ensure hassle-free business operations across the clinical and commercial ecosystem.

Outcome

- Our solution readily met the key requirement for Biologics License Applications (BLA) filing, accelerating FDA approvals.
- Out-of-the-box Health Cloud to track the patient Chain of Identity (COI) and Chain of Custody (COC) journey.
- Using Experience Cloud, the community portal was enhanced to register patients and schedule surgery.
- Salesforce Health Cloud was implemented to enable order placement, case management, capacity planning, quality assurance, and logistics operations including tracking the shipment of raw materials and the receipt of final products from manufacturing plants.

Case Study

Revamped Savings Card Programme to Increase Patient Engagement and Significantly Reduce Maintenance Cost

Challenge

Savings card programmes are a great way to help lower the financial and logistical barriers that can block many patients from accessing or continuing their prescribed therapies. Unfortunately, a leading pharma company's brand savings program was housed on websites that were unstable, inconsistent, and expensive to maintain. In order to address these issues and improve patient experience, they wanted to revamp the savings card programme across their portfolio of 14 brands. They also wanted to integrate their CRM programme with savings programme data to enable personalised patient experiences and open new channels for patient engagement.

Solution

Hexaware evolved the web presence of the savings programme with a library of templates to enable consistent functionality across all portfolio brands. We also standardised the backend architecture to lower costs and improve efficiency. We implemented personalised features to support patient adherence such as welcome emails and automated refill reminders. In a later phase, we expanded the functionality to enable patients to access their savings card through their Apple or Google/Android wallet.

Outcome

- Increased patient therapy adherence by 20%.
- Reduced the customer's overall maintenance costs for the savings card program by 75%.
- Established an automated testing process for regression testing.

Next-gen Solutions for a Better Insurance Ecosystem

Accelerating cloud adoption and creating highly customer-centric experiences continue to be the primary focus areas for our insurance customers globally.

As insurers are now geared up for holistic cloud adoption, we are helping them maintain the right balance between migration complexity, cloud readiness and overall business impact while creating a cloud adoption roadmap for the next 3 to 5 years.

We partner with insurance carriers, reinsurers, brokers, MGA's (managing general agents) and alternative risk capital providers to drive innovation, hyper automation at scale, operational resilience, and transformation across the value chain. We work with them to deliver value and lower TCO by leveraging cutting-edge IT services and accelerators and implementing SAAS platforms and next-gen solutions. We also specialise in harnessing data driven insights, intelligent automation, and new technologies like AI/ML/IoT to enable insurers to better understand their customers' risk profiles and create tailored products to suit their needs.

Market Dynamics

We expect significant growth in several areas that will impact the insurance industry in the upcoming year. InsureTechs are investing heavily in disrupting the traditional business model – they can launch products in 3 months, settle claims in mere hours. Insurer's brand identity and trust equation with customers continue to evolve and they are investing heavily in product innovation and business transformation to remain competitive.

As a result of the continuous product innovation leveraging off-the-shelf SaaS platforms, the embedded insurance market is set to grow 6X in the next seven years, allowing 25% of personal-line premium generation through embedded ecosystems. Customer experience is the new brand strategy. There is a huge shift from product-centric to customer-centric operating models. Operational efficiency allows insurers to deliver optimal pricing and experience. Automation and AI will help insurers integrate with organisations that provide disruptive products and propositions and expand ecosystems of suppliers, data, and insights to drive differentiation and profitability.

Our Response

We are actively taking measures to deliver our customers better solutions by adopting a proactive approach within our insurance team. Our experts continue to build IP and solution accelerators to help insurers migrate their core policy and claims applications to the cloud, leveraging off-the-shelf SaaS platforms. Our digital engineering team continuously blends innovation into the insurance value chain with the best customer and agent journeys via our no-code/low-code platform partners globally. We enable real-time integration to the marketplace and help traditional insurers to transform their business model as a digital insurance platform-based service provider. This provides data-driven experiences, underwriting modernisation, and contextual insurance. The digital insurance SaaS platform will help insurers with cost optimisation, faster quotes, and better pricing of insurance products.

Outlook

The overall outlook for the insurance vertical over the next 2-3 years looks generally positive, with solid growth despite challenges such as geopolitical upheaval, threat of recession, rising Inflation, and climate change. We will help our insurance customers achieve holistic transformation by driving ongoing product and risk innovation, competitive differentiation, enhanced operational resilience, and profitable growth while focusing on customer centricity. We will also ensure that we can maintain sustained upward momentum for our overall performance, grow a robust deal pipeline, win new deals, and maintain existing profitable accounts.

Case Study

Fast Claims Settlement and Superior Customer Engagement through the 'Follow My Claims' Application

Challenge

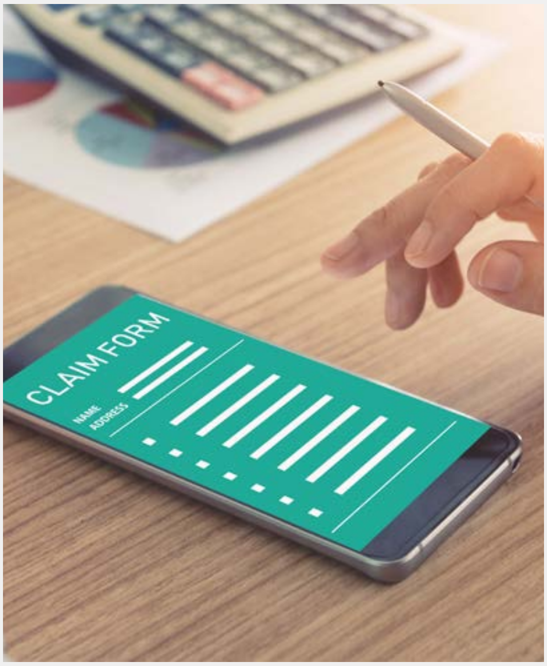
A large European personal insurer wanted to significantly reduce claim settlement time.

Solution

We worked closely with the customer's business team to build a revolutionary application in just 16 months that enabled secure communication between the insurer and its end customer. Rather than spending most of their time reactively responding to customer requests for status updates, the application enables claim handlers to focus on solving the customer's problems.

Outcome

Call center call volume dropped by 50% after go-live, and is decreasing month-over-month.



Advanced Manufacturing Solutions for a Digital World

As a leading technology service provider, we have strong domain expertise in providing innovative solutions for manufacturers. With a team of experienced technology experts and in-depth domain knowledge, we help organisations tackle complex business challenges.

Our commitment to delivering value through industry knowledge and technological expertise remains unwavering. Our manufacturing solutions are focused on four key themes that include:

Experience-led digital transformation	Transforming the core	Connected manufacturing ecosystem	Digital IT operations

Hexaware's manufacturing business witnessed strong performance with strategic wins across discrete manufacturing, hi-tech, energy, and heavy industry. Examples include:

- Partnered with a leading engineering and technology organisation in a multi-year strategic deal to manage their business applications portfolio
- Provided infra-as-a-service for a leading minerals company based out of Europe
- Supported a global leader in material engineering solutions to unlock data-driven efficiencies in development and support areas through big data and ML Ops
- Managed infrastructure services for a Canada-based mining company

Revenue - Manufacturing & Consumer

(₹ in Million)

Market Dynamics

In 2022, the manufacturing sector witnessed economic expansion despite supply challenges, labor shortages, and an uncertain economic environment. This year's performance has surpassed expectations from the past two years. Major sub-sectors such as discrete, Hi-tech, and heavy industries have also demonstrated continued strength, building on the momentum they gained while they emerged from the pandemic. The focus for this sector remains on growth, cost efficiency & optimisation, and digital transformation. However, manufacturers must also address challenges arising from supply chain complexities such as sourcing bottlenecks, global logistics backlogs, cost pressure, and cyber-attacks.

Our Response

Hexaware introduced the following new offerings to align with prevalent industry trends and to align with changing customer needs:

- **Manufacturing Governance Platform:** Hexaware's Manufacturing Governance Platform (MGP) is a low-code-driven solution that helps manufacturers increase the effectiveness and agility of business operations through hyper-automation and addresses gaps in the enterprise by extending and elevating COTS product capabilities. MGP helps manufacturers minimise technical debt through seamless governance of materials, costs, and efficiencies across the value chain.
- **Factory of Future:** Hexaware developed this offering with an evolutionary and minimalist strategy based on five pillars: Market, Business Process, Smart Solutions, Smart Technologies/Infrastructure, and Empowered Humans (workers). It encompasses features such as reconfigurable manufacturing and an integrated ecosystem, enabling a single digital thread from suppliers to distributors, as well as continuous improvement and optimisation of factory operations and employee training.
- **Intelligent Last Mile Logistics:** Hexaware's Last Mile Delivery offering leverages digital technologies to enable smart sorting, routing, pickup, and tracking of goods, ensuring intelligent, automated, and integrated delivery.

Outlook

Over the next few years, Hexaware is committed to bringing consistent growth in performance, productivity, and profitability for its manufacturing customers through our expertise in the domain. We intend to invest in our capabilities and solutions around smart manufacturing, remote monitoring, and employee experience, utilising new-age technologies such as IoT, AI/ML, RPA, 5G, etc., to bring efficiency and scalability across the operation to support long-term growth.

Case Study

Enabling CPQ Functionalities through Oracle EBS R12 for a Leading Multi-national Imaging and Electronics Company

Challenge

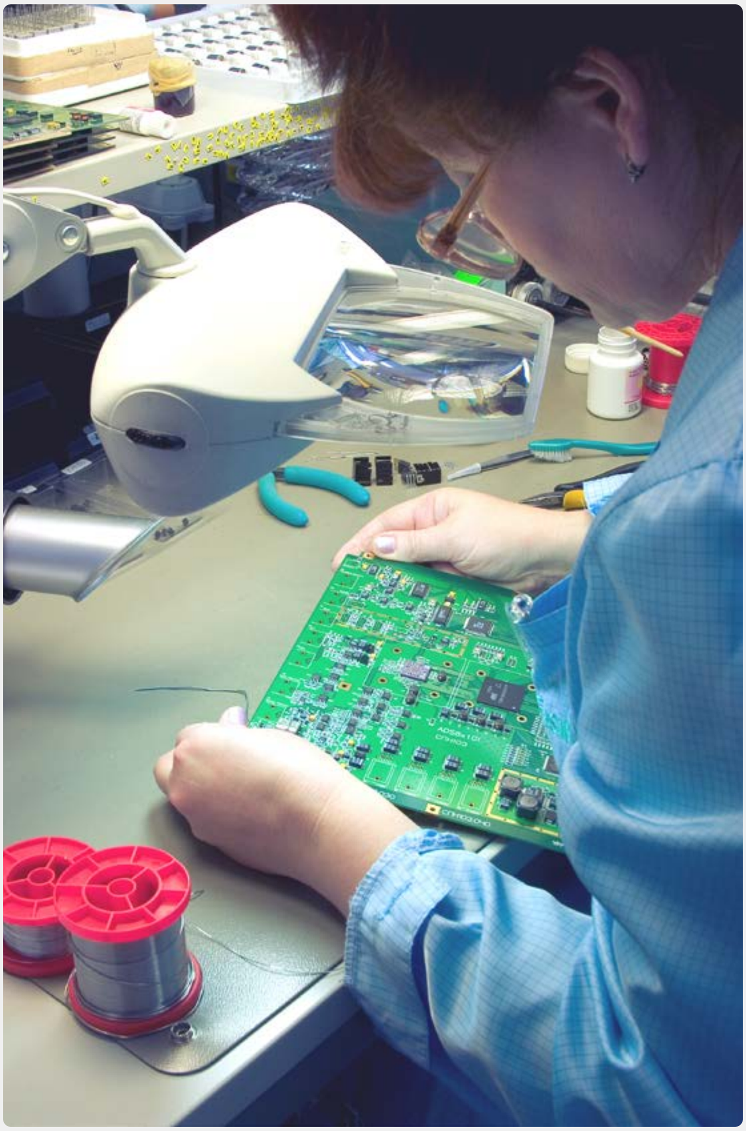
Our client, a Japanese multi-national imaging and electronics company, faced issues with its heavily customised application infrastructure. These customisations impacted their performance and user experience, and they could not leverage the functionality of the wholly integrated and automated solution. Hence, they wanted a solution that could improve their system performance.

Solution

We implemented an integrated Configure, Pricing & Quoting process on the Oracle CPQ module where the sales reps, customer admin, and order processing team could collaborate on a digital platform to streamline the process areas around Opportunities and Quoting Order Processing. Implementation included integration from upstream and downstream applications.

Outcome

These efforts helped the company achieve a 40% increase in system performance and a 30% reduction in manual intervention.



Case Study

Implementing a Future Factory at a Leading Manufacturer of Workplace Furnishings and Residential Building Products

Challenge

The client wanted to digitalise their manufacturing processes and enhance employee experience by including next-gen technologies encompassing the manufacturing 4.0 ecosystem.

Our solution

We developed an intuitive factory design to enable connected factory through an incremental (phased), evolutionary, and minimalist strategy. We have enabled features such as reconfigurable manufacturing, an integrated ecosystem, and a single digital thread from suppliers to distributors.

We have also facilitated employee training to familiarise them with the organisational mission, vision, rules and regulations, and working conditions. We are focused on process training and maintenance of assets leveraging next-gen solutions for enhanced employee performance.

Outcome

These efforts helped the company improve and optimise operating performance with an improved employee experience.

Driving Definitive Retail and CPG Experiences for the Future

2022 has been a year of significant advancement in practices throughout the value chain of the consumer and retail segment. A key driver was the focus on creating highly personalised interactions while enabling a consistent omnichannel experience across sales, services, and fulfilment.

This shift to hyper-personalisation, combined with supply chain challenges, created the need for extreme flexibility in delivery, service, and payment. Using cutting-edge technology along with our accelerators, we developed robust, reliable solutions for a multitude of sub-categories of customers. Our strengths in hyper-personalisation and seamless customer journeys throughout all channels of operation have tested true in the upheavals of the last few years.

Our core tenets continue to be:

- Experience-led transformation
- Digital core structures
- Leveraging insights using data and AI
- Using cloud solutions for efficient and agile operations

Market Dynamics

As markets continued to recover from the pandemic throughout 2022, retailers focused on scaling up their supply chains and reinventing their business models to cater to the renewed demand in the market. This challenged us to innovate and develop intelligent solutions, delivery models, and cutting-edge technology platforms.

The impact of the inflationary pressures and the talent crunch warranted severe efforts to reduce operations costs and create lean and robust enterprise models. Retailers worldwide leveraged innovative technology solutions to sequester themselves and continue providing maximal value to their customers.

Rapid recovery was hindered by mobility challenges in global supply chains – felt by retailers and manufacturers alike. Redundancies and strong partnerships have been vital to sustained revenue growth.

Our Response

Our solutions are designed to assimilate into the new evolved consumer mindset. We have potent offerings for industry needs in the supply chain and store operations, legacy modernisation, data engineering, and cloud transformation fields to nullify the effects of the global mobility meltdown. This helps retailers drive a self-sustainable transformation agenda, by plowing back sustained cost savings into their digital initiatives.

Utilising our intelligent platforms and accelerators to rapidly build robust ecosystems, our customers provide best-in-class digital experiences to their end users. Our channel management, planning and merchandising strides, automation-led optimisation and creating connected systems with real-time visibility have been game changers in our cost takeout approach.

To grow our talent pool, Hexaware relies on its Evolve programme to develop and nurture talent and shorten the hire-train-deploy cycle. Through our in-house knowledge center HexaVarsity, we designed new retail training programs aligned to the market needs to provide industry knowledge to our technology SMEs.

Outlook

We expect to continue our strong growth trajectory. We shall continue to add to our rapidly growing customer base while nurturing the strong relationships we enjoy with our existing customers.

Our ability to drive experience as a theme across critical transformation tenets, differentiates us as an innovative digital partner. Our differentiated offerings, specific solutions for Retail and CPG, and delivery experience continue to be our strengths.

Hexaware aims to help global retail and CPG enterprises to embrace digital disruption. With cloud computing, data management, experience-driven architectures, and advanced analytics, the impact of our constant push towards our vision has borne fruit not just in the bottom line but also significantly pushed topline performance and ESG sensitivity in retail.

Case Study

Integrated Technology Operations Solutions for a Leading Home Improvement Retailer

Challenge

A large, UK-based home improvement goods retailer faced issues with their heavily customised application infrastructure. A handful of systems generated a disproportionately large number of tickets, with insufficient handling capacity to attend to them on time. This negatively impacted the end-user experience. The client wanted a solution that could improve their system performance and efficiency.

Solution

We implemented an omni-channel customer service desk with a persona-based categorisation of service desks for stores, distribution centers, and corporate users. These units collaborated to streamline the customer service workflow. A single pane view was generated across endpoints, servers, networks, and users. We also created an enhanced end-user experience using AI chatbot-assisted journeys.

Outcome

- 33% reduction in ticket generation
- 60% reduction in subsequent resolution times
- Left-shift enablement via a self-help password reset system

Streamlining Operations and Enhancing Customer Experience

We are a leading provider of fully managed services to the airlines, logistics, and hospitality industries. These industries require complex IT infrastructures, and we have the expertise to offer innovative solutions that optimise their operations, enhance customer experience, and deliver a competitive edge.

Revenue - Travel & Transportation

(₹ in Million)

Market Dynamics

In addition to consumer behavioral patterns, global uncertainty and rising inflation continue to pose challenges. According to a Deloitte report, despite steady improvement in the travel and hospitality sector, growth slowed in the final months of 2022 due to weakening financial confidence. Global tourism still has not fully reached pre-pandemic levels.[1] Still, with many countries relaxing their travel restrictions, people are ready to reconnect with family and friends and explore new destinations. Travel companies must find innovative ways to enable travel experiences within the current economic context to stimulate the market toward pre-pandemic levels of activity – and as always, consumers also want better, higher-quality experiences that take climate change concerns into consideration.

In the logistics industry, consumers have embraced digital platforms. The last-mile delivery industry gained unprecedented momentum where supply needed to meet aggressive growing demand. The supply chain industry is also undergoing unprecedented technological change to meet consumer demands to get goods faster, at low or no delivery cost.

For travel and logistics companies, the mandate is clear – they must find ways to deliver innovation while enhancing cost efficiency to reduce both capital and operational costs.

Our Response

Hexaware studied changing trends and new technologies in the Travel, Hospitality, Transportation & Logistics industry from both enterprise and end-customer perspectives to meet our customers' expectations on priority.

We are investing in continuing to build out self-service, touchless experiences for customers as they continue to exercise caution after the pandemic. We are also focused on identifying sizeable cost components and utilising all possibilities to reduce IT costs for our customers.

Outlook

Accurate predictions can be hard to make with so many factors vulnerable to external events like economic uncertainty, fuel price, etc. However, the Travel, Hospitality, Transportation & Logistics industry is in a period of steady improvement, and we believe it will continue accelerating toward pre-pandemic levels. Hexaware's current and prospective clients will continue to seek enhanced digital transformation services while focusing on cost reduction by moving the on-prem workload to the cloud.

[1] 2023 Travel Industry Outlook | Deloitte US

Creating Smiles for Our Customers: Global Travel and Transportation

Case Study

Highly Complex ServiceNow Implementation for a Leading Travel Technology Company

Challenge

A leading travel technology company needed to implement a highly complex ServiceNow instance to reduce costs and enhance agent productivity.

Solution

Hexaware facilitated the smooth transition of ~7,500 customers with ~12,000 SLAs and ~800 service requests. In total, we built 43 integrations with the ServiceNow platform.

Outcome

- $ 2 Mn upfront cost savings
- 32% reduction in time-to-market for business apps
- 35% enhancement in agent productivity
- $ 1.6 Mn cost savings in support and maintenance

Case Study

Creation and Maintenance of a Logistics Operating System

Challenge

A leading European logistics company was struggling with a slow, clunky, and expensive logistics operating system that made it difficult to keep up – particularly during the holiday rush.

Solution

Hexaware developed a new operations system covering route planning, courier maintenance, client management, parcel tracking, manifesting, payment & invoicing, and management information reporting. We also developed a courier marketplace with apps for interfacing via handheld scanners with an integrated barcode scanner to enable mobile communications in hubs, depots, and vans.

Outcome

- 60% larger holiday season load managed easily with new crowdsourcing platform
- 30% reduction in transit loss via depot solution
- 40% reduction in cost due to automation testing

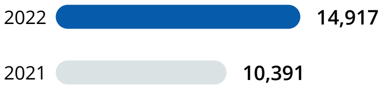
Innovation Built on Trust

The Hi-Tech & Professional Services vertical at Hexaware delivers cutting-edge digital solutions to its clients. We differentiate ourselves by placing trust at the core of our operations, building strong relationships with our customers, and delivering exceptional value.

Our industry focus spans core Professional Services domains such as Tax, Audit, Accounting, Advisory, Advertising & Marketing, Legal, Risk & Compliance, People & Talent Management, Advisory & Consulting, and Hi-Tech Products, Platforms & services providers.

Revenue - Hi-Tech & Professional Services

(₹ in Million)



Market Dynamics

We see pathbreaking trends in the industries we serve. Big 4 leaders are contemplating bifurcating their core Audit/Tax and Consulting businesses to deliver greater value through independence. Background verification is seeing accelerated adoption of automation and ground-breaking, data-driven people/sentiment analyses. Traditionally conservative legal professionals and firms are firing up their cloud-transformation journeys. Advertising agencies are poised to deliver greater value to their customers through digital marketing. Technology firms are undertaking rationalisation and normalisation exercises in terms of their people and headcount, while at the same time increasing their investments in AI/ML and all underlying technologies.

Our Response

We continue to take a proactive stance to serve our clients better. Primary technology arcs include cloud transformation, data standardisation, migration & analytics, customer experience transformation and E2E automation – assisted and unassisted. In addition, we continue to build and present our strength in next-gen emerging technologies such as AI/ML, metaverse and associated immersive technologies, and blockchain. We continue to build industry-relevant platforms such as client engagement portals, and process/task automation tools and products. We are also focused on pre-eminent domain contextualisation for business-mandated technology initiatives. Our ground-up culture for delivering value has led to several instances of innovation in specific areas where we are engaged with our clients.

Outlook

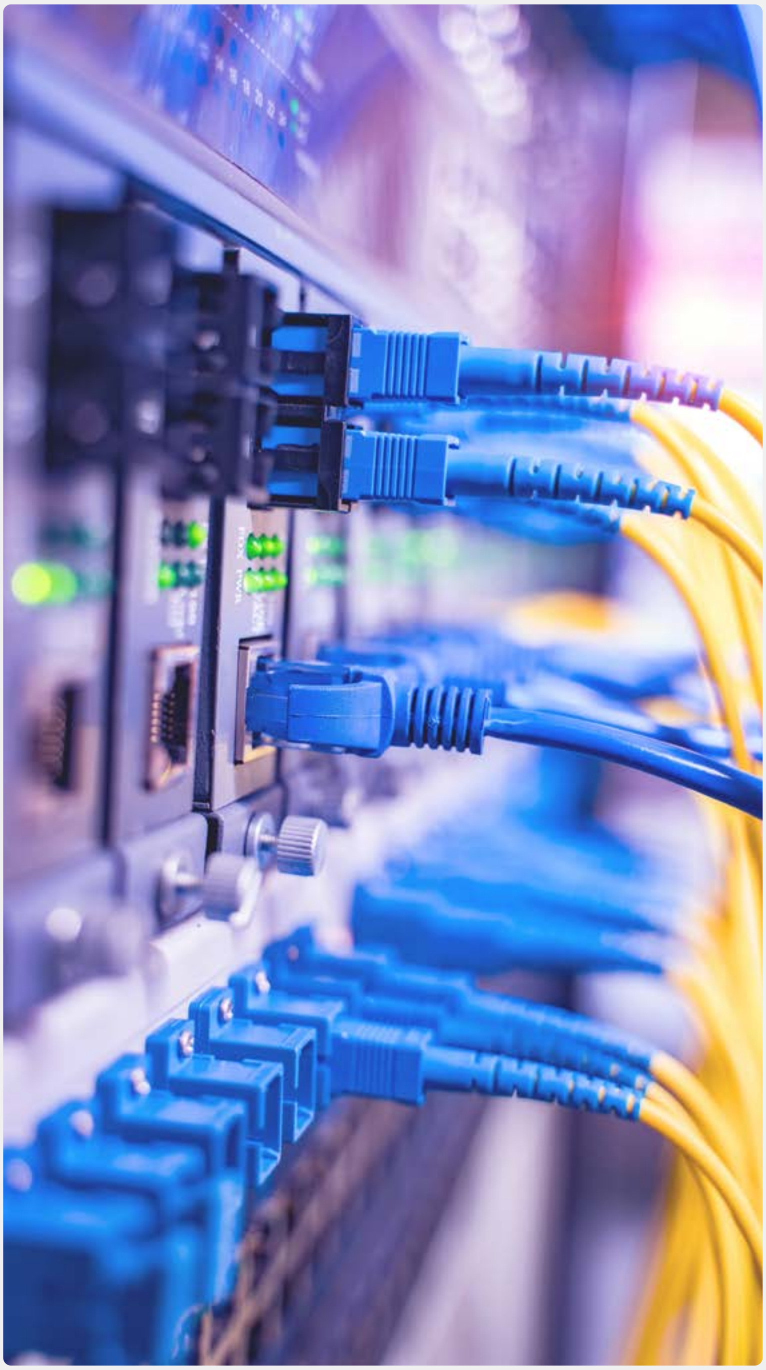
Professional Services and Hi-Tech companies are at inflection points. Aggressive decision-making that may be tough in the immediate term is expected to yield results in the longer run. We are seeing that increasingly, businesses are calibrating long-term gains, even if it means short-term pains. We believe the market is at a stage where strong, resolute choices will have to be made by our clients. But the choices do not have to be made to comply with broad trends or to catch up with a big-bang approach. Instead, risk-mitigated strategies for particular situations and priorities are recommended. We are well-equipped and experienced to help co-innovate and implement such strategies.

Case Study

Network Support Services for an American Multi-national

Challenge

Our client, a leader in internet-based products and services, needed a partner to enhance their cloud platform service delivery. Concrete measures were required for their incident management and network operations to help address tickets more effectively, coupled with platform build-out and deployment assistance services.



Solution

Hexaware strategised and developed an end-to-end service delivery model with a strong core team and ramped up the capacity quickly. The scope of our services includes:

- Analysing trends and data for their executive reporting on network ops
- Network Operations Center (NOC) engineering: network support services, automation and NOC reporting dashboards
- Circuit delivery management, migrations, circuit audit and document capture and creation
- Maintaining, developing and enhancing native network operations tools and improving automation candidacy
- Technical writing and data scientist services
- Onsite/nearshore coverage (Manila, Mexico, USA, India)

Outcome

Our delivery model improved service levels for incident management and resolution. We also enhanced CSAT as a measurable KPI. The Hexaware team also helped create reusable tools and assets for better network resiliency. Above all, it created an elevated level of confidence in Hexaware as a partner who can take charge of creating and sustaining a resilient platform with reliable and enhanced performance.

Case Study

Audit Transformation for a Multi-national Professional Services Company

Challenge

A leading multi-national professional services firm required streamlining of their processes for their auditing arm. Their core pain area was in their Trade Receivables and Trade Payables processes. With auditors across the globe, the solution approach required factoring in several aspects around different jurisdictions (countries) and languages, in addition to minimising manual intervention.

Solution

Hexaware implemented a globally scaled automation platform across 127 countries based on micro-services and Micro UI-based architecture. As part of our solution, bots were developed to automate Trade Receivables and Trade Payables processes and email services. Coverage for 22 foreign languages ensured a unified audit collaboration platform with extensible functional designs supporting specific auditing requirements (standards) across jurisdictions. In addition, we developed a client and supplier portal for faster data ingestion, fuelling more automation in the audit process and, consequently, more cost savings.

Outcome

Our automation platform successfully achieved the client's goals of increased efficiency and reduced manual effort. We continue to save the firm upwards of 175,000 effort hours daily through automation.

FOSTERING STRONG PARTNER

Relationships

Hexaware has constantly strived to co-develop solutions and build capabilities with industry leaders to help clients solve critical business challenges. We have invested heavily in building a partner network through collaboration with ecosystem partners.

We work closely with market-leading technology vendors, product vendors, platform vendors, niche technology providers, future technology providers, and business software providers.

Strategic Partners

With a focus on sales and marketing, we have made significant investments and formed partnerships with:

Microsoft, snowflake, aws, Google Cloud, salesforce, servicenow

Vertical-focused Partners

To develop deep domain expertise in sector-specific technologies, we have alliances with:

GUIDEWIRE, BACKBASE, MAMBU

Next-level Partners

To build a robust suite of industry-leading enterprise solutions, we have partnered with:

Adobe, PEGA, workday, SAP, ORACLE

Microsoft

Hexaware is an Azure Expert MSP partner and a part of the global ITeS 360 programs. We are a Gold Partner with 14 Gold competencies across all three clouds of Microsoft. We have 6,000+ Microsoft-certified consultants, serving 90+ customers on Azure.

We have six Advanced specialisations including Modernising Web Applications, Windows & SQL Server Migration, Data Warehouse Migration, Azure Virtual Desktop, Low Code Application Development, and Linux & Open-source DB Migration. Out of the 350k+ Microsoft partners worldwide, only select partners have the Advanced specialisation for Data Warehouse Migration, and we were one of the pioneers.

We continue to launch IP co-sell solutions in the marketplace. Currently, we have 15 offers listed. We are focused on increasing our funding eligibility to more geographies as we grow our business with Microsoft.

snowflake

In February 2022, Hexaware became a Premier Services Partner with Snowflake. This recognises our commitment to delivering accelerated outcomes through our proprietary Amaze ® for Data & AI platform at scale and speed on Snowflake's Data Cloud along with our Snowflake Center of Excellence with 400+ data consultants and SnowPro certified architects.

Hexaware's Snowflake expertise cuts across all workloads of the Snowflake Data Cloud, providing Data Platform Modernisation, Data Integration, AI/ML, delivering 'Powered by Snowflake' applications, vertical-specific Data Modernisation, Data Sharing, and Data Monetisation Strategy and Solutions.

aws

Hexaware achieved AWS Migration Competency status in October of 2022. This recognises our deep expertise in helping customers move successfully to AWS through all phases of complex migration projects, including discovery, planning, migration, and operations. Additionally, we can use tools from the AWS Migration Acceleration Program (MAP) to help customers accelerate cloud migration and reduce costs via automation.

Google Cloud

October was a busy month for partnership news at Hexaware. In October of 2022, Hexaware also announced the availability of its enterprise modernisation platform, Amaze® for Applications, on the Google Cloud Marketplace. Placing the Amaze® SaaS platform and related services on the Marketplace enables organisations to subscribe to the platform as a self-service model. This includes a variety of flexible package options, pricing models, and accompanying services that enable enterprises to customise their Amaze® platform to best suit their needs and budget.

servicenow

We closed 2022 by opening a ServiceNow Experience Center and Innovation Lab in Noida, India. The new lab was officially inaugurated by Erica Volini, Senior Vice President of Global Alliances & Channel Ecosystem and Partner Go-To-Market Operations at ServiceNow.

The Experience Center is designed to offer enterprise customers a first-hand experience of Hexaware's ServiceNow Solution Suite and provide an environment to demonstrate innovative solutions, drive pilot projects, and access proofs of concept. This will allow our clients and visitors to explore technology solutions, share knowledge, brainstorm ideas, and strategise plans with our team of ServiceNow thought leaders and transformation experts. Our ServiceNow team will work with leading enterprises to help them realise the true power of digital transformation by automating and digitising workflows using the ServiceNow Platform.

EMPOWERING COMMUNITIES BY

Building A Better Society

Hexaware is engaged in strategic philanthropic programmes to improve the quality of life of under-served, disadvantaged, and marginalised communities. Our long-standing commitment to CSR (corporate social responsibility) is built on a strong belief in inclusive growth and value creation for every stakeholder, viz., employees, board of directors, customers, and the communities in which we operate.

We support a variety of programmes across the following areas:

CSR Initiatives 2022

Education

Hexaware seeks to promote education and vocational training through its CSR projects. To bring about societal development, the Company's CSR focus remains on enabling access to education for the underprivileged and enhancing the employability of the under-served.

Environment

The Company's ethos places special emphasis on issues of environmental conservation and consciousness. Its efforts include reducing its ecological footprint, creating awareness, and promoting ecological activities.

Health and Sanitation

While access to healthcare and sanitation remains an important indicator of development, lack of access to proper medical facilities plagues many parts of rural and urban India. Hexaware seeks to promote health and sanitation through its CSR projects.

Sports

The Company aims to promote sports primarily among children and the underprivileged sections of society. We also focus on reviving and promoting arts and culture in India through suitable interventions.

Rural Development

The Company aims to promote and support projects focusing on improving the lives of people in rural areas.

Skill Development

Our skill development initiatives help us fulfil the responsibility of training young people by providing them with skills through our NGO partners with the objective of enhancing their employment/self-employment potential.

ENVIRONMENT STEWARDSHIP

At Hexaware

Hexaware takes its responsibility for environmental impact very seriously and continuously strives to reduce its ecological footprint for sustainable growth. ESG, an acronym for Environmental, Social, and Governance, refers to the three imperative factors to assess the sustainability and ethical impact of a business or organisation.

Hexaware's ESG Goals

Achieve net zero GHG emissions (Scope 1 & 2) by 2040	Transition 70% of campus electricity usage to renewable sources by 2030	Ensure zero waste to landfill by 2025 at owned facilities

As a responsible corporate citizen, Hexaware is committed to environmental sustainability. We demonstrate a high level of commitment to protecting the environment and ensuring a safe and healthy workplace for our employees.

Environmental Policy

Hexaware's Environmental Policy, which states its commitments toward its material environmental aspects, has been circulated and agreed upon by all our employees, vendors, and suppliers. It is also accessible to our customers, investors, and other interested stakeholders. The Policy is reviewed annually or as needed to ensure compliance with the applicable laws, regulations, and key changes happening in the IT industry.

ESG Training

ESG training is a part of the induction process for new employees. The Corporate Affairs team covers the environment, health and safety aspects, while the HR team provides the Code of Conduct, Prevention of Sexual Harassment, and other training as part of the induction. In November 2022, we added additional training led by our ESG team, and since then, 100% of our new employees have undergone robust ESG training achieving milestones to help us find connectedness and belonging.

100%

of our new employees have undergone ESG training since November 2022

Energy Management and Emission Control

We partner with renewable energy vendors, energy-efficient technology vendors, wastewater recycling technology vendors, authorised e-waste disposal agencies, water recharge and restoration agencies, and other such strategic partners and consultants who help us cut down our Greenhouse Gas (GHG) emissions and mitigate any negative impact on the environment. The organisation uses its technology platform to collect performance data across all sites. The ESG team reviews the initiatives to be undertaken and communicates the same to the Board every quarter.

Our owned offices – nine in India, one in the Philippines, and one in Poland – are certified for ISO 14001:2015 Environmental Management System standard since 2021. This covers 70% of our global development centers. Our other sites also follow the requirements of the standard and undergo rigorous internal audits and reviews.

Hexaware is committed to sustainable business practices by contributing to environmental protection and considers energy conservation as one of the important aspects of preserving natural resources. We recognise the importance of addressing risks due to climate change and the environmental impacts of our business activities. Hence, we are continually striving to improve our environmental performance across our operations and value chain. Our offices across India have identified the various climate change-related risks, and the same are being tracked.

Energy Conservation Initiatives

Aligned with the above goals, Hexaware has taken various initiatives for energy conservation and preserving natural resources. Some of the highlights are as follows:

Solar

- The Company has an 1124 KW capacity rooftop solar system at its Siruseri campus, 114KW at the Mumbai Millennium Business Park (MBP) campus (Buildings 152 & 157), and 325KW at the Pune campus. The total solar capacity in Hexaware offices at the end of 2022 stands at 1563KW (1.563MW).
- A 278KW capacity solar system is being installed on a car parking port at the Pune campus to achieve a total solar capacity of 1841KW (1.84 MW) in the year 2023.
- Power generated in the year 2022 from these systems is 1625260, 145116, and 441950 units at Chennai, Mumbai, and Pune locations, respectively.
- This has resulted in avoiding GHG emissions of about 1748 tons of CO_2 (carbon dioxide) — 1284 tons at Chennai, 115 at Mumbai MBP, and 349 at Pune.

Wind

- Approximately 4.42 million units of wind energy were availed in the year 2022 as a group captive power consumer through a third-party private power agency.
- 88% of the total energy consumed at the Chennai campus comes from green power (wind & solar).

Air Quality

- Indoor and ambient air quality monitoring is carried out every month. CO_2 levels inside the work area are monitored to ensure a pollution-free environment. An Ultraviolet Germicidal Irradiation (UVGI) system is installed at comfort air conditioning for disinfection of micro-organisms and improvement of indoor air quality at Chennai, Mumbai (Buildings 152,157 & Loma IT floors), and Pune campuses.

LEED Certification

LEED (Leadership in Energy and Environment Design) certification is a globally recognised standard for the design, construction, and operation of high-performance green buildings and neighbourhoods. Buildings that have earned LEED certification save money, lower carbon emissions, improve efficiency, and create healthier spaces for people.

Pune Campus

Certification: LEED Platinum-level certification

Number of buildings: 1

Features include:

- 33% less energy when compared to the base case
- 56% less water consumption due to water-efficient fixtures and the use of treated water
- 11% of the value of construction materials was recycled
- 85% of the value of construction materials were brought/procured within 500 miles
- Design enables ample daylight and good outdoor connectivity for the occupants

Mumbai – Loma

Certification: Gold Certification

Number of buildings: 1

Features include:

- Water conservation – Use of low flow fixtures in the project. Over 50% of water use reduction than the baseline
- Tenancy in the certified green building
- Energy savings – A total of 12.7% energy savings with simulation than that of baseline. Use of Energy Star rated equipment; eco-friendly refrigerant & Halon-free fire equipment to reduce environmental impacts; HVAC & lighting systems designed to optimise energy consumption as per ASHRAE guidelines
- Metering & submetering of systems
- Waste generated onsite is recycled, reused & more than 95% of waste is diverted from landfill
- 30% additional fresh air ventilation designed to meet ASHRAE 62.1-2010 standard

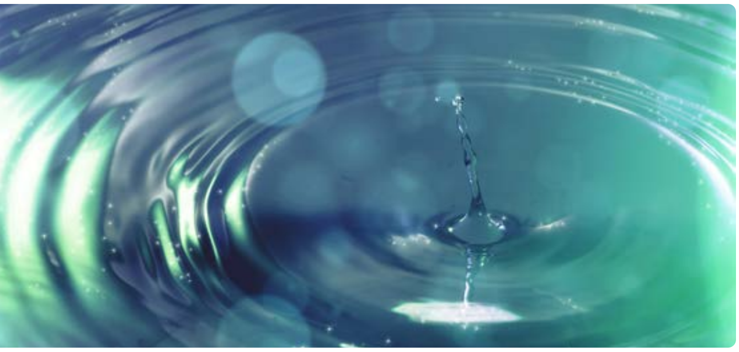
Chennai – Siruseri

Certification: Gold Certification

Number of buildings: 1

Features include:

- 96.5% of construction waste diverted from landfill
- 58.3% less water consumption due to water efficient fixtures and the use of treated water
- 37.3% of the value of construction materials were regionally extracted materials
- Energy savings of 21.7%



Water Management

Water at our campuses is primarily used for drinking, hygiene, facility operations, and landscaping. Some of our locations are in water-stressed areas; as a responsible organisation, we understand the importance of efficient water management.

We aim to make our campuses water sustainable and continue to reduce per capita freshwater consumption. Our campuses are equipped with sensor taps, sprinklers, smart meters, rainwater harvesting systems, and sewage treatment plants (STP) to ensure the conservation and recycling of water.

The Chennai and Pune campuses are zero-water discharge campuses, and a rainwater harvesting system is installed along the periphery. We have state-of-the-art 220 KLD and 75 KLD capacity sewage treatment plants installed at Chennai and Pune campuses, respectively. The treated water generated from STP is used for gardening purposes.

Although our water consumption is low, we realise it is still drawn from water-stressed areas. Therefore, we support the Environmental Foundation of India (EFI) for pond restoration projects to restore the water bodies in Chennai. So far, six water bodies and one urban reforestation project have been restored in Tamil Nadu, India. As a part of urban re-forestation, we planted 4000 trees in 2022.

4,155 KL

Treated sewage water at Pune was recycled and reused in 2022

16,797 KL

Treated sewage water at Chennai was recycled and reused in 2022

Waste Management

As an IT services organisation, we generate only electronic, electrical, office consumables, and municipal solid waste. Hazardous wastes such as lead-acid batteries and waste lube oil are in smaller proportions. However, Hexaware believes that it is important to manage waste while conforming to the regulatory guidelines, to ensure that there is minimum to no impact on the external environment. We are also working toward our goal of 'zero waste going to landfills by 2025' at our owned campuses.

Hexaware's waste management process is based on the 4Rs of the waste management principle — Reduce, Reuse, Recycle, and Recover. We understand the source of waste, its type, and quantum to make appropriate decisions for treatment. Raising awareness among our stakeholders to encourage responsible consumption is crucial to our success.

Generators are pollution-free, as certified by Government Pollution Control agencies, and the stacks are fixed at the prescribed heights and locations. Wet scrubbers are installed in the generator exhaust lines to minimise air pollution at the Chennai campus.

Health & Safety

It is our duty to provide a safe and healthy workplace for our employees. During 2022, Hexaware has been certified with ISO 45001:2018, covering 11 locations across India, Poland, and the Philippines.

Hexaware is a zero-incident workplace, and we are continuously working to enhance health and safety at the workplace by leveraging state-of-the-art infrastructure and industry-leading practices.

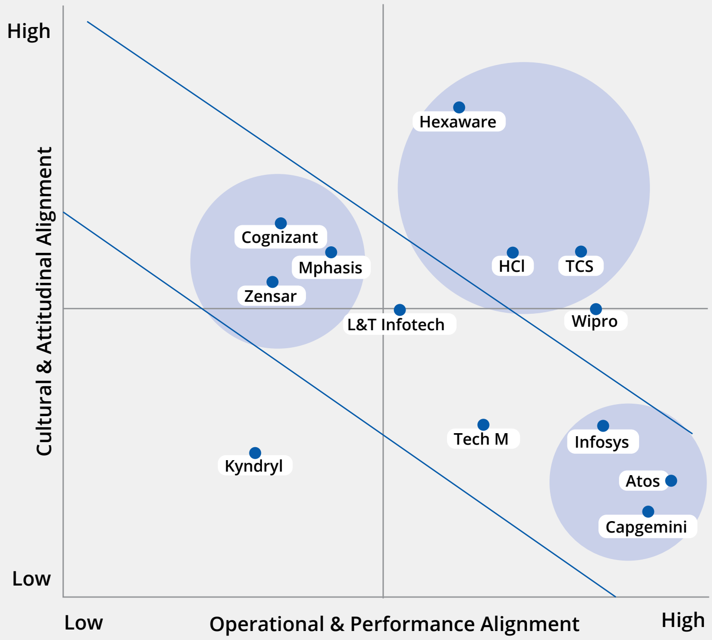
ESG Performance and Achievements

Neo Group, a leading advisory firm, ranked Hexaware high in both parameters of ESG adoption in their 2022 ESG Adoption Survey Report. This report assesses ESG adoption across select IT and Business Service Providers (ITBSPs).

The two criteria of ESG adoption considered in this report are operational-performative alignment and cultural-attitudinal alignment. The providers evaluated in this report were scored based on globally accepted ESG regulatory standards and the level of sustainability inclusion in their organisational principles. Hexaware's balanced alignment to the operational-performative criteria and the cultural and attitudinal transformation is the reason for its high scores across both dimensions.

Despite this clear win, we want to do better to live up to our value of 'be sustainable'. Therefore, in late 2022, we worked with our parent company, Carlyle, and KPMG, to define new ESG goals that will enable us to reach the next level.

ESG Adoption - Performative v. Attitudinal Alignment



Hexaware stood out among the lot, with a fairly balanced alignment score across both the operational as well as the cultural dimensions.

Hemant Puthli
Partner and Managing Director, Neo Group

SUSTAINABLE GROWTH AND

Profitability

Our commitment to creating value for our investors remains unwavering. We have harnessed our strengths of financial stability and operational efficiency to capitalise on new opportunities and deliver consistent and profitable growth.

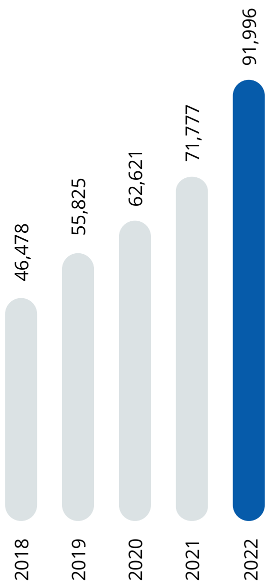
We are pleased to have been recognised by the Institute of Company Secretaries of India, which sets the standard for excellence in corporate governance. This acknowledgement is a testament to our focus on corporate governance initiatives, including our value-based approach, strong corporate culture, governing policies, adoption of best practices, effective leadership and strict adherence to principles of integrity, transparency and accountability.

Vikash Jain
Hexaware's CFO

Revenue

(₹ in Million)

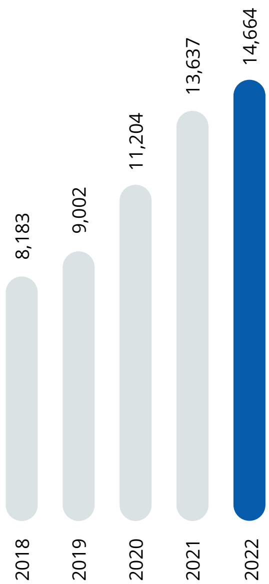
28.2% 18.6%



Adjusted EBITDA

(₹ in Million)

7.5% 15.7%

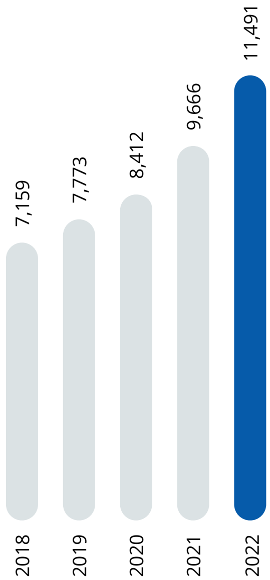


y-o-y growth   5-year CAGR

EBIT

(₹ in Million)

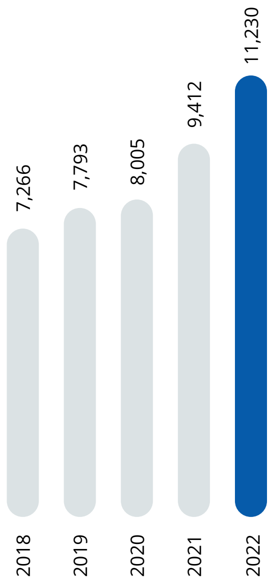
18.9% 12.6%



PBT

(₹ in Million)

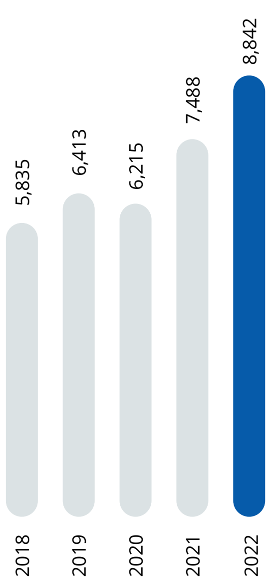
19.3% 11.5%



Profit After Tax

(₹ in Million)

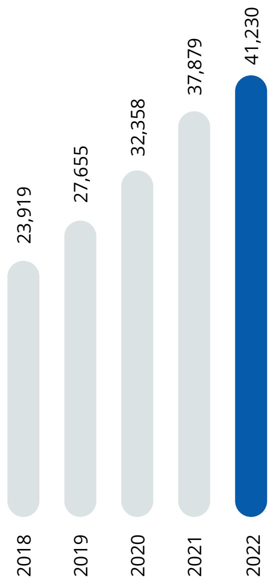
18.1% 11.0%



Net worth

(₹ in Million)

8.8% 14.6%



y-o-y growth 5-year CAGR

Megatrends and Our Response

The only constant in the technology industry is change. At Hexaware, we believe in the magic of technology. It allows us to solve new problems and undertake new challenges that would have seemed impossible in the past. But to harness the magic of technology for our customers, we have to understand it.

Enterprises are Focusing on Cost Optimisation and Near-term ROI

As enterprises prepare for a potential recession in 2023, they will focus on cost optimisation and lowering discretionary spending on new products or services. Therefore, transformation projects in 2023 will need to be self-funded or have a strong near-term ROI. Because of this, we expect to see an increase in demand for managed services and cost reduction initiatives.

Hexaware's Response

We have prepared a cost takeout playbook and related offering. Our approach offers a customised, holistic view of IT spend leveraging an experiential methodology to drive sustainable cost reduction across IT and operations. If desired, we can then help the customer plough the savings back into funding digital transformation.

Delivering and Scaling Industry-specific Technology Solutions

As the technology industry evolves, one key trend that is revolutionising the way companies operate is the adoption of industry-specific cloud platforms. These platforms combine software, platform, and infrastructure as a service (IaaS) with tailored, industry-specific functionality, enabling companies to adapt to emerging trends in their industry.

Proof Point

Hexaware's patient outreach and care experience platform CarrotCube built on the Salesforce Health Cloud, CarrotCube enables the delivery of next-gen healthcare by seamlessly integrating clinical workflows and patient engagement to manage patient health more efficiently.

Hexaware's Response

Hexaware has built strong domain capabilities by serving only select industries. We invest in attracting and retaining industry experts in these areas to bolster our expertise and create industry-specific solutions. We then combine our domain knowledge with our platform engineering capability to build compelling industry-specific platforms.

Platform Engineering for Accelerated Digital Delivery

Platform engineering aims to optimise developer experience and accelerate digital delivery. Many of our customers will seek to establish platform teams as internal providers of reusable services, components and tools for application delivery.

Hexaware's Response

We have invested heavily throughout 2022 in building our own software engineering platform, RapidX, which we soft-launched at the end of 2022. RapidX is already helping our customers to optimise the developer experience and accelerate their teams' delivery of value.

The Rise of Superapps

Another key trend is the rise of Superapps. These apps act as a platform to deliver consistent and personalised experiences for users, allowing them to discover and activate a personalised set of targeted experiences within a single app.

Hexaware's Response

We understand that to stay relevant and competitive in the market, enterprises will need to deliver personalised, seamless user experiences. Superapp experiences are the logical evolution of the creation of consumer-grade and enterprise platforms, and we will continue to evolve our own capabilities in the same way. We have already built superapp solutions for some of our customers and expect to see demand in this area increase in parallel with the increased interest in platform engineering.

Platform Engineering for Accelerated Digital Delivery

Emerging technologies like generative AI and metaverse are also key trends disrupting multiple industries. The metaverse offers a stunningly realistic 3D world that can be leveraged for a wide variety of use cases limited only by the imagination. Generative AI can carry on sophisticated conversations with users and generate a wide variety of content, such as images, videos, audio, text, and 3D models. Both of these emerging technologies are expected to provide new opportunities and challenges for organisations across a wide spectrum of industries and use cases.

Hexaware's Response

We are in the process of integrating AI engines through OpenAI with our RapidX platform. We are also leveraging generative AI in a variety of ways for our clients, such as in-context learning. As of the end 2022, we had delivered 95+ metaverse technology solution portfolios and created 5 Co-IPs with Microsoft.

Strategic Priorities

Our strategy is focused on empowering enterprises to realise their digital value. We accomplish this through four key service areas: Build, Transform, Run, and Optimise.

Build

Design, build, and market digital products, platforms, and applications that create the experiences customers want.

Transform

Achieve digital transformation and modernisation at speed and scale with actionable insights.

Run

Enhance efficiency and lower costs across Information Technology (IT) landscapes.

Optimise

Enhance business outcomes through process optimisation. Create the experiences customers want.

Our strategy is to boost our customers' growth through significant IT cost savings, improved operational efficiency, increased productivity, reduced manual efforts, and unmatched user and customer experiences.

In the final quarter of 2022, we restructured into three major technology service lines – Digital and software, Transformation and Digital IT operations - to simplify and minimise overlap. Each of these is now a scale business ranging from $ 200 – $ 500 million, and each is underpinned by a platform that creates differentiation.

- Tensai®, our unified IT Ops platform, offers a suite of products that enable plug-and-play architecture, ensure security and privacy, and provide the ability to deliver cross-functional automation capabilities across IT Infra and apps.
- Amaze®, our cloud journey acceleration suite, covers the secure modernisation, migration, and testing/ validation of applications and data to the cloud. Amaze® for Applications was awarded a US patent in 2022.
- RapidX, our new software engineering platform which we soft-launched at the end of 2022, will help our customers to optimise the developer experience and accelerate their teams' delivery of value.

Our Business Process Services practice continues to enhance business outcomes for our customers through process optimisation. The combination of these offerings enables us to empower enterprises end-to-end to realise their digital value.

Expanding Our Global Talent Pool

We are investing heavily in becoming a preferred employer for global and diverse digital talent. Expanding our global delivery and skill catchment pool continues to be a priority. Mexico is now the third largest country for us from a talent sourcing perspective, after India and the US. In 2022, we were recognised on Forbes Mexico's Best Employers list. We have now expanded our Mavericks programme – which focuses on hiring fresh engineering graduates – to the US and Mexico. In Mexico, we also introduced our Hexaware Future Leaders programme for Senior Management Trainees.

Building a Better Tomorrow

While we will of course continue to find ways to consume less, prioritise green energy, and capture carbon within our own operations, we will also continue to strategically build solutions that help our customers do the same.

We know that many if not most of the CIOs we work with have performance metrics tied to the sustainability of the IT organisation. IT leaders are tasked with delivering technology with positive ESG (environmental, social, and governance) impact within and beyond the business. However, current information technologies have limited telemetry to capture the necessary data and assess their respective impacts on the environment.

As a first step, we have built a comprehensive ESG integration solution as part of our Amaze® for Capital Markets platform that incorporates requirements from leading ESG taxonomies and standards along with data management capabilities. We believe this solution will significantly enhance our customer's capabilities around sustainability-related investing decisions, regulatory compliance and reporting, taxonomy alignment, net-zero alignment, and more. We will continue to make investments into building sustainable technologies in 2023 and beyond.

Nurturing Sustainable Growth through Integrity and Good Governance

We believe that good corporate governance is essential for long-term growth and value creation for our stakeholders. Our unwavering commitment to ethical business practices, diversity and inclusion has enabled us to build a strong foundation for long-term value creation, while mitigating risks and fostering innovation.

Leadership and Board of Directors

Our Board and leadership team are involved in making decisions and setting strategies for the Company, while effectively communicating our vision, strategy, culture, and values to employees. Our Board of Directors comprises professionals with vast knowledge and experience, and there is adequate participation of Independent Directors at each committee.

Board Composition and Diversity

The experience of our Board members spans across a wide range of industries, bringing diverse perspectives to our decision-making processes. In terms of diversity, we ensure that our Board is representative of our stakeholders and society as a whole, with a mix of age, gender, ethnicity, and cultural background. We believe that a diverse Board enhances creativity, innovation, and overall performance.

Board Responsibility

Our Board is collectively responsible for ensuring the success of the Company by directing and supervising its affairs. We provide entrepreneurial leadership within a framework of prudent and effective controls, which enable risk assessment and management. Our Board sets the Company's strategic aims, ensures that the necessary financial and human resources are in place for the Company to meet its objectives, and reviews management performance. We have also set the Company's values and standards with careful considerations to ensure that our obligations to our shareholders and other stakeholders are understood and met. Our directors constructively challenge and contribute to the overall strategy and business development initiatives of the Company.

Board of Directors

Michael W. Bender
Non-Executive Chairman
M

R Srikrishna
CEO & Executive Director

Sandra Horbach
Director

Julius Genachowski
Director
C C

Lucia Soares
Director

Neeraj Bharadwaj
Director
M C

Kapil Modi
Director
M M

Shawn Devilla
Director
M

Milind Sarwate
Independent Director
C M

Joseph McLaren Quinlan
Independent Director
M M M

C Chairman M Member

- Audit, Governance and Compliance Committee (blue)
- Nomination & Remuneration Committee (yellow)
- Stakeholders Relationship Committee (grey)
- Corporate Social Responsibility Committee (black)

Leadership Team

R. Srikrishna
CEO & Executive Director

Vinod Chandran
Chief Operating Officer

Vikash Kumar Jain
Chief Financial Officer

Amrinder Singh
Corporate Vice President – EMEA & APAC

Arun Ramchandran
President & Global Head – Hi-Tech & Professional Services

Chinmoy Banerjee
Corporate Vice President & Global Head – Banking & Business Process Services

Eswar Venkatachalam
Executive Vice President & Global Head – Travel & Transportation

Kamal Maggon
Corporate Vice President & Global Head – Manufacturing & Consumer

Milan Bhatt
President & Global Head – Transformation & Healthcare & Insurance

Ravi Vaidyanathan
President & Global Head – Financial Services

Sanjay Salunkhe
President & Global Head – Digital & Software

Siddharth Dhar
Corporate Vice President & Global Head – Digital IT Operations

Srinivasan Panchapakesan
Corporate Vice President & Global Head – Transformation Delivery

Nidhi Alexander
Chief Marketing Officer

Satyendu Mohanty
Executive Vice President & Global Head – Competency

Senthil Nayagam K
Executive Vice President – Global Revenue Assurance

Uma Thomas
Chief Risk Officer

Performance Highlights

Our Performance Scorecard

(₹ million unless otherwise stated)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenue	91,996	71,777	62,621	55,825	46,478	39,420	35,349	31,235	25,817	22,853
Adjusted EBITDA	14,664	13,637	11,204	9,002	8,183	7,351	6,366	5,651	4,468	4,810
EBITDA after RSU cost	14,258	12,397	10,736	8,975	7,810	7,001	6,119	5,440	4,468	4,810
EBIT*	11,491	9,666	8,412	7,773	7,159	6,368	5,567	4,957	3,962	4,424
Profit Before Tax	11,230	9,412	8,005	7,793	7,266	6,406	5,604	5,046	4,181	4,795
Profit After Tax	8,842	7,488	6,215	6,413	5,835	4,995	4,192	3,932	3,202	3,791
Net Worth	41,230	37,879	32,358	27,655	23,919	20,073	17,409	14,332	12,906	11,992
Loan Funds	827	-	1,900	1,431	-	-	-	-	-	-
Capital Expenditure	1,192	1,092	736	1,296	609	957	2,223	1,367	604	411
Cash and Bank Balance (including restricted balance & mutual funds)	13,093	13,292	10,379	2,528	8,341	5,521	4,482	4,428	4,939	6,564
Growth Ratios										
Revenue (%)	28.2	14.6	12.2	20.1	17.9	11.5	13.2	21.0	13.0	17.3
Adjusted EBITDA (%)	7.5	21.7	24.5	10.0	11.3	15.5	12.7	26.5	(7.1)	22.5
EBIT (%)	18.9	14.9	8.2	8.6	12.4	14.4	12.3	25.1	(10.4)	22.8
Profit Before Tax (%)	19.3	17.6	2.7	7.3	13.4	14.3	11.1	20.7	(12.8)	18.7
Profit After Tax (%)	18.1	20.5	(3.1)	9.9	16.8	19.2	6.6	22.8	(15.6)	15.7
Performance Ratios										
Adjusted EBITDA Margin (%)	15.9	19.0	17.9	16.1	17.6	18.6	18.0	18.1	17.3	21.0
EBITDA Margin after RSU cost (%)	15.5	17.3	17.1	16.1	16.8	17.8	17.3	17.4	17.3	21.0
EBIT Margin (%)	12.5	13.5	13.4	13.9	15.4	16.2	15.7	15.9	15.3	19.4
Net Profit Margin (%)	9.6	10.4	9.9	11.5	12.6	12.7	11.9	12.6	12.4	16.6
Tax/Total Revenue (%)	2.6	2.7	2.9	2.5	3.1	3.6	4.0	3.6	3.8	4.4
Effective Tax Rate (%)	21.3	20.4	22.4	17.7	19.7	22.0	25.2	22.1	23.4	20.9
Balance Sheet Ratios										
Return on Average Net Worth (%)	22.4	21.3	20.7	24.9	26.5	26.7	26.4	28.9	25.7	31.6
Debt Equity Ratio	2.0	-	5.9	5.2	-	-	-	-	-	-
Per Share Ratio										
Dividend Payout Ratio (%)	75.1	32.2	33.7	47.6	43.0	28.6	59.8	79.8	105.0	103.0
Earnings Per Share – Basic (₹)	29.3	24.9	20.8	21.5	19.7	16.8	13.9	13.1	10.7	12.7
Cash Earnings Per Share (₹)	27.2	32.5	47.9	20.0	18.5	16.0	15.9	13.0	13.7	11.2
Dividend Per Share (based on declaration) – (₹)	22.0	8.0	7.5	8.5	8.5	4.0	5.5	8.7	9.5	11.1

* after exceptional item

Note : FY 2016 to FY 2022 is as per IndAS whereas FY 2013 to FY 2015 is as per previous Indian GAAP

Effectively Managing Our Risks

Hexaware has a well-documented Risk Management Framework that includes a risk management policy, risk management processes, risk governance, and risk awareness programmes. We have developed an Enterprise Risk Management (ERM) function to achieve the Company's strategic objectives by identifying, assessing, mitigating, and averting or managing any kind of risk.

Our Chief Risk Officer (CRO) oversees the ERM function and works closely with the respective risk owners.

The primary objective(s) of establishing a risk management process is to ensure that:

- Risks faced by the organisation shall be identified and recorded in the risk register, enabling the top management to get a comprehensive view
- Identified risks shall be assessed, mitigated, monitored, and reviewed on an ongoing basis
- Acceptable risk appetite is set to balance risks and opportunities for contributing to the achievement of the organisation's strategic objectives

The Board is entrusted with the role of ensuring effective risk management and aligning the strategic objectives with the organisation's key risks for achieving intended outcomes.

Key risks faced by the Company and the mitigation measures undertaken during the year are given below:

Key Risk	Definition	Mitigation Plan	
Cyber Security Risk	Companies working in hybrid mode and using digital technologies are more prone to sophisticated targeted attacks, ransomware threats, malware, data leakage, and other security failures.	• Leveraging next-gen technologies, we implemented key security initiatives like upgrading the security policies and processes, Endpoint Detection & Response (EDR) monitoring, Secure Access Service Edge (SASE), Security Information and Event Management (SIEM), and timely patch management. • Carried out periodic internal Vulnerability Assessment and Penetration Testing (VAPT), third-party vulnerability analysis including simulated hacker attacks, dark web monitoring, Open-source intelligence (OSINT) scans, and external scans are performed to proactively identify and remediate threats and vulnerabilities. • Implemented an ISO27001:2013 certified Information Security Management System (ISMS) and cyber security program. • Strengthened our endpoint security measures to mitigate work-from-home and cyber risks. • Regularly reviewed the governance and management of security compliance and risks.	• Engaged external auditing bodies to carry out Type 2 assessments of SSAE16 and ISAE3402 for SOC1 and SOC2 annually. • Aligned cyber security measures with National Institute of Standards and Technology (NIST) cyber security framework for the latest benchmarking of security practices. • Identified our posture from the internal and external vulnerability scans (e.g., Nessus) that reflected our seriousness to achieve 0% vulnerabilities, void of the issues that can be deemed as critical/severe/high by industry standardised vulnerability scores. • We are in the top echelon of the BitSight scores in our industry with a score of 800, the industry average ranging from 650 to 770 points. The score represents our cyber security posture, performance, cyber risk, and overall security practices relative to the industry. • We engaged with industry experts for emerging threat management and security technology adoption.
Talent Availability and Retention	Delay in deployment of, and non-availability of employees with relevant skills, especially in new-age domains such as digital offerings, could result in revenue loss. We operate in an industry that is highly dependent on talent. We must continuously invest in employee training and development or face the risk of attrition.	• Identified a dedicated competency SPOC offshore and in the US to drive the Hire, Train, and Deploy (HTD) programme, covering the training readiness, schedules, and logistics. • Doubled our recruitment capacity in two phases. • Added vendors for L1 interviews to increase the funnel by 60%, as 60% of the candidates decline online screening.	• Planned jump-start training in focused areas for bench employees to increase their deployability chances. • Viewed social platforms like Glassdoor closely, with focused participation to respond to queries/concerns from current and prospective employees.

Risk Management

Key Risk	Definition	Mitigation Plan	
Increased Cost of Services	Increase in salary and other costs could affect margins.	We are improving our operating efficiency by: • Controlling operating costs (tight budgeting process). • Monitoring and replacing sub-contractors with full-time employees, wherever possible.	• Mentoring and guiding potential candidates to take greater responsibility. • Implementing a rotation plan in our long-running projects. • Broadening the pyramid by hiring freshers. • Structuring a training framework for upskilling existing resources on the latest technologies.
Data Protection and Privacy	Leakage and misuse of confidential data and proprietary information increases the risk of non-compliance of privacy and data protection laws and can damage brand reputation, relationships, and growth.	• Developed a robust framework that includes policies, privacy impact assessments, governance, data mapping, and incident management. • Enabled robust data protection measures in compliance with the global standards and requirements of GDPR, HIPAA, PCI-DSS, etc.	• Developed and communicated security awareness guidelines during work from home for our employees. • Signed NDAs with employees and provide regular training and awareness on information security and data privacy. Conducted account-specific boot camps to sensitise the team, where required.
Business Continuity & Disaster Recovery	We may be vulnerable to risks due to natural calamities, disasters, or pandemic.	• Certified for ISO 22301:2019 Business Continuity Management System (BCMS). • Structured business continuity management plan to address business disruptions at every level, thereby minimising the impact of outages, including recovery sites, intra-city redundancies, work-from-home challenges, etc. • Performed regular testing of business continuity plans.	• Implemented DR capabilities for critical infrastructure (critical servers, firewalls, core switches, and other critical components) to ensure there is no single point of failure (SPOF) using cloud capabilities. • Implemented multiple connectivity options, e.g., over the internet through site-to-site VPN or MPLS and B2B VPN, so employees can securely connect with client and Hexaware network. • Ensured high availability and robust resilience measures for business and service continuity.

Key Risk	Definition	Mitigation Plan	
Competition Risk	We face competition from various tier 1 and tier 2 organisations. Moreover, some of our clients might consider outsourcing to onsite providers of outsourcing services.	• Increased our service offerings to include new-age technologies such as automation, cloud, mobility, and digital transformation. • Restructured our business by creating service lines to provide focused service to our customers. • Promoted Bottom-Up Disruption (BUD) by encouraging employees to provide innovative value adds to the customer. • The Company has invested in building its partner ecosystem with market-leading products, platform vendors, and niche technology providers, to help our clients solve critical business challenges.	• Nurtured long-term relationships with our customers. The average duration of association with the top 10 customers goes back 15 years. • Adhere to presales accountability to drive bids in each vertical. • Strengthened sales team to win new clients and mine existing accounts. • Constantly monitored analyst ratings across geographies and service lines to ensure we retained our position in the 'leader' quadrant.
Service Delivery Risk	Service delivery could be a risk factor, especially with employees working from home for almost two years.	• Checked our customers' pulse through multiple customer delight surveys. Deployed advanced analytical models to analyse these inputs and determine the future course of action. • Used a daily status reporting tool for voluntary disclosure of critical challenges faced by delivery teams, enabled timely actions and speedy resolution.	• Regularly tracked the Project Health Index of all projects to ensure that all project parameters were being tracked effectively. • Conducted knowledge-sharing sessions within the team to retain the project knowledge among team members.
Revenue Concentration (Customer/ Geography/ Industry)	Concentration of business from customers from limited geographic areas and dependence on few customers could impact business.	• Increased focus on markets other than the US, i.e., Europe, APAC, Nordic, Asia Pacific, Middle East, and Africa (AMEA) regions, and tracked the % share of America to the total revenue.	• We have delivery centers in the Philippines, Poland, Dubai and Manila. • Regularly monitored the revenue contribution of our top 5 customers vs. others.
Complex and Changing Global and Local Regulation	Our business operations are spread across various geographies, and we offer a wide range of services to our clients. This increases our exposure to various risks associated with regulatory requirements.	• We have set up a well-defined compliance framework to track regulatory compliances globally and have defined owners for various compliance.	• Used a compliance tool to track and monitor compliance.

Management Discussion and Analysis

Economic and Industry Context

2022 was a challenging year across the world. We saw high inflation, tightening monetary policies, and a worldwide slowdown in economic activity. The ongoing conflict between Ukraine and Russia, the lingering effects of COVID-19, and increasing concerns over climate change also played a part. According to IMF, the year-end estimate for global growth in 2022 was 3.4 percent. This decline is expected to bottom out in 2023 at 2.9 percent before stabilising and beginning to rise to 3.1 percent in 2024.[1]

Despite the macroeconomic challenges faced in 2022, the IT and business services sector experienced unprecedented levels of demand as enterprises across the globe continued to push forward their technology transformation initiatives.

According to leading global technology research and advisory firm ISG, a record-breaking $ 94.6 billion annual contract value (ACV) was generated in 2022 across IT and business services – a 6.5% increase over 2021.[2] ISG-led contracting activity in 2022 was also unprecedented with over 2,600 managed services awards alone, covering record-high levels of new scope.[3]

Outlook

In 2023, the global economy is expected to witness moderate growth of 2.7%, despite the challenges posed by geo-political tensions and tightening monetary policy. However, the economy is expected to begin recovering in 2024, thanks to the stabilisation of energy prices and a reduction in policy headwinds.

[1] IMF World Economic Outlook Update, Jan 2023

[2] ISG - Global Spending on IT and Business Services Declined in Q4, ISG Index™ Finds (isg-one.com). Includes Managed Services, ITO, BPO, XaaS, SaaS, and IaaS

[3] ISG Index 4Q22 "The Big 3" The ISG Index™ measures commercial outsourcing contracts with annual contract value (ACV) of $5 million or more.

Business Performance in 2022

In 2022, Hexaware reported a 28.2% growth in revenues and an 8.4% growth in adjusted EBITDA before RSU costs, outpacing the growth of the IT and business services industry. We believe this is because of our continued focus on creating smiles for our customers, even when faced with challenges like those we have all weathered together since the pandemic hit. This focus ensures that our customers continue to partner with us, as evidenced by the fact that Hexaware was among the highest-scored companies for customer loyalty based on our Customer Satisfaction Score in 2022.[4] We also won the ISG Star of Excellence Award™ in the Universal Industry category for the second year, and we've broken into a new category as the Global Region winner. Hexaware won these awards by consistently demonstrating the highest standards of customer service excellence, as voted by enterprise customers across the world. For more on our awards, please see page 10 of this report.

Hexaware growth

Revenue (₹ in million)

28.2% YoY

Vertical-wise Revenues

Sectors	2022		2021	
	Revenue (₹ in million)	Share of revenue (%)	Revenue (₹ in million)	Share of revenue (%)
Financial Services	26,628	29	21,390	30
Healthcare and Insurance	20,789	23	15,450	22
Manufacturing and Consumer	16,572	18	13,601	19
Hi-Tech and Professional Services	14,917	16	10,391	14
Banking	6,706	7	6,013	8
Travel and Transportation	6,384	7	4,932	7
Total	**91,996**		**71,777**	

[4]Feedback Insights

Outlook

Going forward, Hexaware is expected to witness strong growth as the demand for technology services and digital transformation remains high. Our focus on digital transformation, digital products and platforms, IT Ops cost reduction, and next-gen tech like the metaverse, are aligned with key industry trends.

Laying the Groundwork for Continued Success in 2023

Service Line Restructuring

In Q422, we began the exercise of restructuring our service lines to simplify and minimise overlap. The new structure will enable us to focus on important growth areas.

Attracting and Retaining Talent in a Tight Labour Market

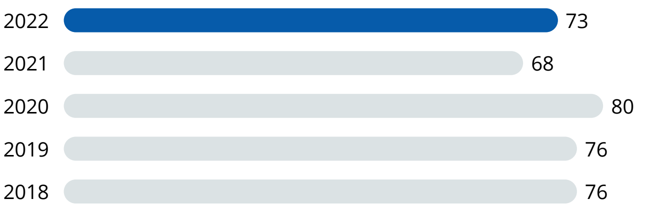
Despite the Q4 22 return of hiring and attrition to pre-pandemic levels[5], the global IT talent shortage will continue to be a challenge. The demand for consulting, industry, and technology skills is expected to remain strong, and attracting and retaining talent will continue as a critical focus for us going into 2023.

An external factor we expect to contribute to easing the talent challenge in the coming years is the country-wide rollout of 5G in India. India's Union Budget 2022-23 called for a new program to facilitate the rollout of 5G mobile services by private telecom providers.[6] In 2022, India was second highest in terms of countries with the most internet users.[7] Increased internet access will further increase India's digital population and enable more of its citizens to take advantage of remote job opportunities.

One of our values is 'put people first'. We strongly believe that happy, engaged employees are more productive, creative, and collaborative. Therefore, we strive to provide our employees with a workplace that creates smiles and motivates them to give their best.

At the close of 2022, the strength of our global workforce was 28,608. To maintain a robust delivery ecosystem and adapt to the dynamic market demands, we onboarded close to 4,442 people in 2022.

Employee Retention Rate (%)

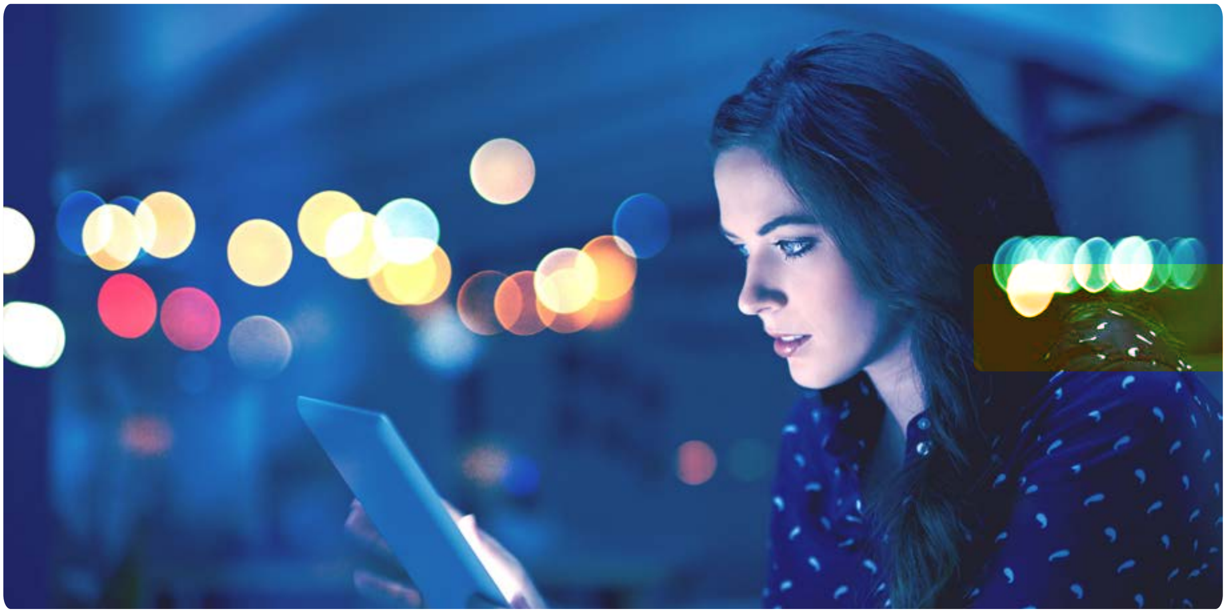


32.7%

Women in Hexaware's workforce

Driving Innovation

We continue to invest in state-of-the-art research and innovation labs, where our teams of innovation architects, full stack developers, and subject matter experts create unique intellectual properties (IPs).



[5]ISG Index 4Q22 "The Big 3"

[6]Summary of Union Budget 2022-23

[7]Internet users by country 2022 | Statista

Our Innovation Labs Deliver Significant Benefits for Our Customers

50%
Cost benefit through Amaze architecture patterns and frameworks

30%
Reduction in patient readmission rates and operational expenses via CarrotCube

40%
Savings on application service management transition & update via Probe

70%
Reduction in manual effort via test automation suite for Guidewire

70%
Automation in BI modernisation

40%
Effort savings for legacy to SAP migration via Triadic

60%
Reduction in automation suite maintenance effort via BPT Automation Accelerator

Our Brainbox programme incentivises Hexawarians to contribute ideas for adding value to their customers' IT landscape

7,368
Ideas posted

73%
Employee participation

5,124
Ideas implemented

33,236,814
total hours/year effort saved

$ 166
Total costs saved

To protect our IP, we have initiated the patenting process at patent and trademark offices across approximately 50 countries. The Company owns 33 IPs alltogether. We actively monitor third-party claims on our properties across the globe and take appropriate measures to defend ourselves.

The most exciting news we had on the patent front in 2022 was receiving US Patent approval for our cloud transformation platform, Amaze® for Applications. Amaze® for Applications is an end-to-end cloud transformation platform for the modernisation and migration of custom Java and. NET applications from monolithic to cloud-native architecture in any cloud environment.

Read page 26 for a detailed discussion of our innovation programs.

Fostering Relationships with Key Stakeholders

We value our close relationships with all our stakeholders and consciously nurture them. Our purpose is to create smiles through great people and technology, and we know that great technology isn't possible without great people. That's why we ensure that everyone we interact with feels welcome, safe, and informed. In everything we do, we respect and value people – including our employees, customers, partners, and members of the communities we serve.

Fostering Relationships with Customers

Our industry-specific solutions and service excellence have enabled us to build strong relationships with our customers across various industries. We take pride in offering innovative and customised solutions that meet our customers' needs.

We have developed deep expertise in six select domains: Banking, Financial Services, Healthcare and Insurance, Manufacturing and Consumer, Global Travel and Transport, and Hi-Tech and Professional Services. This allows us to provide tailored solutions that address the unique challenges faced by our customers. Our commitment to service excellence is reflected in our responsiveness and adaptability to changing requirements, as well as our ability to deliver results on-time and on-budget.

We will continue to focus on innovation and dedication to delivering value to our customers to build on our success and bring smiles to our clients' faces for years to come.

Fostering Relationships with Partners

Hexaware has invested heavily in building its partner ecosystem through collaboration with market-leading technology vendors, product vendors, platform vendors, niche technology providers, future technology providers and business software providers.

Refer to page 56 for a detailed discussion of our partnerships.

Fostering Relationships with Suppliers

We work with numerous vendors and suppliers across various products and services. We select our suppliers based on the following:

- the quality of their goods or services
- alignment of their capabilities with our requirements
- their commitment to on-time and high-quality delivery
- their ability to comply with regulatory norms,
- alignment between the cost of their goods/services, and our budget for the same.

We prefer selecting local suppliers for outsourcing jobs such as facilities management and procurement of materials for infrastructure development and other operations. Our procurement team provides regular feedback to each supplier to help grow the relationship and ensure that our needs are sufficiently met.

Fostering Relationship with Investors

We regularly engage with our domestic and international investors, including our shareholders, analysts, employees, and the society at large through multiple channels of communication. Trading in the equity shares of Hexaware Technologies Limited has been discontinued and the Company is delisted from BSE Ltd and National Stock Exchange of India Limited as of November 9, 2020.

Refer to page 66 for a detailed discussion on our relationship with investors.

Managing Risks and Uncertainties

At Hexaware, we aim to grow sustainably by understanding the continuously evolving market conditions and the risks and opportunities presented through that evolution. We identify risks critical to our business through our Enterprise Risk Management Framework. It includes the process for identifying and tracking early warning indicators as well as creating relevant mitigation measures for each of these risks.

We have prioritised the following key risks and created effective mitigation strategies:

- Cyber security
- Talent availability and retention
- Increased cost of services
- Data protection and privacy
- Business continuity and disaster recovery
- Revenue concentration
- Competition
- Service delivery
- Regulatory and compliance risk

Refer to page 76 for a detailed discussion on our risk management approach.

Internal Control Systems and their Adequacy

The Board of Directors at Hexaware Technologies Limited establishes and maintains internal financial controls. The Board provides reliable operational and financial information that is used in risk identification, analysis, and mitigation as well as the detection and prevention of fraud and error. The Board also ensures the completeness of accounting records and timely preparation of financial statements, as well as stringent compliance across all business units and departments to safeguard assets.

The Company strictly follows the statutes, laws, and regulations of each geography in which it operates. The Audit Committee frequently reviews the Company's adherence to these regulations and performs any required mitigation tasks.

The Statutory Auditor's Report on the adequacy and effectiveness of internal financial controls is on Page 148 of this Annual Report.

Financial Analysis

20.0%
Growth in revenue (YoY in USD)

₹ 11,230 Mn
Profit before tax registering growth of 19.3% YoY

23.3%
Growth in revenue (YoY in constant currency)

₹ 29.31
Earnings per share (Basic), increase of 17.9%

₹ 91,996 Mn
Revenue, registering growth of 28.2% over the previous year

75.1%
Dividend pay-out ratio

₹ 6,637 Mn
Total dividend paid

$ 185.1 Mn
Adjusted EBITDA (pre-RSU), increase of 0.4% YoY

Consolidated Balance Sheet

Property, Plant, and Equipment (PPE) and Intangible Assets

a) Total additions to PPE and intangibles were ₹ 1,632 million: ₹ 837 million in plant and machinery, ₹ 606 million in customer contracts/relations, ₹ 84 million in office equipment, ₹ 61 million in furniture and fixtures, ₹ 20 million in leasehold improvements, ₹ 11 million in vehicles, ₹ 8 million in buildings and ₹ 5 million in software licenses.

b) In January 2022, the Group acquired customer/business contract entered by AECIO IT Solutions India Private Limited, IMS Health Analytics Services Pvt Ltd with its customer for a consideration of ₹ 1,139 million (including deferred consideration of ₹ 853 million). Based on internal assessments and considering forecasts and assumptions, the Group has recorded customer relations of ₹ 390 million, customer contracts of ₹ 216 million and goodwill of ₹ 533 million. Further, deferred tax liability has been recognised for ₹ 48 million. The assumptions used for such valuations are in line with past trends and current contracts and arrangements.

c) Capital work in progress (CWIP) stood at ₹ 63 million as of CY22, as compared to ₹ 121 million on CY21. The CWIP is largely reduced due to capitalisation of infrastructure development at Chennai and Pune locations.

d) The Company has provided adequate depreciation in accordance with the useful lives of assets determined in compliance with the requirements of the Companies Act, 2013[8].

Right-of-use Assets

Right-of-use assets totalled ₹ 3,878 million as of CY22, as compared to ₹ 3,970 million on CY21. Under Ind AS[9] 116, the Group capitalise the operating leases with the corresponding lease liability, which is then amortised *(refer to note 2.8 of the consolidated financial for details of lease accounting).*

Goodwill and Business Combination

Goodwill is ₹ 14,205 million as of CY22 as against ₹ 12,252 million on CY21, an increase of ₹ 1,953 million on account of translation exchange rate difference of ₹ 1,420 million and addition due to acquisition of customer/business contract of ₹ 533 million as mentioned in intangible assets above *(refer to note 2.5 and 2.6 of the consolidated financial for details of goodwill recognition).*

Investments

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Fully paid equity shares (unquoted)	3	-	3	3	-	3	-
Mutual fund units (quoted)	-	-	-	-	1,224	1,224	(1,224)
	3	**-**	**3**	**3**	**1,224**	**1,227**	**(1,224)**

a) The Group continues to hold its investment of ₹ 3 million in shares of Beta Wind Farm Private Limited, an India-based company engaged in the generation of renewable energy. This strategic investment enables the Company to avail renewable energy in Chennai.

b) The Group sold its entire investment in mutual funds, valued at ₹ 1,224 million, as of CY22.

[8]The Companies Act 2013 is an Act of the Parliament of India on Indian company law.

[9]The Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act 2013.

Other Financial Assets

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Interest accrued on bank deposits	1	1	2	1	-	1	1
Derivative assets	39	167	206	218	557	775	(569)
Security deposits for premises and others	465	11	476	421	5	426	50
Restricted bank balances	65	-	65	57	-	57	8
	570	**179**	**749**	**697**	**562**	**1,259**	**(510)**

a) Decrease of ₹ 569 million in foreign currency derivative assets (mark-to-market gain on forward exchange contracts and interest rate swap derivatives designated as hedges) due to adverse exchange rate movement, as compared to the hedge rate (refer to note 29(iii) of the consolidated financials for details on derivatives).

b) Restricted bank balance increased by ₹ 8 million comprising mainly bank deposits placed as security.

c) Security deposits (primarily paid for leased premises and electricity) increased by ₹ 50 million due to the addition of newly leased premises across geographies.

Income Tax Assets (net)

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Income tax assets (net)	536	354	890	284	265	549	341

Income tax paid more than liability receivable from tax authorities increased by ₹ 341 million primarily on account of advance taxes paid in various geographies.

Deferred Tax Assets

Deferred tax assets (net of deferred tax liability) as of CY22 were ₹ 2,367 million and as of CY21 were ₹ 2,105 million, an increase of ₹ 262 million. The Company records net positions as assets and liabilities based on tax jurisdictions considering rights to offset. Note 11C of the Consolidated Financial Statements provides components of assets and liabilities.

Other Assets (net)

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Capital advances	177	-	177	15	-	15	162
Cost to fulfil contract	683	244	927	70	34	104	823
Prepaid expenses	11	959	970	6	775	781	189
Indirect taxes recoverable	15	250	265	44	96	140	125
Employee advances	-	68	68	-	45	45	23
Contract assets	-	865	865	-	751	751	114
Others	-	31	31	-	45	45	(14)
	886	**2,417**	**3,303**	**135**	**1,746**	**1,881**	**1,422**

Other assets increased to ₹ 3,303 million from ₹ 1,881 million, an increase of ₹ 1,422 million, mainly due to the following:

a) increase in other prepaid expenses of ₹ 189 million; indirect taxes recoverable by ₹ 125 million, employee advances by ₹ 23 million; cost to fulfil contracts by ₹ 823 million; contract assets by ₹ 114 million; and capital advances by ₹ 162 million

b) above increase was partially offset by decrease in others by ₹ 14 million

Trade Receivables and Unbilled

Trade receivables as of CY22 stood at ₹ 13,846 million, as against ₹ 10,193 million as of CY21, an increase of ₹ 3,653 million. Day's sales outstanding (DSO) stood at 52 days in CY22 compared with 48 days in CY21.

Unbilled revenue stood at ₹ 4,972 million as of CY22 as compared to ₹ 3,476 million as of CY21, an increase of ₹ 1,496 million.

Cash and Cash Equivalent and other Bank Balances

Cash and cash equivalents aggregate to ₹ 12,916 million as of CY22, an increase of ₹ 1,129 million from ₹ 11,787 million as of CY21. Increase is largely reflective of better cash management from operations.

Other bank balances decreased to ₹ 112 million as of CY22, as compared to ₹ 224 million as of CY21. This represents balances held for the unclaimed dividend of ₹ 112 million as of CY22, as compared to ₹ 115 million as of CY21, and other bank deposits are Nil as of CY22 and ₹ 109 million as of CY21.

Share Capital

The paid-up share capital of the Company as of CY22 was ₹ 604 million, comprising 302,096,663 equity shares of ₹ 2 each. During the year, 483,404 shares were exercised under different ESOP schemes.

Other Equity

Other equity comprises of reserves and surplus and other comprehensive income.

Total other equity increased by ₹ 3,350 million to ₹ 40,626 million as of CY22 from ₹ 37,276 million as of CY21.

Reserves and surplus in the other equity includes retained earnings, securities premium, general reserve, and other reserves comprised of the share option outstanding account, capital reserve, capital redemption reserve and special economic zone (SEZ) reinvestment reserve.

a) The securities premium balance increased by ₹ 174 million due to transfer from the stock option outstanding account on exercise of stock options by employees.

b) The capital redemption reserve balance as of CY22 remained at ₹ 11 million. This balance was created in accordance with the provisions of the Companies Act, 2013[10] in relation to the buyback of shares in an earlier year.

c) Special Economic Zone (SEZ) reinvestment reserve: During the year, the Company transferred ₹ 262 million to SEZ reserve from the balance in retained earnings and ₹ 44 million from the SEZ reserve to the retained earnings being utilised to acquire plant and machinery. The closing balance as of CY22 is ₹ 722 million.

d) The share options outstanding account increased by ₹ 356 million. During the year, the Company recorded ₹ 320 million of stock-based compensation in relation to its RSU plans, repurchased restricted stock units of ₹ 210 million and transferred ₹ 174 million to securities premium on exercise of stock options. The Company modified ESOP 2008 and 2015 schemes and provided a one-time option in respect of certain grants for RSU holders to surrender RSU against a cash payment of ₹ 763 per RSU (offer price). Total of 1,908,249 RSUs were surrendered by employees. Total cash pay-out payable by the Group is ₹ 1,456 million. (refer to note 30 of the consolidated financial statements).

e) The general reserve balance remained the same at ₹ 2,144 million.

f) Retained earnings balance increased by ₹ 1,995 million. Profit for the year was ₹ 8,842 million, other comprehensive income for the year that is a part of retained earnings was ₹ 43 million, representing actuarial loss net of tax effect thereon.

   Dividend distribution during the year was ₹ 6,637 million. During the year, the amount transferred to SEZ reinvestment was ₹ 262 million, and amount transferred from SEZ reinvestment was ₹ 44 million. The tax benefit on share-based compensation was ₹ 51 million.

g) Other comprehensive income consists of currency translation reserves and hedging reserve balance.

   i. Currency translation reserve is on account of conversion of foreign operations from their functional currency to the reporting currency of the Company. The balance as of CY22 is ₹ 3,690 million, as against a balance of ₹ 2,292 million as of CY21. The same will be transferred to profit and loss on disposal of foreign operations.

   ii. Hedging reserve balance consists of mark-to-market gain/loss on foreign currency, forward contracts, and interest rate swaps designated as hedges to hedge against the foreign currency risk and interest rate risk. The balance as of CY22, stood at ₹ 255 million (loss) net of tax impact as against ₹ 536 million (gain) as of CY21.

[10]The Companies Act 2013 is an Act of the Parliament of India on Indian company law.

Borrowings (secured)

The borrowings (current) increased by ₹ 827 million on account of a working capital loan drawn.

Lease Liabilities

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Lease liabilities	3,068	670	3,738	3,244	499	3,743	(5)

Decrease in lease liabilities of ₹ 5 million on account of lease rental payments net-off impact of exchange rate movements (refer to note 2.8 of the consolidated financial statements).

Other Financial Liabilities

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Deferred consideration towards business acquisition	444	305	749	10	-	10	739
Derivative liabilities	182	414	596	1	4	5	591
Unclaimed dividend	-	112	112	-	115	115	(3)
Capital creditors	-	68	68	-	106	106	(38)
Employee liabilities	-	4,124	4,124	-	3,827	3,827	297
Contractual obligation - customer arrangements	-	327	327	-	-	-	327
Others	6	-	6	2	-	2	4
	632	**5,350**	**5,982**	**13**	**4,052**	**4,065**	**1,917**

Other financial liabilities increased to ₹ 5,982 million as of CY22, as compared to a balance of ₹ 4,065 million as of CY21, an increase of ₹ 1,917 million mainly because of the following:

a) Increase in employee liabilities by ₹ 297 million; deferred consideration towards business acquisition by ₹ 739 million; derivative liabilities by ₹ 591 million; contractual obligations and customer arrangements by ₹ 327 million; others by ₹ 4 million.

b) The increase was partially offset by a decrease in capital creditors by ₹ 38 million.

c) Unclaimed dividend balance decreased to ₹ 112 million as on December 31, 2022, from ₹ 115 million as on December 31, 2021, a reduction of ₹ 3 million. This balance represents the dividend not claimed by the shareholders for which the Company maintains adequate bank balance specially earmarked in accordance with the provisions of the Companies Act, 2013[11].

Trade Payables

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Trade payables (including dues from micro enterprises and small enterprises)	-	4,191	4,191	-	3,114	3,114	1,077
Accrued expenses	-	2,133	2,133	-	1,477	1,477	656
	-	**6,324**	**6,324**	**-**	**4,591**	**4,591**	**1,733**

Trade payables increased by ₹ 1,733 million to ₹ 6,324 million as of CY22, as compared to ₹ 4,591 million as of CY21. This increase is primarily due to an increase in trade payables by ₹ 1,077 million and accrued expenses by ₹ 656 million due to the increased size of the business.

[11]The Companies Act 2013 is an Act of the Parliament of India on Indian company law.

Provisions

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Gratuity	546	41	587	934	47	981	(394)
Provident Fund	117	-	117	102	-	102	15
Compensated absences and others	-	1,780	1,780	-	1,377	1,377	403
	663	**1,821**	**2,484**	**1,036**	**1,424**	**2,460**	**24**

a) The gratuity liability decreased to ₹ 587 million as of CY22, from ₹ 981 million as of CY21. During March 2022, the Group made changes to its gratuity plan to align to the Payment of Gratuity Act, 1972[12]. With this change, the Group has accounted for a one-time benefit in profit and loss amounting to ₹ 246 million. The Company in India provides gratuity benefits for its employees wherein the plan is funded with the fund balance kept with Life Insurance Corporation of India. The gratuity liability is based on a valuation from an independent actuary.

b) The liability of ₹ 117 million as of CY22, is towards Provident Fund and is determined based on actuarial valuation performed by an independent actuary. This liability was at ₹ 102 million as of CY21. Increase is of ₹ 15 million. In accordance with Indian law, all eligible employees of Hexaware Technologies Limited in India are entitled to receive benefits under the Provident Fund plan, in which both the employee and employer (at a determined rate) contribute monthly to a trust set up by the Company to manage the investments and distribute the amounts entitled to employees. This plan is a defined benefit plan as the Company is obligated to provide its members a rate of return which should, at the minimum, meet the interest rate declared by the government administered Provident Fund.

c) Provision towards compensated absences and others increased by ₹ 403 million to ₹ 1,780 million as of CY22, compared to a balance of ₹ 1,377 million as of CY21.

Other Liabilities

₹ million

	2022			2021			Change
	Non-current	Current	Total	Non-current	Current	Total	
Contract liabilities	-	1,523	1,523	35	1,092	1,127	396
Statutory liabilities	-	1,716	1,716	-	1,769	1,769	(53)
	-	**3,239**	**3,239**	**35**	**2,861**	**2,896**	**343**

Other liabilities increased by ₹ 343 million to ₹ 3,239 million as of CY22, from ₹ 2,896 million as of CY21. The increase was primarily on account of unearned revenue of ₹ 396 million partially offset by a decrease in statutory liability of ₹ 53 million.

Current Tax Liability

The current tax liability includes a provision for income taxes, net of advance tax. The balance as of CY22 decreased to ₹ 1,272 million against a balance of ₹ 1,101 million as of CY21.

Consolidated Statement of Profit and Loss

₹ million

	2022	2021
Revenue from Operations	91,996	71,777
Add: Exchange rate difference (net)	1,718	578
Less: Employee benefits expense[13]	(55,005)	(41,228)
Less: Operating and other expenses[14]	(24,045)	(17,490)
Adjusted EBITDA	**14,664**	**13,637**
Less: Depreciation and amortisation expense	(2,444)	(2,241)
Less: Exceptional costs	(323)	(490)
Less: ESOP costs	(406)	(1,240)
EBIT	**11,491**	**9,666**
Add: Other income	74	91
Less: Finance cost	(335)	(345)
PBT	**11,230**	**9,412**
Less: Tax	(2,388)	(1,924)
PAT	**8,842**	**7,488**

[12]The Payment of Gratuity Act, 1972 is an Indian law that makes certain industries pay a one-time gratuity to employees on their exit or retirement from the company

[13]Includes exceptional costs of ₹ 33 million in 2022; ₹ 208 million in 2021 (refer point 8 below for details)

[14]Includes exceptional costs of ₹ 282 million in 2022; ₹ 59 million in 2021 (refer point 8 below for details)

1. **Revenue from Operations**

   The revenue from operations increased by 28.2% y-o-y, from ₹ 71,777 million in CY21 to ₹ 91,996 million in CY22. While, in US dollar terms, it registered a growth, from $ 971.2 million in CY21 to $ 1,165.0 million in CY22, an increase of 20%. The revenue in constant currency was $ 1,199.2 million, registering a growth of 23.3% over the previous year. Revenue growth was largely driven by volume uptake.

2. **Other Income**

   Other income increased by ₹ 1,123 million to ₹ 1,792 million in CY22 from ₹ 669 million in CY21. Exchange rate gain increased to ₹ 1,718 million in CY22 as compared to ₹ 578 million in CY21. The increase is largely on account of favourable exchange rate movements in CY22 as compared to CY21. Additionally, there was an increase other miscellaneous income by ₹ 4 million. The increase is partially offset by a decrease in gains on redemption/sale of investments by ₹ 1 million; profit on sale of property, plant, and equipment by ₹ 3 million, and interest income by ₹ 17 million.

3. **Employee Benefit Expenses (Excluding ESOP Cost and Exceptional Items)**

   Employee benefit expenses increased to ₹ 55,005 million from ₹ 41,228 million, an increase of 33.4%.

   The ratio of employee cost-to-revenue increased to 59.8% in CY22 as against 57.4% in CY21. The worldwide employee count including sub-contractors was 28,608 as of CY22, a net increase of 4,442 compared to headcount of 24,166 as of CY21.

4. **Employee Stock Option Compensation Cost (ESOP)**

   Since CY15, the Company instituted a long-term incentive plan in the form of a grant of Restricted Stock Units (RSU). The compensation cost recognised using the fair value method for these RSU is ₹ 406 million for CY22 (₹ 1,240 million for CY21), which is included in employee benefit expenses in financials (refer to note 30(f) of the consolidated financial statements for more details).

5. **Finance Costs**

   Finance costs decreased to ₹ 335 million in CY22 compared to ₹ 345 million in CY21. This decrease is mainly attributable to repayment of borrowings during the year.

6. **Depreciation and Amortisation**

   The depreciation and amortisation expense increased to ₹ 2,444 million in CY22 as compared to ₹ 2,241 million in CY21, an increase of ₹ 203 million largely on account of an increase in depreciation in property, plant, and equipment.

7. **Operations and Other Expenses (Excluding Exceptional Costs)**

   Operations and other expenses increased to ₹ 24,045 million in CY22 from ₹ 17,490 million in CY21, an increase of 37.5%. This increase was largely in travelling and conveyance, electricity charges, repairs and maintenance, legal and professional fees, advertisement and business promotion, sub-contracting and other service charges, and staff recruitment expenses. As a percentage to revenue, these costs increased to 26.1% in CY22 as against 24.4% in CY21.

8. Exceptional Costs

Employee benefit expenses include incremental bonus to select employees amounting to ₹ 33 million and ₹ 208 million for 2022 and 2021, respectively, for additional efforts on account of one-time events involving the group.

Operations and other expenses include ₹ 232 million and ₹ 59 million for 2022 and 2021, respectively, on account of one-time events involving the group. Further, it also includes ₹ 58 million and ₹ 223 million for 2022 and 2021, respectively, for one-time settlement with a customer.

9. Adjusted EBITDA

The Company's adjusted EBIDTA before RSU costs as computed above increased to ₹ 14,664 million in CY22 as compared to ₹ 13,637 million in CY21, an increase of 7.5%. While, in USD terms, it increased from $ 184.4 million in CY21 to $ 185.1 million in CY22, an increase of 0.4%.

10. Income Tax Expense

The income tax expense for CY22 was ₹ 2,388 million as compared to ₹ 1,924 million in CY21, an increase of ₹ 464 million over the previous year. The effective tax rate increased to 21.3% as compared to 20.4% in the previous year, mainly on account of some of the SEZ units in India moving from 100% to 50% tax benefits.

11. Profitability

The Company's profit before tax increased to ₹ 11,230 million in CY22 as compared to ₹ 9,412 million in CY21, an increase of 19.3%.

Profit after tax increased to ₹ 8,842 million in CY22 as compared to ₹ 7,488 million in CY21, an increase of 18.1%.

Earnings per share (Basic) increased by ₹ 4.5 (17.9%) to ₹ 29.31 for CY22 compared to ₹ 24.86 for CY21.

Consolidated Cash Flow

₹ million

	2022	2021
Net cash from operations	8,206	9,798
Net cash used in investing activities	(151)	(2,246)
Net cash used in financing activities	(7,211)	(6,020)
Net increase/ decrease in cash and cash equivalent	844	1,532

The cash flow from operations during the year was ₹ 8,206 as compared to ₹ 9,798 in the previous year. Cash flow from operations in CY21 was higher, due to reduced DSO and the use of certain payment deferrals which were partially repaid during CY21.

During the CY22, ₹ 151 million cash was used in investing activities. Of this, ₹ 1,192 million was used to acquire property, plant, and equipment and intangibles, ₹ 227 million was for the acquisition of business, offset by ₹ 1,254 million received as net proceeds from sale of investments.

Financing activities were largely to pay ₹ 6,637 million in dividend, ₹ 865 million in lease liabilities, ₹ 460 million to repurchase restricted stock units and ₹ 56 million in interest payments offset by short-term borrowing of ₹ 806 million.

The net increase in cash and cash equivalent during the year was ₹ 844 million.

Cautionary Statement

Certain statements in this Management Discussion and Analysis Report concerning the future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to 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, ability to manage growth, intense competition in IT services, including those factors which may affect the Company's cost advantage, wage increases in India, the 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, the Company's ability to manage its international operations, reduced demand for technology in key focus areas, disruptions in telecommunication networks, the Company's ability to successfully complete and integrate potential acquisitions, liability for damages on the Company's service contracts, the success of the companies in which Hexaware has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside of India, unauthorised use of our intellectual property, and general economic conditions affecting our industry.

For and on behalf of the Board of Directors

Date: February 08, 2023
Place: USA

Michael Bender
Chairman

Directors' Report

To
The Members,

The Directors are pleased to present their Thirtieth Annual Report, on the business and operations of Hexaware Technologies Limited (hereafter referred to as 'the Group' or 'The Company') together with audited financial statements for the financial year ended December 31, 2022.

The financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS').

Financial performance:

Consolidated operations:

(USD million)

	FY 2022	FY 2021
Income from operations	1,165.0	971.2
Adjusted EBITDA before ESOP/ RSU cost	**185.1**	**184.4**
Less: ESOP / RSU Cost	(5.2)	(16.6)
Adjusted EBITDA after ESOP/ RSU cost	**179.9**	**167.8**
Less: Exceptional item	(4.0)	(6.6)
Less: Depreciation & Amortization	(31.0)	(30.3)
EBIT	**144.9**	**130.9**
Less: Finance cost net of other income	(3.3)	(3.4)
Profit before tax (PBT)	**141.6**	**127.5**
Less: Tax expense	(30.0)	(26.1)
Profit after tax (PAT)	**111.6**	**101.4**
Total Customers (Nos)	368	337
Average account size	3.2	2.9

Notes:

1) USD numbers are unaudited and derived from internal management information system by converting financial from functional currency to USD at average exchange rate prevailing during each of the month.

2) Refer page 91 for the components of adjusted EBITDA

(₹ million)

	FY 2022	FY 2021
Income from operations	91,996	71,777
Adjusted EBITDA before ESOP/ RSU cost	**14,664**	**13,637**
Less: ESOP / RSU Cost	(406)	(1,240)
Adjusted EBITDA after ESOP/ RSU cost	**14,258**	**12,397**
Less: Exceptional item	(323)	(490)
Less: Depreciation & Amortization	(2,444)	(2,241)
EBIT	**11,491**	**9,666**
Less: Finance cost net of other income	(261)	(254)
Profit before tax (PBT)	**11,230**	**9,412**
Less: Tax expense	(2,388)	(1,924)
Profit after tax (PAT)	**8,842**	**7,488**
Add: Other Comprehensive Income (OCI)	564	595
Profit after tax (PAT)	**9,406**	**8,083**

India operations:

(₹ million)

	FY 2022	FY 2021
Income from operations	41,013	32,167
Adjusted EBITDA before ESOP/ RSU cost	**10,522**	**8,899**
Less: ESOP / RSU Cost	(262)	(80)
Adjusted EBITDA after ESOP/ RSU cost	**10,260**	**8,819**
Less: Exceptional item	(265)	(200)
Less: Depreciation & Amortization	(1,254)	(1,203)
EBIT	**8,741**	**7,416**
Less: Finance cost net of other income	(151)	(155)
Profit before tax (PBT)	**8,590**	**7,261**
Less: Tax expense	(1,691)	(1,388)
Profit after tax (PAT)	**6,899**	**5,873**
Add: Balance brought forward from previous year	18,070	14,600
Add/(Less): Other Comprehensive Income (OCI)	(45)	130
Add: Transfer from special economic zone reinvestment reserve	44	502
Balance available for appropriation	**24,968**	**21,105**
Appropriation		
Less: Interim dividend including tax on dividend	(6,637)	(2,409)
Less: Transfer to special economic zone reinvestment reserve	(262)	(626)
Balance carried to Balance Sheet	**18,069**	**18,070**

Results of operations

a) Consolidated operations:

Income from operations increased to ₹ 91,996 million in 2022 from ₹ 71,777 million in 2021, growth of 28.2%. The revenue in USD terms reached USD 1,165.0 million in 2022 from USD 971.2 million in 2021, growth of 20%. Revenue in constant currency was USD 1,199.2 million in 2022, growth of 23.3%. Growth was driven largely by volume increase.

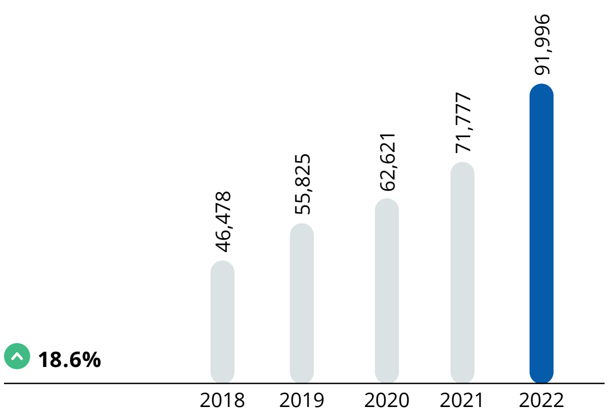
Adjusted EBITDA before RSU costs increased to USD 185.1 million in 2022 compared to USD 184.4 million in 2021, increase of 0.4%. In ₹ terms, it increased to ₹ 14,664 million in 2022 compared to ₹ 13,637 million in 2021, an increase of 7.5%.

EBIT was at ₹ 11,491 million in 2022 as against ₹ 9,666 million in 2021, growth of 18.9%.

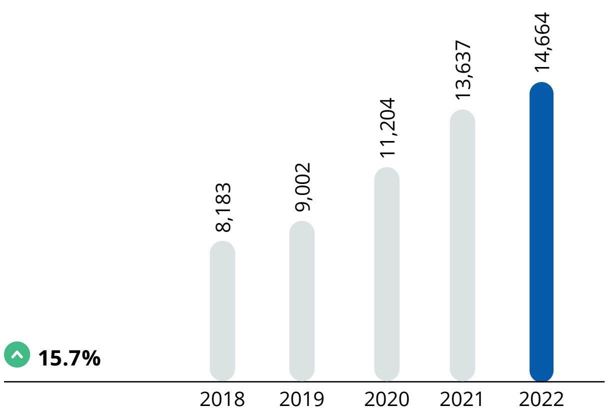
Profit before tax grew 19.3% to ₹ 11,230 million in 2022 compared to ₹ 9,412 million in 2021.

Profit after tax stood at ₹ 8,842 million in 2022 as compared to a profit of ₹ 7,488 million in 2021, increase of 18.1%. PAT margins in ₹ terms were at 9.6% in 2022 compared to 10.4% in 2021.

Income from operations (₹ Mn)

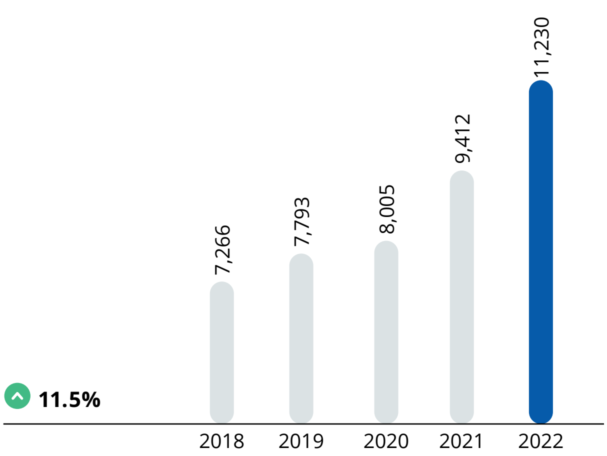


Adjusted EBITDA before RSU cost (₹ Mn)



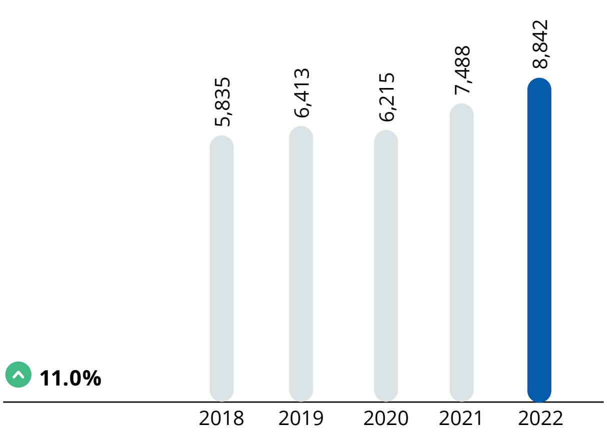
5-year CAGR

PBT Margin (₹ Mn)



Profit Before Tax

PAT Margin (₹ Mn)



Profit After Tax

Material changes from end of financial year till date of report

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Company's major achievements in 2022

- In 2022, growth in revenue was 28.2% in ₹ terms and 23.3% in constant currency compared to 2021.
- Adjusted EBITDA before RSU cost increased by 7.5% in ₹ terms and 0.4% in $ terms.
- EBIT growth in 2022 was 16.3% in ₹ terms and 18.9% in $ terms.

5-year CAGR

Over the past few years the focus has been on adding and growing clients with meaningful revenue base. This has led to revenue growth being higher than growth in number of accounts, leading to increased revenue per client. In 2022, the Company had added 4 Clients in the $20 - $35 million category and 8 clients in $10 - $20 million category. While the COVID-19 crisis has challenged every aspect of our customer's business we could maintain large size account during this pandemic.

b) India operations:

In the year 2022, the revenue of the standalone legal entity increased by 27.5% to ₹ 41,013 million in comparison with revenue of ₹ 32,167 million in the previous year. The net profit after tax was ₹ 6,899 million as compared to ₹ 5,873 million in 2021 showing growth of 17.5%.

Share capital

The paid-up Share Capital of the Company as on December 31, 2022 was ₹ 604.19 million comprising of 302,096,663 Equity Shares of ₹ 2/- each. During the year 483,404 shares were exercised under different ESOP schemes.

Other equity (reserve and surplus and other comprehensive income)

The Standalone total other equity decreased to ₹ 26,105 million as compared to ₹ 26,150 million as of FY 2021, decrease of ₹ 45 million

The Consolidated other equity increased to ₹ 40,626 million as compared to ₹ 37,276 million as of FY 2021, increase of ₹ 3,350 million.

The Securities premium reserve balances stood at ₹ 4,761 million.

The balance of the Retained earnings after the appropriations for the year is ₹ 18,069 million on Standalone basis. On consolidated basis, the balance in the Retained earnings stands at ₹ 28,876 million.

Forex Mark-To-Market: The year-end cash flow hedging reserve (net of tax) stood at loss of ₹ 254 million on standalone basis and ₹ 255 million on consolidated basis, as compared to a gain of ₹ 537 million on standalone and ₹ 536 million on consolidated basis in the previous year recognised in accordance with the hedge accounting provision of Ind AS 109 Financial Instruments.

As at December 31, 2022, the Company has balance of ₹ 674 million in Employee stock, named as Share options outstanding, a reserve being amortisation of compensation cost of RSU's granted to the employees of the Group.

During the year, the Ultimate Holding company, Hexaware Global Limited (earlier known as C A Campine Investments) has granted ESOP to employees of the Group. The said grants allows eligible employee to opt for one share of Hexaware Global Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is USD 7 per share, weighted average estimated fair value is approximately USD 1.10 per option and remaining weighted average life is approximately 50 months.

The Group has recognised ₹ 140 million as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2022.

During the previous year, the Group modified the aforesaid scheme and provided a one-time option in respect of certain grants for RSU holder to surrender RSU against a cash payment of ₹ 763/- per RSU ('offer price'). Total of 1,908,249 RSUs were surrendered by the employees included under lapsed. Total cash payout / payable by the Group is ₹ 1,456 million. The modification was recorded as follows in the year 2021:

1) Incremental cost recorded in the Statement of Profit and Loss of ₹ 657 million comprising of:
   - (i) Unamortised cost determined at the grant date fair value
   - (ii) Excess of offer price of ₹ 763/- over fair value on date of modification
2) Fair value on the modification date has been considered as cost of re-purchase of option and difference between this fair value and grant date fair value amounting to ₹ 365 million was recorded in the equity.

The fair value on the date of modification was based on a valuers report prepared taking into consideration recent transaction adjusted for estimate for control premium and marketability by reference to public available information.

There was no transfer to General reserve during the year. The general reserve balance as at end of the year is ₹ 2,118 million on standalone basis and ₹ 2,144 million on consolidated basis.

Dividend

During the year 2022, the Company paid two interim dividends on equity shares, First Interim Dividend 2022 – ₹ 14 (700%), and Second Interim Dividend 2022 - ₹ 8.00 (400%) totalling to ₹ 22.00 per share (1100%).

The total dividend declared and paid in 2022 on account of interim dividend amounts to ₹ 6,637 million.

The break-up of dividend is as under:

(₹ in Million)

	Q1 2022	Q2 2022	Total
Dividend paid to shareholders	3,994	2,287	**6,281**
Tax deducted at source deposited	228	128	**356**
Total outflow	**4,222**	**2,415**	**6,637**

Particulars of loan, guarantee or investments

Loan, guarantees and investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report. Please refer note no. 9A, 9B, and note no. 26 of Standalone Financial Statements.

Subsidiaries and associates

In accordance with Section 129(3) of the Companies Act, 2013, consolidated financial statements of the Company and all its subsidiaries, forms part of the Annual Report. Further, a statement containing the salient features of the financial statement of all the subsidiaries in the prescribed format AOC - 1 is appended as **Annexure 1** to the Board's report. The statement also provides the details of performance, financial position of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of each of its subsidiaries, will be available for inspection in electronic mode. Any shareholder interested may write to the Company Secretary.

Cash flow

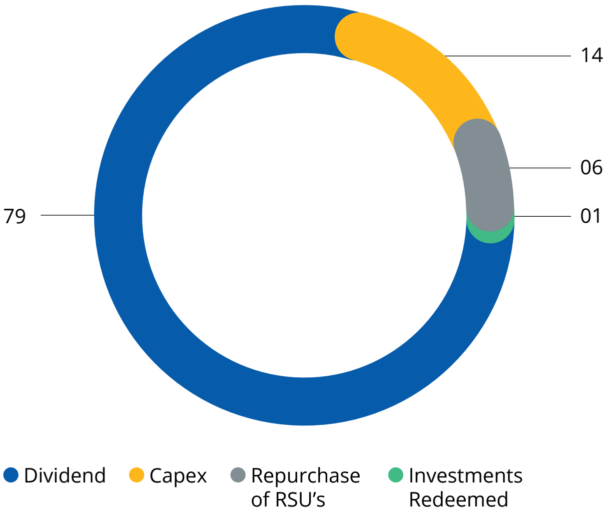
The cash generated from operations in 2022 was ₹ 8,206 million. The Company has invested ₹ 1,192 million in property, plant and equipment and intangible assets, mainly for procuring laptops for employees and for new development centre in Pune.

During the year, the Company paid dividend including tax deducted at source of ₹ 6,637 million.

The Company has received ₹ 1 million from issue of shares. As of December 31, 2022 the cash position of the Company was ₹ 13,093 million including the restricted bank balance equivalent to $ 158.4 million. The total cash & bank balance was at ₹ 12,916 million equivalent to $156.3 million.

Chart of cash usage

(%)



Delivery centers

The Company has delivery centers across the globe, India based global delivery centers and overseas global delivery centers (DC), details of which are provided below:

Office #	DC #	Region
1	11	Americas
11	3	Europe
6	11	APAC
18	**25**	

Human resource capital -

Hexaware's workforce is its greatest asset. Human resource Capital is the driving force for the company and the foundation for many new business practices and clearly a source of competitive advantage for the company. The company's purpose statement is to create smiles through great people and technology.

The Human capital initiatives have helped the company improve its performance culture, build a global mindset and created a visible business impact. The employees are living the company purpose each day while contributing in their own way to the development of the organisation.

Over the last year, the Company has added (net) 4,442 employees taking the total strength to 28,608 as of December 31, 2022.

The Company is focused towards attracting and retaining high calibre employees through comprehensive hiring and on-going deployment processes.The gender diversity is more evident now with a healthy 32.7% of our workforce being women.

The Company takes pride in its continued focus on employee retention. In its sustained efforts to make Hexaware a Great Place to Work, the Company's focus has been on furthering employees' career aspirations. The attrition rate at December 31, 2022 was 21.9%.

The Company believes that its workforce lives its brand and to that end the HR team is always working on initiatives that helps make Hexaware a great company.

To sustain Human Capital Strategy, the company has identified and consolidated strong performance indicators. This has led to an increased focus on accountability and ownership from all.

Talent management - asset development

At Hexaware, the purpose is to "Create smiles through great people and technology" and the company drives programs which helps to meet the characteristics to become "Employer of choice". The Company has become one of the best organisations to work for by recruiting and retaining key top talent. That coupled with a positive organisational culture, leadership styles, and employee engagement have added many dimensions to its talent management practices.

Company's endeavour has been to invest in most important resource that is – People. Through the year candidates were recruited with desirable skillsets and competencies, provided ongoing learning and development opportunities, and rewarded valued team members and encouraged them to look for roles that offer them ample growth opportunities.

Rewards & recognition (R&R):

R&R is to retain, acknowledge and incentivise talent and celebrate employees' accomplishments.

Unit specific recognition programs:

Units ensure to recognise and celebrate their achievers which helps to motivate the team members who made a difference over & above.

Maverick skill bonus:

The Objective of the Maverick Skill Bonus is to acknowledge and reward the Mavericks for their performance and contribution to organisational initiatives.

KPI driven incentive plan:

The objective of Hexaware's bonus policy is to provide a fair, transparent, rapid process and methodology to determine performance.

Celebrating personal milestones:

The company openly and excitedly celebrates the employees' personal events E.g., Weddings, Wedding Anniversaries, Birth of a child & Celebrating birthdays at account level.

Long service awards:

Loyalty and service tenure are reasons to celebrate. The company believes that this is a cause for celebration not just for the employee but for the organisation too. While a long-service award is a motivational lever for our people, it also strengthens the culture of the organisation. 5yrs, 10yrs, 15yrs, 20 and 25yrs are the milestones we celebrate.

Star/ACE/SPOT performers:

Monthly and quarterly ceremonies are organised to felicitate performers who meet the above & beyond performance expectations.

High performers club:

This is an elite club of Hexaware that recognises the efforts of consistent high performers. 225 employees from Tech, BPS and Mobiquity set a new bar for excellence and contributed to organisation's exponential growth. This club provided them with a Golden Ticket to avail benefits from the reward baskets. The members represent the top 1% of the workforce who have performed consistently over the last three performance years in Hexaware.

Great managers award:

An award to felicitate 66 people managers who demonstrated superior performance and provided world class experience to team. Their practices were shared in the form of MVPs (Manager Value Practices) with all.

Amber-our virtual assistant:

With virtual working environment since the beginning of 2020, a need was felt to connect with employees more often at an individual level.

Amber is the very own Virtual Assistant who is connecting with employees from their date of joining till the time they leave the organisation at regular intervals. Amber will also share critical and valuable feedback/information and highlight specifically if an employee has raised any issue that needs to be addressed.

Performance management:

The company is committed to create High Performance – High Engagement culture, making Performance Excellence a habit for each one at Hexaware. The Company creates and leverages every opportunity to improve its employee experience.

Own your game : With Own Your Game, the company wanted to create a team of A-players; who are rooted in humility but soar with self-confidence. The Company wanted to cultivate champions who own the game, change the game. This inspiring initiative, was also the overarching communication theme for the last year. This spirit of achievement was internalised and instilled in each team member the belief that they are the masters of their own fate. The Own the Game initiative was a very clear and positive step towards Maximizing Human Potential.

COVID support: 2022 came with its share of wonderful surprises and challenges, but the memory of it is where Hexaware stood as one, spoke as one, and acted as one to ensure it etched another milestone in its journey forward. The year began with the unexpected third wave of the Pandemic and In this turbulent time, the COVID Support Group once again emerged at the forefront to offer support and make certain that Hexaware was both safe and in the best of spirits.

What's happening in Hexaware: What's Happening in Hexaware continued to be incredibly relevant and informative. Right at the start of the year the tone was set with high energy editions that continued throughout the year. January saw the EmpPower survey, where the 'Masked but not Muted' campaign leveraged a topical situation to reiterate the importance of honest and high-impact dialogue in Hexaware.

In February, health was a priority and with the 'Heart of Hexaware' initiative, heart health was the focus. All of Hexaware stepped up to make the initiative a resounding success. Our very own mascot Dr. H was launched to create regular awareness on the importance of staying healthy. There were some fun and engaging sessions with families every month. It was an absolute delight to see the children of Hexaware bring to life their favourite characters as part of " We are Booked" initiative that also reignited the love for reading as part of International Book Month. Hexawarians across the globe participated in its Go Green initiative in planting more trees and making small changes every day to bring in big impacts to its environment. Later in the year saw celebration of the FIFA World Cup with a lot of enthusiasm. The "Hexaware Football Fundamentals "series, drew parallels between the game of football and corporate life which unlocked a lot of insights.

Focus Fridays was an initiative we were very proud of in 2022. By keeping the Fridays free from calls and meetings post 3 PM, employees used the time to focus on getting better and taking work-life balance in Hexaware to the next level. This initiative was further testimony to the fact that Hexawarians are true pioneers of a more balanced and holistic workplace.

The hexaware leadership lantern series: In this series, the leaders regularly share valuable lessons, tips, and insights that help the global employees stay motivated and connect with teams on vital issues. The series helped leverage their insights and experience. It was a great way to demonstrate Leadership Effectiveness and Innovation to make sure the company continues to grow and thrive in the work from home environment and stay connect at the same as an organisation.

Customer spotlight sessions: The sessions were a platform where employees could get to know the clients better. CXOs of few clients were invited as chief guests. The uniqueness of these sessions were that representatives from Mavericks, Hexaware Future Leaders (HFLxers) and W@H were invited for the Q &A session along with senior representatives. It was great to inspire and innovate, customers helped to motivate the employees to scale greater heights. It was also used as a priceless example of Leadership Effectiveness where real life experience was used and expertise of these business icons was used to Maximise Human Potential in Team Hexaware.

Rising WAH:

This idea emerged in one of the 'Koffee with Keech' sessions. The vision is to build Women Leadership at Hexaware. By 2023, Hexaware would like to see women, in positions of leadership driving accounts, practice, functions and units. In 2021, from approx. 600 eligible women, 25 were chosen to be a part of the flagship batch. This program is divided into 3 phases-Learning, Develop and implement. As part of the first phase, the women underwent an executive leadership program from the prestigious IIM Calcutta. As part of the next phase, the focus will be on competency development, mentorship and working on individual development plans. The third phase will see these women work on a project of strategic importance within the company. Rising Women at Hexaware is a part of the Diversity, Equity and Inclusion initiative. The successful completion of this program will pave the way for many more Organisational Development programs at Hexaware.

Hexaware's Talent Management approach is to bring about transformation and growth opportunities for the consultants keeping in mind the evolving industry trends and the people practices pivots on a culture that embraces and nurtures talent, rewards top performance and focusses on Customer delight.

Information security

Information security is a process of preventing unauthorised access, counter threats, confidentiality, disruption, destruction and modification of business information. Information security protects the organisational data from any attempt other than the approved purposes. The governance and management of Information Security is of paramount importance to the Company.

Beyond compliance to the laws, regulations, global standards and industry best practices, the expectations of the customers focus on the capability to manage dynamic landscapes of threats and vulnerabilities through Information Security assurance program while progressing with technology adoption and innovation. The competitive advantage of investments made in information security through latest tools, systems and devices provide Nextgen and Hybrid security cover to business operations of the Company. It also enables secured technology adoption of cloud, virtualisation, innovation, Artificial Intelligence, Robotics, Machine Learning, Deep Learning, Digital Transformation, Automation and more. Keeping in sync with the industry adoption, Company has migrated to the latest EDR/XDR technology and Secure Access Service Edge (SASE) based solution and ensured secured remote access operational environment in a hybrid model. Implementation of Multi Factor Authentication (MFA), incorporating the best practices from NIST, SANS, CISA, CERT etc., have ensured security posture of repute. The cybersecurity benchmarking of the Company is sustained at Grade A, the highest-level band through continuous surveillance and service response. Its sustenance is powered by the Security Operations Centre (SOC) with the latest next-gen Security Information and Event Management (SIEM), threat hunting & threat intelligence capabilities and effective Vulnerability Management.

The data protection and privacy compliance across global operations including GDPR were reviewed and reinforced for the latest challenges and requirements. The ISO certification on security ISO27001and the societal security for business resilience ISO22301 were audited for their good health and compliance by external accreditors. The importance of security training and evangelisation of security awareness through multiple channels were helpful in imbibing security into the work culture. Supplier security and onboarding security tollgates for external influence of risk impacts took priority this year. Mapping and enhancing the processes with NIST CSF and CIS for global benchmarking assessments has given us an edge over the competitors. Business resilience factors upgraded during COVID lockdown have been sustained and improved to ensure high risk appetite and endurance.

Quality assurance

The Company has sustained its commitment to the highest levels of quality, best-in-class agile processes, robust information security practices and mature business continuity processes that have collectively helped achieve significant milestones during the year.

We migrated to the latest CMMI - DEV Ver 2.0 and achieved Level 5 during this year.

While the Company continues to adhere to international quality certifications such as ISO 9001, ISO 27001, ISO 20000, ISO 22301, ISAE3402 and SSAE16 SOC-2 Type II, we got certified for ISO 45001:2018 for Occupational Health and safety in 2022.

The Customer delight survey is conducted on an annual basis to measure the level of satisfaction of our customers. An Independent agency conducts the survey. The Company scored 78.7 which is amongst the top performers in the IT industry, ranging from 15.6 to 84.3.

Benefits to customers:

"BrainBox" is the platform to encourage employees to bring their ideas, value addition to their customers and systematically mange the ideation process. The Company consistently continues to harness the power of knowledge gained by its employees working on their customer accounts, by encouraging them to create & implement value additions through BrainBox. In the year 2022, employees have proudly participated in this initiative and have posted over 399 ideas proposing value additions under categories like automation, productivity improvement, financial savings and accelerate the time to market the customer's products and services. 184 of these ideas have been successfully delivered generating savings of over \$4.1 million and around 71,925 hours of effort saved which is approved by esteemed customers of the Company. BFS vertical leads the pack by implementing 68 CVAs followed by H&I 46 and HTPS 26. ADM 81, BIBA 28 and QATS 25. 6 remain the top competencies / technologies used by teams to deliver higher number of CVAs to customers in the year 2022. The total cost saved in the year 2022 is \$4.1 million. The count of implemented CVAs in FY 2022 under various categories; Productivity 24, Financial Saving 68, Time to market 4. BrainBox platform has promoted the culture of deep expertise, value creation attitude, extraordinary proficiency in the customer's business function, technical engineering, knowledge sharing and problem-solving approach thereby identifying and delivering values to the customers at no extra cost. Through a structured governance and rewards program, Hexaware suitably rewards its employees' passion and best values adds on quarterly basis, which is personally driven by the CEO, leading to larger percentage of employees participating voluntarily in this initiative. Customers have benefited as a result of the high quality of delivery and support, fewer defects, reduction in cycle time, stringent information security practices and flexible and proactive approach. The Company's understanding of customer's business and technology landscape enables it to provide comprehensive multi-service solutions along with cost reduction for the customer. The Company has provided value-additions through improvement in the performance of the systems that have been outsourced, a reduction in the problems and failures, and improved stability. This has resulted in high levels of customer delight and repeat business. Implementing the best in-class processes and providing training on it has enabled the organisation and people to be methodical and process driven.

The usage of latest technologies and industry best practices has improved delivery capability and added business value. Focus on quality and automation has resulted in cost reduction and improved productivity within the organisation.

Company focused on corporate governance

The corporate governance framework of our Company is more than just adherence to the statutory and regulatory requirements. It is equally about focusing on voluntary practices that underlie the highest levels of transparency and propriety.

The corporate governance practices of our Company are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. The Corporate Governance practices of the Company are designed to act in the best interest of its stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company considers stakeholders as partners in its success and remain committed to maximizing stakeholders' value.

The Company has adopted Code of Conduct for its employees, Senior Management and Board of Directors that clearly outline the roles, responsibilities and authorities at each level and key functionaries involved in governance.

The Company has been recognised by the Institute of Company Secretaries of India in the Unlisted Segment: Medium Category of the ICSI National Awards for Excellence in Corporate Governance 2022.

The Company was the winner of the prestigious Golden Peacock Award for excellence in Corporate Governance for the year 2011, 2015 and 2018 and won the Special Commendation in the year 2009 and 2013.

The separate report on Corporate Governance along with certificate from the Auditors on its compliance, is attached and forms part of this Report.

Risk management

The Company is exposed to a wide variety of connected and interconnected risks. To ensure suitable risk prioritisation and mitigation, we identify the internal and external events that may affect our strategies and potentially impact our results, capital and reputation.

The Company has set up Enterprise Risk Management (ERM) function that enables the achievement of the Company's strategic objectives by identifying, analyzing, assessing, mitigating, monitoring and governing any risk or potential threat to these objectives. We encourage discussions on decisions related to risk management and facilitate an environment where employees are transparent about threats and outcomes.

The details of risk faced by the Company and mitigation measures are discussed in detail in the Management Discussion and Analysis section of this Annual Report.

Insurance

In today's environment, Company's Business, Assets, Directors & Officers, Employees are exposed to financial risks mainly arising out of claims from customers, third parties, regulators, employees as well as stakeholders. In order to mitigate the financial impact that can emanate from such unforeseen risks, the Company sufficiently insures itself under various policies like, Commercial General Liability, Errors & Omissions, Cyber Liability, Crime, Employment Practices Liability, Directors & Officers Liability, Property Insurance to name a few. Given the evolving nature of the business and the associated risks, individual policy needs and coverage are reviewed on an ongoing basis and changes are effected as deemed prudent. Additionally, the Company has also taken insurance for employees and their dependents to safeguard the financial interests of the employees and their families in case of unforeseen events like hospitalisation, accident and death.

Internal financial control systems

The Board of Directors of the Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

The Audit Committee comprises of professionally qualified Directors, who interact with the statutory auditors, internal auditors and management in dealing with matters within its terms of reference.

The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. The internal auditors perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

Further details regarding internal financial control are included in the Management Discussion and Analysis, which form part of this report. Report of statutory auditor on the internal financial control is also included in this report on page 148.

Hexavarsity, our corporate university

The Company is committed to continuous transformation and upskilling of its WorkForce to enable business and provide a growth path for its employees. Our learning & development programs are global to provide all Hexavarians with similar learning opportunities. During the year, the Company focused on workforce transformation, increasing learning adoption, rapid upskilling to meet growing demands, designing new programs, identifying new skills and programs required for the business, and reinventing our learning strategies.

Workforce Digital Transformation: In 2019, Hexvarsity launched 'Evolve' as its new Digital Workforce transformation framework. It is a path-breaking and innovative approach focused on 'Role-Based Development' with a strong assessment that ensures 'fit for the purpose'. The framework has since evolved and expanded in line with current technology demands. The program has won several accolades in industry forums and has been continuously updated for higher employee adoption. Evolve is now ingrained within every Hexawarian as the path to upskilling and growth within the organisation. The concept of 'Role-Based-Consultants' has become foundational in the Company now and is applied throughout where talent is involved in the Company such as Demand Management, Costing, Recruitment, Performance management, etc., enabling seamless adoption of the program.

This year the focus has been to bring in different forms of learning and add some fun elements to learning and development. 'Learning Nuggets' – a bite-sized learning program was kicked off at the start of the year and has now fully matured into a bite-sized training program covering complex topics. The Company kicked off the 'Hexa-Meister' program which connects employees to SMEs from various specialisations on-demand and helps employees build on their technology specialisation. The Company closed the year with the 'Azure Hackathon' wherein groups of employees got together to solve real-world challenges from our virtual labs. The Company promotes Hackathons as an alternative means for training and development and these will now be an annual calendarised event.

In line with how the Millennials learn today, Byte-sized Virtual Instructor driven programs and Certification drives were conducted on Behavioral and Tech skills held as an alternative channel to the regular Training programs to help employees achieve their Learning Goals.

Digital & cloud capability development: During the year the Company conducted training and certification drives in the areas of Cloud, AI, ML, DevOps, Security, etc. During the year, the Company added two more training & certification partnerships with global players. Hexaware has achieved more than 8000 certifications in partnership with global technology partners.

Organisation Development: The Company is committed to building the necessary Organisational and behavioural skills and leadership within its Workforce. During the year, HexaVarsity conducted several programs for Leadership Development for Managers and Senior Leaders. The programs cover the understanding of the participant roles, virtual instructor-led workshops and individual coaching sessions to help reinforce and link learning and application of skills to their work environments with guidance from experts. HexaVarsity also conducted several training programs on Solution Mindset, Business Analyst to Business consulting transformation, working in an Agile culture & Mindset, etc. HexaVarsity also continued its 'Executive Coaching program' to develop and nurture high-potential leaders within the organisation. These programs focus on individual Coaching to help participants reach their maximum potential. HexaVarsity also supports the global Diversity Equity & Inclusion Initiatives by organizing and facilitating workshops globally. 'You are the Key' is a new program launched in collaboration with HR with a vision to inspire all People managers to enhance employee experience. The effectiveness of the organisational development programs is regularly assessed and participant/ manager success stories affirm the value and transformation of individuals, customer interactions & operations.

Communication Development: Effective business communication is a key skill in modern delivery today. During the year, the Company launched a global program, 'Enhance Communication', through a four-stage program focusing on English Proficiency, Speaking, Listening & Writing effectively and assertively in business environments. 'Storytelling for Effective Business Communication' is another program, theatre-based, focused on applying storytelling techniques to verbal business communication bringing about the clear expression of thought to achieve impactful communication and executive presence. The Hexaware Chennai Toastmasters club, a platform for improving communication and public speaking is run through voluntary employee participation and has been recognised with The Smedley Award & Beyond Boundaries Award, during the year.

Campus Talent Development: The company launched several initiatives to attract and nurture the best Campus talent. HexaVarsity plays an important role in preparing the young minds hired from campus for its workforce. The campus learning program called the 'Mavericks Learning Program' has continuously evolved, producing outstanding professionals for the Company, and ensuring a sustainable talent supply chain. This is a robust development program that provides a strong Digital Foundation, followed by a 'Role-based' specialisation. The continuous learning and assessments ensure that they are well-equipped for our business demands. The Mavericks' Learning Program is strategically planned on a global scale; this year it was also launched in Mexico and North America for local talent in those markets.

The Segue Program is a flagship program envisioned to meet the ever-rising business demand for Campus talent in the coming years. Under this program, the Company has signed MOUs with leading institutions to pre-select candidates early and put them through industry-specific learning programs. This program makes the new Campus graduate digital-ready from day 1 of onboarding.

Work Integrated Learning Program: The 'Work Integrated Learning Program' (WILP) for non-engineering graduates is an additional channel of talent and provides a competitive edge. The selected candidates are provided with a work opportunity and enrolled on a 4-year Integrated M. Tech degree program, from Birla Institute of Technology and Science, Pilani.

Nurturing Hexaware Future Executives and Leaders: During the year, the Company has successfully inducted Management graduates from Top Business schools to nurture and develop future leadership talent for the Company. HexaVarsity played a key role in their induction and training during the year.

Women Leadership Development: The Company is committed to Diversity & Inclusion in its workforce. During the year, the future women leaders identified through the Rising W@H program went through mentoring and workshops and have begun independent and group projects to apply and implement their learning from the last year.

Awards won in 2022

During the year, the Learning & Development initiatives won several prestigious awards.

- Brandon Hall, HCM Excellence Awards 2022
  - Best Advance In Senior Manager Development-Bronze
  - Best Learning Program Supporting a Change Transformation Business Strategy-Gold
- World HRD Congress 2022
  - Best Leadership Development Program for Middle Management
  - Best Organisational Development Program
  - Chief Learning Officer of the Year
  - Award for Excellence in Learning & Development
- Organisation Development Summit 2022
  - Best Organisational Development Program
  - Best Talent Development Strategy of the Year
- L&D Summit and Awards 2022
  - Digital learning Transformation Awards
- iMocha
  - Best Capability Development Program of the Year

Related party transactions

During the financial year 2022, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and Board. The policy on Related Party Transactions is uploaded on the Company's website.

Employee stock option plans (ESOP)

The Company has introduced various employee stock options plans/restricted stock unit plans from time to time to motivate, incentivise, attract new talents and inculcate the feeling of employee ownership, and reward employees of the Company and employees of subsidiaries. The Nomination and Remuneration Committee administers these plans.

No employee was issued stock options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant.

During the year 2022, following were the exercise made by employees and grant made to employees/director under ESOPs:

483,404 options were exercised, and the Company allotted 483,404 equity shares of ₹ 2/- each (face value) to the employees on such exercise.

There was no grant of Restricted Stock Units (RSUs) under the existing ESOP schemes of the company during the year 2022.

Details of the shares issued under Employee Stock Option Plan (ESOP), and also the disclosures in compliance with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are available on the website of the company at the following link : http://hexaware.com/investors/.

During the year, the Ultimate Holding company, Hexaware Global Limited (earlier known as C A Campine Investments) has granted ESOP to employees of the Group. The said grants allows eligible employee to opt for one share of Hexaware Global Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is USD 7 per share, weighted average estimated fair value is approximately USD 1.10 per option and remaining weighted average life is approximately 50 months.

Fixed deposits

During the year under review, the Company did not accept or invite any deposits from the public.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is annexed and forms part of the report.

Management discussion and analysis report

A detailed analysis of the Company's performance is disclosed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Investor education and protection fund (IEPF)

Details of unclaimed dividend and shares transferred to IEPF during 2022 are given in Corporate Governance Report.

Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) and (5) of the Companies Act, 2013, the Directors confirm the following:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there were no material departures;

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Directors and Key Managerial Personnel

During the year Mr. Patrick Reid McCarter (DIN: 07973226) resigned as a director w.e.f. August 8, 2022 and Mr. Shawn Devilla (DIN 09699900) was appointed as an Additional Director w.e.f August 9, 2022 to hold office till conclusion of next Annual General Meeting. The board has recommended to the members approval of regularisation of appointment of Mr. Shawn Devilla at the Annual General Meeting.

In accordance with the provisions of Companies Act, 2013, Mr. Neeraj Bharadwaj (holding DIN 01314963), Mr. Julius Genachowski (holding DIN 09365873), Directors of the Company, retire by rotation at this Annual General Meeting and, being eligible; offer themselves for re-appointment at the Annual General Meeting.

The information of Directors seeking appointment / re-appointment at the Annual General Meeting to be given to the shareholder is being provided separately in Page No. 275 to 277 of this Annual Report. Members are requested to refer the said section of the Notice convening the Annual General Meeting.

Number of meetings of the board

Four Meetings of the Board were held during the year. For details of the meetings of the Board, you may refer to the corporate governance report, which forms part of this Annual report.

Declaration by Independent Directors

The Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

The Ministry of Corporate Affairs (MCA) in association with Indian Institute of Corporate Affairs (IICA) have introduced the maintenance of a comprehensive online databank for all the existing and aspiring Independent Directors (ID) by the IICA. The Independent Directors have registered themselves on the data bank for Independent Directors.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of Finance, Technology, Corporate governance, Global business, Personal values and they hold highest standards of integrity.

Board evaluation

Annual Performance Evaluation was carried out for all Board Members, for the Board and its Committees. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013. The Schedule IV to the Companies Act, 2013 states that the performance evaluation of independent Directors shall be done by the entire board of Directors, excluding the director being evaluated.

The Board evaluation was carried out based on responses received from the Directors on the questionnaire designed.

The performance of the Board is evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees is evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Chairman of the Board / the Nomination and Remuneration Committee ("NRC") review the performance of the individual directors on the basis of the criteria approved by the Board.

In a separate meeting of Independent Directors held on December 9, 2022, performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

Training of Independent Directors

The Company conducts familiarisation programmes for its Directors which includes discussion on Industry Outlook, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, Taxation and other applicable law & matters, presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Framework for Related Party Transactions etc. The Executive Director and Senior Managerial personnel make presentations at the Board Meetings about Company's operations, markets, financial results, human resources and on other important aspects.

The terms and conditions of the appointment of every Independent Director is available on the website of the Company at: http://hexaware.com/investors/

Details of the familiarisation programme of the independent Directors are available on website of the Company at http://hexaware.com/investors/

Committees of the board

Pursuant to change in Directors during the year, the Board of Directors reconstituted few committees of the Board.

The Board of Directors have following committees as on December 31, 2022:

1. Audit, Governance & Compliance Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The details of the composition of the committee and attendance of the meetings of Committees of the Board are provided in the Corporate Governance report.

Compliance of secretarial standards

The Company complies with all applicable secretarial standards.

Policy on directors and key managerial personnel appointment and remuneration and other details

The Company's policy on directors and Key Managerial Personnel appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report.

Whistle blower policy

The Company has established a vigil mechanism/framed a whistle blower policy. The policy enables the employees and other stakeholders to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The policy is reviewed annually by the Audit Committee to check the effectiveness of the policy. No personnel have been denied access to the Audit Committee. The provisions of this policy are in line with the provisions of Section 177 (9) of Companies Act, 2013. The policy is available on the website of the company at : http://hexaware.com/investors/

Statutory Auditor

The Board of Directors of the Company at its meeting held on February 8, 2018 have appointed BSR & Co. LLP, Chartered Accountants, Mumbai with Registration no. 101248W/W-

100022 as Statutory Auditors. Their appointment was confirmed by the members in the 25th Annual General Meeting held on May 03, 2018 for a period of 5 years, to hold office till the conclusion of 30th Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended December 31, 2022.

Internal Auditor

Internal Audit for the year ended 31st December, 2022 was done by PricewaterhouseCoopers Services LLP and Internal Audit report for every quarter was placed before the Audit Committee.

Secretarial Auditor

M/s. Makarand M Joshi & Co., Practising Company Secretary was appointed to conduct the Secretarial Audit of the Company for the year ended 31st December, 2022 as per the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder. The Secretarial Audit report for the year ended 31st December, 2022 is annexed to Board's report as **Annexure 3**. There are no qualifications, reservations, adverse remarks made by Secretarial Auditor in his report except non filing / delayed filing under FEMA regulations.

Explanations or comments by the Board on the aforesaid remark: The Board has noted that non - filing / delay in filing was due to administrative issues.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Cost records

The Company is not required to maintain cost records as specified under sub-section (1) of section 148 of the Companies Act, 2013.

Significant/material orders passed by the regulators

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

Corporate social responsibility

Pursuant to the provisions of section 135 of the Companies Act, 2013, the Company spent ₹ 127 million towards CSR activities for the year ended 31st December 2022. The contents of the CSR policy and initiatives taken by the Company on Corporate Social Responsibility during year ended on 31st December 2022 as per the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure 4** to this Report and CSR policy of the Company is available on our website at www.hexaware.com. The Composition of CSR Committee is given in the Corporate Governance Report.

Extract of annual return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the annual return in the prescribed format is available at https://hexaware.com/investors/.

Financial year

The company has received an order from the Company Law Board under section 2 (41) of the Companies Act, 2013 for continuing January to December as its financial year. Hence the Company will maintain its financial year from January 1 to December 31.

Mobiquity Softech Private Limited, the subsidiary company has also received approval from Regional Director, Ahmedabad under section 2 (41) of the Companies Act, 2013 for continuing January to December as its financial year.

Particulars of directors and employees

The table containing names and other particulars of Directors in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5 (i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure 5** to the Board Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection electronically. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Disclosure as required under section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place framework for employees to report sexual harassment cases at workplace and our process ensures complete confidentiality of information. The Company has in place Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Frequent communication of this policy is done through various programs and at regular intervals to the employees.

The Company has setup an Internal Complaints Committee (ICC) both at the registered office and at every location where it operates in India in accordance with the Act and has representation of men and women and is chaired by senior lady member and has an external women representation.

Awareness programs are conducted during induction for sensitizing the employees with the provisions of the Act.

The following is the summary of the complaints received and disposed of during the financial year 2022:

a) No. of complaints received during the year: 02

b) No. of complaints disposed of: 01

c) No. of complaints pending : 01

Green initiatives

The Company started a sustainability initiative with the aim of going green and minimizing the impact on the environment. Like the previous years, this year too, the Company is publishing only the statutory disclosures in the print version of the Annual Report. Additional information is available on our website, www.hexaware.com.

As a part of Green Initiative, Notice calling the Annual General Meeting, Corporate Governance report, Directors' report, Audited financial statements, Auditors' report, etc are being sent only through electronic mode to those members whose email addresses are registered with the company / depositories Members may note that notice and annual report FY 2022 will also be available on Company's website www.hexaware.com, and on the website of NSDL www.evoting.nsdl.com

The Company provides e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to the Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015.

The facility of electronic voting system shall be made available during the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their rights to vote during the AGM through electronic voting system.

Acknowledgment

The Directors place on record their sincere appreciation of the customers, Government of India and of other countries, vendors, bankers and Technology Partners for the support extended. The Directors are also deeply touched by the efforts, sincerity and loyalty displayed by the employees without whom the growth of the Company is unattainable. The Directors wish to thank the investors and shareholders for placing immense faith in them. The Directors seek and look forward to the same support during the future years of growth.

For and on behalf of the Board of Directors

Date: February 08, 2023
Place: USA

Michael Bender
Chairman

Annexure to the Directors' Report

Information Relating to Conservation of Energy, Technology Absorption, Research and Development and Foreign Exchange Earnings and Outgo Forming Part of Directors Report in Terms of Section 134 (3) (M) of the Companies Act, 2013, and Rules Made Thereunder.

Conservation of energy:

The Company is entirely a services Company and thus essentially, a non-energy intensive organisation, in spite of that the Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the important part of preserving natural resources.

The Company has taken various initiatives as listed below, for energy conservation and preserving natural resources:

The Company has installed **1124 KW** capacity Roof Top solar system in its Siruseri campus, 114KW at Mumbai MBP (Bldg.152 & 157) and 325KW at Pune Campus. Hence Total Solar Plant capacity in Hexaware offices stands at **1563KW** (1.563MW).

Another 278KW capacity Solar plant installation as Car parking port is in progress at Pune campus to achieve total Solar plant capacity to 1841KW (1.84 MW) in year 2023.

Power generated in year 2022 from these systems is 1625260, 145116 and 441950 Units at Chennai, Mumbai & Pune locations, respectively.

This results in avoiding of Green House Gas emission of about 1748 tons of CO2 (Carbon Dioxide). 1284 tons at Chennai, 115 at MBP, Navi Mumbai and 349 at Pune.

Wind energy to the tune of about 4.42 million units are availed in year 2022 as Group Captive Power Consumer through 3rd party Private power agency.

88% of total energy consumed at Chennai campus is fed from Green Power (Wind & Solar).

Indoor and Ambient Air quality monitoring is done on monthly basis. CO2 level at inside work area is monitored to ensure pollution free environment. Ultraviolet Germicidal Irradiation (UVGI) System is installed at Comfort Air conditioning for disinfection of micro- organisms and improvement of Indoor Air Quality at Mumbai (Bldg.152,157 & LOMA IT floors) & Pune Campus.

Chennai & Pune campus are Zero-water discharge campuses.

Rainwater harvesting system is installed along the periphery.

There is a State of the art 220 KLD & 75KLD capacity Sewage Treatment Plant (membrane bio-reactor technology) installed at Chennai and Pune campus respectively. The Treated water generated from STP is used for gardening purpose.

Gensets are pollution free as certified by Government Pollution Control agencies and the stacks are fixed at the prescribed heights and locations. Wet scrubbers are installed in Genset exhaust line to minimise the Air pollution at Chennai campus.

In year 2022, treated Sewage water of about 16,797 KL at Chennai and 4,155 KL at Pune is recycled and reused. The Company undertakes several green campaigns throughout its locations.

Technology adoption:

Systems Technology Group (STG) has continued to invest in transforming infrastructure in FY 2022. During the year below-mentioned initiatives were taken by the company:

- Expansion of NetArc solution, to allow remote computers to automatically establish a secure VPN connection with no user intervention across organisations
- Dynamic VLAN assignment to end users on both wired & Wireless helps security enforcement to validate the endpoint (pre/post authentication)
- Network Level DLP Implementation. Device Compliance - Remediation, quarantine of the endpoint
- SD-WAN implementation for Interoffice communication
- BYOD implementation for Corporate Users. This will provide Corp Wi-Fi Facility to Users to connect their Client Laptop & Mobile devices
- Moved from Standard Backup methodology to Cloud-based Backup solution
- Define and implement security configurations and controls to access O365 Suite from HW and Non-HW Domains
- Deployment of Mobile Device Management helps us secure and enables IT Controls on corporate devices
- Jamf for Mac has been deployed to ensure Mobile device management capabilities

- LAPS Local Administrator Password Solution for Windows workstations
- Endpoint(Windows Workstations) Disk Encryption using Microsoft BitLocker
- Upgraded the Active Directory and AD Federation infrastructure to the latest windows2019
- Migrated Mobiquity Email gateway and Mailboxes of users into Hexaware Email gateway and Hexaware Mailbox
- Migration of Employee ID changed from 5 digits to 10 Digit Employee code across all the Hexaware entities(IT, BPS, and Mobiquity)
- Implemented the Azure conditional access policy to prevent data leakage on all Hexaware users
- All GEO locations (NJ, Atlanta, UK, and Mexico) server Hardware was upgraded to New servers with High Availability
- Added the GCP Cloud platform to the Hexaware IT projects
- Azure Automation
  - Local Admin access addition
  - Local Admin Access revoke
  - USB Access Addition
  - USB Access Revoke
  - Hostname removal(CS, SCCM, AD)
  - Software Installations
- Access Management has been strengthened with the role of MFA across the organisation
- Restructure of STG Policy and Procedure documents on Prime Portal as per ISO 27K and 20K standards.
- Define and create a comprehensive risk register for STG as per NIST standards
- Continuous and improved Compliance Tracking on
  - Patch Management, AV and EDR, MFA, Global Protect VPN, and Disk Encryption Compliance
  - Audit (internal and External) findings Tracking
  - VA/PT Tracking
- Regular reconciliation process for
  - Domain (AD Users), Privileged users (Server and Network)
  - Local Admin users
  - USB access provisions
  - MFA user list
  - Mail Contacts and Generic/Shared Accounts

Research and development:

The company has a state-of-the-art Innovation Lab that focuses on all research and development activities within the organisation. Our philosophy is to maintain and sustain leadership status in our industry, and the Innovation Lab is a critical component of achieving this goal.

The lab's primary objective is to future-proof our organisation and our customers. Lab tracks disruptive trends in business technology and domains for its impact to customers and Hexaware. Lab serves as an enabler to drive our customers' business objectives and is aligned with our business and customer needs. The Innovation Lab aims to drive thought leadership and future-proofing for Hexaware and our customers.

To achieve this, the Innovation Lab conducts secondary research and applied innovation in identified spaces. It interfaces with customers, business units, service lines, partners, startups, analysts' groups, and Hexaware alliances. Currently, there are several outlier technologies that are attaining critical mass, including Cloud Compute, Computer Vision, Nano Technologies, 5G, Edge computing, Spatial technologies, Sensors, GPU's, and 7 nanometer semiconductors. We also see the evolution of technologies such as Semantic Web and 3D Graphics that are constantly evolving. The pandemic has accelerated the need to be digital/virtual, remote, touchless, seamless, and immersive. Additionally, we see AI getting exponentially smarter and smarter.

Looking to the future, the Innovation Lab forecasts two forces that will enable all businesses, products, services, and individuals: the Spectrum of Realities and Assisted Intelligence.

The Spectrum of Realities includes the Metaverse and Spatial Internet, which enable users to move beyond browsing to inhabiting and/or participating in a persistent shared experience across people, spaces and things, that spans the spectrum of our real world to the fully virtual and in between. Different realities such as physical self (base reality), 2D web, 3D web, virtual reality, mixed reality, and augmented reality, coming together to create a feeling of being together. The perception of being together will be the future of reality, where reality and virtuality will confluence to create a Reality-Virtuality continuum.

Assisted Intelligence refers to the human intelligence that will be assisted by AI. We will all have augmented intelligence and will use it in every walk of life, from doctors to engineers, from content creators to consumers.

The key focus of our lab has been on incubating the next evolution of the Spatial Internet with the goal of removing the constraints caused by physicality and how it will enable different industries, customers, and individuals. These technologies help blur the line between the real world and the virtual world, helping turn enterprises into becoming digital predators in their respective markets.

The lab incubates a variety of precursor metaverse and spatial technologies, including Virtual Reality, Mixed Reality, Augmented Reality, 3D Configurator, Virtual Try-Ons, Virtual Environments, Virtual land, NFTs, Virtual Walkthroughs, WebAR, AR wearables, Smart glasses, HMDs, Web 3, Computer Vision, AGI, and Digital humans. Our focus is on applying spatial internet and precursor metaverse technologies from the reality labs across a wide range of industries, including manufacturing, retail, healthcare, pharma, education, banking, financial services, hospitality, insurance, energy, and travel.

As business managers increasingly rely on technological innovations to propel disruptive business models and launch new avenues of revenue, the adoption of any new technology always has an impact on the business models and underlying IT infrastructure. We recognise that any change in processes or technology has a significant impact on underlying IT infrastructure and applications. To make these transitions to the next internet as smooth as possible, our lab has created a host of frameworks, IPs, solution accelerators and differentiators.

In addition, our lab has a rich repository of 100 plus use cases cutting across industries and 95 plus industry-focused solutions consolidated across five distinct services. We are currently engaged with several first-mover customers across various industries, including manufacturing, financial services, retail, airlines, and education in co-building next-generation customer-facing business solutions and experiences by removing the constraints caused by physicality.

Our lab is committed to providing our clients with the most innovative and cutting-edge solutions to help them stay ahead of the curve in their respective industries. We strive to be a trusted partner in your digital transformation journey, ensuring that your business is future-proofed and ready for the challenges of tomorrow.

Foreign exchange earnings and outgo:

The details of Foreign Exchange Earnings and Outgo are mentioned below:

₹ million

	Year 2022	Year 2021
Foreign Exchange Earnings	38,752	30,134
Foreign Exchange outgo	7,205	5,512

For and on behalf of the Board of Directors

Date: February 08, 2023
Place: USA

Michael Bender
Chairman

Annexure 1

Form AOC - 1

Statement Pursuant to Section 129 (3) of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Subsidiaries

(₹ million)

Reporting currency and exchange rate as on the date of the relevant financial year in case of foreign subsidiaries	USD 82.7	GBP 99.5	Euro 88.1	SGD 61.7	MXN 4.2	CAD 61.1	SAR 22.0	RON 17.8	RUB 1.1	HKD 10.6
Share Capital	664.4	215.7	15.9	123.3	34.3	1.4	11.0	2.0	180.7	20.6
Reserve and Surplus	9,872.7	1,193.3	428.3	557.1	1,211.0	276.7	(1.8)	(143.3)	(174.8)	65.5
Total Assets	25,316.0	6,617.6	736.1	992.5	2,075.5	650.5	351.6	2.2	7.0	90.4
Total Liabilities	14,778.8	5,208.6	291.8	312.1	830.2	372.4	342.4	143.5	1.1	4.3
Investments	14,933.0	13.3	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Turnover *	38,203.5	13,291.2	679.1	899.5	4,864.7	1,586.2	483.4	0.0	19.2	41.2
Profit / (Loss) before taxation *	1,852.4	504.1	34.2	35.2	542.0	58.6	6.4	(0.2)	(9.2)	4.4
Provision for taxation *	612.2	96.2	7.1	5.5	178.7	14.3	1.4	0.0	0.0	1.9
Profit / (Loss) after taxation *	1,240.3	408.0	27.1	29.7	363.3	44.3	5.1	(0.2)	(9.2)	2.5
Proposed Dividend*	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Converted at closing exchange rates

(₹ million)

Sr. No.	11	12	13	14	15	16	17	18	19	20	21
Name of the Subsidiary	Hexaware Technologies Nordic AB - Sweden	Hexaware Technologies South Africa (Pte) Ltd	Shanghai Hexaware Information Technologies Company Limited	Hexaware Technologies Belgium SRL	Hexaware Technologies Argentina Limited	Mobiquity Inc	Mobiquity Velocity Solutions Inc	Mobiquity Cooperative UA	Mobiquity BV	Morgan Clark BV	Mobiquity Softech Private Limited
Reporting currency and exchange rate as on the date of the relevant financial year in case of foreign subsidiaries	SEK 7.9	ZAR 4.9	CNY 11.9	EUR 88.1	ARS 0.5	USD 82.7	USD 82.7	USD 82.7	EUR 88.1	EUR 88.1	INR 1.0
Share Capital	31.7	11.9	14.3	8.8	0.0	0.0	0.0	0.0	1.6	1.6	0.1
Reserve and Surplus	(22.0)	23.9	(10.0)	6.8	2.4	2,662.4	0.0	0.0	(165.1)	69.6	414.5
Total Assets	87.4	255.7	5.3	101.7	2.4	3,231.7	0.0	0.0	1,851.8	199.0	692.4
Total Liabilities	77.7	219.9	1.0	86.0	0.0	569.2	0.0	0.0	2,015.3	127.8	277.9
Investments	0.0	0.0	0.0	0.0	0.0	342.2	0.0	0.0	0.0	0.0	0.0
Turnover *	159.9	905.0	10.8	193.3	0.8	4,611.6	0.0	0.0	3,722.7	349.9	1,233.6
Profit / (Loss) before taxation *	6.2	19.2	(0.1)	9.2	(0.3)	595.1	0.0	0.0	(920.5)	29.0	176.7
Provision for taxation *	1.3	7.5	0.0	2.4	0.0	12.5	0.0	0.0	(208.9)	0.0	45.3
Profit / (Loss) after taxation *	4.8	11.6	(0.1)	6.8	(0.3)	582.6	0.0	0.0	(711.6)	29.0	131.4
Proposed Dividend*	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Converted at closing exchange rates

Notes:

1 Mobiquity Inc is a wholly owned subsidiary of Hexaware Technologies Inc.

2 Mobiquity Velocity Solutions, Inc and Mobiquity Velocity Cooperative UA are wholly owned subsidiaries of Mobiquity Inc.

3 Mobiquity BV and Morgan Clark BV are subsidiaries of Mobiquity Velocity Cooperative UA.

4 Hexaware Technologies Romania SRL, Hexaware Technologies Belgium SRL , Hexaware Technologies Argentina Limited and Hexaware Technologies South Africa (Pte) Ltd are wholly owned subsidiaries of Hexaware Technologies UK Ltd.

Place : USA
Date : February 08, 2023

Annexure 2

Form No. AOC-2

(Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts /arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1	Details of contracts or arrangements or transactions not at arm's length basis	There are no contracts or arrangements or transactions with related parties which are not at arm's length
2	Details of material contracts or arrangements or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship:	Wholly owned subsidiaries Hexaware Technologies Inc, USA ("HTInc.") Hexaware Technologies UK Ltd. ("HTLUK")
(b)	Nature of contracts/arrangements/transactions:	Software, consultancy and ITES income
(c)	Duration of the contracts / arrangements/transactions:	Ongoing.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	The Company shall provide IT/ITES Offshore Services (generally services are performed in India) to HTInc. & HTLUK clients including where required, including monitoring and supervisory support in relation to the delivery of software solutions and customisation, testing and installation and ITES services. Corporate Guarantee charges for the borrowing by HT Inc and for the payment of deferred consideration by HT Inc. During the year, the total income earned from HTInc. & HTLUK towards provision of IT / ITES services were ₹ 505 million & ₹ 4,565 million. Total expenses incurred for HTInc. was ₹ 3,922 million. The transactions of recovery of cost from HTInc. and HTLUK was ₹ 473 million & ₹ 74 million respectively. The Company invested in debentures of HTInc. of ₹ 385 million, and received interest of ₹ 47 million on the same. The corporate guarantee given to HTInc was ₹ 2,706 million and charges towards the same were ₹ 6 million.
(e)	Date(s) of approval by the Board, if any:	Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors

Date: February 08, 2023
Place: USA

Michael Bender
Chairman

Annexure 3

Form No. MR 3

Secretarial audit report

For the financial year ended december 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hexaware Technologies Limited
152, Millenium Business Park,
Sector 3 TTC Industrial Area,
Mahape, Navi Mumbai - 400710

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Hexaware Technologies Limited** (hereinafter referred as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial, and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Modified opinion:

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on December 31, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on December 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (ODI); **(External Commercial Borrowings is not applicable to the Company during the Audit Period) (herein after referred as FEMA Regulations)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**

(c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. **(Not Applicable to the Company during the Audit Period)**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. except that non-filing/ delayed filing under the FEMA Regulations.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

- The Special Economic Zone Act, 2005
- Policy relating to Software Technology Parks of India and its regulations.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, and Independent Directors. There were changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in few instances where meeting is convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period the Company has allotted 4,83,404 equity shares pursuant to Employee Stock Option Scheme.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690

Date: February 08, 2023 PR: 640/2019
Place: Mumbai UDIN: F006667D003125596

*This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To
The Members,
Hexaware Technologies Limited
152, Millenium Business Park,
Sector 3 TTC Industrial Area,
Mahape, Navi Mumbai - 400710

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
PR: 640/2019
UDIN: F006667D003125596

Date: February 08, 2023
Place: Mumbai

Annexure 4

CSR Report – 2022

1. **Brief outline on CSR policy of the company.**

Hexaware Technologies Limited (Hexaware) is committed to contributing towards its societal responsibilities beyond statutory obligations. Hexaware's Corporate Social Responsibility (CSR) initiative aims to broaden the vision of being accountable to the community and the environment.

Our belief in good citizenship is a driver to create maximum impact through our CSR programs in areas of:

1. Education and Woman Empowerment
2. Environment
3. Health and sanitation
4. Promotion of Sports
5. Skill development

2. **Composition of CSR committee:**

Hexaware has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013.

The members of the CSR committee are as follows.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Julius Genachowski	Chairman / Director	2	2
2	Mr. Joseph McLaren Quinlan	Member / Independent Director	2	2
3	Mr. Kapil Modi	Member / Director	2	2

3. **Provide the web-link where composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company.**

https://hexaware.com/about-us/corporate-social-responsibility/

4. **Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

Hexaware's CSR committee reviews the program and provides necessary course corrections during the tenure of the project, enabling it to achieve its stated goals. Our CSR governance mechanism is reviewed and monitored by the board members and senior leaders every quarter. The senior leadership team approves strategy, policy, and program; reviews their implementation on a quarterly basis; and checks the effective use of committed funds.

We monitor and evaluate our CSR strategy and implementation with a compliance portal that tracks the progress of our programs against intended outcomes or targets. We also conducted impact assessments on our programs through a third party to ensure that we have a good impartial view of them and can take corrective action if necessary.

https://hexaware.com/wp-content/uploads/2022/01/Hexaware-CSR-Impact-Assessment-Summary-Report.pdf

5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹ 6,335.88 million**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **₹ 126.72 million**

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**

(d) Amount required to be set-off for the financial year, if any: **NIL**

(e) Total CSR obligation for the financial year [(b)+(c) -(d)]: **₹ 126.72 million**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹ 119,909,299**

Details of CSR amount spent against ongoing projects for the financial year:

#	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area	Location of the project. - State and District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the CY2022 (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imp'tion - Direct (Yes/No)	Mode of Imp'tion Through Implementing Agency	
										Name	CSR Registration Number
1	Udaan - Empowerment of children of sex workers in the red-light	Eradicating hunger, poverty, and malnutrition, promoting education	Yes	Mumbai	CY 2022	83,06,599	83,06,599	0	No	Apne Aap Women's Collective	CSR00000525
2	Digital and Financial Education	Promoting Education	Yes	Chennai	CY 2022	48,42,750	48,42,750	0	No	American India Foundation	CSR00001977
3	Antar Bharti Balgram Yojna - Holistic development of underprivileged children	Eradicating hunger, poverty, and malnutrition, promoting preventive health care and sanitation, promoting education, enhancing vocational skills, livelihood enhancement	Yes	Lonavala	CY 2022	77,58,618	77,58,618	0	No	India Sponsorship Committee	CSR00001870
4	Art Education and Seminar - Art 1st	Promoting Education	Yes	Mumbai	CY 2022	14,42,718	14,42,718	0	No	Art1st Foundation	CSR00002924
5	Supported to conduct a Science Competition	Promoting Education	Yes	Andhra Pradesh	CY 2022	3,00,000	3,00,000	0	No	Bharatiya Vijnana Mandali	CSR00019218
6	Nutritional Outreach Program	Eradicating hunger, poverty and malnutrition and promoting preventive health care	Yes	Pune and Mumbai	CY 2022	48,76,979	48,76,979	0	No	Cuddles Foundation	CSR00001473
7	Pond Restoration Projects - Environmental Foundation of India	Ensuring environmental sustainability	Yes	Chennai	CY 2022	49,99,054	49,99,054	0	No	Environmental Foundation of India	CSR00002310
8	Providing Scholarship to 425 underprivileged and meritorious students to support higher studies	Promoting Education	Yes	Chennai, Mumbai, and Pune	CY 2022	50,76,750	50,76,750	0	No	Idea Foundation	CSR00000945
9	Mentorship & Skill Training for Girls	Promoting education, including employment enhancing vocation skills among women	Yes	Mumbai	CY 2022	33,89,000	33,89,000	0	No	Katalyst India	CSR00001437
10	Skill development training for employability	Promoting employment enhancing vocation skills and livelihood enhancement among youth	Yes	Chennai, Mumbai and Lonavla	CY 2022	1,04,45,553	1,04,45,553	0	No	Magic Bus Foundation	CSR00001330
11	Providing prosthetic legs for amputees	Eradicating hunger, poverty and malnutrition and promoting preventive health care	Yes	Chennai	CY 2022	20,00,000	20,00,000	0	No	Dream Runner Foundation	CSR00013499
12	Supporting junior women athletes and para-athletes in sports training	Training to promote nationally recognised sports and Olympic sports	Yes	Mumbai	CY 2022	80,00,000	80,00,000	0	No	Olympic Gold Quest	CSR00001100

#	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area	Location of the project. - State and District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the CY2022 (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imp'tion - Direct (Yes/No)	Mode of Imp'tion Through Implementing Agency	
										Name	CSR Registration Number
13	Providing complete care program including healthcare and education support to girls on living on the streets	Eradicating hunger, poverty, and malnutrition, promoting preventive health care and sanitation, promoting education	Yes	Chennai and Mumbai	CY 2022	1,32,34,848	1,32,34,848	0	No	Rainbow Homes	CSR00004456
14	Promoting science awareness among high school students, increasing their understanding of science, and attracting them into scientific careers through activities emphasizing hands-on research.	Promoting Education	Yes	Chennai	CY 2022	47,60,000	47,60,000	0	No	Sky Star Foundation	CSR00001387
15	Providing training to people with disability to get employment in retail industry	Promoting education, including special education and employment enhancing vocational skills	Yes	Chennai, Mumbai, and Pune	CY 2022	55,62,000	55,62,000	0	No	TRRAIN	CSR00002617
16	Vocational training center and support for Persons with Disability and Early intervention Program	Promoting education, including special education for the differently abled, promoting employment enhancing vocation skills and livelihood enhancement projects among differently abled	Yes	Chennai	CY 2022	25,20,000	25,20,000	0	No	V-Excel Educational Trust	CSR00000017
17	Promoting hygiene, sanitation practices in 21 Government Schools	Promoting Education, promoting preventive health care and sanitation	Yes	Mumbai	CY 2022	98,55,830	98,55,830	0	No	Yuva Unstoppable	CSR00000473
18	Providing shelter for Transgender community	Promoting employment enhancing vocation skills and livelihood enhancement projects among transgender community	Yes	Mumbai	CY 2022	12,60,000	12,60,000	0	No	Tweet Foundation	CSR00003349
19	Restoring Sight and Transforming Lives	Promoting preventive health care	Yes	Chennai	CY 2022	26,25,000	26,25,000	0	No	Mission for Vision	CSR00001849
20	Providing Fundamental Education for the under-served children	Promoting Education	Yes	Pune	CY 2022	15,00,000	15,00,000	0	No	Purnkuti	CSR00003026
21	Providing training to women on varies employment skills	Promoting employment enhancing vocation skills and livelihood enhancement among youth	Yes	Pune	CY 2022	23,82,975	23,82,975	0	No	Purnkuti	CSR00003026
22	Rural Development Project	Rural Development	Yes	Mumbai	CY 2022	21,47,733	21,47,733	0	No	Seva Sahayog	CSR00000756
23	Providing skill development for Transgender community	Promoting employment enhancing vocation skills and livelihood enhancement projects among transgender community	Yes	Mumbai	CY 2022	35,55,180	35,55,180	0	No	Tweet Foundation	CSR00003349
24	Providing Mental Health Support in the Government Schools	Promoting Education	Yes	Chennai	CY 2022	13,49,712	13,49,712	0	No	Uplift Child and Community Trust	CSR00035599

#	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area	Location of the project. - State and District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the CY2022 (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imp'tion - Direct (Yes/No)	Mode of Imp'tion Through Implementing Agency	
										Name	CSR Registration Number
25	Providing Skills to the underprivileged	Promoting employment enhancing vocation skills and livelihood enhancement among youth	Yes	Nagpur	CY 2022	48,87,000	48,87,000	0	No	Yuva Parivarthan - Skilling	CSR00000920
26	Team Aviskar - IIT Madras - Hyperloop	Promoting Education	Yes	Chennai	CY 2022	15,00,000	15,00,000	0	No	Indian Institute of Technologies Madras, IIT	CSR00004320
27	Supporting Education through Mumbai Marathon	Promoting Education	Yes	Delhi	CY 2022	7,32,000	7,32,000	0	No	Save the Children	CSR00000158
28	Supporting Education through Mumbai Marathon	Promoting Education	Yes	Mumbai	CY 2022	3,13,000	3,13,000	0	No	Manav Foundation	CSR00026544
29	Supporting Education through Mumbai Marathon	Promoting Education	Yes	Mumbai	CY 2022	2,86,000	2,86,000	0	No	United Way of Mumbai	CSR00000762
Total						**11,99,09,299**	**11,99,09,299**				

(b) Amount spent in Administrative Overheads: **₹ 5,973,117**

(c) Amount spent on Impact Assessment, if applicable: **₹ 843,936**

(d) Total amount spent for the Financial Year [(a)+(b) +(c)]: **₹ 126,726,352**

(e) CSR amount spent or unspent for the Financial Year: **NIL**

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 126,726,352	NIL	NA	NA	NA	NA

(f) Excess amount for set-off, if any:

(i) Two percent of average net profit of the company as per sub-section (5) of section 135: **₹ 126,720,000**

(ii) Total amount spent for the Financial Year: **₹ 126,726,352**

(iii) Excess amount spent for the Financial Year [(ii)-(i)]: **₹ 6,352**

(iv) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any: **NIL**

(v) Amount available for set off in succeeding Financial Years [(iii)-(iv)]: **₹ 6,352**

7. Details of unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Name of the Fund Amount (in ₹)	Date of transfer		
1.	2021	-	-	-	-	-	-	-
2.	2020	-	-	-	-	-	-	-
3.	2019	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year: No

If Yes, enter the number of Capital assets created/ acquired: NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Company has allocated all the CSR funds to ongoing projects as per the CSR guidelines. Since the company spent the entire 2% prescribed budget, this question is not applicable.**

Date: February 08, 2023
Place: USA

R Srikrishna
CEO & Executive Director

Mr. Julius Genachowski
Chairman CSR Committee

Annexure - 5

The information required u/s 197 of the act read with rule 5(1) of the Companies (appointment and remuneration of managerial personnel) Rules, 2014

		2022
Details of policy relating to the appointment and remuneration for the directors, key managerial personnel and other employees		
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Based on annualised cost to company basis (excluding stock option compensation cost)
	R Srikrishna - CEO and Executive Director (excluding remuneration paid by subsidiary company)	8.52
	Non-executive directors - Commission (*)	
	Milind Sarwate	10.83
	Michael W Bender (^)	32.50
	Joseph Mclaren Quinlan (^)	32.50
(ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Based on annualised cost to company basis (excluding stock option compensation cost)
	R Srikrishna - CEO and Executive Director	15.84%
	Non-executive directors - Commission (#)	
	Milind Sarwate	0.00%
	Michael W Bender (^)	NA
	Joseph Mclaren Quinlan (^)	NA
	Vikash Kumar Jain, CFO	4.10%
	Gunjan Methi, CS	13.09%
(iii)	the percentage increase in the median remuneration of employees in the financial year	5.70%
(iv)	the number of permanent employees on the rolls of company;	20,128
v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average percentile increase in salaries ** (excluding ESOP cost) of employees other than managerial personnel was 9.34%.
(vi)	affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration is as per policy of the Company

* based on the closing currency exchange rate for the year

** Average percentile increase in salaries has been worked out based on India employees.

determined on the basis of the base currency value as per terms of appointment

^ Appointed as directors during 2022

For and on behalf of the Board of Directors

Date: February 08, 2023
Place: USA

Michael Bender
Chairman

Corporate Governance Report

1. Brief statement on philosophy on code of governance:

Our Corporate Governance philosophy reflects our value system which embraces our culture, policies, relationship with various stakeholders. It is one of the essential pillars for building an efficient and sustainable environment. Strong leadership and effective corporate governance practices have always been priorities of the Company. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. The Company considers fair and transparent corporate governance as one of its most core management tenets. The management ensures compliance with corporate governance laws, regulations and policies and the Company is focusing on building business processes and infrastructures that not only ensure compliance but also increase their company's capacity for efficiency, agility, and responsive management. We decisively believe that it is only through good corporate governance practices that we can achieve sustainable growth of the organisation and create long term shareholder value. There is a separation of the role of Chairman of the Board and the Chief Executive Officer; a practice that has been in place for more than 17 years in the Company. The Company has adopted the Code of Conduct for Board of Directors, Senior Management Personnel, Whistle Blower policy and various other policies/ codes. With the focus on the core corporate governance principles of accountability, transparency and integrity and adoption of suitable global, local and industry best practices, the Company is moving ahead in its pursuit of excellence in corporate governance. The Code of conduct of Board of Directors and senior management personnel, whistle blower policy etc are available on the website of the Company at http://hexaware.com/investors/

The Company voluntarily complies with most of the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") even after delisting of the company w.e.f November 9, 2020.

2. Board of directors :

2.1. Composition and category of board of directors:-

The composition of the Board of Directors of the Company represents an optimum combination of professionalism, knowledge and experience. The Board comprises of ten (10) Directors as on December 31, 2022. Of these, nine Directors are Non- Executive and two amongst them are Independent Directors. Mr. Neeraj Bharadwaj was the Chairman till February 6, 2022. Mr. Michael Bender was appointed as the Chairman w.e.f February 7, 2022 and continues to be the Chairman.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013.

The composition of the Board of Directors of the Company as on December 31, 2022 is given below:

Name	Designation	Category	Shareholding as on December 31, 2022
Mr. Michael Bender* (DIN 09479465)	Chairman	Non Independent Non-Executive	Nil
Mr. R. Srikrishna (DIN 03160121)	CEO & Executive Director	Non-Independent Executive	968,080
Mr. Neeraj Bharadwaj (DIN 01314963)	Director	Non Independent Non-Executive	Nil
Ms. Sandra Horbach (DIN 09383306)	Director	Non Independent Non-Executive	Nil
Mr. Julius Genachowski (DIN 09365873)	Director	Non-Independent Non-Executive	Nil
Mr. Kapil Modi (DIN 07055408)	Director	Non Independent Non-Executive	Nil
Ms. Lucia Soares (DIN 09374169)	Director	Non Independent Non-Executive	Nil

Name	Designation	Category	Shareholding as on December 31, 2022
Mr. Shawn Devilla*** (DIN 09699900)	Director	Non Independent Non-Executive	Nil
Mr. Milind Sarwate (DIN 00109854)	Director	Independent Non-Executive	Nil
Mr. Joseph McLaren Quinlan** (DIN 09477487)	Director	Independent Non-Executive	Nil

Notes:

* Mr. Michael Bender was appointed as Non Executive Director (Chairman) w.e.f. February 7, 2022

** Mr. Joseph McLaren Quinlan was appointed as Non Executive Independent Director w.e.f. February 7, 2022

***Mr. Shawn Devilla was appointed as Director w.e.f. August 09, 2022

****Mr. Patrick McCarter resigned as Director w.e.f. August 08, 2022.

2.2 Attendance of each director at the board meetings, the last annual general meeting and number of other directorship or committees in which a director is a member or chairperson:

The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the year 2022 was as follows : -

Directors	Board meetings held during the tenure of Director	Board meetings attended during the year	Whether attended last AGM	Directorship of other Indian Public Companies	Board Committee Membership/ (Chairmanship)	Directorship of other listed entity (Category of Directorship)
Mr. Michael Bender	4	4	Yes	N.A.	1(0)	N.A.
Mr. R. Srikrishna	4	4	Yes	NIL	NIL	NIL
Mr. Neeraj Bharadwaj	4	4	Yes	4	2(0)	Sequent Scientific Limited, Piramal Pharma Limited
Ms. Sandra Horbach	4	4	No	N.A.	N.A.	N.A.
Mr. Julius Genachowski	4	4	No	N.A.	1(1)	N.A.
Mr. Kapil Modi	4	4	No	3	2(0)	PNB Housing Finance Limited
Ms. Lucia Soares	4	4	No	N.A.	N.A.	N.A.
Mr. Patrick McCarter	2	2	No	N.A.	N.A.	N.A.
Mr. Shawn Devilla	2	2	N.A.	N.A.	N.A.	N.A.
Mr. Milind Sarwate	4	4	Yes	8	10 (5)	Mahindra & Mahindra Financial Services Ltd., FSN E-Commerce Ventures Ltd. Matrimony.com Ltd., Metropolis Healthcare Limited., SeQuent Scientific Limited., Asian Paints Ltd.
Mr. Joseph McLaren Quinlan	4	4	No	N.A.	1(0)	N.A.

Notes:

1. None of the Directors of the Company hold membership of more than ten Committees nor is a Chairperson of more than five committees, across all companies of which he / she is a director. Necessary disclosures regarding Committee positions in other Indian public companies as at December 31, 2022 have been made by the Directors.
2. The committees considered for the above purpose are Audit Committee and Stakeholders Relationship Committee.
3. Video Conferencing facilities are also used to facilitate directors who are travelling / residing abroad or at other locations to participate in the meetings and are counted for the purpose of attendance.
4. Information on Directorship of other Indian Public Companies, Board Committee Membership and Directorship of other Listed Companies is not provided for Mr. Patrick McCarter as he resigned as Director w.e.f. August 08, 2022.

The Company holds at least four Board meetings in a year, one in each quarter inter-alia to review the financial results of the Company. The gap between the two Board Meetings does not exceed one hundred and twenty days. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address specific requirements of the Company. Urgent matters are also approved by the Board by passing resolutions through circulation. Every Director on the Board is free to suggest any item for inclusion in the agenda for the consideration of the Board. All the departments in the Company communicate to the Company Secretary well in advance, matters requiring approval of the Board / Committees of the Board to enable inclusion of the same in the agenda for the Board / Committee meeting(s). The important decisions taken at the Board / Committee meetings are promptly communicated to the concerned departments. Pursuant to Secretarial Standard, draft minutes and signed minutes of the previous Meeting are circulated within the prescribed time. Action taken report arising out of previous meeting is placed at the succeeding meeting of the Board / Committee.

During the year, four Board Meetings were held respectively on February 9, 2022, May 3, 2022, August 9, 2022 and November 17, 2022.

The necessary quorum was present for all the meetings.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at http:// hexaware.com/investors/

During the year a separate meeting of the Independent Directors was held on December 9, 2022 to review the performance of Non-Independent Directors, Chairperson and the Board as a whole.

The Board periodically reviews compliance reports of all laws applicable to the Company.

2.3 Relationship between the directors inter-se:

The Board comprises of combination of Independent, Non-Executive and Executive Director. None of the Directors have any relationship with other Directors. Mr. Neeraj Bharadwaj, Ms. Sandra Horbach, Mr. Julius Genachowski, Mr. Kapil Modi, Ms. Lucia Soares and Mr. Shawn Devilla are representatives of Holding Company (promoters).

2.4 Number of shares and convertible instruments held by Non-Executive Directors:

The details of shares held by the Non-Executive Directors are already given under 2.1 above. The Company has not issued any type of Convertible instruments to Non-Executive Directors.

2.5 Familiarisation programme of Independent Directors of the company:

In order to enable the Directors to fulfil the governance role, comprehensive presentations are made on business updates, business models, risk minimisation procedures, new initiatives by the Company. Changes in domestic/ overseas industry scenario including their effect on the Company, statutory matters are also presented to the Directors during the Board Meetings. The Board Meetings are generally conducted for 3 to 4 hours and Board Meetings were held on February 9, 2022, May 3, 2022, August 9, 2022, and November 17, 2022. The familiarisation programmes of Independent Directors of the Company is available on the website of the Company at the following link http:// hexaware.com/ investors/

2.6 The board identified the following skills/ expertise/ competencies/ fundamentals for effective functioning of the company which are currently available with the board :

Wide management and leadership experience:

Wide management and leadership experience including in areas of strategic planning, business development, mergers and acquisitions etc. focusing on strong business development both organic and in-organic way.

Technology :

Experience in information technology business, technology consulting and operations, emerging areas of technology, technical background to understand future technological trends and to focus on innovations and develop new business model.

Corporate governance:

Experience in developing governance practices, serving the best interest of all stakeholders, effective long- term stakeholders engagement, developing and maintaining high corporate values and ethics.

Global business:

Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.

Personal values and integrity :

Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards. Board has gender, age and ethnic diversity, which leads to better Board outcomes.

3 Audit committee:

The Audit committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013.

The primary objective of the committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the statutory auditors, the safeguards employed by each of them.

The Company has framed the mandate and working procedures of the Audit Committee defining therein the Role, Membership, powers, meeting procedures etc.

3.1 Composition, Name of Members and Chairman:

The Audit Committee of the Company comprised of the following members as on December 31, 2022

Mr. Milind Sarwate (Chairman), Mr. Neeraj Bharadwaj, Mr. Joseph McLaren Quinlan (appointed as a Member w.e.f. February 7, 2022) all being Non-Executive Directors and two of them being Independent Directors.

All members of the Audit Committee have accounting and financial management knowledge.

The Chief Financial Officer, the Partner / Representative of the Statutory Auditors and the Internal Auditors are some of the invitees to the Audit Committee. The Company Secretary of the Company acts as the secretary to the Committee.

During the year, the Audit Committee met four times respectively on February 9, 2022, May 3, 2022, August 9, 2022 and November 17, 2022. The necessary quorum was present at the meetings.

Mr. Milind Sarwate, the Chairman of Audit Committee had attended the Annual General Meeting held on April 26, 2022 and answered the queries raised by the shareholders.

The attendance record of the members is as per the table given in point 3.3

3.2 Broad terms of reference:

The terms of reference of the Audit Committee are as follows:

1. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and fair;
2. Recommendation for appointment, remuneration and terms of appointment of both statutory as well as internal auditors of the Company;
3. Approval of payment to statutory auditors and internal auditors of the company for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    a. Changes, if any, in accounting policies and practices and reasons for the same;
    b. Major accounting entries involving estimates based on the exercise of judgment by management;
    c. Significant adjustments made in the financial statements arising out of audit findings;
    d. Compliance with other legal requirements relating to financial statements;
    e. Disclosure of any related party transactions;
    f. Modified opinion (s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties;

8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To review the functioning of the Whistle Blower mechanism;
18. Approval of appointment of Chief Financial officer after assessing the qualifications, experience and background, etc. of the candidate;
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.3 Meetings and attendance during the year 2022:

Name of the Director	Category	No. of meetings held during the tenure	Meetings Attended
Mr. Milind Sarwate - Chairman	Independent	4	4
Mr. Joseph McLaren Quinlan	Independent	4	4
Mr. Neeraj Bharadwaj	Non-Independent	4	4

4 Nomination and remuneration committee:

4.1 Brief description and terms of reference:

The Company has framed the mandate and working procedures of the committee as required under Section 178 of Companies Act, 2013 defining therein the Role, Membership, meeting procedures etc.

The role of the Nomination & Remuneration Committee shall include the following : -

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.

(2) Formulation of criteria for evaluation of performance of Independent Directors and the board of directors.

(3) Devising a policy on diversity of board of directors.

(4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

(6) Recommend to the board, all remuneration, in whatever form, payable to senior management.

4.2 Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee of the Company comprised of the following members as at December 31, 2022:

Mr. Neeraj Bharadwaj – Chairman, Mr. Milind Sarwate, Mr. Joseph McLaren Quinlan (appointed as a Member w.e.f. February 7, 2022) and Mr. Shawn Devilla (appointed as a Member w.e.f. August 9, 2022), all Non Executive Directors and two being Independent Directors.

Mr. Patrick McCarter was Chairman of the Committee till he resigned as Director on August 08, 2022

4.3 Meeting and attendance during the year 2022:

During the year, the Nomination & Remuneration Committee met 2 (two) times that is on May 3, 2022, and May 20, 2022. Necessary quorum was present at the meeting. The attendance record is as per the table given below:

Name of the Director	Category	No. of meetings held during the tenure	Meetings Attended
Mr. Patrick McCarter, Chairman till August 08, 2022	Non-Independent	2	2
Mr. Neeraj Bharadwaj, Chairman w.e.f. August 09, 2022	Non-Independent	2	2
Mr. Milind Sarwate	Independent	2	2
Mr. Joseph McLaren Quinlan	Independent	2	2
Mr. Shawn Devilla	Non-Independent	-	-

4.4 Performance evaluation criteria:

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV to the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance of the Board is evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees is evaluated after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Chairman of the Board / the Nomination and Remuneration Committee ("NRC") review the performance of the individual directors on the basis of the criteria approved by the Board.

The performance of Independent Director is evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as independence, attendance, etc.

In a separate meeting of Independent Directors held on December 9, 2022, performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

5 Remuneration of directors:

5.1 Remuneration policy:

The Company has adopted and implemented the provisions of Section 178 of the Companies Act, 2013 on the requirement of the Nomination & Remuneration Committee to recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The remuneration payable to Executive Director and Chief Executive Officer shall be arrived after taking into account the Company's overall performance, their contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management person will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The compensation may include Employee Stock Options or other similar equity instruments as may be approved by the Committee.

Non-Executive Directors of the Company shall be paid a sitting fee for attending meetings of the Board and Committees. The Non Executive Directors are also paid commission upto an aggregate amount not exceeding 3% of the net profits of the Company for the relevant financial year.

5.2 Details of pecuniary relationship or transactions of the non- executive directors with the company during the year 2022 :

Sr. No.	Name of Director	Commission (₹ in million)	Sitting Fees (₹ in million)	ESOP
1.	Mr. Michael W Bender	24.82	0.40	NIL
2.	Mr. Neeraj Bharadwaj	NIL	NIL	NIL
3.	Ms. Sandra Horbach	NIL	NIL	NIL
4.	Mr. Julius Genachowski	NIL	NIL	NIL
5.	Mr. Kapil Modi	NIL	NIL	NIL
6.	Ms. Lucia Soares	NIL	NIL	NIL
7.	Mr. Shawn Albert Devilla	NIL	NIL	NIL
8.	Mr. Milind Sarwate	8.27	1.10	NIL
9.	Mr. Joseph McLaren Quinlan	24.82	1.30	NIL
10.	Mr. Patrick McCarter	NIL	NIL	NIL

5.3 Criteria of making payments to non-executive directors:

At the Board Meeting held on February 9, 2022, the Board of Directors approved the increase in payment of sitting fees to the non-executive directors from ₹ 20,000 to ₹ 1,00,000 for attending each meeting of the Board and committees.

The Company pays Sitting Fees of (a) ₹ 1,00,000/- per meeting for attending meetings of the Board and (b) ₹ 1,00,000/- per meeting for attending meetings of Committees of the Board.

For the year 2022, payment of commission was made to the Independent Directors, Mr. Milind Sarwate, Mr. Joseph McLaren Quinlan and Mr. Michael Bender – Non Independent director. The Company also reimburses the out-of- pocket expenses incurred by the Directors for attending meetings.

No payment by way of bonus, pension, incentives, stock options etc. was made to Non-Executive Directors by the company.

5.4 Disclosure with respect to remuneration of Mr. R Srikrishna, CEO & Executive Director:

	(₹ Mn)
Short term employee benefits	5.87
Post employee benefits	0.64
Share based payment	27.95

Above does not include remuneration paid by overseas subsidiary ₹ 51,643,672 (₹ 51.64 Mn)

6 Stakeholders relationship committee:

This Committee is constituted in compliance with Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee is responsible for resolving investor's complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc. The scope of committee includes the following:

- Resolving investor's complaints and strengthening of investor relations
- Monitoring and reviewing service functioning of Registrar and Transfer Agents
- Review process of share transfers, non-receipt of annual reports, Dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints etc.

Shareholders services:

For the purpose of facilitating the shareholders, the Company has posted on its website detailed services for the Shareholders and other information related to the following:

a) Procedure for Dematerialisation of shares;

b) Procedure for transmission of shares;

c) Change of address;

d) Dividend;

e) Nomination Facility;

f) Loss of Share Certificates;

g) Rights as a Shareholder;

h) Registrar / Share Transfer Agent;

i) Details of Compliance officer / designated official responsible for assisting and handling investor grievances;

j) Investor Education and Protection Fund details;

k) Details of Nodal Officer

6.1 Composition, meeting and attendance of the committee meetings:

The Stakeholders Relationship Committee of the Company in the beginning of the year comprised of following Directors Mr. Julius Genachowski – Chairman and Mr. Kapil Modi.

Mr. Michael Bender was appointed as a member of the committee w.e.f. February 7, 2022.

As on December 31, 2022 following directors were members of the committee : Mr. Julius Genachowski – Chairman, Mr. Kapil Modi and Mr. Michael Bender all being Non Executive Directors.

During the year, the Stakeholders Relationship Committee met 1 (one) time that is on August 9, 2022.

Necessary quorum was present at the meeting.

The attendance record for the year 2022 is as per the table given below:

Name of the Director	Category	No. of meetings held during the tenure of Director	Attended
Mr. Julius Genachowski, Chairman	Non – Independent	1	1
Mr. Kapil Modi	Non – Independent	1	1
Mr. Michael Bender	Non – Independent	1	1

6.2 Name and designation of compliance officer and nodal officer for IEPF compliances:

Name of the Company Secretary and the Compliance Officer, Nodal Officer for IEPF Compliances	Mrs. Gunjan Methi
Address	Building No. 152, Millennium Business Park, Sector III, “A” Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710.
Contact telephone	+91 22 6791 9595
E-mail	gunjanm@hexaware.com

6.3 Summary of shareholders complaints:

Number of Complaints received	10
Number of Complaints not solved to the satisfaction of Shareholders	Nil
Number of complaints resolved	10
Number of Pending Complaints	Nil

7 CSR committee:

The Corporate Social Responsibility Committee of the Company comprised of following members at the start of the year: Mr. Julius Genachowski – Chairman and Mr. Kapil Modi. Mr. Joseph McLaren Quinlan was appointed as a member of the committee w.e.f. February 7, 2022.

As on December 31, 2022, the Committee comprised of following Directors : Mr. Julius Genachowski – Chairman, Mr. Kapil Modi and Mr. Joseph McLaren Quinlan all being Non-Executive Directors and one being Independent Director.

The scope of the committee is to :

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;

(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

(c) monitor the Corporate Social Responsibility Policy of the Company from time to time.

The committee oversees the CSR activities and execution of initiatives approved by the Board. The CSR policy of the Company is available on our website http://hexaware.com/investors/.

Meeting and attendance during the year 2022:

During the year, the Corporate Social Responsibility Committee met 2 (Two) times that is on March 14, 2022 and August 9, 2022.

Necessary quorum was present at the meeting.

The attendance record for the year 2022 is as per the table given below:

Name of the Director	Category	No. of meetings held during the tenure of Director	Attended
Mr. Julius Genachowski -Chairman	Non-Independent	2	2
Mr. Kapil Modi	Non-Independent	2	2
Mr. Joseph McLaren Quinlan	Independent	2	2

8 Other committees:

There are no Committees other than four Committees mentioned above.

9 Risk management:

The Company has well defined Enterprise Risk Management (ERM) framework in place. The primary objective of ERM function is to implement a framework that augments risk response decisions and reduce surprises. ERM programme involves risk identification, assessment and risk mitigation planning for strategic, operational, financial and compliance related risks across various levels of the organisation.

The Board of Directors and senior management team assess the operations and operating environment to identify potential risks and take necessary mitigation actions.

Detailed note on Risk Management is given on page 76.

10. General body meetings:

10.1 Location, date and time where the last three annual general meetings were held:

Financial year	General Meeting	Location	Date	Time	Particulars of special resolution passed
2021	29th Annual General Meeting	Online via video conferencing / other audio visual means ("VC/ OAVM")	Tuesday, April 26, 2022	9:00 a.m.	1. Modification in terms of remuneration of Mr. Milind Sarwate, Non Executive Independent Director. 2. Increase in remuneration payable to Non-Executive Directors of the Company
2020	28th Annual General Meeting	Online via video conferencing / other audio visual means ("VC/ OAVM")	Thursday, April 22, 2021.	9:00 a.m.	No Special Resolution was Passed.
2019	27th Annual General Meeting	Online via video conferencing / other audio visual means ("VC/ OAVM")	Saturday, July 4, 2020.	9:00 a.m.	1. Payment to non-whole time director.

All special resolutions set out in the notices for the AGMs were passed by the shareholders at the respective meetings with requisite majority.

11. Means of communication:

We have established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

(a) The Company's audited financial results, press releases are posted on the Company's website - www.hexaware.com

(b) The Notices pertaining to Record Date for Dividend and Dividend, Shares liable to be transferred to IEPF were published in Business Standard in English and Navshakti in Marathi.

12. General shareholder information:

12.1 Thirtieth Annual General Meeting:

Date	Thursday, 4th May, 2023
Time	4.30 p.m.
Venue	Online Via Video Conference and Other Audio Visual Means

12.2 Financial Calendar for the year 2022:

Financial year	January 1, 2022 to December 31, 2022
Dividend Payment	1st Interim Dividend was paid on April 13, 2022 @ ₹ 14.00 per share (700%) which may be confirmed by the shareholders at the ensuing Annual General Meeting. 2nd Interim Dividend was paid on October 21, 2022 @ ₹ 8.00 per share (400%) which may be confirmed by the shareholders at the ensuing Annual General Meeting.

12.3 Financial reporting (tentative and subject to change)

December 31, 2023	By February 28, 2024
Annual General Meeting for the year ending December 31, 2023	On or before June 30, 2024

12.4 Registrar and share transfer agent:

In order to attain speedy processing and disposal of share transfers and other allied matters, the Board has appointed M/s. KFin Technologies Limited as the Registrar and Share Transfer Agent of the Company. Their complete postal address is as follows:

KFin Technologies Limited

Unit: Hexaware Technologies Limited

Corporate office:	Investor Relation Centre:
Karvy Selenium, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 Contact details: Toll free Tel.No.: 1- 800-309-4001 Email: einward.ris@kfintech.com Website: https://kfintech.com or https://ris.kfintech.com/	24 B, Rajabahadur Mansion, Ground Floor, Amabalal Doshi Marg, Fort, Mumbai - 400 023. Tel: 022 66235454 Email : einward.ris@kfintech.com Website : https://kfintech.com or https://ris.kfintech.com

12.5 Share transfer system:

The trading in Equity Shares of the Company is disabled as the company is delisted w.e.f. November 9, 2020. Transfer of shares happens only in dematerialised form.

12.6 Distribution of shareholding (as on December 31, 2022):

No. of Equity Shares held	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Shareholding
1 – 500	45100	95.06	4438083	1.47
501 – 1000	1520	3.20	1122630	0.37
1001 – 2000	505	1.07	749181	0.26
2001 - 3000	99	0.21	254470	0.08
3001 - 4000	53	0.11	187157	0.06
4001 - 5000	31	0.07	142837	0.05
5001 - 10000	53	0.11	407224	0.13
10001 & above	81	0.17	294795081	97.58
Total	**47442**	**100.00**	**302096663**	**100.00**

12.7 Categories of shareholding (as on December 31, 2022):

Sr. No.	Category of Holder	No. of Shares	% of Equity
1.	Promoters Holdings	288,617,478	95.54
2.	Mutual funds/ UTI	3,840	00.00
3.	Banks/ Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions/ Non-Govt. Institutions)	4,035	0.00
4.	FIIs/ FPI	75,889	00.03
5.	Others:		
	- Private Corporate Bodies	174,153	0.06
	- Indian Public	8,366,624	2.77
	- IEPF	1,968,110	0.65
	- NRIs / Foreign Nationals / OCBs	2,884,680	0.95
	- Trust	480	0.00
	- NBFCs	450	0.00
	- Clearing Members	924	0.00
	Sub Total	**13,395,421**	**4.43**
	TOTAL	**302,096,663**	**100.00**

Pledge of Shares: The promoters have not pledged their shareholding in Hexaware as on December 31, 2022.

12.8 Dematerialisation of shares and liquidity:

Procedure for dematerialisation of shares:

Shareholders seeking demat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificate to Registrar and Share Transfer Agent ("the Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same. Upon verification, the Registrar will request National Securities Depository Ltd. (NSDL)/Central Depository Services (India) Ltd. (CDSL) to confirm the demat request. The demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

99.53 % of the issued capital of your Company has been dematerialised up to December 31, 2022.

Go green initiative:

Pursuant to Section 101 of Companies Act, 2013 read with rules made thereunder, the Company is allowed to send documents such as the Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. to the members in electronic form at the email address provided by the members and made available to the Company by the Depository/ Registrar & Share Transfer Agent (RTA). Shareholders are requested to register their e-mail id with RTA / Depository to enable the Company to send the documents in electronic form..

12.9 Outstanding GDR / warrants and convertible bonds, conversion date and likely impact on the equity:

12.9.1 There are no outstanding GDRs as on December 31, 2022.

12.9.2 Warrants / Options:

As on December 31, 2022, total number of Restricted Stock Units outstanding under the ESOP 2008 and 2015 Schemes are 21,29,973. These RSU holders are entitled to get allotted one Equity Share of ₹ 2/- each at a exercise price of ₹ 2/-. The RSUs shall vest based on performance parameters as decided by the Committee.

Assuming all the Options granted, under the ESOP Schemes of the Company, which, would vest, be exercised and converted into Equity shares of the Company, the total number of Equity shares would increase by 21,29,973 of ₹ 2/- each.

12.10 Commodity price risk or Foreign exchange risk and hedging activities:

The Company earns sizable revenue in foreign currency which exposes it to exchange rate fluctuation risks.

The Company monitors currency movements closely and follows a structured hedging program approved by the Board.

The Company has systematic hedging policy approved by the Committee of Board and it has been effective in protecting the risk.

12.11 Plant locations (Hexaware Technologies Limited, India):

Registered Office & Offshore Development Center	152, Millennium Business Park, Sector III, ‘A’ Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710.	Navi Mumbai
Offshore Development Center	1, Millennium Business Park, Sector III, TTC Industrial Area, Mahape, Navi Mumbai - 400 710.	Navi Mumbai
Offshore Development Center	Unit No. I, Block No.01, Q1, 9th Floor, M/s. Loma Co-Developers 1 Pvt Ltd, Plot No.Gen-4/1, TTC Industrial Area, Thane-Belapur Road, Ghansoli, Navi Mumbai 400 710.	Navi Mumbai
Offshore Development Center	Unit – 1, Ground Floor, 2nd Floor And Amenity Area of North Wing, Risk Technologies International Limited, MIDC-SEZ, Plot No. 19, Rajiv Gandhi Infotech Park, Phase III, Hinjewadi, Pune – 411 057.	Pune
Offshore Development Center	Unit – 2, 1st Floor And Amenity Area of North Wing, Risk Technologies International Limited, MIDC-SEZ, Plot No. 19, Rajiv Gandhi Infotech Park, Phase III, Hinjewadi, Pune – 411 057.	Pune
Offshore Development Center	Unit-3, 3rd Floor of North Wing, 1st & 2nd Floor of South Wing, Risk Technologies International Limited, MIDC-SEZ, Plot No.19, Rajiv Gandhi Infotech Park, Phase-III, Hinjewadi, Pune - 411057.	Pune
Offshore Development Center	Plot No.19, Rajiv Gandhi Infotech Park, Phase-III, MIDC-SEZ, Hinjewadi 411 057 (SEZ), Pune.	Pune
Offshore Development Center	SIPCOT IT Park, Navalur Post, Siruseri - 603 103.	Chennai
Offshore Development Center	Prestige Shantiniketan, Cresent-2, 11th Floor, 16, Whitefield Main Road, Sadara Mangala Industrial Area, Thigalarapaiya, Hoodi, Bengaluru - 560 048	Bengaluru
Offshore Development Center	1st Floor, Building No.7, M/s. Seaview Developers Pvt. Ltd., IT/ITES SEZ, Plot No. 20 & 21, Sector - 135, Noida – 201 304, Uttar Pradesh	Noida
Hexaware BPS :	Bldg. No 3, Sector - II, Millennium Business Park, A Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710.	Navi Mumbai
Hexaware BPS :	157, Millennium Business Park, Sector III, TTC Industrial Area, Mahape, Navi Mumbai - 400 710.	Navi Mumbai
Hexaware BPS	Unit No.8, Block No.01, Q1, 8th Floor, M/s. Loma Co-Developers 1 Pvt Ltd, Plot No.Gen-4/1, TTC Industrial Area, Thane-Belapur Road, Ghansoli, Navi Mumbai 400 710.	Navi Mumbai
Hexaware BPS :	Unit No.2, Block No.01, Q1, 6th & 7th Floor, M/s. Loma Co-Developers 1 Pvt Ltd, Plot No.Gen-4/1, TTC Industrial Area, Thane-Belapur Road, Ghansoli, Navi Mumbai 400 710.	Navi Mumbai
Hexaware BPS :	Lower Ground floor and Ground floor, South block, Phase III, Hinjewadi, Rajiv Gandhi Infotech Park, Pune 411 057.	Pune
Hexaware BPS :	Survey no (Part) 38, 39,41,42 and 43 in village Khapri & Dahegoan, MIHAN, SEZ - MADC, Nagpur - 441 108, Maharashtra.	Nagpur
Hexaware BPS :	IG-3 Infra Ltd – SEZ, Chennai – Module 5, IT Park, Pallavaram – Thoraipakkam, 200 Ft Rd., Thoraipakkam, Chennai – 600 097. Tamilnadu.	Chennai
Hexaware BPS :	IG-3 Infra Ltd – SEZ, Chennai – 1, Module 6, IT Park, Pallavaram – Thoraipakkam, 200 Ft Rd., Thoraipakkam, Chennai – 600 097. Tamilnadu.	Chennai
Hexaware BPS :	5th Floor, Fayola Towers, S.No-56/3A, 200 Feet Road, Pallikaranai, Chennai -600 100.	Chennai
Hexaware BPS :	IG-3 Infra Ltd – SEZ, Chennai, Module 1 & 2, IT Park, Pallavaram – Thoraipakkam, 200 Ft Rd., Thoraipakkam, Chennai – 600 097. Tamilnadu.	Chennai
Hexaware BPS :	A-3, Elysium Central, Puliyakulam Road, Ramanathapuram, Coimbatore - 641045. Tamilnadu.	Coimbatore
Hexaware BPS :	Maple High Street, Unit No 23,24,24A,25,26 & Unit No 20, Opposite Aashima Mall, Hoshangabad Road, Bhopal -462026	Bhopal

12.12 Fitch ratings has assigned long-term foreign- and local-currency issuer default ratings (IDR) of BB-.

12.13 Transfer of unclaimed dividend to investor education and protection fund:

Pursuant to the provisions of section 124 of Companies Act, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Central Government under the provisions of the Companies Act. Shareholders are advised to claim the un-encashed dividend lying in the unpaid dividend account of the Company before the due date. A sum of ₹ 2,63,09,150/- has been transferred to the Investor Education and Protection Fund in the year 2022 towards unclaimed/ unpaid dividend for the year 2014 and 2015.

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules, 2016), amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years in the name of IEPF Suspense Account. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website: www.hexaware.com

During the Year 104,281 Shares were transferred to IEPF Account with NSDL. The Company has set aside unclaimed and unpaid Dividend amount of shareholders in a separate bank account that could not be transferred to Investor Education and Protection Fund (IEPF) pursuant to restraining order of court or Tribunal or any other Statutory Authority pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Given below are the dates of declaration of dividend, corresponding last date for claiming unclaimed dividends and the same is due for transfer to IEPF on next day.

Date of declaration of dividend	Dividend for the year	Last date for Claiming unpaid Dividend
February 3, 2016 (Q4 Interim - 2015)	2015	March 11, 2023
May 4, 2016 (Q1 Interim - 2016)	2016	June 10, 2023
July 28, 2016 (Q2 Interim- 2016)	2016	September 02, 2023
October 25, 2016 (Q3 Interim - 2016)	2016	November 30, 2023
February 7, 2017 (Q4 Interim - 2016)	2016	March 14, 2024
April 24, 2017 (Q1 Interim – 2017)	2017	May 29, 2024
July 31, 2017 (Q2 Interim – 2017)	2017	September 4, 2024
November 01, 2017 (Q3 Interim–2017)	2017	December 6, 2024
February 07, 2018 (Q4 Interim–2017)	2017	March 14, 2025
May 3, 2018 (Q1 Interim – 2018)	2018	June 7, 2025
July 24, 2018 (Q2 Interim – 2018)	2018	August 28, 2025
October 24, 2018 (Q3 Interim – 2018)	2018	November 28, 2025
January 30, 2019 (Q4 Interim – 2018)	2018	March 6, 2026
April 24, 2019 (Q1 Interim -2019)	2019	May 29, 2026
August 8, 2019 (Q2 Interim – 2019)	2019	September 12, 2026
October 23, 2019(Q3 Interim – 2019)	2019	November 27, 2026
June 23, 2020 (Q1 Interim - 2020)	2020	July 29, 2027
July 4, 2020 (Final Dividend 2019)	2019	August 09, 2027
July 28, 2020 (Q2 – Interim 2020)	2020	September 02, 2027
February 11, 2021 (3RD Interim Dividend 2020)	2020	March 19, 2028
April 27, 2021 (1st Interim Dividend 2021)	2021	June 02, 2028
July 29, 2021 (2nd Interim Dividend 2021)	2021	September 03, 2028
March 30, 2022 (1st Interim Dividend 2022)	2022	May 04, 2029
October 6, 2022 (2nd Interim Dividend 2022)	2022	November 10, 2029

12.14 Investor correspondence:

Shareholders can contact the following officials for secretarial matters of the Company:

Name	E-Mail ID	Telephone Number
Gunjan Methi, Company Secretary	Investori@hexaware.com	+ 91 22 6791 9595

Shareholders can contact the following officials for financial matters:

Name	E-Mail ID	Telephone Number
Vikash Kumar Jain - Chief Financial Officer	Investori@hexaware.com	+ 91 22 6791 9595

Following is the address for correspondence with the company:

Hexaware Technologies Limited
Building No. 152, Millennium Business Park, Sector III,
'A' Block, TTC Industrial Area, Mahape,
Navi Mumbai - 400 710.
E-mail: Investori@hexaware.com

12.15 Website:

The Company's website www.hexaware.com contains a separate dedicated section "Investors" where information sought by shareholders is available. The Annual report of the Company, press releases, details about the Company, Board of directors and Management, are also available on the website in a user friendly manner.

13 Other disclosures:

(a) There are no materially significant transactions with related parties i.e. with the Promoters, Directors, Management, subsidiaries or relatives that may have potential conflict of interest with the Company at large. All transactions with related parties are in compliance with the section 177 and 188 of the Companies Act, where applicable and details of such transactions have been disclosed in standalone financial statements as required by the applicable accounting standards.

(b) There has been no instance of non-compliance by the Company, no penalties or strictures being imposed on the Company by the Stock Exchanges or SEBI or any statutory authority or any matter related to capital market during the year except as referred in the Secretarial Audit Report.

(c) The Company has framed a whistle blower policy. The policy enables the employees of the Company as well as of subsidiary companies, directors, contractors, contractor's employees, clients, vendors, internal or external auditors, regulatory agencies or other third parties, ex-employees of the company etc., to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This policy is reviewed annually by the Audit Committee to check the effectiveness of the policy. No personnel has been denied access to the Audit Committee.

(d) The Company has also fulfilled the following requirements:

(i) Auditors qualification: Nil

(ii) Separate posts of Chairman and CEO

The company has appointed separate persons to the post of Chairman and CEO.

(iii) Reporting of Internal Auditor: The Internal auditors, PricewaterhouseCoopers Services LLP report directly to the Audit Committee.

(e) The company has formulated a policy for determining 'material' subsidiaries which has been put up on the website of the company and available at the web link: http://hexaware.com/investors/

(f) The company has formulated the policy on dealing with Related Party Transactions and has been put on its website and available at the link http://hexaware.com/investors/

(g) The Company is not involved in commodity price and commodity hedging activities.

(h) There is no recommendation of any Committee which was not accepted by the Board.

(i) Total Fees paid/payable to Statutory Auditors :

Audit Fees	₹11.49 Mn
Tax Audit Fees	₹1.50 Mn
Certification Fees	₹0.39 Mn
Total	**₹13.38 Mn**

14 The disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is made in the Directors' Report.

15 The Company does not have demat suspense account.

For and on behalf of the Board

Place: USA
Date : February 08, 2023

Michael Bender
Chairman

Independent Auditors' Certificate on Compliance with Corporate Governance

To the Board of Directors of
Hexaware technologies limited

1 This certificate is issued in accordance with the terms of our engagement letter dated May 03, 2018 and addendum to the engagement letter dated February 01, 2023.

2 We have examined the compliance of conditions of Corporate Governance by Hexaware Technologies Limited ("the Company"), for the year ended December 31, 2022 to the extent that have been voluntarily complied by the Company, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges ('SEBI LODR') after delisting with effect from November 09, 2020.

Management's responsibility

3 The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations and mentioned above is the responsibility of the Company's management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations as amended from time to time.

Auditors' responsibility

4 Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5 It is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as mentioned above in paragraph 2.

6 We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (referred to as "the Guidance Note") and Guidance Note on Certification of Corporate Governance, both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. 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 In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned paragraph 2 of this certificate.

9 We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10 The certificate is addressed and provided to the Board of Directors of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations, to the extent voluntarily opted by the management, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W- 100022

Jaclyn Desouza
Partner
Membership No: 124629
ICAI UDIN: 23124629BGYTGG7729

Place: Mumbai
Date: February 08, 2023

CEO and CFO Certification

We hereby certify that:-

A. We have reviewed financial statements and the cash flow statement for the quarter and year ended December 31, 2022 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the quarter and year ended December 31, 2022 which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee:

1. significant changes in internal control over financial reporting during the quarter/year;
2. there have been no significant changes in accounting policies during the quarter/year; and
3. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mr. R Srikrishna
CEO & Executive Director

Mr. Vikash Kumar Jain
Chief Financial Officer

Date: February 07, 2023

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company. The same is available on website of the Company at www.hexaware.com.

As Chief Executive Officer and Executive Director of Hexaware Technologies Limited, I hereby declare that all the Board members and senior management personnel of the Company as identified by the Company considering the requirements in this respect, have affirmed compliance with the Code of Conduct for the financial year 2022.

Place: Mumbai
Date: February 07, 2023

R Srikrishna
CEO & Executive Director

Independent Auditor's Report

To the Members of Hexaware Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Hexaware Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated balance sheet as at December 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor(s) on separate financial statements of such subsidiaries as were audited by the other auditor(s), the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at December 31, 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditor(s) referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which has/have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We

remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter(s)

a. We did not audit the financial statements of sixteen subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 15,450.95 million as at December 31, 2022, total revenues (before consolidation adjustments) of ₹ 30,375.34 million and net cash flows (before consolidation adjustments) amounting to ₹ 2,414.70 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter(s) with respect to our reliance on the work done and the report(s) of the other auditor(s).

b. The consolidated financial statements for the year ended December 31, 2022 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation, and, in our opinion, such consolidated financial statements expressed in Indian rupee have been translated into United States dollars on the basis set forth in Note 2.2 to the consolidated financial statements.

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report(s) of the other auditor(s) on separate financial statements of such subsidiaries, as were audited by other auditor(s), as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor(s).

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on December 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on December 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report(s) of the other auditor(s) on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at December 31, 2022 on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 35A to the consolidated financial statements in respect of such items as it relates to the Group.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended December 31, 2022.

d. i. The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. The respective management of the Holding Company and its subsidiary company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The interim dividend declared and paid by the Holding Company and its subsidiary companies incorporated in India during the year and until the date of this audit report is in accordance with Section 123 of the Act.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report(s) of the statutory auditors of such subsidiary company incorporated in India which was not audited by us, the remuneration paid/payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN:23124629BGYTGE5886

Place: Mumbai
Date: February 08, 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Hexaware Technologies Limited for the year ended December 31, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(XXI) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN:23124629BGYTGE5886

Place: Mumbai
Date: February 08, 2023

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of Hexaware Technologies Limited for the year ended December 31, 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Hexaware Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended December 31, 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at December 31, 2022, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor(s) of the relevant subsidiary company in terms of their report(s) referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter(s)

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN:23124629BGYTGE5886

Place: Mumbai
Date: February 08, 2023

Consolidated Balance Sheet

₹ in million, except share and per share data, unless otherwise stated

	Note	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 Supplementary information convenience translation (Refer to note 2.2) (in USD million)
ASSETS				
Non-current assets				
Property, plant and equipment	6	5,985	5,994	72.3
Capital work-in-progress	6	63	121	0.8
Right-of-use assets	5	3,878	3,970	46.9
Goodwill	7	14,205	12,252	171.7
Other intangible assets	9	1,807	1,697	21.8
Financial assets:				
Investments	10A	3	3	^
Other financial assets	12A	570	697	6.9
Income tax assets (net)		536	284	6.5
Deferred tax assets (net)	11C	2,387	2,105	28.9
Other non-current assets	13A	886	135	10.7
Total non-current assets		**30,320**	**27,258**	**366.5**
Current assets				
Financial assets:				
Investments	10B	-	1,224	-
Trade receivables				
Billed	14	13,846	10,193	167.4
Unbilled		4,972	3,476	60.1
Cash and cash equivalents	15A	12,916	11,787	156.1
Other bank balances	15B	112	224	1.4
Other financial assets	12B	179	562	2.2
Income tax assets (net)		354	265	4.2
Other current assets	13B	2,417	1,746	29.2
Total current assets		**34,796**	**29,477**	**420.6**
TOTAL ASSETS		**65,116**	**56,735**	**787.1**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	604	603	7.3
Other equity		40,626	37,276	491.1
Total equity		**41,230**	**37,879**	**498.4**
Non-current liabilities				
Financial liabilities:				
Lease liabilities	29	3,068	3,244	37.1
Other financial liabilities	17A	632	13	7.6
Provisions	20A	663	1,036	8.0
Other non-current liabilities	19A	-	35	-
Total non-current liabilities		**4,363**	**4,328**	**52.7**
Current liabilities				
Financial liabilities:				
Borrowings (secured)	35B	827	-	10.0
Lease liabilities	29	670	499	8.1
Trade payables	18	6,324	4,591	76.4
Other financial liabilities	17B	5,350	4,052	64.7
Other current liabilities	19B	3,239	2,861	39.2
Provisions	20B	1,821	1,424	22.0
Income tax liabilities (net)		1,292	1,101	15.6
Total current liabilities		**19,523**	**14,528**	**236.0**
Total liabilities		**23,886**	**18,856**	**288.7**
TOTAL EQUITY AND LIABILITIES		**65,116**	**56,735**	**787.1**
^ value less than 1 million				

The accompanying notes 1 to 35 form an integral part of the consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

Neeraj Bharadwaj
Director
DIN 01314963
Place: New York
Date: February 08, 2023

Kapil Modi
Director
DIN 07055408
Place: New York
Date: February 08, 2023

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: New York
Date: February 08, 2023

Milind Sarwate
Independent Director
DIN 00109854
Place: Mumbai
Date: February 08, 2023

Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Consolidated Statement of Profit and Loss

₹ in million, except share and per share data, unless otherwise stated

	Note	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (Refer to note 2.2)
INCOME				
Revenue from operations	21	91,996	71,777	1,112.1
Other income	22	1,792	669	21.7
TOTAL INCOME		**93,788**	**72,446**	**1,133.8**
EXPENSES				
Employee benefits expense	23	55,444	42,676	670.2
Finance costs	25	335	345	4.0
Depreciation and amortisation expense	26	2,444	2,241	29.5
Other expenses	24	24,335	17,772	294.2
TOTAL EXPENSES		**82,558**	**63,034**	**997.9**
PROFIT BEFORE TAX		**11,230**	**9,412**	**135.9**
Tax expense				
Current tax		2,330	2,118	28.2
Deferred tax charge/(credit)		58	(194)	0.7
Total tax expense	11B	**2,388**	**1,924**	**28.9**
PROFIT FOR THE YEAR		**8,842**	**7,488**	**107.0**
OTHER COMPREHENSIVE INCOME (OCI)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plan		(55)	159	(0.7)
Income tax relating to items that will not be reclassified to profit or loss	11A	12	(29)	0.1
Items that will be reclassified subsequently to profit or loss				
Net change in fair value of cash flow hedges		(994)	388	(12.0)
Exchange differences in translating the financial statements of foreign operations		1,398	163	16.9
Income tax relating to items that will be reclassified to profit or loss	11A	203	(86)	2.5
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)		**564**	**595**	**6.8**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**9,406**	**8,083**	**113.8**
Earnings per equity share:- Basic and diluted	27			
Basic		29.31	24.86	0.35
Diluted		29.06	24.64	0.35

The accompanying notes 1 to 35 form an integral part of the consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

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DIN 01314963
Place: New York
Date: February 08, 2023

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DIN 00109854
Place: Mumbai
Date: February 08, 2023

Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Consolidated Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

₹ in million, except share and per share data, unless otherwise stated

Balance as at January 01, 2022	Changes in equity share capital due to prior period errors	Restated balance as at January 01, 2022	Changes in equity share capital during the year[1]	Balance as at December 31, 2022
603	-	603	1	604

Balance as at January 01, 2021	Changes in equity share capital due to prior period errors	Restated balance as at January 01, 2021	Changes in equity share capital during the year[1]	Balance as at December 31, 2021
601	-	601	2	603

B. OTHER EQUITY

₹ in million, except share and per share data, unless otherwise stated

	Reserves and surplus								Other comprehensive income		Total equity
	Share application money pending allotment	Securities premium	Capital reserve	Capital redemption reserve	Special Economic Zone re-investment reserve	Share options outstanding account	General reserve	Retained earnings	Foreign Currency Translation Reserve (FCTR)	Cashflow hedging reserve (CFHR)	
Balance as at January 01, 2022	^	4,587	3	11	504	318	2,144	26,881	2,292	536	37,276
Profit for the year	-	-	-	-	-	-	-	8,842	-	-	8,842
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(43)	1,398	(791)	564
Total comprehensive income	**^**	**-**	**-**	**-**	**-**	**-**	**-**	**8,799**	**1,398**	**(791)**	**9,406**
Dividend	-	-	-	-	-	-	-	(6,637)	-	-	(6,637)
Tax benefit on share based compensation	-	-	-	-	-	-	-	51	-	-	51
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	262	-	-	(262)	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(44)	-	-	44	-	-	-
Received/transferred on exercise of stock options	-	174	-	-	-	(174)	-	-	-	-	-
Repurchase of restricted stock units [2]	-	-	-	-	-	210	-	-	-	-	210
Compensation related to employee share based payments	-	-	-	-	-	320	-	-	-	-	320
Balance as at December 31, 2022	**^**	**4,761**	**3**	**11**	**722**	**674**	**2,144**	**28,876**	**3,690**	**(255)**	**40,626**
Balance as at December 31, 2022 (in USD million) (Refer to note 2.2)	**^**	**57.6**	**-**	**0.1**	**8.7**	**8.1**	**25.9**	**349.1**	**44.6**	**(3.1)**	**491.1**
Balance as at January 01, 2021	^	4,290	3	11	380	825	2,144	21,741	2,129	234	31,757
Profit for the year	-	-	-	-	-	-	-	7,488	-	-	7,488
Other comprehensive income/ (losses) (net of tax)	-	-	-	-	-	-	-	130	163	302	595
Total comprehensive income	**^**	**-**	**-**	**-**	**-**	**-**	**-**	**7,618**	**163**	**302**	**8,083**
Dividend	-	-	-	-	-	-	-	(2,409)	-	-	(2,409)
Tax benefit on share based compensation	-	-	-	-	-	-	-	55	-	-	55
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	626	-	-	(626)	-	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(502)	-	-	502	-	-	-
Received/transferred on exercise of stock options	-	297	-	-	-	(297)	-	-	-	-	-
Repurchase of restricted stock units [2]	-	-	-	-	-	(1,097)	-	-	-	-	(1,097)
Compensation related to employee share based payments	-	-	-	-	-	887	-	-	-	-	887
Balance as at December 31, 2021	**^**	**4,587**	**3**	**11**	**504**	**318**	**2,144**	**26,881**	**2,292**	**536**	**37,276**

Notes

1. Refer to note 16.
2. Refer to note 30.
3. ^ is less than 1 million.

Consolidated Statement of Changes in Equity

Nature and purpose of reserves

a Securities premium

Securities premium is used to record the premium received on issue of shares to be utilised in accordance with the provisions of the Companies Act, 2013 (the Act).

b Capital reserve

Capital reserve represent reserve on amalgamation.

c Capital redemption reserve

Capital redemption reserve is created on buy-back of the equity shares in accordance with the provisions of the Act.

d Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1) (ii) of the Income-tax Act, 1961. The reserve will be utilised by the Group for acquiring new plant & machinery for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

e Share option outstanding account

Share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees.

f General reserve

General reserve represents appropriation of profits by the Group.

g Cash flow hedging reserve (CFHR)

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

h Retained earnings

Retained earnings comprise of the accumulated undistributed earnings.

i Foreign Currency Translation Reserve (FCTR)

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income, net of taxes and is presented within equity in the FCTR.

The accompanying notes 1 to 35 form an integral part of the consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

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DIN 01314963
Place: New York
Date: February 08, 2023

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Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Consolidated Statement of Cash Flows

₹ in million, except share and per share data, unless otherwise stated

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (Refer to note 2.2) (in USD million)
Cash flow from operating activities			
Profit before tax	11,230	9,412	135.8
Adjustments for:			
Depreciation and amortisation expense	2,444	2,241	29.5
Employee stock option compensation cost	406	1,240	4.9
Interest income	(13)	(30)	(0.2)
Life time expected credit loss	77	248	0.9
Gains on redemption/sale of Investments	(30)	(31)	(0.4)
Profit on sale of property, plant and equipment (PPE) (net)	(2)	(5)	-
Exchange rate difference (net) - unrealised	18	(23)	0.2
Finance costs	335	345	4.0
Operating profit before working capital changes	**14,465**	**13,397**	**174.7**
Adjustments for:			
Trade receivables and other assets	(5,877)	(3,676)	(71.0)
Trade payables, other liabilities and provisions	2,053	2,096	24.8
Cash generated from operations	**10,641**	**11,817**	**128.5**
Direct taxes paid (net)	(2,435)	(2,019)	(29.4)
Net cash generated from operating activities	**8,206**	**9,798**	**99.1**
Cash flow from investing activities			
Purchase of PPE and intangible assets including CWIP and capital advances	(1,192)	(1,092)	(14.4)
Proceeds from sale of property, plant and equipment	2	8	^
Purchase of investments	(7,800)	(4,600)	(94.3)
Proceeds from sale/redemption of investments	9,054	3,408	109.4
Payment for acquisition of business (Refer to note 8)	(227)	-	(2.7)
Interest received	12	30	0.1
Net cash used in investing activities	**(151)**	**(2,246)**	**(1.9)**

Consolidated Statement of Cash Flows

₹ in million, except share and per share data, unless otherwise stated

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (Refer to note 2.2) (in USD million)
Cash flow from financing activities			
Proceeds from issue of shares/share application money (net)	1	3	^
Repurchase of restricted stock units	(460)	(691)	(5.6)
Payment of lease liabilities	(865)	(921)	(10.5)
Proceeds from short term borrowing	1,213	-	14.7
Repayment of short term borrowing	(407)	(1,937)	(4.9)
Interest paid	(56)	(65)	(0.7)
Dividend paid	(6,637)	(2,409)	(80.2)
Net cash used in financing activities	**(7,211)**	**(6,020)**	**(87.2)**
Net (decrease)/increase in cash and cash equivalents	844	1,532	10.2
Cash and cash equivalents at the beginning of the year	11,787	10,114	142.5
Exchange difference on translation of foreign currency cash and cash equivalents	285	141	3.4
Cash and cash equivalents at the end of the year (Refer to note 15A)	**12,916**	**11,787**	**156.1**

^ value less than 1 million.

Reconciliation of Borrowings

₹ million

Particulars	For the year ended December 31, 2022		For the year ended December 31, 2021	
	Long Term	Short Term	Long Term	Short Term
Opening Balance	-	-	1,461	438
Borrowing made during the year	-	1,213	-	-
Borrowing repaid during the year	-	(407)	(1,488)	(449)
Adjustment on account of currency translation	-	21	27	11
Closing Balance	**-**	**827**	**-**	**-**

The accompanying notes 1 to 35 form an integral part of the consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

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Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Notes to the Consolidated Financial Statements

1. Company Overview

Hexaware Technologies Limited ("Hexaware" or "the Holding Company") is a public limited company incorporated in India. The Holding Company together with its subsidiaries ("the Group") is engaged in information technology consulting, software development and business process services. 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 testing.

2. Significant Accounting Policies

2.1 Statement of compliance

The Consolidated 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 as amended from time to time.

2.2 Basis of preparation

These Consolidated financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These Consolidated financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Holding Company.

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current years classification/disclosures.

Convenience translation

The accompanying Consolidated financial statements have been prepared in Indian rupees, the national currency of India and the functional currency of the Holding Company. Solely for the convenience of the reader, the Consolidated financial statements as of December 31, 2022 have been translated into United States dollars at the closing rate USD 1 = ₹ 82.73 (FEDAI rate). No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate, or at all.

2.3 Basis of consolidation

2.3.1 Subsidiaries

The consolidated financial statements incorporate the financial statements of the Holding Company and its subsidiaries.

The financial statement of the Group are consolidated on line-by-line basis by adding together like items after eliminating intra Group transactions and unrealised gain/loss from such transaction. These financial statements are prepared by applying uniform accounting policies used in Group.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

2.3.2 Associates

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost, and the carrying amount is increased or decreased

Notes to the Consolidated Financial Statements

to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the acquisition date.

2.4 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:

2.4.1 Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group 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 reliably estimated.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.4.2 Income-tax

The major tax jurisdiction for the Group is India though the Group also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.4.3 Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or

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not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.4.4 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit (CGU) to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where actual future cash flows are less than expected, a material impairment loss may arise.

2.4.5 Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.4.6 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

2.4.7 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.5 Business Combination

The Group accounts for its business acquisitions using the acquisition method of accounting. Aquisition-related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meets the condition of recognition are recognised at their fair values at the acquisition date.

Fair value of purchase consideration in excess of fair value of net assets acquired is recognised as goodwill. If the fair value of identifiable asset and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests proportionate share of acquiree's identifiable net asset. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent change in equity of subsidiaries.

Business Combinations arising from transfer of interest in entities that are under common control are accounted on historical cost basis. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

2.6 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of a business (see note 2.5 above) less accumulated impairment losses, if any.

On disposal of the relevant cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.7 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognised using percentage-of-completion method. The Group uses the efforts expended to date as a proportion to the total efforts to be expended as a basis to measure

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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.

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Group recognises an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.8 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

In adopting Ind AS 116, the Group has made use of the following pratical expedients available during transition –

- The Group has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Group has treated the leases with lease term of less than 12 months as if they were "short term leases" and also not applied Ind AS 116 to the low value assets.
- The Group has excluded the initial direct costs from measurement of right-of-use-assets (RoU) at the date of transition.
- The Group has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.
- The Group has recognised the rent concessions granted by the lessor due to the COVID-19 in the statement of profit and loss and has not considered it as lease modification.

The Group evaluates each contract or arrangement, whether it qualifies as a lease as defined under Ind AS 116. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-

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use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an rent expense on a straight-line basis over the lease term.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use-assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue to allocate the consideration in the contract.

2.9 Functional and presentation currency

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 recognised 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 date of Balance Sheet.

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Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Items in the statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve (FCTR) in Other comprehensive income.

2.10 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.

2.11 Employee Benefits

2.11.1 Post-employment benefits and other long term benefit plan

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

For defined benefit schemes and other long term benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest) is reflected immediately in the balance sheet with a charge or credit recognised in the other comprehensive income in respect of defined benefit schemes and in the statement of profit and loss in respect of other long term benefit plans in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of plan amendment. The retirement benefit liability recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the lower of the amount determined as the defined benefit liability and the present value of available refunds and / or reduction in future contributions to the scheme.

The service cost (including past service cost as well as gains and losses on settlement and curtailments) and net interest expenses or income is recognised as employee benefits expense in the profit or loss.

2.11.2 Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.11.3 Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.12 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest with the impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to the share option outstanding account.

2.13 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

Notes to the Consolidated Financial Statements

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 after taking credit for tax relief available for export operations in Special Economic Zone (SEZ).

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 profits, except when the deferred income tax liability 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.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations under tax holiday scheme, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet 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.

2.14 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 determined by the management based on the expert technical advice/stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Buildings	60 years
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years
Vehicles	4 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

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.

2.15 Intangible assets

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation

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is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software licenses	3 years
Customer contracts/relations	5-7 years

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

An intangible asset is derecognised on 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.

2.16 Impairment

2.16.1 Financial assets (other than at fair value)

The Group assesses at each balance sheet date, whether a financial asset or a group of financial assets is impaired. Ind AS 109, "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables. For all other financial assets except for investments, 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. In case of Investments, the Group periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.16.2 Non-financial assets

(i) Goodwill

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(ii) Tangible and Intangible assets

At the end of each reporting period, the Group 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 Group 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 recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.17 Provisions and contingent liabilities

Provisions are recognised when the Group 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 Group 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.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only

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by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.18 Non derivative financial instruments

Financial assets and liabilities are recognised when the Group 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.

2.18.1 Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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 on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(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. 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.

(iv) Cash and cash equivalents

The Group 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.

(v) Financial liabilities

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

2.18.2 Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received net of direct issue cost.

2.19 Derivative financial instruments and hedge accounting

The Group enters into foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. These instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The Group at the inception documents and designates these instruments as cash flow hedges. Accordingly, the Group records the cumulative gain or loss arising from change in fair values on effective cash flow hedges in the CFHR within the other comprehensive income until the forecasted transaction occurs. Gain or loss arising from change in fair values of component excluded from the assessment of hedge effectiveness as well as the ineffective portion of the designated hedges and derivative instruments that do not qualify for hedge accounting are recognised immediately in the profit or loss.

Hedge accounting is discontinued when the hedging instrument expires, terminated or exercised without replacement or rollover as part of the hedging strategy or when the hedge no longer meets the criteria for hedge

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accounting, the net cumulative gain or loss recognised in hedging reserve at that time remains in equity and is recognised in profit or loss when the forecasted transaction affects profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is immediately transferred to the profit or loss for the year and is grouped under exchange rate difference.

2.20 Earnings per share ('EPS')

Basic EPS is computed by dividing profit or loss attributable to equity shareholders of the Holding 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 Holding 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.21 Dividend and interest income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable for annual reporting periods beginning on or after April 1, 2022, as below:

1. Ind AS 103 – Business Combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

2. Ind AS 16 – Property Plant and equipment (Proceeds before intended use)

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact on its recognition of its property, plant and equipment in the consolidated financial statements.

3. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Asset

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its consolidated financial statements.

4. Ind AS 109 – Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

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4. Additional information

(pursuant to para 2 of general instructions for the preparation of consolidated financial statements)

For the year December 31, 2022

	Name of the Entity	Country of Incorporation	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
			% of Consolidated	Rupees million	% of Consolidated	Rupees million	% of Consolidated	Rupees million	% of Consolidated	Rupees million
1	Hexaware Technologies Limited (Parent)	India	65.5%	26,709	76.7%	6,899	100.1%	(837)	74.3%	6,062
	Wholly owned subsidiaries									
1	Hexaware Technologies Inc.	USA	20.3%	8,282	13.1%	1,182	-	-	14.5%	1,182
2	Hexaware Technologies, Mexico S. De. R.L. De. C.V.	Mexico	3.1%	1,245	3.8%	339	-	-	4.2%	339
3	Hexaware Technologies UK Ltd	UK	3.5%	1,408	4.3%	391	-	-	4.8%	391
4	Hexaware Technologies Asia Pacific Pte Limited	Singapore	1.7%	677	0.3%	27	-	-	0.3%	27
5	Hexaware Technologies GmbH	Germany	1.1%	444	0.3%	26	-	-	0.3%	26
6	Hexaware Technologies Canada Limited	Canada	0.7%	278	0.5%	43	-	-	0.5%	43
7	Hexaware Technologies LLC	Russia	0.0%	6	(0.1%)	(9)	-	-	(0.1%)	(9)
8	Hexaware Technologies Saudi LLC	Saudi Arabia	0.0%	9	0.1%	5	-	-	0.1%	5
9	Hexaware Technologies Romania SRL (Subsidiary of Hexaware Technologies UK Ltd.)	Romania	(0.3%)	(141)	-	-	-	-	-	-
10	Hexaware Technologies Hong Kong Limited	Hong Kong	0.2%	86	0.0%	2	-	-	0.0%	2
11	Hexaware Technologies Nordic AB	Sweden	0.0%	10	0.1%	5	-	-	0.1%	5
12	Shanghai Hexaware Information Technologies Company Limited	China	0.0%	4	-	-	-	-	-	-
13	Mobiquity Inc	USA	3.9%	1,583	6.4%	574	-	-	7.0%	574
14	Mobiquity Velocity Solutions, Inc (Subsidiary of Mobiquity Inc.)	USA	(0.4%)	(170)	-	-	-	-	-	-
15	Mobiquity Velocity Cooperative UA (Subsidiary of Mobiquity Inc.)	Netherland	-	-	-	-	-	-	-	-
16	Mobiquity BV (Subsidiary of Mobiquity Velocity Cooperative UA)	Netherland	(0.0%)	(14)	(7.3%)	(656)	-	-	(8.0%)	(656)
17	Morgan Clark BV (Subsidiary of Mobiquity Velocity Cooperative UA)	Netherland	1.0%	415	1.5%	131	-	-	1.6%	131
18	Mobiquity Softech Private Limited	India	(0.2%)	(93)	0.3%	29	(0.1%)	1	0.4%	30
19	Hexaware Technologies South Africa (Pty) Ltd	South Africa	0.0%	15	0.0%	4	-	-	0.0%	4
20	Hexaware Technologies ARG SAS	Argentina	0.0%	16	0.1%	6	-	-	0.1%	6
21	Hexaware Technologies Belgium	Belgium	0.0%	2	-	-	-	-	-	-
	Total		**100.0%**	**40,771**	**100.0%**	**8,998**	**100.0%**	**(836)**	**100.0%**	**8,162**
	Adjustment arising out of consolidation			459		(156)		1,400		1,244
				41,230		**8,842**		**564**		**9,406**

Notes to the Consolidated Financial Statements

For the year December 31, 2021

	Name of the Entity	Country of Incorporation	Net Assets		Share in profit or loss		Share in OCI		Share in total comprehensive income	
			% of Consolidated	Rupees million	% of Consolidated	Rupees million	% of Consolidated	Rupees million	% of Consolidated	Rupees million
1	Hexaware Technologies Limited (Parent)	India	70.8%	26,753	72.1%	5,873	100.0%	416	73.5%	6,289
	Wholly owned subsidiaries									
1	Hexaware Technologies Inc.	USA	17.4%	6,563	11.1%	907	-	-	10.6%	907
2	Hexaware Technologies, Mexico S. De. R.L. De. C.V.	Mexico	2.0%	757	2.4%	193	-	-	2.3%	193
3	Hexaware Technologies UK Ltd	UK	2.7%	1,009	3.6%	294	-	-	3.4%	294
4	Hexaware Technologies Asia Pacific Pte Limited	Singapore	1.5%	578	0.4%	35	-	-	0.4%	35
5	Hexaware Technologies GmbH	Germany	1.1%	399	0.2%	20	-	-	0.2%	20
6	Hexaware Technologies Canada Limited	Canada	0.6%	224	0.4%	30	-	-	0.4%	30
7	Hexaware Technologies LLC	Russia	0.0%	13	(0.1%)	(9)	-	-	(0.1%)	(9)
8	Hexaware Technologies Saudi LLC	Saudi Arabia	0.0%	4	0.0%	1	-	-	0.0%	1
9	Hexaware Technologies Romania SRL (Subsidiary of Hexaware Technologies UK Ltd.)	Romania	(0.4%)	(135)	(0.0%)	(3)	-	-	(0.0%)	(3)
10	Hexaware Technologies Hong Kong Limited	Hong Kong	0.2%	75	0.0%	3	-	-	0.0%	3
11	Hexaware Technologies Nordic AB	Sweden	(0.1%)	(20)	0.1%	6	-	-	0.1%	6
12	Shanghai Hexaware Information Technologies Company Limited	China	0.0%	4	(0.0%)	(2)	-	-	(0.0%)	(2)
13	Mobiquity Inc	USA	2.4%	902	6.7%	548	-	-	6.4%	548
14	Mobiquity Velocity Solutions, Inc (Subsidiary of Mobiquity Inc.)	USA	(0.4%)	(153)	-	-	-	-	-	-
15	Mobiquity Velocity Cooperative UA (Subsidiary of Mobiquity Inc.)	Netherland	-	-	-	-	-	-	-	-
16	Mobiquity BV (Subsidiary of Mobiquity Velocity Cooperative UA)	Netherland	1.7%	653	1.3%	104	-	-	1.2%	104
17	Morgan Clark BV (Subsidiary of Mobiquity Velocity Cooperative UA)	Netherland	0.7%	282	1.3%	103	-	-	1.2%	103
18	Mobiquity Softech Private Limited	India	(0.3%)	(117)	0.5%	37	-	-	0.4%	37
19	Hexaware Technologies South Africa (Pty) Ltd	South Africa	0.0%	9	0.0%	4	-	-	0.0%	4
20	Hexaware Technologies ARG SAS	Argentina	-	-	-	-	-	-	-	-
21	Hexaware Technologies Belgium	Belgium	-	-	-	-	-	-	-	-
	Total		**100.0%**	**37,800**	**100.0%**	**8,144**	**100.0%**	**416**	**100.0%**	**8,560**
	Adjustment arising out of consolidation			79		(657)		179		(478)
				37,879		**7,487**		**595**		**8,082**

Notes to the Consolidated Financial Statements

5. Right-of-use assets

The details of the right-of-use assets held by the Group is as follows:

₹ million

	Office premises [1]	Leasehold land	Vehicle	Total
Cost as at January 01, 2022	4,594	519	116	5,229
Additions	517	27	65	609
Disposals/Remeasurement	(72)	-	-	(72)
Translation exchange difference	171	-	6	177
Cost as at December 31, 2022	**5,210**	**546**	**187**	**5,943**
Accumulated amortisation as at January 01, 2022	1,197	12	50	1,259
Amortisation for the year	737	6	30	773
Disposals/Remeasurement	(38)	-	-	(38)
Translation exchange difference	66	1	4	71
Accumulated amortisation as at December 31, 2022	**1,962**	**19**	**84**	**2,065**
Net carrying amount as at December 31, 2022	**3,248**	**527**	**103**	**3,878**
Total (in USD million) [2]	**39.3**	**6.4**	**1.2**	**46.9**
Cost as at January 01, 2021	4,366	519	69	4,954
Additions	308	-	53	361
Disposals/Remeasurement	(51)	-	-	(51)
Translation exchange difference	(29)	-	(6)	(35)
Cost as at December 31, 2021	**4,594**	**519**	**116**	**5,229**
Accumulated amortisation as at January 01, 2021	595	6	25	626
Amortisation for the year	655	6	27	688
Disposals/Remeasurement	(49)	-	-	(49)
Translation exchange difference	(4)	-	(2)	(6)
Accumulated amortisation as at December 31, 2021	**1,197**	**12**	**50**	**1,259**
Net carrying amount as at December 31, 2021	**3,397**	**507**	**66**	**3,970**

The Group incurred ₹ 130 million & ₹ 39 million for the year ended December 31, 2022 and 2021, respectively, towards expenses relating to short-term leases and leases of low-value assets.

Interest on lease liabilities is ₹ 279 million and ₹ 279 million for the years ended December 31, 2022 and 2021, respectively.

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the statement of cash flows. All other lease payments during the period are disclosed under financing activities in the statement of cash flows.

The maturity analysis of lease liabilities is covered under Note 29.

Notes:
1. Balance reclassified from ROU of building.
2. Supplementary information convenience translation (See Note 2.2) .

Notes to the Consolidated Financial Statements

6. Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

₹ million

	Freehold Land	Buildings	Plant and Machinery [1]	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total (A)	Capital Work in Progress (B)	Total (A+B)
Cost as at January 01, 2022	-	4,232	3,761	1,147	19	2,156	404	11,719	121	11,840
Additions	-	8	837	61	11	84	20	1,021	69	1,090
Capitalised	-	-	-	-	-	-	-	-	(127)	(127)
(Disposals)	-	-	(86)	(34)	-	(12)	(4)	(136)	-	(136)
Translation exchange difference	-	-	75	15	-	11	33	134	-	134
Cost as at December 31, 2022	**-**	**4,240**	**4,587**	**1,189**	**30**	**2,239**	**453**	**12,738**	**63**	**12,801**
Accumulated depreciation as at January 01, 2022	-	513	2,647	747	18	1,583	217	5,725	-	5,725
Depreciation for the year	-	94	616	88	2	225	44	1,069	-	1,069
(Disposals)	-	(1)	(85)	(23)	-	(27)	-	(136)	-	(136)
Translation exchange difference	-	-	50	12	-	9	24	95	-	95
Accumulated depreciation as at December 31, 2022	**-**	**606**	**3,228**	**824**	**20**	**1,790**	**285**	**6,753**	**-**	**6,753**
Net carrying amount as at December 31, 2022	**-**	**3,634**	**1,359**	**365**	**10**	**449**	**168**	**5,985**	**63**	**6,048**
Total (in USD million) [2]	**-**	**43.9**	**16.4**	**4.4**	**0.1**	**5.4**	**2.0**	**72.3**	**0.8**	**73.1**
Cost as at January 01, 2021	-	4,230	3,455	1,249	21	2,111	319	11,385	102	11,487
Additions	-	2	597	16	-	47	120	782	121	903
Capitalised	-	-	-	-	-	-	-	-	(77)	(77)
(Disposals)	-	-	(302)	(76)	(2)	(31)	(29)	(440)	(25)	(465)
Translation exchange difference	-	-	11	(42)	-	29	(6)	(8)	-	(8)
Cost as at December 31, 2021	**-**	**4,232**	**3,761**	**1,147**	**19**	**2,156**	**404**	**11,719**	**121**	**11,840**
Accumulated depreciation as at January 01, 2021	-	416	2,452	731	18	1,348	204	5,169	-	5,169
Depreciation for the year	-	97	505	91	2	267	41	1,003	-	1,003
(Disposals)	-	-	(300)	(75)	(2)	(31)	(29)	(437)	-	(437)
Translation exchange difference	-	-	(10)	-	-	(1)	1	(10)	-	(10)
Accumulated depreciation as at December 31, 2021	**-**	**513**	**2,647**	**747**	**18**	**1,583**	**217**	**5,725**	**-**	**5,725**
Net carrying amount as at December 31, 2021	**-**	**3,719**	**1,114**	**400**	**1**	**573**	**187**	**5,994**	**121**	**6,115**

Notes:

1. Plant and machinery includes computer systems.
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

Capital work-in-progress ageing

₹ million

	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
As at December 31, 2022	16	4	36	-	63
As at December 31, 2021	76	38	5	-	121

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

7. Goodwill

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Opening balance	12,252	12,044	148.1
Additions due to business combination (Refer to Note - 8)	533	-	6.4
Translation exchange rate differences	1,420	208	17.2
Closing balance	**14,205**	**12,252**	**171.7**

Considering the synergies accruing to the CGUs, the Group allocates the carrying value of goodwill allocated to CGUs as follows:

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
CGUs			
Travel and Transportation (T&T)	976	840	11.8
Financial Services (FS)	4,233	4,043	51.2
Banking	1,190	634	14.4
Healthcare & Insurance (H&I)	3,058	2,645	37.0
Hi-Tech Professional services (HTPS)	2,056	1,625	24.9
Manufacturing and Consumer (M & C)	2,692	2,465	32.5
Total	**14,205**	**12,252**	**171.8**

Goodwill is tested for impairment on an annual basis. The recoverable amount is higher of its fair value less costs of disposal and its value in use. Considering the assumptions below, there was no impairment as at December 31, 2022 and December 31, 2021.

The estimated value in use of CGUs is based on the future cash flows using an annual growth rate of 5% for periods subsequent to the forecasted period of 5 years and discount rate of 12.05%. These estimates are likely to differ from future actual results of operations and cash flows.

An analysis of the sensitivity of the computation to a combined change in key parameters (gross margin, discount rates and growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Notes:
1. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

8. Business Combination

Summary of acquisition during the year ended December 31, 2022 is given below:

The Group has acquired customer/ business contracts entered by AECIO IT Solutions India Private Limited, IMS Health Analytics Services Pvt Ltd and IQVIA Inc (exclusive service-based consulting organisation serving the Life Science and Healthcare Industries) with it's customer. The rationale of the acquisition is to capitalise on the available cross-selling opportunities. The acquisition was consummated on January 12, 2022 for a total consideration of ₹ 1,139 million.

₹ million

Description	Purchase price allocated
Fair value of customer contracts	216
Fair value of customer relationship	390
Total	**606**
Goodwill	533
Total purchase price	**1,139**

The fair value of the deferred consideration is estimated by applying the discounted cash flow approach considering a weighted average discount rate of 12.2%. The undiscounted fair value of deferred consideration is ₹ 1,137 million as at the date of acquisition. The discounted fair value of deferred consideration of ₹ 853 million is recorded as part of purchase price allocation.

The assumptions used for such valuations are in line with past trends and current contracts/arrangements.

The pro-forma effects of this business combination was not material on the Group's results.

9. Intangible assets

₹ million

	Office premises[1]	Leasehold land	Vehicle	Total
Cost as at January 01, 2022	164	857	2,947	3,968
Additions (Refer to note - 8)	-	5	606	611
Disposals	-	(1)	(163)	(164)
Translation exchange difference	-	13	401	414
Cost as at December 31, 2022	**164**	**874**	**3,791**	**4,829**
Accumulated amortisation as at January 01, 2022	164	801	1,306	2,271
Amortisation for the year [1]	-	32	570	602
Disposals	-	(1)	(163)	(164)
Translation exchange difference	-	13	300	313
Accumulated amortisation as at December 31, 2022	**164**	**845**	**2,013**	**3,022**
Net carrying amount as at December 31, 2022	**-**	**29**	**1,778**	**1,807**
Total (in USD million) [2]	**-**	**0.4**	**21.5**	**21.8**
Cost as at January 01, 2021	164	834	3,023	4,021
Additions	-	34	-	34
Disposals	-	(11)	(128)	(139)
Translation exchange difference	-	-	52	52
Cost as at December 31, 2021	**164**	**857**	**2,947**	**3,968**
Accumulated amortisation as at January 01, 2021	164	758	907	1,829
Amortisation for the year [1]	-	42	508	550
Disposals	-	(11)	(128)	(139)
Translation exchange difference	-	12	19	31
Accumulated amortisation as at December 31, 2021	**164**	**801**	**1,306**	**2,271**
Net carrying amount as at December 31, 2021	**-**	**56**	**1,641**	**1,697**

Notes:

1. Amortisation is included in consolidated statement of profit and loss under the line item "Depreciation and amortisation expense".
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

10. Investments

A. Investments – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[2]
Investments designated at fair value through OCI			
Equity shares (unquoted)			
Beta Wind Farm Pvt. Ltd. (140,958 equity shares of ₹ 10/- each)[1]	3	3	^
Total	**3**	**3**	**^**

B. Investments – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[2]
Investments carried at fair value through profit or loss			
Mutual fund units (quoted)	-	1,224	-
Total	**-**	**1,224**	**-**

Aggregate value of quoted and unquoted investments

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[2]
Aggregate value of quoted investments	-	1,224	-
Aggregate value of un-quoted investments	3	3	^
	3	**1,227**	**^**

11. Income taxes

A. Income tax expense is allocated as follows :

₹ million

	For the year ended		
	December 31, 2022	December 31, 2021	December 31, 2022 (in USD million) [1]
Income tax expense as per the Statement of Profit and Loss	2,388	1,924	28.9
Income tax included in Other Comprehensive Income on:			
(a) Net change in fair value of cash flow hedges	(203)	86	(2.5)
(b) Remeasurement of defined benefit plan	(12)	29	(0.1)
	2,173	**2,039**	**26.3**

Notes:
1. On June 10, 2021, the Group sold 100,000 equity shares of ₹ 10/- each held in Beta Wind Farm Pvt. Ltd. at consideration price of ₹ 2 million.
2. Supplementary information convenience translation (See Note 2.2).
3. ^ values less than 1 million.

Notes to the Consolidated Financial Statements

B. The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

₹ million

	For the year ended		
	December 31, 2022	December 31, 2021	December 31, 2022 (in USD million) [1]
Profit before tax	11,230	9,412	135.8
Expected tax expense at the enacted tax rate of 34.944% (Previous year 34.944%) in India	3,924	3,289	47.4
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:			
Income exempt from tax	(1,411)	(1,163)	(17.0)
Tax effect of non-deductible expenses	47	45	0.6
Tax charges/(credit) pertaining to earlier years	(2)	27	0.0
Tax rate differential at different jurisdiction	(328)	(194)	(4.0)
Others	157	(80)	1.9
	2,387	**1,924**	**28.9**

Current income tax expense comprises of taxes on income from operations in India and foreign jurisdictions. In India, substantial part of operations is carried from units in Special Economic Zones notified by the Government which also benefit from the tax exemptions. These units are eligible for the deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits or gains for a further five years. 50 percent tax benefit is also available for a further period of five years subject to the unit meeting defined conditions of further investments. In respect of certain jurisdictions, where the income tax year is different from the accounting year, provision for current tax is made on the basis of income for the respective accounting year, which will be adjusted considering the total assessable income for the tax year.

The Group continues to carry additional tax provision of ₹ 263 million made in 2020 in relations to the related party transactions between group companies for the earlier years which are subject to completion of assessment in the US.

C. Income taxes

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2022 are as follows:

₹ million

Components of deferred taxes:	Opening balance	Recognised in profit or loss	Recognised in OCI[1]	Recognised in Equity	Closing balance
Deferred tax assets					
Allowance for doubtful debts	161	(19)	(55)	-	87
Brought forward losses	174	-	18	-	192
Employee benefit obligations	840	(80)	102	-	862
Leases	106	12	28	-	146
Minimum alternate tax credit carry forward	1,392	(144)	-	-	1,248
Share based payment	234	55	32	51	372
Unrealised loss on cash flow hedges	(140)	-	171	-	31
Others	14	-	-	-	14
Total	**2,781**	**(176)**	**296**	**51**	**2,952**
Deferred tax liabilities					
Depreciation	239	(72)	7	-	174
Intangible Assets	437	(46)	-	-	391
Total	**676**	**(118)**	**7**	**-**	**565**
Net deferred tax asset	**2,105**	**(58)**	**289**	**51**	**2,387**
Total (in USD million)[2]	**25.4**	**(0.7)**	**3.5**	**0.6**	**28.9**

Notes:
1. Including recognised in foreign currency translation reserve.
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2021 are as follows:

₹ million

Components of deferred taxes:	Opening balance	Recognised in profit or loss	Recognised in OCI[1]	Recognised in Equity	Closing balance
Deferred tax assets					
Allowance for doubtful debts	86	71	4	-	161
Brought forward losses	171	-	3	-	174
Employee benefit obligations	736	128	(24)	-	840
Leases	84	22	-	-	106
Minimum alternate tax credit carry forward	1,522	(130)	-	-	1,392
Share based payment	144	(11)	-	101	234
Unrealised loss on cash flow hedges	(55)	-	(85)	-	(140)
Others	17	(10)	7	-	14
Total	**2,705**	**70**	**(95)**	**101**	**2,781**
Deferred tax liabilities					
Depreciation	252	(23)	10	-	239
Intangible Assets	526	(101)	12	-	437
Total	**778**	**(124)**	**22**	**-**	**676**
Net deferred tax asset	**1,927**	**194**	**(117)**	**101**	**2,105**

(a) Deferred tax liability on temporary differences associated with investments in subsidiaries, has not been recognised, as it is the intention of the parent company to reinvest the earnings of these subsidiaries for the foreseeable future.

(b) In the absence of probability of recoverability for the unused tax credits as at December 31, 2022 aggregating to ₹ 458 million (₹ 378 million as at December 31, 2021) no tax asset is recognised in the books. If these tax credits are not utilised they would expire on various dates starting from financial year 2031.

(c) There are unused tax losses amounting to ₹ 106 million as at December 31, 2022 (₹ 1,475 million as at December 31, 2021) for which no deferred tax asset has been recognised as it is not considered probable that there will be future taxable profits available. If these tax losses not utilised would expire on various dates starting from financial year 2031.

Notes:
1. Including recognised in foreign currency translation reserve.
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

12. Other financial assets

A. Other financial assets – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Interest accrued on bank deposits	1	1	-
Derivative assets	39	218	0.5
Security deposits for premises and others[1]	465	421	5.6
Restricted bank balances[2]	65	57	0.8
Total	**570**	**697**	**6.9**

B. Other financial assets – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Interest accrued on bank deposits	1	-	^
Security deposits for premises and others[1]	11	5	0.1
Derivative assets	167	557	2.0
Total	**179**	**562**	**2.1**

13. Other assets

A. Other assets – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Capital advances	177	15	2.1
Cost to fulfil contract	683	70	8.3
Prepaid expenses	11	6	0.1
Indirect taxes recoverable	15	44	0.2
Total	**886**	**135**	**10.7**

B. Other assets – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Cost to fulfil contract	244	34	2.9
Prepaid expenses	959	775	11.6
Indirect taxes recoverable	250	96	3.0
Employee advances	68	45	0.8
Contract assets	865	751	10.5
Others	31	45	0.4
Total	**2,417**	**1,746**	**29.2**

Notes:
1. Excludes deposits aggregating ₹ 6 million as at December 31, 2022 (₹ 35 million as at December 31, 2021) provided as doubtful of recovery basis the expected credit loss model.
2. Restriction on account of bank deposits held as margin money.
3. Supplementary information convenience translation (See Note 2.2).
4. ^ values less than 1 million.

Notes to the Consolidated Financial Statements

14. Trade receivables

A. Trade receivables – Billed – Current (Unsecured)

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Considered good	13,846	10,193	167.4
Considered doubtful [2]	402	559	4.9
	14,248	**10,752**	**172.3**
Less: Allowance for doubtful debts	(402)	(559)	(4.9)
Total	**13,846**	**10,193**	**167.4**

B. Trade receivables ageing

Ageing for trade receivables as at December 31, 2022 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables – Billed							
Undisputed trade receivables – considered good	9,012	4,834	-	-	-	-	13,846
Undisputed trade receivables – with significant increase in credit risk	-	104	222	31	16	29	402
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-		-	-	-	-
Disputed trade receivables – credit impaired	-	-		-	-	-	-
	9,012	**4,938**	**222**	**31**	**16**	**29**	**14,248**
Less – Allowance for doubtful trade receivable – Billed							(402)
							13,846
Trade Receivables – Unbilled							4,972
							18,818

Ageing for trade receivables as at December 31, 2021 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade Receivables – Billed							
Undisputed trade receivables – considered good	7,207	2,986	-	-	-	-	10,193
Undisputed trade receivables – with significant increase in credit risk	-	374	87	29	18	51	559
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-		-	-	-	-
Disputed trade receivables – credit impaired	-	-		-	-	-	-
	7,207	**3,360**	**87**	**29**	**18**	**51**	**10,752**
Less – Allowance for doubtful trade receivable – Billed							(559)
							10,193
Trade Receivables – Unbilled							3,476
							13,669

Notes:

1. Supplementary information convenience translation (See Note 2.2).
2. The Group's credit period generally ranges from 30 - 90 days. Allowance for the doubtful debts is made for the debts outstanding for over 180 days unless confirmed by the customer and/ or recoverability is considered reasonable.

Notes to the Consolidated Financial Statements

C. The activity in the allowance for doubtful debts is given below:

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Balance at the beginning of the year	559	315	6.8
Additions / (write-back) during the year, net	77	248	0.9
Charged against allowance	(227)	1	(2.7)
Translation adjustments	(7)	(5)	(0.1)
Balance at the end of the year	**402**	**559**	**4.9**

15. Cash and bank balances

A. Cash and cash equivalents

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Remittance in transit	31	20	0.4
In current accounts with banks	12,399	11,552	149.9
Bank deposit accounts with less than 3 months maturity	486	215	5.9
Unclaimed dividend accounts	112	115	1.4
Margin money with banks	65	57	0.8
	13,093	**11,959**	**158.4**
Less: Restricted bank balances	(177)	(172)	(2.1)
Total	**12,916**	**11,787**	**156.3**

B. Other bank balances

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Restricted bank balances in respect of unclaimed dividend2	112	115	1.4
Other bank deposits	-	109	-
Total	**112**	**224**	**1.4**

Notes:
1. Supplementary information convenience translation (See Note 2.2).
2. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF) as at December 31, 2022 and December 31, 2021.

Notes to the Consolidated Financial Statements

16. Equity

16.1 Authorised capital

₹ million

	As at December 31, 2022	As at December 31, 2021
525,000,000 Equity shares of ₹ 2 each	1,050	1,050
1,100,000 Series "A" Preference Shares of ₹ 1,421 each	1,563	1,563

16.2 Issued, subscribed and fully paid-up capital

₹ million

	As at December 31, 2022	As at December 31, 2021
Equity shares of ₹ 2 each	604	603

16.3 Reconciliation of number of shares

₹ million

	As at December 31, 2022	As at December 31, 2021
Shares outstanding at the beginning of the year	301,613,259	300,330,455
Shares issued during the year on exercise of employee stock options	483,404	1,282,804
Shares outstanding at the end of the year	**302,096,663**	**301,613,259**

16.4 Rights, preferences and restrictions attached to equity shares

The Holding Company has one class of equity shares having a par value of ₹ 2 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all liabilities, in proportion to their shareholding.

16.5 Details of shares held by shareholders holding more than 5% shares

₹ million

	As at December 31, 2022	As at December 31, 2021
Name of the shareholder	288,617,478	288,068,041
CA Magnum Holdings (Parent Company of Hexaware Technologies Limited)	95.54%	95.36%

16.6 Disclosure of shareholding of promoters

₹ million

Particulars	December 31, 2022		December 31, 2021	
	No. of shares	% of total shares	No. of shares	% of total shares
CA Magnum Holdings (Parent Company of Hexaware Technologies Limited)	288,617,478	95.54%	288,068,041	95.36%

Notes to the Consolidated Financial Statements

16.7 Equity share movement during the 5 years preceeding December 31, 2022

16.7.1 The Holding Company on October 19, 2020, received the delisting approval of the stock exchanges (BSE and NSE) and effective November 09, 2020 the shares were de-listed from the stock exchanges.

16.7.2 During the year ended December 31, 2017, the Holding Company bought back 5,694,835 shares at ₹ 240 per share aggregating ₹ 1,366.76 million by utilisation of securities premium. The cost relating to buy-back was charged to other equity.

16.7.3 Shares reserved for issue under RSU's/options

The Holding Company has granted employee restricted stock units (RSU's)/(options) under the ESOP 2008 and 2015 scheme. Each RSU/options entitles the holder to one equity share of ₹ 2 each. 21,77,894 RSU's/options were outstanding as on December 31, 2022 (26,61,298 as on December 31, 2021).

16.7.4 The dividend per share recognised as distribution to equity shareholders for the year ended December 31, 2022 was ₹ 22.00 per share (for the year ended December 31, 2021 ₹ 8.00 per share.

17. Other financial liabilities

A. Other financial liabilities – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Deferred consideration towards business acquisition[3]	444	10	5.4
Derivative liabilities	182	1	2.2
Others	6	2	0.1
Total	**632**	**13**	**7.7**

B. Other financial liabilities – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Unclaimed dividend[2]	112	115	1.4
Capital creditors	68	106	0.8
Deferred consideration towards business acquisition[3]	305	-	3.7
Employee liabilities	4,124	3,827	49.9
Derivative liabilities	414	4	5.0
Contractual obligation – customer arrangements	327	-	4.0
Total	**5,350**	**4,052**	**64.8**

Notes:
1. Supplementary information convenience translation (See Note 2.2).
2. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF).
3. Refer to note 8.

Notes to the Consolidated Financial Statements

18. Trade payables

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Trade payables	4,191	3,114	50.7
Accrued expenses	2,133	1,477	25.8
Total	**6,324**	**4,591**	**76.5**

A. Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2022 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	23	1	-	-	-	24
Others	2,990	822	180	110	65	4,167
Disputed Dues – MSME	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
	3,013	**823**	**180**	**110**	**65**	**4,191**
Accrued Expenses						2,133
						6,324

Ageing for trade payables outstanding as at December 31, 2021 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	38	1	1	-	-	40
Others	2,389	335	212	105	33	3,074
Disputed Dues – MSME	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
	2,427	**336**	**213**	**105**	**33**	**3,114**
Accrued Expenses						1,477
						4,591

Notes

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

19. Other liabilities

A. Other liabilities – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Contract liabilities (Refer to note - 21)	-	35	-
Total	**-**	**35**	**-**

B. Other liabilities – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Contract liabilities (Refer to note - 21)	1,523	1,092	18.4
Statutory liabilities	1,716	1,769	20.7
Total	**3,239**	**2,861**	**39.1**

20. Provisions

A. Provisions – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Employee benefit obligations in respect of gratuity and others	663	1,036	8.0
Total	**663**	**1,036**	**8.0**

B. Provisions – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[1]
Employee benefit obligations in respect of gratuity and others	41	47	0.5
Employee benefit obligations in respect of compensated absences and others	1,780	1,377	21.5
	1,821	**1,424**	**22.0**

Notes

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

21. Revenue

21.1 The disaggregated revenue with the customers by country is disclosed under Note 32 – Segment reporting

21.2 The disaggregated revenue with the customers by contract type:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Offshore	41,128	30,236	497.2
Onshore	49,299	40,189	595.9
Others	1,569	1,352	19.0
Total revenue from operations	**91,996**	**71,777**	**1,112.1**

21.3 Reconciliation of revenue recognised with the contracted price is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Contracted price	93,218	72,811	1,126.9
Reductions towards variable consideration components (discounts, rebate)	(1,222)	(1,034)	(14.8)
Revenue recognised	**91,996**	**71,777**	**1,112.1**

21.4 Cost to fulfil contract

The Group recognises contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. The below table discloses the movement in contract fulfilment cost:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Balance as at the beginning of the year	104	137	1.3
Cost capitalised during the year	865	49	10.5
Amortisation during the year	(42)	(82)	(0.5)
Balance as at the end of the year	**927**	**104**	**11.3**

21.5 Changes in contract liabilities are as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Balance as at the beginning of the year	1,127	546	13.6
Revenue recognised during the year	(1,045)	(511)	(12.6)
Additions during the year	1,441	1,092	17.4
Balance as at the end of the year	**1,523**	**1,127**	**18.4**

21.6 Contract Assets are as follows:

During the year ended December 31, 2022 and December 31, 2021, ₹ 742 million and ₹ 630 million of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

Notes

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

21.7 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognised, which includes contract liabilities and amounts that will be invoiced and recognised as revenue in future periods.

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Within 1 year	11,231	9,459	135.8
More than 1 year	10,347	7,213	125.1

The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

21.8 Refer to note 32 - Segment reporting for information on customer exceeding 10% of total revenue.

21.9 Revenue by nature

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Revenue from contracts with customers	91,996	71,728	1,112.1
Other operating revenue	-	49	-
Total revenue from operations	**91,996**	**71,777**	**1,112.1**

22. Other income

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Exchange rate difference (net)	1,718	578	20.7
Gains/(losses) (net) on redemption/sale of Investments	30	31	0.4
Interest income	13	30	0.2
Profit/(Loss) on sale of property, plant and equipment (net)	2	5	^
Miscellaneous income	29	25	0.4
Total	**1,792**	**669**	**21.7**

23. Employee benefits expense

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Salary and allowances [4]	49,227	36,741	595.1
Contribution to provident, other funds and benefits [2]	4,678	3,912	56.5
Staff welfare expenses	1,133	783	13.7
Employee stock option compensation cost	406	1,240	4.9
Total	**55,444**	**42,676**	**670.2**

Notes
1. Supplementary information convenience translation (See Note 2.2).
2. Refer to note 31.2.
4. includes incremental bonus to select employees amounting to ₹ 33 million and ₹ 208 million for the year ended December 31, 2022 and 2021, respectively, for additional efforts on account of one-time events involving the group.

Notes to the Consolidated Financial Statements

24. Other expenses

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Rent	130	39	1.6
Rates and taxes	81	41	1.0
Travelling and conveyance	2,115	1,197	25.6
Electricity charges	256	123	3.1
Communication expenses	474	405	5.7
Repairs and maintenance	3,164	2,266	38.2
Printing and stationery	57	44	0.7
Legal and professional fees [3]	875	593	10.6
Advertisement and business promotion	758	483	9.2
Bank and other charges	40	30	0.5
Directors' sitting fees	3	2	^
Insurance charges	165	147	2.0
Sub contracting and other service charges	15,119	11,283	182.7
Life time expected credit loss [5]	77	248	0.9
Staff recruitment expenses	700	560	8.5
Miscellaneous expenses	321	311	3.9
Total	**24,335**	**17,772**	**294.2**

25. Finance costs

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Interest on borrowings	4	53	^
Interest on lease liabilities	279	279	3.4
Others	52	13	0.6
Total	**335**	**345**	**4.0**

26. Depreciation and amortisation expense

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Depreciation of property, plant and equipment	1,069	1,003	12.9
Depreciation of RoU assets	773	688	9.3
Amortisation of intangibles	602	550	7.3
Total	**2,444**	**2,241**	**29.5**

Notes

1. Supplementary information convenience translation (See Note 2.2).
3. includes ₹ 232 million and ₹ 59 million for the year ended December 31, 2022 and 2021, respectively, on account of one-time events involving the group.
5. includes ₹ 58 million and ₹ 223 million for the year ended December 31, 2022 and 2021, respectively, for one-time settlement with a customer
6. ^ value less than 1 million.

Notes to the Consolidated Financial Statements

27. Earnings per share (EPS)

The components of basic and diluted EPS:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Net profit after tax	8,842	7,488	107.00
Weighted average outstanding equity shares considered for basic EPS	30,17,04,713	30,12,53,340	30,12,53,340
Basic earnings per share	**29.31**	**24.86**	**0.36**
Weighted average outstanding equity shares considered for basic EPS	30,17,04,713	30,12,53,340	30,12,53,340
Add: Effect of dilutive issue of stock options	25,20,423	26,27,028	26,61,298
Weighted average outstanding equity shares considered for diluted EPS	30,42,25,136	30,38,80,368	30,39,14,638
Diluted earnings per share	**29.06**	**24.64**	**0.35**
Par value per share	2.00	2.00	2.00

28. Related party disclosures

Names of related parties	Country
Ultimate Holding Company and it's subsidiaries	
Hexaware Global Limited (earlier known as C A Campine Limited) - w.e.f. November 11, 2021	Mauritius
Baring Private Equity Asia GP V. LP, Cayman Island (Ultimate holding entity) (control exists) (upto November 10, 2021)	Cayman Island
The Baring Asia Private Equity Fund V, LP, Cayman Island (upto November 10, 2021)	Cayman Island
Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius (upto November 10, 2021)	Mauritius
Parent Company of Hexaware Technologies Limited (control exists)	
CA Magnum Holdings (w.e.f. November 11, 2021)	Mauritius
HT Global IT Solutions Holdings Limited, Mauritius (upto November 10, 2021)	Mauritius
Significant influence exists	
HT Global Holdings B.V. (Upto November 10, 2021)	Netherlands
Key Management Personnel (KMP)	
Executive Director and CEO	
R. Srikrishna	
Non-Executive Directors	
Atul K Nishar (up to November 10, 2021)	
Kosmas Kalliarekos (up to November 10, 2021)	
Jimmy Mahtani (up to November 10, 2021)	
P R Chandrasekar (up to December 31, 2021)	
Milind Sarwate	
Madhu Khatri (up to November 10, 2021)	
Rajeev Kumar Mehta (up to November 10, 2021)	
Neeraj Bharadwaj (w.e.f November 10, 2021)	
Larry Quinlan (w.e.f. February 07, 2022)	
Michael Bender (w.e.f. February 07, 2022)	
Sandra Joy Horbach (w.e.f November 10, 2021)	
Patrick Reid Mccarter (w.e.f. November 10, 2021 to August 08, 2022)	
Julius Michael Genachowski (w.e.f November 10, 2021)	
Lucia De Fatima Soares (w.e.f November 10, 2021)	
Shawn Albert Devilla (w.e.f. August 9, 2022)	
Kapil Modi (w.e.f November 10, 2021)	

Notes

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Consolidated Financial Statements

Transactions	For the year ended December 31, 2022	For the year ended December 31, 2021
Accrual of Share Based Cost		
Hexaware Global Limited (earlier known as C A Campine Limited)	140	-
Remuneration to KMP		
Short term employee benefits	30	238
Post employment benefits	3	2
Share based payment	52	58
Commission and other benefits to non-executive directors	61	28

Closing balances	For the year ended December 31, 2022	For the year ended December 31, 2021
Payable to/provision for KMP	163	325

29. Financial Instruments

A. The carrying value/fair value of financial instruments (other than investment in associate) by categories as at December 31, 2022 is as follows:

₹ million

	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying/ fair value
Cash and cash equivalents	12,916	-	-	-	12,916
Other bank balances	112	-	-	-	112
Trade receivables – Billed	13,846	-	-	-	13,846
Trade receivables – Unbilled	4,972	-	-	-	4,972
Other financial assets	543	-	-	206	749
Investments in equity shares	-	-	3	-	3
Total	**32,389**	**-**	**3**	**206**	**32,598**
Total (in USD million) [2]	**391.5**	**-**	**-**	**2.5**	**394.1**
Borrowings	827	-	-	-	827
Trade payables	6,324	-	-	-	6,324
Lease liabilities	3,738	-	-	-	3,738
Other financial liabilities	5,386	-	-	596	5,982
Total	**16,275**	**-**	**-**	**596**	**16,871**
Total (in USD million) [2]	**196.7**	**-**	**-**	**7.2**	**203.9**

Notes

1. Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.
2. Supplementary information convenience translation (See Note 2.2)

Notes to the Consolidated Financial Statements

The carrying value/fair value of financial instruments (other than investment in associate) by categories as at December 31, 2021 is as follows:

₹ million

	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying/ fair value
Cash and cash equivalents	11,787	-	-	-	11,787
Other bank balances	224	-	-	-	224
Investments in mutual fund units	-	1,224	-	-	1,224
Trade receivables – Billed	10,193	-	-	-	10,193
Trade receivables – Unbilled	3,476	-	-	-	3,476
Other financial assets	484	-	-	775	1,259
Investments in equity shares	-	-	3	-	3
Total	**26,164**	**1,224**	**3**	**775**	**28,166**
Trade payables	4,591	-	-	-	4,591
Lease liabilities	3,743	-	-	-	3,743
Other financial liabilities	3,350	710	-	5	4,065
Total	**11,684**	**710**	**-**	**5**	**12,399**

B. Fair value hierarchy

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2022:

₹ million

	Level I	Level II	Level III	Total
Investments in equity shares	-	-	3	3
Derivative financial assets	-	206	-	206
	-	**206**	**3**	**209**
Derivative financial liabilities	-	596	-	596
	-	**596**	**-**	**596**

Notes to the Consolidated Financial Statements

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2021:

₹ million

	Level I	Level II	Level III	Total
Mutual fund units	1,224	-	-	1,224
Investments in equity shares	-	-	3	3
Derivative financial assets	-	775	-	775
	1,224	**775**	**3**	**2,002**
Derivative financial liabilities	-	5	-	5
Shared based liabilities	-	-	710	710
	-	**5**	**710**	**715**

Valuation Technique

Investment in mutual funds is measured at the redemption price declared by the mutual fund. Derivatives are measured basis the counterparty quotes obtained. Cost of investments in equity shares is considered to be representative of fair value.

C. Financial risk management

The Group has identified the risks under verticals like Geographic and client concentration risk, credit risk, foreign currency fluctuation risk and liquidity risk. The Group has formulated policies, procedures and strategies for managing risks which is affirmed by the global CEO and CFO, after consultation with all business units, functions and department heads.

(i) Geographic and client concentration risk

During the year ended December 31, 2022, Americas contributed 72.4% (December 31, 2021 – 70%) of the Group's total revenue. The Group continues to expand its global footprint to diversify geographic concentration though Americas remains largest market for the IT industry. The Group's exposure to the US regions is in line with the global industry practices. The Group will continue to invest in the region. There are a number of other growth factors in Americas such as favour for capitalism, highest per capita income, innovation driven culture and focus to retain high end work that allow us to identify and address the pockets of inefficiencies in the most optimum way.

36.6% of the revenue for the year is generated from top 10 clients (previous year - 38.1%). Any loss or major downsizing by these clients may impact Group's profitability. Further, excessive exposure to particular clients will limit Group's negotiating capacity and expose us to higher credit risk.

The Group is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Group's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Group adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

(ii) Credit Risk

Since most of Group's transactions are done on credit, the Group is exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose the Group to credit risk and can impact profitability. Group's maximum credit exposure is in respect of trade receivables – billed of ₹ 13,846 million and ₹ 10,193 million as at December 31, 2022 and December 31, 2021, respectively, trade receivables – unbilled (unbilled receivables) of ₹ 4,972 miillion and ₹ 3,476 million as at December 31, 2022 and December 31, 2021, respectively and contract assets of ₹ 865 million and ₹ 751 million as at December 31, 2022 and December 31, 2021, respectively.

Notes to the Consolidated Financial Statements

The Group has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note 14B for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 10 customer dues contribute 37% of the total outstanding as at December 31, 2022 (35.4% as at December 31, 2021).

Cash and cash equivalents and mutual funds are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies. The investment in liquid mutual fund units are measured at fair value through profit and loss.

(iii) Foreign Currency fluctuations Risk

Foreign exchange fluctuations is one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is functional currency of the Holding Company vis-a-vis the US Dollar, the Euro and other foreign currencies, as largely, the costs incurred are in Indian Rupees and the revenue/ inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and many of these contracts are at fixed rates, therefore any appreciation in the Indian rupee vis-à-vis foreign currencies will affect our margins.

The Foreign Exchange Risk Management Policy authorised by the Board who takes these circumstances into account and authorises hedging on a systematic basis. These risks have been effectively addressed by the processes and controls laid out in the Foreign Exchange Risk Management Policy. The hedge ratio assigned to the exposures depends on the time horizon in which they fall, the near term exposures get a higher ratio whereas the farther exposures get a lower ratio. This graded approach ensures that hedges are spread across the hedge horizon in a tapered down manner. The exposure as indicated below is net of derivative contracts entered into by the Group.

The following table analyses foreign currency risk from financial instruments as at December 31, 2022 & 2021:

₹ million

	Net financial assets (A)	Net financial liabilities (B)	Net assets / (liabilities)[1] (A-B)
As at December 31, 2022			
USD	15,730	3,021	12,709
EUR	2,976	5	2,971
GBP	1,491	118	1,373
Others[2]	1,506	14	1,492

₹ million

	Net financial assets (A)	Net financial liabilities (B)	Net assets / (liabilities)[1] (A-B)
As at December 31, 2021			
USD	16,120	2,263	13,857
EUR	509	185	324
GBP	1,527	2,518	(991)
Others[2]	1,134	90	1,044

Notes

1. 10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Holding Company would result in the increase/decrease in group's profit before tax approximately by ₹ 1,855 million and ₹ 1,423 million for the year ended December 31, 2022 and December 31, 2021, respectively.
2. Others include currencies such as Singapore Dollars, Canadian Dollars, United Arab Emirates Dirhams, Philippine Pesos, Japanese Yen, Australian Dollars etc.

Notes to the Consolidated Financial Statements

The Group uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on trade receivables and forecasted cash flows denominated in certain foreign currencies.

The Group had outstanding hedging instrument in the form of foreign currency forward contracts as at:

	As at December 31, 2022	As at December 31, 2021
Currency hedge (sell contracts)		
USD	254	249
EURO	13	8
GBP	39	37

The weighted average forward rate for the hedges outstanding as at December 31, 2022 is ₹ 82.13, ₹ 91.18 and ₹ 105.21 (as at December 31, 2021 ₹ 79.71, ₹ 94.29 and ₹ 107.94) for USD, Euro and GBP, respectively. The hedges mature over the eight quarters.

10% depreciation/appreciation of the respective foreign currencies with respect to closing exchange rate would result in the increase/ decrease in Group's other comprehensive income approximate by ₹ 319 million and ₹ 279 million for the year ended December 31, 2022 and December 31, 2021 respectively.

The movement in accumulated other comprehensive income on account of derivatives designated as cash flow hedges is as under:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Balance at the beginning of the year	536	234
Less: Net gains transferred to statement of profit or loss on occurrence of forecasted hedge transaction	(161)	(364)
Add: Changes in the fair value of the effective portion of outstanding cash flow hedges	(833)	752
Less: Deferred tax	203	(86)
Balance at the end of the year	**(255)**	**536**

There were no material hedge ineffectiveness for the year ended December 31, 2022 and 2021.

(iv) Liquidity risk

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

Over the years, the Group has increased its liquidity position by managing its DSO and maintaining high cash / bank balance and investments.

As at December 31, 2022, the Group had total cash, bank balance and current investments of ₹13,093 million (as at December 31, 2021 is of ₹13,292 million) which constitutes approximately 20.11% (as at December 31, 2021 is of 23.43%) of total assets.

Notes to the Consolidated Financial Statements

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

₹ million

As at December 31, 2022	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	670	571	763	1,734	3,738
Borrowings	827	-	-	-	827
Trade and other payables	6,324	-	-	-	6,324
Foreign currency derivative liabilities	414	182	-	-	596
Others (Refer to note 17)	4,936	450	-	-	5,386
Total	**13,171**	**1,203**	**763**	**1,734**	**16,871**

₹ million

As at December 31, 2021	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	499	956	934	1,354	3,743
Borrowings	-	-	-	-	-
Trade and other payables	4,591	-	-	-	4,591
Foreign currency derivative liabilities	4	1	-	-	5
Others (Refer to note 17)	4,048	12	-	-	4,060
Total	**9,142**	**969**	**934**	**1,354**	**12,399**

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s debt obligations with floating interest rates, net of derivative contracts entered into by the Group. The balance with banks is in the form of fixed interest rate deposits.

Capital management

The Company’s objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

Notes to the Consolidated Financial Statements

30. Share Based Compensation

(a) The Nomination and Remuneration Committee ('Committee') of the Group administers the stock options plans viz. ESOP 2008 and 2015 plan. Under the plans, the employees of the holding Company as well as its subsidiaries are granted options/ Restricted Stock Options (RSU) entitling them to one equity share of ₹ 2/- each for each option granted. Exercise price is the price determined by the Committee. The Options/RSU's vest over a period of 1 to 6 years from the date of grant on the basis of service period and/or achievement of performance conditions. The maximum time available to exercise upon vesting is 6 years.

(b) The particulars of number of options granted and lapsed under the aforementioned Schemes are tabulated below

₹ million

Particulars	ESOP - 2008		ESOP - 2015		Total	
	Options/ RSU's (nos.)	Weighted ex. Price per share (₹)	RSU's (nos.)	Weighted ex. Price per share (₹)	Options/ RSU's (nos.)	Weighted ex. Price per share (₹)
Outstanding at the beginning of the year	1,24,546	2.00	25,36,752	2.00	26,61,298	2.00
	(4,43,352)	(2.00)	(45,82,347)	(2.00)	(50,25,699)	(2.00)
Granted during year	-	-	-	-	-	2.00
	-	-	(17,53,064)	(2.00)	(17,53,064)	(2.00)
Exercised during the year	1,18,296	2.00	3,65,108	2.00	4,83,404	2.00
	(1,99,947)	(2.00)	(10,82,857)	(2.00)	(12,82,804)	(2.00)
Lapsed during the year	-	-	-	-	-	-
	(1,18,859)	(2.00)	(27,15,802)	(2.00)	(28,34,661)	(2.00)
Outstanding at the year end	6,250	2.00	21,71,644	2.00	21,77,894	2.00
	(1,24,546)	(2.00)	(25,36,752)	(2.00)	(26,61,298)	(2.00)
Exercisable as at the year end	6,250	2.00	19,96,675	2.00	20,02,925	2.00
	(58,501)	(2.00)	(2,25,581)	(2.00)	(2,84,082)	(2.00)

Previous year figures are given in bracket

(c) The weighted average share price of options exercised on the date of exercise was ₹ 765 per share and ₹ 475 per share for the year ended December 31, 2022 and December 31, 2021, respectively.

(d) Range of exercise price and weighted average remaining contractual life (in months) for the options outstanding:

₹ million

Range of exercise price	December 31, 2022		December 31, 2021	
	Options/ RSU's (Nos)	Life	Options/ RSU's (Nos)	Life
2	21,77,894	12	26,61,298	23
Total	**21,77,894**		**26,61,298**	

Notes to the Consolidated Financial Statements

(e) The fair values of the RSU's granted in year 2021 are determined using Black Scholes Option pricing model using following assumptions:

Particulars	Year 2021
Weighted Average fair value (₹)	458.73
Weighted Average share price (₹)	475.00
Dividend Yield (%)	1.68
Expected Life (years)	1.19 - 2.50
Risk free interest rate (%)	3.75 - 4.95
Volatility (%)	10.41 - 40.34

The expected volatility is determined based on historical volatility during a period equivalent to the expected term of RSU granted.

(f) (i) During the year ended December 31, 2022, the Group modified the grant in respect of 364,764 vested RSUs to allow for the equity settlement instead of cash settlement chosen by employee during the year ended December 31, 2021. Accordingly, the Group has

1. Derecognised the liability towards cash settlement of ₹ 278 million
2. Remeasured equity settled award at modification date fair value and recorded ₹ 210 million in equity
3. An amount of ₹ 69 million being difference between the carrying amount of the liability derecognised and the amount of equity recognised on the modification date is recognised in consolidated statement of profit and loss.

(ii) During the year ended December 31, 2021, the Group modified the aforesaid scheme and provided a one-time option in respect of certain grants for RSU holder to surrender RSU against a cash payment of ₹ 763/- per RSU ('offer price'). Total of 1,908,249 RSUs were surrendered by the employees (included under lapsed in table (b) above). Total cash payout / payable by the Group is ₹ 1,456 million. The modification was recorded as follows in the year 2021:

(1) Incremental cost recorded in the statement of profit and loss of ₹ 657 million comprising of:

(i) Unamortised cost determined at the grant date fair value

(ii) Excess of offer price of ₹ 763/- over fair value on date of modification

(2) Fair value on the modification date has been considered as cost of re-purchase of option and difference between this fair value and grant date fair value amounting to ₹ 365 million was recorded in the equity.

The fair value on the date of modification was based on an valuers report prepared taking into consideration recent transaction adjusted for estimate for control premium and marketability by reference to public available information.

(g) During the year, the Ultimate Holding company, Hexaware Global Limited (earlier known as CA Campine Limited) has granted ESOP to employees of the Group. The said grants allows eligible employee to opt for one share of Hexaware Global Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is USD 7 per share, weighted average estimated fair value is approximately USD 1.10 per option and remaining weighted average life is approximately 50 months.

The Group has recognised ₹ 140 million as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2022.

Notes to the Consolidated Financial Statements

31. Employee benefit plans

31.1 Provident Fund, Superannuation Fund and other similar funds

Both the employees and the Group make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary. In respect of the Group's employees enrolled with the Hexaware Technologies Limited Employees Provided Fund Trust (the 'Trust'), the Group pays a part of the contributions to the Trust. The remaining portion of Group's contribution in respect of such employees and entire contribution in respect of other employees is contributed to the Government administered Employee Provident and Pension Fund.

The interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Group has an obligation to make good the short fall, if any, between the return from the investments of the trust and the notified interest rate. The valuation of the liability, fund position and assumptions considered are as follows.

Particulars	December 31, 2022	December 31, 2021
Present value of benefit obligation	4,580	5,055
Fair value of plan assets	4,602	4,953
Expected Investment Return	8.15%	7.90%
Remaining term of maturities of plan assets	4.75years	8.18years
Expected guaranteed interest rates	8.10%	8.50%

Certain employees of the Group are entitled to benefits under the superannuation plan, a defined contribution plan. The Group makes quarterly voluntary contributions under the superannuation plan to LIC based on a specified percentage of each covered employees salary and recognises such contributions as an expense when incurred and has no further obligation to the plan beyond such contributions.

For the year ended December 31, 2022, the Group has recognised expenses towards contributions to provident and other funds and superannuation fund of ₹ 1,080 million (for the year ended December 31, 2021 is ₹ 721 million) and ₹ 65 million (for the year ended December 31, 2021 is ₹ 55 million) respectively.

The Group, for the year ended December 31, 2022 contributed ₹ 2,060 million (for the year ended December 31, 2021 of ₹ 1,396 million) towards various other defined contributions plans and benefits of subsidiaries located outside India as per laws of the respective country.

31.2 Gratuity Plan

The Group makes annual contribution to the Employee's Company Gratuity Assurance Scheme, administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment based on completed years of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

During the year ended December 31, 2022, the Group made changes to it's gratuity plan to bring this in line to Payment of Gratuity Act, 1972. With this change the Group has accounted for one-time benefit in profit and loss account amounting to ₹ 246 million (net of payments).

Notes to the Consolidated Financial Statements

The following table sets out the status of the gratuity plan:

Particulars	December 31, 2022	December 31, 2021
Change in Defined Benefit Obligation		
Opening defined benefit obligation	1,383	1,223
Current service cost	200	268
Past service cost	(591)	-
Interest cost	77	60
Adjustment for remeasurement of defined benefit plan	-	-
– Actuarial loss/(gains) arising from change in financial assumptions	(51)	(68)
– Actuarial loss/(gains) arising from change in demographical assumptions	-	-
– Actuarial loss/(gains) arising on account of experience changes	94	5
Benefits paid	(197)	(105)
Closing defined benefit obligation (A)	**915**	**1,383**
Change in the Fair Value of Assets		
Opening fair value of plan assets	525	587
Interest on plan assets	28	29
Remeasurement due to actual return on plan assets less interest on plan assets	1	2
Contribution by employer	6	12
Benefits paid	(197)	(105)
Closing fair value of plan assets (B)	**363**	**525**
Net liability as per actuarial valuation (A-B)	**552**	**858**
Expense charged to statement of profit and loss:		
Current service cost	200	268
Past service cost	(591)	-
Net Interest on defined benefit plan	49	31
Total included in Employment Benefit expenses	**(342)**	**299**
Amount recognised in other comprehensive income:		
Remeasurement of defined benefit plan due to -		
– Changes in financial assumptions	(51)	(68)
– Changes in demographical assumptions	-	-
– Experience adjustments	94	5
– Actual return on plan assets less interest on plan assets	(1)	(2)
Total amount recognised in other comprehensive income	**42**	**(65)**
Actual return on plan assets	29	31
Category of assets - Insurer Managed Fund #	363	525

Since the investments are held in the form of deposit with the LIC, these are not volatile, the market value of assets is the cost value of assets and has been accordingly considered for the above disclosures.

Notes to the Consolidated Financial Statements

The Group is expected to contribute ₹ 100 million to gratuity funds for the year ending December 31, 2023.

Financial assumptions at the valuation date	December 31, 2022	December 31, 2021
Discount rate *	7.35% to 7.45%	5.95% to 6.30%
Rate of increase in compensation levels of covered employees **	7.5% to 10%	7.5% to 10%

* The discount rate is primarily based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

** The estimates of future salary increases considered in actuarial valuation takes into account the inflation, seniority, promotions and other relevant factors.

The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

Impact on defined benefit obligation	December 31, 2022	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.46 % to -3.13%	2.55% to 3.06%
Decrease in 50 bps	2.58% to 3.31%	-2.46% to -2.96%

Impact on defined benefit obligation	December 31, 2021	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.91% to -3.31%	3% to 3.28%
Decrease in 50 bps	3.07% to 3.51%	-2.88% to -3.15%

Projected plan cash flow

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Maturity profile	Rupees million
Year 1	179
Year 2	143
Year 3	124
Year 4	124
Year 5	105
Thereafter	762

The average duration to the payment of these cash flows is 5.15 years to 6.43 years

Notes to the Consolidated Financial Statements

32. Segment reporting

32.1 The reportable business segments have been identified taking into account the services offered to customers globally operating in different industry segments based on management approach. The Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on analysis of various performance indicators by below business. The Group's organisation structure reflects the industry segmentation. Following are the business segments:

(i) Travel and Transportation (T & T)

(ii) Financial services (FS)

(iii) Banking

(iv) Healthcare and Insurance (H & I)

(v) Hi-Tech Professional services (HTPS)

(vi) Manufacturing and Consumer (M & C)

Segment results for the year ended December 31, 2022

₹ million

	T & T	FS	Banking	H & I	HTPS	M & C	Total
Revenue	6,384	26,628	6,706	20,789	14,917	16,572	91,996
Expenses	(5,239)	(23,846)	(5,739)	(18,369)	(12,023)	(14,113)	(79,329)
Segment profit	**1,145**	**2,782**	**967**	**2,420**	**2,894**	**2,459**	**12,667**
Less: Depreciation and amortisation							(2,444)
Add: Exchange rate differences (net)							1,718
Less: Unallocated corporate expenses							(450)
Add: Other income (Excluding exchange rate differences)							74
Less: Finance costs							(335)
Profit before tax							**11,230**
Less: Tax expense							(2,388)
Profit after tax							**8,842**

Segment results for the year ended December 31, 2021 *

₹ million

	T & T	FS	Banking	H & I	HTPS	M & C	Total
Revenue	4,932	21,390	6,013	15,450	10,391	13,601	71,777
Expenses	(3,873)	(18,646)	(4,994)	(12,330)	(8,121)	(10,878)	(58,842)
Segment profit	**1,059**	**2,744**	**1,019**	**3,120**	**2,270**	**2,723**	**12,935**
Less: Depreciation and amortisation							(2,241)
Add: Exchange rate differences (net)							578
Less: Unallocated corporate expenses							(1,606)
Add: Other income (Excluding exchange rate differences)							91
Less: Finance costs							(345)
Profit before tax							**9,412**
Less: Tax expense							(1,924)
Profit after tax							**7,488**

Notes:

* During the year ended December 31, 2022, there has been internal organisation realignment and consequently reportable business segments for few clients has been realigned. Accordingly previous year numbers have been restated to confer the current reporting structure.

Notes to the Consolidated Financial Statements

32.2 Geographic disclosures

(a) The Group's primary source of revenue is from customers in United States of America & United Kingdom.

Geography	For the year ended December 31, 2022	For the year ended December 31, 2021
Americas [1]	66,624	50,265
Europe [2]	18,511	14,481
Asia Pacific [3]	6,861	7,031
Total	**91,996**	**71,777**

(b) Management believes that it is currently not practicable to provide disclosure of geographical location wise assets, since the meaningful segregation of the available information is onerous.

32.3 None of the customers accounted for more than 10% of the Group's revenue during the year ended December 31, 2022 and December 31, 2021.

33. Relationship with the struck off companies

₹ million

Name of struck off company	Nature of Transaction	Transactions during the year December 31, 2022	Balance outstanding As at December 31, 2022	Transactions during the year December 31, 2021	Balance outstanding As at December 31, 2021
Pan Cyber Infotech Pvt. Ltd.	Receipt of services	3	-	^	-
Mascon Global Limited	Shareholders – Interim dividend	^	^	^	^
Vaishak Shares Limited	Shareholders – Interim dividend	^	-	^	-
Home Trade Limited	Shareholders – Interim dividend	^	^	^	^
Arihant Capital Markets Ltd	Shareholders – Interim dividend	^	-	^	-
Nangalia Fiscal Services Pvt. Ltd	Shareholders – Interim dividend	^	-	^	-
Hundalani Finance And Leasing Company Limited	Shareholders – Interim dividend	^	-	^	-
Gurudev Marketing Private Ltd	Shareholders – Interim dividend	^	-	^	-
Idafa Investments Private Ltd	Shareholders – Interim dividend	^	^	^	^

34. Contingent liabilities

		As at December 31, 2022	As at December 31, 2021
(i)	Disputed Liabilities not provided for		
	(a) Income Tax	10	10
	(b) Other litigations (Gross of tax) [1,2]	69	74
(ii)	Claims against the Group not acknowledged as debts (Gross of tax)	28	28

(iii) The above does not include obligations resulting from customer claims, show case notices, regulatory inquiries, legal pronouncements and other judicial interpretations, having financial impact in respect of which the Group generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

Notes:
1. is substantially related to operations in United States of America.
2. includes revenue from United Kingdom of ₹ 12,307 million & 9,399 million for December 31, 2022 & 2021 respectively.
3. includes revenue from India of ₹ 2,517 million & 1,992 million for December 31, 2022 & 2021 respectively.
4. ^ value less than 1 million.

Notes to the Consolidated Financial Statements

(iv) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) as at December 31, 2022 and 2021 is ₹ 1,656 million and ₹ 396 million, respectively.

1. The Holding company and its subsidiary Hexaware Technologies Inc. has been made party as defendant in a case of car accident involving its employees. The Group has the automobile insurance cover and the insurer was notified of the claim by the plaintiff. The insurer of Hexaware Technologies Inc., admitting notification by Hexaware Technologies Inc,. consented to the settlement with plantiff for payment of ₹ 320 million ($4 million). One of the insurer of the Group has asserted that it has not agreed to such settlement considering grossly overvalued and is expected to contest any claim for contribution made by insurer of Hexaware Technologies Inc. on them. If insurer of the Group agrees to any settlement, there could be potential liability on the Group of amount upto ₹ 69 million. Pending resolution between the insurer and fact that Group has not agreed to any settlement, no provision is considered necessary in the consolidated financial statements.

2. Based on the counsel's opinion, the Group has made a provision of ₹ 74 million in March 2022 with respect to other litigations which was contingent as on December 31, 2021.

35. Other updates

A The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the end of the reporting period, the Group has reviewed and ensured that adequate provision, as required under any law/accounting standards, for material foreseeable losses on such long term contracts (including derivative contracts), has been made in the books of account.

B **Borrowings:**

The current borrowings represents SOFR based working capital facility repayable on demand, which is secured by way of charge on the specified current assets of some of group entities.

C The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

D Approval of the financial statements:

The consolidated financial statements were approved for issue by the Board of Directors on February 08, 2023.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

Neeraj Bharadwaj
Director
DIN 01314963
Place: New York
Date: February 08, 2023

Kapil Modi
Director
DIN 07055408
Place: New York
Date: February 08, 2023

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: New York
Date: February 08, 2023

Milind Sarwate
Independent Director
DIN 00109854
Place: Mumbai
Date: February 08, 2023

Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Independent Auditor's Report

To the Members of Hexaware Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Hexaware Technologies Limited (the "Company") which comprise the standalone balance sheet as at December 31, 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on December 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at December 31, 2022 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements.

   b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 36 (A) to the standalone financial statements.

   c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   d (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

   - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
   - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current period/year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN: 23124629BGYTGC5779

Place: Mumbai
Date: February 08, 2023

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended December 31, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Carrying value (₹ in million)	Held in the name of	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Leasehold land at Nagpur	76.31	Maharashtra Airport Developement Company Limited (MADC), Nagpur	No	November 2007	Lease agreement pending to be executed

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets. According to the information and explanations given to us, no quarterly returns or statements are required to be filed by the Company with the bank for such working capital loan.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided security or loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments and provided guarantee to company in respect of which the requisite information is as below. The Company has not made any investments and not provided any guarantee to firms, limited liability partnership or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

(₹ in million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year Subsidiary	2,706	-	-	-
Balance outstanding as at balance sheet date Subsidiaries	2,876	-	-	-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and gurantees provided during the year, prima facie, not prejudicial to the interest of the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company has not given any loans or advance in the nature of loan to any party during the year and there are no existing loan or advances in the nature of loan. Accordingly, provisions of clause 3(iii)(c) to 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 01, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund and income-tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues were in arrears as at December 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees

State Insurance, Income-Tax or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Income-tax	2.76	Financial year 2010-11	Commissioner of Income Tax (Appeals)	

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as define under the Act) during the year ended December 31, 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as define under the Act) during the year ended December 31, 2022.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, the Company has transferred unspent amount in respect of other than ongoing projects to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN: 23124629BGYTGC5779

Place: Mumbai
Date: February 08, 2023

Annexure B

to the Independent Auditor's Report on the standalone financial statements of Hexaware Technologies Limited for the year ended December 31, 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Hexaware Technologies Limited ("the Company") as of December 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at December 31, 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Jaclyn Desouza
Partner
Membership No.: 124629
ICAI UDIN: 23124629BGYTGC5779

Place: Mumbai
Date: February 08, 2023

Standalone Balance Sheet

(₹ in million, except share and per share data, unless otherwise stated)

	Note No.	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 Supplementary information convenience translation (See Note 2.2) (in USD million)
ASSETS				
Non-current assets				
Property, plant and equipment	5	5,410	5,506	65.4
Capital work-in-progress	5	72	130	0.9
Right-of-use assets	4	2,702	2,748	32.7
Goodwill	6	115	-	1.4
Other intangible assets	8	123	54	1.5
Financial assets:				
Investments	9A	5,206	4,544	62.9
Other financial assets	11A	398	548	4.8
Deferred tax assets (net)	10C	1,406	1,353	17.0
Income tax assets (net)		342	290	4.1
Other non-current assets	12A	261	125	3.2
Total non-current assets		**16,035**	**15,298**	**193.9**
Current assets				
Financial assets:				
Investments	9B	-	1,224	-
Trade receivables				
Billed	13	9,163	7,549	110.8
Unbilled		2,829	1,732	34.2
Cash and cash equivalents	14A	6,698	8,056	81.0
Other bank balances	14B	112	115	1.4
Other financial assets	11B	210	758	2.5
Other current assets	12B	1,380	928	16.7
Total current assets		**20,392**	**20,362**	**246.6**
TOTAL ASSETS		**36,427**	**35,660**	**440.5**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	604	603	7.3
Other equity		26,105	26,150	315.6
Total equity		**26,709**	**26,753**	**322.9**
Non-current liabilities				
Financial liabilities:				
Lease liabilities	27	2,122	2,149	25.7
Other financial liabilities	16A	274	3	3.3
Provisions				
Employee benefit obligations in respect of gratuity and others		649	1,008	7.8
Other non-current liabilities	18A	-	3	-
Total non-current liabilities		**3,045**	**3,163**	**36.8**
Current liabilities				
Financial liabilities:				
Lease liabilities	27	290	230	3.5
Trade payables				
Dues of micro enterprises and small enterprises	32	24	40	0.3
Dues of other than micro enterprises and small enterprises	17	2,594	2,682	31.4
Other financial liabilities	16B	1,944	1,197	23.5
Other current liabilities	18B	849	749	10.3
Provisions				
Employee benefit obligations in respect of compensated absences and others		675	529	8.2
Income tax liabilities (net)		297	317	3.6
Total current liabilities		**6,673**	**5,744**	**80.8**
Total liabilities		**9,718**	**8,907**	**117.6**
TOTAL EQUITY AND LIABILITIES		**36,427**	**35,660**	**440.5**

The accompanying notes 1 to 36 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number:101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

Neeraj Bharadwaj
Director
DIN 01314963
Place: New York
Date: February 08, 2023

Kapil Modi
Director
DIN 07055408
Place: New York
Date: February 08, 2023

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: New York
Date: February 08, 2023

Milind Sarwate
Independent Director
DIN 00109854
Place: Mumbai
Date: February 08, 2023

Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Standalone Statement of Profit and Loss

(₹ in million, except share and per share data, unless otherwise stated)

	Note No.	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (See Note 2.2) (in USD million)
INCOME				
Revenue from operations	19	41,013	32,167	495.8
Other income	20	1,684	679	20.4
TOTAL INCOME		**42,697**	**32,846**	**516.2**
EXPENSES				
Employee benefits expense	21	22,706	16,892	274.5
Finance costs	23	254	218	3.1
Depreciation and amortisation expense	24	1,254	1,203	15.2
Other expenses	22	9,893	7,272	119.6
TOTAL EXPENSES		**34,107**	**25,585**	**412.4**
PROFIT BEFORE SHARE IN PROFIT OF ASSOCIATE AND TAX		**8,590**	**7,261**	**103.8**
Share in profit of associate (Net of tax)		-	-	
PROFIT BEFORE TAX		**8,590**	**7,261**	**103.8**
Tax expense				
Current tax	10A	1,529	1,301	18.5
Deferred tax charge/(credit)	10A	162	87	2.0
Total tax expense		**1,691**	**1,388**	**20.5**
PROFIT FOR THE YEAR		**6,899**	**5,873**	**83.3**
OTHER COMPREHENSIVE INCOME (OCI)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plan	29	(57)	159	(0.7)
Income tax relating to items that will not be reclassified to profit or loss	10A	12	(29)	0.1
Items that will be reclassified subsequently to profit or loss				
Net change in fair value of cash flow hedges		(994)	366	(12.0)
Income tax relating to items that will be reclassified to profit or loss	10A	203	(80)	2.5
TOTAL OTHER COMPREHENSIVE INCOME		**(836)**	**416**	**(10.1)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6,063**	**6,289**	**73.2**
Earnings per equity share:- Basic and diluted (₹)	25			
Basic		22.87	19.50	0.28
Diluted		22.68	19.33	0.27

The accompanying notes 1 to 36 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number:101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

Neeraj Bharadwaj
Director
DIN 01314963
Place: New York
Date: February 08, 2023

Kapil Modi
Director
DIN 07055408
Place: New York
Date: February 08, 2023

R. Srikrishna
CEO & Executive Director
DIN 03160121
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Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Standalone Statement of Changes in Equity

A. Equity Share Capital

(₹ in million, except share and per share data, unless otherwise stated)

Balance as at January 01, 2022	Changes in equity share capital due to prior period errors	Restated balance as at January 01, 2022	Changes in equity share capital during the year[1]	Balance as at December 31, 2022
603	-	603	1	604

Balance as at January 01, 2021	Changes in equity share capital due to prior period errors	Restated balance as at January 01, 2021	Changes in equity share capital during the year[1]	Balance as at December 31, 2021
603	-	603	-	603

B. Other Equity

(₹ in million, except share and per share data, unless otherwise stated)

	Reserves and surplus								Other comprehensive income	Total equity
	Share application money pending allotment	Securities premium	Capital reserve	Capital redemption reserve	SEZ Re-investment reserve	Share options outstanding account	General reserve	Retained earnings	Cashflow hedging reserve (CFHR)	
Balance as at January 01, 2022	**^**	**4,587**	**4**	**11**	**504**	**319**	**2,118**	**18,070**	**537**	**26,150**
Profit for the year	-	-	-	-	-	-	-	6,899	-	6,899
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(45)	(791)	(836)
Total comprehensive income	**^**	**-**	**-**	**-**	**-**	**-**	**-**	**6,854**	**(791)**	**6,063**
Dividend	-	-	-	-	-	-	-	(6,637)	-	(6,637)
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	262	-	-	(262)	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(44)	-	-	44	-	-
Received/transferred on exercise of stock options	-	174	-	-	-	(174)	-	-	-	-
Repurchase of restricted stock units [2]	-	-	-	-	-	210	-	-	-	210
Compensation related to employee share based payments	-	-	-	-	-	319	-	-	-	319
Balance as at December 31, 2022	**^**	**4,761**	**4**	**11**	**722**	**674**	**2,118**	**18,069**	**(254)**	**26,105**
Balance as at December 31, 2022 (in USD million)	**^**	**57.6**	**-**	**0.1**	**8.7**	**8.1**	**25.6**	**218.4**	**(3.1)**	**315.6**
Balance as at January 01, 2021	**^**	**4,290**	**4**	**11**	**380**	**825**	**2,118**	**14,600**	**251**	**22,479**
Profit for the year	-	-	-	-	-	-	-	5,873	-	5,873
Other comprehensive income/(losses) (net of tax)	-	-	-	-	-	-	-	130	286	416
Total comprehensive income	**^**	**4,290**	**4**	**11**	**380**	**825**	**2,118**	**20,603**	**537**	**28,768**
Dividend	-	-	-	-	-	-	-	(2,409)	-	(2,409)
Received/transferred on exercise of stock options	-	297	-	-	-	(297)	-	-	-	-
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	626		-	(626)	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(502)	-	-	502	-	-
Repurchase of restricted stock units 2	-	-	-	-	-	(1,097)	-	-	-	(1,097)
Compensation related to employee share based payments	-	-	-	-	-	888	-	-	-	888
Balance as at December 31, 2021	**^**	**4,587**	**4**	**11**	**504**	**319**	**2,118**	**18,070**	**537**	**26,150**

Notes

1. Refer to note 15
2. Refer to note 28
3. ^ is less than 1 million

Standalone Statement of Changes in Equity

Nature and purpose of reserves

a. Securities premium

Securities premium is used to record the premium received on issue of shares to be utilised in accordance with the provisions of the Companies Act, 2013 (the Act).

b. Capital reserve

Capital reserve represent reserve on amalgamation.

c. Capital redemption reserve

Capital redemption reserve is created on buy-back of the equity shares in accordance with the provisions of the Act.

d. Special Economic Zone re-investment reserve

The Special Economic Zone (SEZ) re-investment reserve is created out of the profit of eligible SEZ units in terms of the provisions of section 10AA(1) (ii) of the Income-tax Act, 1961. The reserve will be utilised by the Company for acquiring new plant & machinery for the purpose of its business as per the terms of section 10AA(2) of Income-tax Act, 1961.

e. Share option outstanding account

Share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to securities premium upon exercise of stock options by employees.

f. General reserve

General reserve represents appropriation of profits by the Company.

g. Cash flow hedging reserve (CFHR)

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to standalone statement of profit and loss in the period in which the underlying hedged transaction occurs.

h. Retained earnings

Retained earnings comprise of the accumulated undistributed earnings.

The accompanying notes 1 to 36 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number:101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

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Place: New York
Date: February 08, 2023

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Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Standalone Statement of Cash Flows

(₹ in million, except share and per share data, unless otherwise stated)

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (See Note 2.2) (in USD million)
Cash flow from operating activities			
Profit before tax	8,590	7,261	103.8
Adjustments for:			
Depreciation and amortisation expense	1,254	1,203	15.2
Employee stock option compensation cost	262	80	3.2
Interest income	(61)	(18)	(0.7)
Life time expected credit loss	(37)	61	(0.4)
Net gain on investments carried at fair value through profit or loss	(280)	-	(3.4)
Gains on redemption/sale of Investments	(30)	(29)	(0.4)
Profit on sale of property, plant and equipment (PPE) (net)	(3)	(6)	-
Exchange rate difference (net) – unrealised	18	(41)	0.2
Finance costs	254	218	3.1
Provision for impairment in the value of investment (Refer to note - 9)	27	-	0.3
Operating profit before working capital changes	**9,994**	**8,729**	**120.9**
Adjustments for:			
Trade receivables and other assets	(2,538)	1,356	(30.6)
Trade payables, other liabilities and provisions	(56)	1,038	(0.7)
Cash generated from operations	**7,400**	**11,123**	**89.6**
Direct taxes paid (net)	(1,601)	(1,177)	(19.4)
Net cash generated from operating activities	**5,799**	**9,946**	**70.2**
Cash flow from investing activities			
Purchase of PPE and intangible assets including CWIP and capital advances	(831)	(523)	(10.0)
Proceeds from sale of property, plant and equipment	3	7	-
Purchase of investments	(7,800)	(4,600)	(94.3)
Proceeds from sale/redemption of investments	9,054	3,373	109.4
Investment in Debentures	(385)	(2,230)	(4.7)
Investment in subsidiaries	(24)	(2)	(0.3)
Payment for acquisition of business	(57)	-	(0.7)
Interest received	62	18	0.7
Net cash (used in)/generated from investing activities	**22**	**(3,957)**	**0.1**

Standalone Statement of Cash Flows

(₹ in million, except share and per share data, unless otherwise stated)

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 Supplementary information convenience translation (See Note 2.2) (in USD million)
Cash flow from financing activities			
Proceeds from issue of shares/share application money (net)	1	3	-
Repurchase of restricted stock units	-	(423)	-
Payment of lease liabilities	(491)	(413)	(5.9)
Interest paid	(34)	(3)	(0.4)
Dividend paid	(6,637)	(2,410)	(80.2)
Net cash used in financing activities	**(7,161)**	**(3,246)**	**(86.5)**
Net increase in cash and cash equivalents	(1,340)	2,743	(16.2)
Cash and cash equivalents at the beginning of the year	8,056	5,273	97.4
Exchange difference on translation of foreign currency cash and cash equivalents	(18)	41	(0.2)
Cash and cash equivalents at the end of the year (Refer to note 14A)	**6,698**	**8,057**	**81.0**

The accompanying notes 1 to 36 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number:101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
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Chief Financial Officer

Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary

Place: Mumbai
Date: February 08, 2023

Notes to the Standalone Financial Statements

1. Company Overview

Hexaware Technologies Limited ("Hexaware" or "the Company") is a public limited company incorporated in India. The Company is engaged in information technology consulting, software development and business process services. 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 testing.

2. Significant Accounting Policies

2.1 Statement of compliance

The standalone 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 as amended from time to time.

2.2 Basis of Preparation

These standalone financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

These standalone financial statements have been prepared in Indian Rupee (₹), which is the functional currency of the Company.

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current years classification/disclosures.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of twelve months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the standalone 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 reliably estimated.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the

Notes to the Standalone Financial Statements

customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Cost to fulfill contract are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular, when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.3.2 Income-tax

The major tax jurisdiction for the Company is India though the Company also files tax returns in overseas jurisdictions. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments and deferred tax on unrecognised tax benefits. Tax assessment can involve complex issues, which can only be resolved over extended time periods.

2.3.3 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.3.4 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

2.3.5 Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

2.3.6 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

In case of a contract on time and material basis, transaction-based or volume-based contracts, revenue is recognised when the related services are performed.

In case of fixed price contracts, revenue is recognised 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

Notes to the Standalone Financial Statements

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.

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Revenues in excess of billing are classified as Unbilled receivables while billing in excess of revenues are classified as Contract liabilities (Unearned revenues). Invoicing to the clients for fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore, unbilled receivables for fixed price contracts (contract asset) are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

The Company recognises an onerous cost provision for the estimated losses in the statement of profit and loss, when the total estimated cost exceeds the revenue in an arrangement based on the current contract estimates.

2.5 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use ("RoU") asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less (short term leases) and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an rent expense on a straight-line basis over the lease term.

The RoU assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of RoU asset. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment. RoU assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Notes to the Standalone Financial Statements

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the RoU asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the RoU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the RoU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company has made use of the following pratical expedients available while applying Ind AS 116 -

- The Company has applied single discount rate to a portfolio of lease with reasonably similar characteristics.
- The Company has excluded initial direct costs from measurement of RoU assets at the date of transition.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.
- The Company has recognised the rent concessions granted by the lessor due to the COVID-19 in the standalone statement of profit and loss and has not considered it as lease modification.

2.6 Functional and presentation currency

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 recognised 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 date 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.

Notes to the Standalone Financial Statements

2.8 Employee Benefits

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

Payments to defined contribution retirement schemes are recognised as an expense when the employees have rendered service entitling them to such benefits.

For defined benefit schemes and other long term benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest) is reflected immediately in the balance sheet with a charge or credit recognised in the other comprehensive income in respect of defined benefit schemes and in the statement of profit and loss in respect of other long term benefit plans in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in the profit or loss in the period of plan amendment. The retirement benefit liability recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the lower of the amount determined as the defined benefit liability and the present value of available refunds and/or reduction in future contributions to the scheme.

The service cost (including past service cost as well as gains and losses on settlement and curtailments) and net interest expenses or income is recognised as employee benefits expense in the profit or loss.

(b) Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(c) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

2.9 Share based compensation

Equity settled share based payments to employees and directors are measured at the fair value of the equity instruments at the grant date which is recognised over the vesting period based on periodic estimate of the equity instruments that will eventually vest, with the corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest with the impact of revision recognised in the profit or loss such that the cumulative expense reflects the revised estimates, with a corresponding adjustment to the share option outstanding account.

2.10 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 after taking credit for tax relief available for export operations in Special Economic Zone (SEZ).

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 profits, except when the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in

Notes to the Standalone Financial Statements

a transaction that is not a business combination and affects neither the accounting nor taxable profit at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

For operations under tax holiday scheme, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Advance taxes and provisions for current income taxes as well as deferred tax assets and liabilities are presented in the Balance sheet 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.

2.11 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 determined by the management based on the expert technical advice/ stipulations of Schedule II to the Act.

Asset Class	Estimated useful Life
Buildings	60 years
Computer Systems (included in Plant and Machinery)	3 years
Office Equipment	3-5 years
Electrical Fittings (included in Plant and Machinery)	8 years
Furniture and Fixtures	3-8 years
Vehicles	4 years

Improvement to Leasehold Premises are amortised over the lease period or useful life of an asset whichever is lesser.

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.

2.12 Intangible assets and amortisation

Intangible assets with finite useful lives that are acquired are initially recognised at cost in case of separately acquired assets and at fair value in case of acquisition in business combination. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and impairment loss, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. Following table summarises the nature of intangibles and the estimated useful lives.

Asset Class	Estimated useful Life
Software licenses	3 years
Customer contracts/relations	5-7 years

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

Notes to the Standalone Financial Statements

An intangible asset is derecognised on 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.

2.13 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, "Financial Instruments" 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. For all other financial assets except for investments, 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. In case of Investments, the Company periodically reviews its carrying value of investments for indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(b) Non-financial assets

Tangible and Intangible 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 recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.14 Provisions and contingent liability

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.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract is lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.15 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.

A Financial assets and financial liabilities

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial

Notes to the Standalone Financial Statements

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 on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(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. 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.

(iv) Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment, if any.

(v) 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.

(vi) Financial liabilities

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

B Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

2.16 Derivative financial instruments and hedge accounting

The Company enters into foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. These instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The Company at the inception documents and designates these instruments as cash flow hedges. Accordingly, the Company records the cumulative gain or loss arising from change in fair values on effective cash flow hedges in the CFHR within the other comprehensive income until the forecasted transaction occurs. Gain or loss arising from change in fair values of component excluded from the assessment of hedge effectiveness as well as the ineffective portion of the designated hedges and derivative instruments that do not qualify for hedge accounting are recognised immediately in the profit or loss.

Hedge accounting is discontinued when the hedging instrument expires, terminated or exercised without replacement or rollover as part of the hedging strategy or when the hedge no longer meets the criteria for hedge accounting, the net cumulative gain or loss recognised in hedging reserve at that time remains in equity and is recognised in profit or loss when the forecasted transaction affects profit or loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in hedging reserve is immediately transferred to the profit or loss for the year and is grouped under exchange rate difference.

2.17 Earnings per share ('EPS')

Basic EPS is 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the

Notes to the Standalone Financial Statements

period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.18 Dividend and interest income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

2.19 Business Combination

The Company accounts for its business acquisitions using the acquisition method of accounting. Acquisition-related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meets the condition of recognition are recognised at their fair values at the acquisition date.

Fair value of purchase consideration in excess of fair value of net assets acquired is recognised as goodwill. If the fair value of identifiable asset and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests proportionate share of acquiree's identifiable net asset. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent change in equity of subsidiaries.

Business Combinations arising from transfer of interest in entities that are under common control are accounted on historical cost basis. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable for annual reporting periods beginning on or after April 1st, 2022, as below:

Ind AS 103 – Business Combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 16 – Property Plant and equipment (Proceeds before intended use)

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact on its recognition of its property, plant and equipment in the standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Asset

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 109 – Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Notes to the Standalone Financial Statements

4. Right-of-use assets

₹ million

	Office premises[1]	Leasehold land	Total
Cost as at January 01, 2022	2,817	519	3,336
Additions	229	27	256
Remeasurement	21	-	21
Cost as at December 31, 2022	**3,067**	**546**	**3,613**
Accumulated amortisation as at January 01, 2022	576	12	588
Amortisation for the year	344	6	350
Remeasurement/adjustment	(27)	-	(27)
Accumulated amortisation as at December 31, 2022	**893**	**18**	**911**
Net carrying amount as at December 31, 2022	**2,174**	**528**	**2,702**
Total (in USD million)[2]	**26.3**	**6.4**	**32.7**
Cost as at January 01, 2021	2,568	519	3,087
Additions	249	-	249
Remeasurement	-	-	-
Cost as at December 31, 2021	**2,817**	**519**	**3,336**
Accumulated amortisation as at January 01, 2021	259	6	265
Amortisation for the year	317	6	323
Remeasurement	-	-	-
Accumulated amortisation as at December 31, 2021	**576**	**12**	**588**
Net carrying amount as at December 31, 2021	**2,241**	**507**	**2,748**

The Company incurred ₹ 36 million & ₹ 9 million for the years ended December 31, 2022 and 2021 respectively, towards expenses relating to short-term leases and leases of low-value assets.

Interest on lease liabilities is ₹ 220 million and ₹ 215 million for the years ended December 31, 2022 and 2021, respectively.

Payments toward leases of low-value assets and leases with less than twelve months of lease term, are disclosed under operating activities in the statement of cash flows. All other lease payments during the period are disclosed under financing activities in the statement of cash flows.

The maturity analysis of lease liabilities is covered under Note 27 – Financial instruments.

Details of title deeds of immovable properties not held in name of the Company:

Period	Relevant line item in the Balance Sheet	Gross carrying value	Title deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
December 31, 2022 December 31, 2021	RoU asset – Leasehold land	76 million 77 million	Maharashtra Airport Development Company Limited (MADC)	No	November 13, 2007	Execution of title deed is pending fulfilment of certain conditions.

Notes:
1. Balance reclassified from ROU of Building.
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

5. Property, plant and equipment

₹ million

	Freehold Land	Buildings	Plant and Machinery[1]	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total (A)	Capital Work in Progress (B)	Total (A+B)
Cost as at January 01, 2022	-	4,238	3,175	1,061	19	2,023	46	10,562	130	10,692
Additions	-	8	587	59	11	78	-	743	71	814
(Disposals)/(Adjustments)	-	-	(33)	(18)	-	(5)	-	(56)	(129)	(185)
Cost as at December 31, 2022	**-**	**4,246**	**3,729**	**1,102**	**30**	**2,096**	**46**	**11,249**	**72**	**11,321**
Accumulated depreciation as at January 01, 2022	-	515	2,308	660	18	1,520	36	5,057	-	5,057
Depreciation for the year	-	94	450	73	2	210	9	838	-	838
(Disposals)/(Adjustments)	-	-	(33)	(18)	-	(5)	-	(56)	-	(56)
Accumulated depreciation as at December 31, 2022	**-**	**609**	**2,725**	**715**	**20**	**1,725**	**45**	**5,839**	**-**	**5,839**
Net carrying amount as at December 31, 2022	**-**	**3,637**	**1,004**	**387**	**10**	**371**	**1**	**5,410**	**72**	**5,482**
Total (in USD million)[2]	**-**	**44.0**	**12.1**	**4.7**	**0.1**	**4.5**	**0.0**	**65.4**	**0.9**	**66.3**
Cost as at January 01, 2021	-	4,236	2,995	1,097	19	2,014	39	10,400	111	10,511
Additions	-	2	381	13	-	27	7	430	121	551
(Disposals)/(Adjustments)	-	-	-	-	-	-	-	-	(77)	(77)
Cost as at December 31, 2021	**-**	**4,238**	**3,175**	**1,061**	**19**	**2,023**	**46**	**10,563**	**130**	**10,693**
Accumulated depreciation as at January 01, 2021	-	417	2,121	631	16	1,282	18	4,485	-	4,485
Depreciation for the year	-	98	387	77	2	256	18	838	-	838
(Disposals)/(Adjustments)	-	-	(200)	(48)	-	(18)	-	(266)	-	(266)
Accumulated depreciation as at December 31, 2021	**-**	**515**	**2,308**	**660**	**18**	**1,520**	**36**	**5,057**	**-**	**5,057**
Net carrying amount as at December 31, 2021	**-**	**3,723**	**867**	**401**	**1**	**503**	**10**	**5,506**	**130**	**5,636**

Capital work-in-progress ageing

₹ million

	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
As at December 31, 2022	23	4	37	8	72
As at December 31, 2021	85	38	5	2	130

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

6. Goodwill

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)
Opening balance	-	-	-
Addition during the period (Refer to Note 7 – Business Combination)	115	-	1.4
Closing balance	**115**	**-**	**1.4**

Notes:
1. Plant and machinery includes computer systems.
2. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

7. Business Combination

Summary of material acquisition during the year ended December 31, 2022 is given below:

The Company has acquired customer/business contracts entered by AECIO IT Solutions India Private Limited and IMS Health Analytics Services Pvt Ltd (exclusive service-based consulting organisation serving the Life Science and Healthcare Industries) with it's customer. The rationale of the acquisition is to capitalise on the available cross-selling opportunities. The acquisition was consummated on January 12, 2022 for a total consideration of ₹ 245 million.

₹ million

Description	Purchase price allocated
Fair value of customer contracts	46
Fair value of customer relationship	84
Total	**130**
Goodwill	115
Total purchase price	**245**

The fair value of the deferred consideration is estimated by applying the discounted cash flow approach considering a weighted average discount rate of 12.2%. The undiscounted fair value of deferred consideration is ₹ 245 million as at the date of acquisition. The discounted fair value of deferred consideration of ₹ 184 million is recorded as part of purchase price allocation.

The assumptions used for such valuations are in line with past trends and current contracts/arrangements.

The pro-forma effects of this business combination was not material on the Company's results.

8. Intangible assets

₹ million

	Software licenses	Customer Contracts/Relations	Total
Cost as at January 01, 2022	702	21	723
Additions (Refer to Note 7)	5	130	135
Disposals/Adjustments	-	(8)	(8)
Translation exchange difference	-	-	-
Cost as at December 31, 2022	**707**	**143**	**850**
Accumulated amortisation as at January 01, 2022	648	21	669
Amortisation for the year [1]	32	34	66
Disposals/Adjustment	-	(8)	(8)
Translation exchange difference	-	-	-
Accumulated amortisation as at December 31, 2022	**680**	**47**	**727**
Net carrying amount as at December 31, 2022	**27**	**96**	**123**
Total (in USD million) [2]	**0.3**	**1.2**	**1.5**
Cost as at January 01, 2021	668	21	689
Additions	34	-	34
Disposals	-	-	-
Cost as at December 31, 2021	**702**	**21**	**723**
Accumulated amortisation as at January 01, 2021	606	21	627
Amortisation for the year [1]	42	-	42
Disposals	-	-	-
Accumulated amortisation as at December 31, 2021	**648**	**21**	**669**
Net carrying amount as at December 31, 2021	**54**	**-**	**54**

Notes

1. Amortisation is included under the line item "Depreciation and amortisation expenses" in the standalone statement of profit and loss.
2. Supplementary information convenience translation (See Note 2).

Notes to the Standalone Financial Statements

9. Investments

A. Investments – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [4]
Investment in Subsidiary (unquoted)			
Hexaware Technologies Inc., U.S.A.	1,633	1,633	19.7
Hexaware Technologies UK Limited	155	155	1.9
Hexaware Technologies Asia Pacific Pte. Ltd., Singapore	12	12	0.1
Hexaware Technologies Gmbh., Germany	8	8	0.1
Hexaware Technologies Canada Limited, Canada	1	1	^
Hexaware Technologies Mexico S De R.L. De C.V.	29	29	0.4
Guangzhou Hexaware Information Technologies Company Limited, China [4]	-	-	-
Hexaware Technologies Limited Liability Company, Russia [1]	0	27	-
Hexaware Technologies Saudi LLC, Saudi Arabia	8	8	0.1
Hexaware Technologies Hong Kong Limited, Hong Kong	16	16	0.2
Hexaware Technologies Nordic AB, Sweden	32	8	0.4
Hexaware Information Technologies (Shanghai) Company Limited.	13	13	0.2
Mobiquity Softech Private Limited	401	401	4.8
	2,308	**2,311**	**27.9**
Investment in Non Convertible Debenture [2]	2,895	2,230	35.0
Investments designated at fair value through OCI			
Fully paid equity shares (unquoted)			
Beta Wind Farm Pvt. Ltd.[3]	3	3	^
Total	**5,206**	**4,544**	**62.9**

B. Investments – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [4]
Investments carried at fair value through profit or loss			
Mutual fund units (quoted)	-	1,224	-
Total	**-**	**1,224**	**-**

Aggregate value of quoted and unquoted investments is as follows:

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [4]
Aggregate value of quoted investments	-	1,224	-
Aggregate value of un-quoted investments	5,206	4,544	62.9
	5,206	**5,768**	**62.9**

Notes:

1. Net of provision for impairment in the value of investment of ₹ 149 million (December 31, 2021: ₹ 122 million)
2. During the year, the Company subscribed to Hexaware Technologies Inc. non convertible debentures carrying interest rate of 1.72% p.a. for tenure of 3 years of ₹ 385 million (₹ 2,230 million as on December 31, 2021)
3. On June 10, 2021, Company sold 100,000 equity shares of ₹ 10/- each held in Beta Wind Farm Pvt. Ltd. at consideration price of ₹ 2 million
4. Supplementary information convenience translation (See Note 2)
5. ^ values less than 1 million

Notes to the Standalone Financial Statements

10. Income taxes

A. Income tax expense is allocated as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Income tax expense as per the Statement of Profit and Loss	1,691	1,388	20.4
Income tax included in Other Comprehensive Income on:			
(a) Net change in fair value of cash flow hedges	(203)	80	(2.5)
(b) Remeasurement of defined benefit plan	(12)	29	(0.1)
	1,476	**1,497**	**17.8**

B. The reconciliation of estimated income tax expense at the Indian statutory income tax rate to the income tax expenses reported in statement of profit and loss is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Profit before tax	8,590	7,261	103.8
Expected tax expense at the enacted tax rate of 34.944% (Previous year 34.944%) in India	3,002	2,537	36.3
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:			
Income exempt from tax	(1,417)	(1,151)	(17.1)
Tax effect of non-deductible expenses	14	42	0.2
Tax charges/(credit) pertaining to earlier years		-	-
Others	92	(40)	1.1
	1,691	**1,388**	**20.5**

Current income tax expense comprises of taxes on income from operations in India and foreign jurisdictions. In India, substantial part of operations is carried from units in Special Economic Zones notified by the Government which also benefit from the tax exemptions. These units are eligible for the deduction of 100 percent of profits or gains derived from the export of services for the first five years from commencement of provision of services and 50 percent of such profits or gains for a further five years. 50 percent tax benefit is also available for a further period of five years subject to the unit meeting defined conditions of further investments. In respect of certain jurisdictions, where the income tax year is different from the accounting year, provision for current tax is made on the basis of income for the respective accounting year, which will be adjusted considering the total assessable income for the tax year.

The group in an earlier year had applied to the competent authorities of US and India under Mutual Agreement Procedure for the corresponding adjustment to taxable profits in India for any potential addition to income in US subsidiary. Accordingly, the Company had accounted the potential tax relief in FY 2020 of ₹ 241.13 million in the statement of profit and loss for the FY 2017 to 2019. The Company continues to carry the same as at December 31, 2022 pending completion of assessments in US.

Notes:

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

C. Components and movement in deferred tax assets and liabilities is as follows :

Significant components of net deferred tax assets and liabilities:

₹ million

Components of deferred taxes:	January 01, 2022	Recognised in profit or loss	Recognised in OCI	December 31, 2022
Deferred tax assets				
Credit loss on trade receivables	87	(24)	-	63
Employee benefit obligations	230	(8)	12	234
Minimum alternate tax credit carry forward	1,392	(144)		1,248
Leases	72	16		88
Total	**1,781**	**(160)**	**12**	**1,633**
Deferred tax liabilities				
Property, plant and equipments	288	1	-	289
Other Intangible assets	-	1	-	1
Unrealised gain on cash flow hedges	140	-	(203)	(63)
Total	**428**	**2**	**(203)**	**227**
Net deferred tax asset	**1,353**	**(162)**	**215**	**1,406**

Significant components of net deferred tax assets and liabilities:

₹ million

Components of deferred taxes:	January 01, 2021	Recognised in profit or loss	Recognised in OCI	December 31, 2021
Deferred tax assets				
Credit loss on trade receivables	59	28	-	87
Employee benefit obligations	233	13	(16)	230
Minimum alternate tax credit carry forward	1,522	(130)	-	1,392
Leases	50	22	-	72
Total	**1,864**	**(67)**	**(16)**	**1,781**
Deferred tax liabilities				
Property, plant and equipments	268	20	-	288
Unrealised gain on cash flow hedges	60	-	80	140
Total	**328**	**20**	**80**	**428**
Net deferred tax asset	**1,536**	**(87)**	**(96)**	**1,353**

(a) Deferred income tax assets have not been recognised on temporary differences as at December 31, 2022 aggregating ₹ 688 million (₹ 645 million as at December 31, 2021) associated with investment in subsidiaries as it is probable that the temporary differences will not reverse in the foreseeable future.

(b) There are unused tax credits as at December 31, 2022 aggregating ₹ 458 million (₹ 378 million as at December 31, 2021) for which no deferred tax asset is recognised as it is not considered probable that there will be future taxable profits available. If these tax losses are not utilised they would expire on various dates starting from FY 2031.

Notes to the Standalone Financial Statements

11. Other financial assets

A. Other financial assets – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Interest accrued on bank deposits	^	1	^
Derivative assets	39	218	0.5
Restricted bank balances[2]	15	8	0.2
Security deposits for premises and others[1]	344	321	4.2
Total	**398**	**548**	**4.9**

B. Other financial assets – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Interest accrued on bank deposits	1	-	^
Others receivables from related parties (Refer to note 26)	35	200	0.4
Derivative assets	167	557	2.0
Security deposits for premises and others	7	1	0.1
Total	**210**	**758**	**2.5**

12. Other assets

A. Other assets – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Capital advances	177	15	2.1
Cost to fulfill a contract	58	60	0.7
Prepaid expenses	11	6	0.1
Indirect taxes recoverable	15	44	0.2
Total	**261**	**125**	**3.1**

B. Other assets – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million)[3]
Cost to fulfill a contract	31	26	0.4
Prepaid expenses	561	427	6.8
Indirect taxes recoverable	231	70	2.8
Employee advances	16	13	0.2
Contracts assets	530	388	6.4
Others	11	4	0.1
Total	**1,380**	**928**	**16.7**

Notes

1. Excludes deposits aggregating ₹ 6 million as at December 31, 2022 (₹ 35 million as at December 31, 2021) provided as doubtful of recovery.
2. Restriction on account of bank deposits held as margin money.
3. Supplementary information convenience translation (See Note 2.2).
4. ^ values less than 1 million.

Notes to the Standalone Financial Statements

13. Trade receivables

A. Trade receivables – Billed – Current (Unsecured)

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [1]
Considered good	9,163	7,549	110.8
Considered doubtful [2]	171	212	2.1
	9,334	**7,761**	**112.9**
Less: Allowance for doubtful debts	(171)	(212)	(2.1)
Total	**9,163**	**7,549**	**110.8**

Notes

1. Supplementary information convenience translation (See Note 2.2).
2. The Company's credit period generally ranges from 30 - 90 days. Allowance for the doubtful debts is made for the debts outstanding for over 180 days unless confirmed by the customer and/or recoverability is considered reasonable.

B. Trade receivables ageing

Ageing for trade receivables as at December 31, 2022 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivable – Billed							
Undisputed trade receivables – considered good	4,516	4,647	-	-	-	-	9,163
Undisputed trade receivables – with significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	50	100	-	5	16	171
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	4,516	**4,697**	**100**	**-**	**5**	**16**	**9,334**
Less – Allowance for Doubtful trade receivable – Billed							(171)
							9,163
Trade Receivables – Unbilled							2,829
							11,992

Ageing for trade receivables as at December 31, 2021 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivable – Billed							
Undisputed trade receivables – considered good	3,496	4,053	-	-	-	-	7,549
Undisputed trade receivables – with significant increase in credit risk							
Undisputed trade receivables – credit impaired	-	138	46	5	-	23	212
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	3,496	**4,191**	**46**	**5**	**-**	**23**	**7,761**
Less – Allowance for Doubtful trade receivable – Billed							(212)
							7,549
Trade Receivables – Unbilled							1,732
							9,281

Notes to the Standalone Financial Statements

C. The activity in the allowance for doubtful debts is given below:

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [2]
Balance at the beginning of the year	212	152	2.6
Additions/(write-back) during the year, net	(37)	61	(0.4)
Charged against allowance	(5)	-	(0.1)
Translation exchange difference	1	(1)	^
Balance at the end of the year	**171**	**212**	**2.1**

14. Cash and bank balances

A. Cash and cash equivalents

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [2]
Remittance in transit	3	4	^
In current accounts with banks	6,215	7,848	75.1
Bank deposit accounts with less than 3 months maturity	480	205	5.8
Unclaimed dividend accounts	112	115	1.4
Margin money with banks	15	8	0.2
	6,825	**8,180**	**82.5**
Less: Restricted bank balances	(127)	(124)	(1.5)
Total	**6,698**	**8,056**	**81.0**

B. Other bank balances

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [2]
Restricted bank balances in respect of unclaimed dividend[1]	112	115	1.4
Total	**112**	**115**	**1.4**

Notes:
1. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF) as at December 31, 2022.
2. Supplementary information convenience translation (See Note 2.2).
3. ^ Values less than 1 million.

Notes to the Standalone Financial Statements

15. Equity

15.1 Authorised capital

	As at December 31, 2022	As at December 31, 2021
525,000,000 Equity shares of ₹ 2 each	1,050	1,050
1,100,000 Series "A" Preference Shares of ₹ 1,421 each	1,563	1,563

15.2 Issued, subscribed and paid-up capital

	As at December 31, 2022	As at December 31, 2021
Equity shares of ₹ 2 each	604	603

15.3 Reconciliation of number of shares

	As at December 31, 2022	As at December 31, 2021
Shares outstanding at the beginning of the year	301,613,259	300,330,455
Shares issued during the year on exercise of employee stock options	483,404	1,282,804
Shares outstanding at the end of the year	**302,096,663**	**301,613,259**

15.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all liabilities, in proportion to their shareholding.

15.5 Details of shares held by shareholders holding more than 5% shares

Name of the shareholder		As at December 31, 2022	As at December 31, 2021
CA Magnum Holdings	No. of shares held	288,617,478	288,068,041
(Parent Company of Hexaware Technologies Limited)	% of holding	95.54%	95.51%

15.6 Disclosure of shareholding of promoters

	As at December 31, 2022		As at December 31, 2021	
Name of the shareholder	No. of shares	% of total shares	No. of shares	% of total shares
CA Magnum Holdings (Parent Company of Hexaware Technologies Limited)	288,617,478	95.54%	288,068,041	95.51%

15.7 Equity share movement during the 5 years preceeding December 31, 2022

15.7.1 The Company, on October 19, 2020, received the final approval of the stock exchanges (BSE and NSE) and effective November 09, 2020 the shares were de-listed from the stock exchanges.

15.7.2 During the year ended December 31, 2017, the Holding Company bought back 5,694,835 shares at ₹ 240 per share aggregating ₹ 1,366.76 million by utilisation of securities premium. The cost relating to buy-back was charged to other equity.

15.7.3 Shares reserved for issue under RSU's/options

The Company has granted employee restricted stock units (RSU's)/(options) under the ESOP 2008 and 2015 scheme. Each RSU/options entitles the holder to one equity share of ₹ 2 each. 2,177,894 options were outstanding as on December 31, 2022 (2,661,298 as on December 31, 2021).

15.7.4 The dividend per share recognised as distribution to equity shareholders during the year ended December 31, 2022 was ₹ 22 per share (year ended December 31, 2021 ₹ 8 per share).

Notes to the Standalone Financial Statements

16. Other financial liabilities

A. Other financial liabilities – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [3]
Derivative liabilities	182	1	2.2
Deferred Consideration towards business acquisition [2]	86	-	1.0
Others	6	2	0.1
Total	**274**	**3**	**3.3**

B. Other financial liabilities – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [3]
Unclaimed dividend [1]	112	115	1.4
Deferred Consideration towards business acquisition [2]	61	-	0.7
Capital creditors			
Dues of micro enterprises and small enterprises (Refer to note 32)	10	7	0.1
Dues of other than micro enterprises and small enterprises	58	41	0.7
Employee liabilities	1,130	1,030	13.7
Contractual obligation – customer arrangements	159	-	1.9
Derivative liabilities	414	4	5.0
Total	**1,944**	**1,197**	**23.5**

17. Trade payables

₹ million

		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [3]
A.	**Dues of other than micro enterprises and small enterprises**			
	Trade payables	858	1,206	10.4
	Accrued expenses	1,736	1,476	21.0
	Total	**2,594**	**2,682**	**31.4**
B.	**Dues of micro enterprises and small enterprises**	24	40	0.3
	Total	**2,618**	**2,722**	**31.7**

Notes:
1. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF).
2. Refer to note 7.
3. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

C. Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2022 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	23	1	-	-	-	24
Others	376	314	113	24	31	858
Disputed Dues – MSME	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
	399	**315**	**113**	**24**	**31**	**882**
Accrued Expenses						1,736
						2,618

Ageing for trade payables outstanding as at December 31, 2021 is as follows:

₹ million

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	38	1	1	-	-	40
Others	916	147	86	35	22	1,206
Disputed Dues – MSME	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
	954	**148**	**87**	**35**	**22**	**1,246**
Accrued Expenses						1,476
						2,722

18. Other liabilities

A. Other liabilities – Non-current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [1]
Contract liabilities (refer to note 19)	-	3	-
Total	**-**	**3**	**-**

B. Other liabilities – Current

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [1]
Contract liabilities (refer to note 19)	406	283	4.9
Statutory liabilities	443	466	5.4
Total	**849**	**749**	**10.3**

Notes:

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

19. Revenue

₹ million

	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022 (in USD million) [1]
Revenue by Nature			
Revenue from contracts with customers	41,013	32,118	495.8
Other operating revenue	-	49	-
Total	**41,013**	**32,167**	**495.8**

19.1 Revenue disaggregation by geography is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Geography			
Americas [1]	27,926	21,542	337.6
Europe [2]	7,484	5,988	90.5
Asia Pacific	5,603	4,637	67.7
Total	**41,013**	**32,167**	**495.8**

Notes:
1. is substantially related to operations in United States of America.
2. includes revenue from United Kingdom of ₹ 6111.51 million & ₹ 4,622 million for the year ended December 31, 2022 & 2021, respectively.

19.2 Revenue disaggregation by contract type is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Offshore	30,300	23,840	366.3
Onshore	10,479	8,126	126.7
Others	234	201	2.8
Total revenue from operations	**41,013**	**32,167**	**495.8**

19.3 Revenue disaggregation by nature of service is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Revenue from contracts with customers	41,013	32,118	495.8
Other operating income	-	49	-
	41,013	**32,167**	**495.8**

Notes:

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

19.4 Reconciliation of revenue recognised with the contracted price is as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Contracted price	41,674	32,797	503.8
Reductions towards variable consideration components (discounts, rebate)	(661)	(630)	(8.0)
Revenue recognised	**41,013**	**32,167**	**495.8**

19.5 Cost to fulfil contract

The Company recognises contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates. The below table discloses the movement in contract fulfilment cost:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Balance as at the beginning of the year	86	104	1.0
Cost capitalised during the year	37	49	0.4
Amortisation during the year	(34)	(67)	(0.4)
Balance as at the end of the year	**89**	**86**	**1.0**

19.6 Changes in Contract Liabilities are as follows:

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Balance as at the beginning of the year	283	103	3.4
Revenue recognised during the year	(277)	(100)	(3.3)
Additions during the year	400	280	4.8
Balance as at the end of the year	**406**	**283**	**4.9**

19.7 Contract Assets are as follows:

During the years ended December 31, 2022 and 2021, ₹ 388 million and ₹ 350 million of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

Notes:

1. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

19.8 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognised, which includes contract liabilities and amounts that will be invoiced and recognised as revenue in future periods.

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Within 1 year	5,484	5,160	66.3
More than 1 year	5,773	4,459	69.8

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to any changes in the transaction price.

20. Other income

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Gains/(losses) (net) on redemption/sale of Investments	30	29	0.4
Interest income	61	18	0.7
Profit/(loss) on sale of property, plant and equipment (net)	3	6	^
Exchange rate difference (net)	1,581	616	19.1
Miscellaneous income	9	10	0.1
Total	**1,684**	**679**	**20.3**

21. Employee benefits expense

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Salary and allowances [2]	21,182	15,389	256.1
Contribution to provident, other funds and benefits	708	1,053	8.6
Staff welfare expenses	554	370	6.7
Employee stock option compensation cost	262	80	3.2
Total	**22,706**	**16,892**	**274.6**

Notes:

1. Supplementary information convenience translation (See Note 2.2).
2. includes incremental bonus to select employees amounting to ₹ 33 million and ₹ 141 million for the year ended December 31, 2022 and 2021, respectively, for additional efforts on account of one-time events involving the company.
3. ^ Values less than 1 million.

Notes to the Standalone Financial Statements

22. Other expenses

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Rent	36	9	0.4
Rates and taxes	49	22	0.6
Traveling and conveyance	744	322	9.0
Electricity charges	190	118	2.3
Communication expenses	291	252	3.5
Repairs and maintenance	1,161	699	14.0
Printing and stationery	28	20	0.3
Payment to auditors			
Audit fees	11	10	0.1
Tax audit fees	2	1	^
Certification work, taxation and other matters	-	3	-
Legal and professional fees [2]	574	368	6.9
Advertisement and business promotion	320	171	3.9
Bank and other charges	21	14	0.3
Directors' sitting fees	3	1	^
Insurance charges	92	88	1.1
Sub contracting and other service charges	5,804	4,610	70.2
Life time expected credit loss	(37)	61	(0.4)
Staff recruitment expenses	401	320	4.8
Provision for impairment in the value of investment (Refer to note 9)	27	-	0.3
Miscellaneous expenses	176	183	2.1
Total	**9,893**	**7,272**	**119.4**

23. Finance costs

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Interest on lease liabilities	220	215	2.7
Others	34	3	0.4
Total	**254**	**218**	**3.1**

24. Depreciation and amortisation expense

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
Depreciation on Property, plant and equipment	838	838	10.1
Amortisation of RoU	350	323	4.2
Amortisation of Intangibles	66	42	0.8
Total	**1,254**	**1,203**	**15.1**

Notes:
1. Supplementary information convenience translation (See Note 2.2).
2. includes expenses of ₹ 232 million and ₹ 59 million for the year ended December 31, 2022 and 2021, respectively, on account of one-time events involving the company.
3. ^ Values less than 1 million.

Notes to the Standalone Financial Statements

25. Earnings per share (EPS)

₹ million

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [1]
The components of basic and diluted EPS:			
Net profit after tax	6,899	5,873	83.3
Weighted average outstanding equity shares considered for basic EPS	301,704,713	301,253,340	301,704,713
Basic earnings per share	**22.87**	**19.50**	**0.28**
Weighted average outstanding equity shares considered for basic EPS	301,704,713	301,253,340	301,704,713
Add: Effect of dilutive issue of stock options	2,520,423	2,627,028	2,520,423
Weighted average outstanding equity shares considered for diluted EPS	304,225,136	303,880,368	304,225,136
Diluted earnings per share	**22.68**	**19.33**	**0.27**
Par value per share	2.00	2.00	2.00

26. Related party disclosures

A. Names of related parties

	Country
Ultimate Holding Company and it's subsidiaries	
CA Campine Investments (w.e.f. November 11, 2021)	Mauritius
Baring Private Equity Asia GP V. LP, Cayman Island (Ultimate holding entity) (control exists) (upto November 10, 2021)	Cayman Island
The Baring Asia Private Equity Fund V, LP, Cayman Island (upto November 10, 2021)	Cayman Island
Baring Private Equity Asia V Mauritius Holding (4) Limited, Mauritius (upto November 10, 2021)	Mauritius
Parent Company of Hexaware Technologies Limited (control exists)	
HT Global IT Solutions Holdings Limited, Mauritius (upto November 10, 2021)	Mauritius
CA Magnum Holdings (w.e.f. November 11, 2021)	Mauritius
Significant influence exists	
HT Global Holdings B.V. (upto November 10, 2021)	Netherlands
Subsidiaries	
Hexaware Technologies Inc.	United States of America
Hexaware Technologies UK Limited	United Kingdom
Hexaware Technologies Asia Pacific Pte. Limited	Singapore
Hexaware Technologies GmbH	Germany
Hexaware Technologies Canada Limited	Canada
Hexaware Technologies, Mexico S. De. R.L. De. C.V.	Mexico
Hexaware Technologies ARG SAS (1)	Argentina
Hexaware Technologies LLC	Russia
Hexaware Technologies Saudi LLC	Saudi Arabia
Hexaware Technologies Romania SRL (1)	Romania
Hexaware Technologies Hong Kong Limited	China
Hexaware Technologies Nordic AB	Sweden
Hexaware Information Technologies (Shanghai) Company Limited	China
Mobiquity Inc. (2)	United States of America
Mobiquity Velocity Solutions, Inc (3)	United States of America
Mobiquity Velocity Cooperative UA (3)	Netherlands
Mobiquity BV (4)	Netherlands
Mobiquity Consulting BV (formerly known as Morgan Clark BV) (4)	Netherlands
Mobiquity Softech Private Limited (5)	India
Hexaware Technologies South Africa (Pty) Limited (1)	South Africa
Hexaware Technologies Belgium (1)	Belgium

Notes to the Standalone Financial Statements

B. Key Management Personnel (KMP)

Executive Director and CEO	
	R Srikrishna
Non-Executive Directors	
	Atul K Nishar (up to November 10, 2021)
	Kosmas Kalliarekos (up to November 10, 2021)
	Jimmy Mahtani (up to November 10, 2021)
	P R Chandrasekar (up to December 31, 2021)
	Madhu Khatri (up to November 10, 2021)
	Rajeev Kumar Mehta (up to November10, 2021)
	Neeraj Bharadwaj (w.e.f. November 10, 2021)
	Sandra Joy Horbach (w.e.f. November 10, 2021)
	Patrick Reid Mccarter (from November 10, 2021 to August 8, 2022)
	Julius Michael Genachowski (w.e.f. November 10, 2021)
	Lucia De Fatima Soares (w.e.f. November 10, 2021)
	Shawn Albert Devilla (w.e.f. August 9, 2022)
	Kapil Modi (w.e.f. November 10, 2021)

Notes:
1. Subsidiary of Hexaware Technologies UK Limited
2. Subsidiary of Hexaware Technologies Inc.
3. Subsidiary of Mobiquity Inc.
4. Subsidiary of Mobiquity Velocity Cooperative UA
5. Subsidiary of Hexaware Technologies Limited
6. Supplementary information convenience translation (See Note 2.2)

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

₹ million

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [2]
Investment made	**Subsidiaries**			
	Hexaware Information Technologies (Shanghai) Company Limited	-	4	-
	Hexaware Technologies Nordic AB	24	-	0.3
		24	**4**	**0.3**
Investment made in Non-Convertible Debenture	**Subsidiaries**			
	Hexaware Technologies Inc.	385	2,250	4.7
		385	**2,250**	**4.7**
Impairment in value of Investment	**Subsidiaries**			
	Hexaware Technologies LLC	27	-	0.3
		27	**-**	**0.3**
Corporate Guarantee Given	**Subsidiaries**			
	Hexaware Technologies Saudi LLC	-	19	-
	Hexaware Technologies Inc.	2,706	-	32.7
		2,706	**19**	**32.7**
Accrual of Share based cost	**Ultimate Holding Company**			
	Hexaware Global Limited (Ertstwhile CA Campine Investments)	140	-	1.7
		140	**-**	**1.7**

Notes to the Standalone Financial Statements

₹ million

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [2]
Software and consultancy income	**Subsidiaries**			
	Hexaware Technologies Inc.	505	571	6.1
	Hexaware Technologies UK Limited	4,565	3,880	55.2
	Others	1,608	1,101	19.4
		6,678	**5,552**	**80.7**
Software and development expenses -subcontracting charges	**Subsidiaries**			
	Hexaware Technologies Inc.	3,922	3,175	47.4
	Hexaware Technologies Canada Limited	-	120	-
	Mobiquity Inc	16	337	0.2
	Mobiquity B V	309	-	3.7
	Others	270	72	3.3
		4,517	**3,704**	**54.6**
Reimbursement of cost to	**Subsidiaries**			
	Hexaware Technologies Inc.	-	1	-
	Mobiquity Inc.	-	6	-
	Hexaware Technologies, Mexico S. De. R.L. De. C.V.	-	^	-
	Hexaware Technologies Nordic AB	^	-	^
		-	**7**	**-**
Recovery of cost from	**Subsidiaries**			
	Hexaware Technologies Inc.	473	213	5.7
	Hexaware Technologies UK Limited	74	99	0.9
	Mobiquity Inc.	21	(51)	0.3
	Others	40	11	0.5
		608	**272**	**7.4**
Corporate Guarantee Charges [4]	**Subsidiaries**			
	Hexaware Technologies Inc.	6	12	0.1
		6	**12**	**0.1**
Interest on Non-Convertible Debenture	**Subsidiaries**			
	Hexaware Technologies Inc.	47	1	0.6
		47	**1**	**0.6**
Remuneration to KMP's and Directors	Short term employee benefits	6	44	0.1
	Post employee benefits	1	^	^
	Share based payment	28	16	0.3
	Commission and other benefits to non-executive directors [1]	61	29	0.7
		96	**89**	1.1

Notes

1. Provision is made for commission, for the year ended December 31, 2022, payment of which is subject to adequacy of profits to be determined annually.
2. Supplementary information convenience translation (See Note 2.2).
3. ^ values less than 1 million.
4. refer to note 33 (v).

Notes to the Standalone Financial Statements

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Outstanding Balances

₹ million

Name of the Related party and Relationship		For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2022 (in USD million) [2]
Investment in equity (Including share application money) (Refer to note 9A)		2,308	2,311	27.9
		2,308	**2,311**	**27.9**
Investment in Non-Convertible Debentures		2,895	2,230	35.0
		2,895	**2,230**	**35.0**
Trade and other receivable	**Subsidiaries**			
	Hexaware Technologies Inc.	253	1,523	3.1
	Hexaware Technologies UK Limited	2,933	1,576	35.5
	Others	749	421	9.1
		3,935	**3,520**	**47.7**
Trade payable – towards services and reimbursement of cost	**Subsidiaries**			
	Hexaware Technologies Inc.	473	989	5.7
	Hexaware Technologies UK Limited	50	160	0.6
	Mobiquity Inc.	67	324	0.8
	Mobiquity BV	110	6	1.3
	Others	122	25	1.5
		822	**1,504**	**9.9**
Payable to/Provision for KMP's		57	91	0.7
		57	**91**	**0.7**
Corporate Guarantee [1,3]	**Subsidiaries**			
	Hexaware Technologies Saudi LLC	22	20	0.3
	Hexaware Technologies Nordic AB	41	37	0.5
	Hexaware Technologies Inc.	2,813	4,088	34.0
		2,876	**4,145**	**34.8**

Notes:

1. Disclosure in accordance with S. 186 of Companies Act, 2013 - Corporate Guarantee given to Hexaware Technologies Inc. towards loan taken from bank for the term of 3 years and in respect of deferred purchase consideration for the acquisition of Mobiquity Inc. for the term of 2 years.
2. Supplementary information convenience translation (See Note 2.2).
3. refer to note 33 (v).

Notes to the Standalone Financial Statements

27. Financial Instruments

(i) The carrying value/fair value of financial instruments (other than investment in subsidiaries and associates) by categories as at December 31, 2022 is as follows:

₹ million

	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying/ fair value
Cash and cash equivalents	6,698	-	-	-	6,698
Other bank balances	112	-	-	-	112
Trade receivables – Billed	9,163	-	-	-	9,163
Trade receivables – Unbilled	2,829	-	-	-	2,829
Other financial assets	402	-	-	206	608
Investment in Non-Convertible Debenture	2,895	-	-	-	2,895
Investments in equity shares	-	-	3	-	3
Total	**22,099**	**-**	**3**	**206**	**22,308**
Total (in USD million) [2]	**267.1**	**-**	**0.0**	**2.5**	**269.7**
Trade payables	2,618	-	-	-	2,618
Lease liabilities	2,412	-	-	-	2,412
Other financial liabilities	1,622	-	-	596	2,218
Total	**6,652**	**-**	**-**	**596**	**7,248**
Total (in USD million) [2]	**80.4**	**-**	**-**	**7.2**	**87.6**

(ii) The carrying value/fair value of financial instruments (other than investment in associate) by categories as at December 31, 2021 is as follows:

₹ million

	Amortised cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying/ fair value
Cash and cash equivalents	8,056	-	-	-	8,056
Other bank balances	115	-	-	-	115
Investments in mutual fund units	-	1,224	-	-	1,224
Trade receivables – Billed	7,549	-	-	-	7,549
Trade receivables – Unbilled	1,732	-	-	-	1,732
Investment in Non-Convertible Debenture	2,230				2,230
Other financial assets	531	-	-	775	1,306
Investments in equity shares	-	-	3	-	3
Total	**20,213**	**1,224**	**3**	**775**	**22,215**
Total (in USD million) [2]	**244.3**	**14.8**	**0.0**	**9.4**	**268.5**
Trade payables	2,722	-	-	-	2,722
Lease liabilities	2,379	-	-	-	2,379
Other financial liabilities	1,092	103	-	5	1,200
Total	**6,193**	**103**	**-**	**5**	**6,301**
Total (in USD million) [2]	**83.3**	**1.4**	**-**	**0.1**	**76.2**

Notes:

1. Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, loans, other financial assets, borrowings, deferred consideration, trade payables, lease liabilities and other financial liabilities approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets and liabilities subsequently measured at amortised cost is not significant in each of the period presented.

2. Supplementary information convenience translation (See Note 2.2).

Notes to the Standalone Financial Statements

(iii) Fair value hierarchy

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2022:

₹ million

	Level I	Level II	Level III	Total
Investments in equity shares	-	-	3	3
Derivative financial assets	-	206	-	206
	-	**206**	**3**	**209**
Derivative financial liabilities	-	596	-	596
	-	**596**	**-**	**596**

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2021:

₹ million

	Level I	Level II	Level III	Total
Mutual fund units	1,224	-	-	1,224
Investments in equity shares	-	-	3	3
Derivative financial assets	-	775	-	775
	1,224	**775**	**3**	**2,002**
Derivative financial liabilities	-	5	-	5
Shared based liabilities	-	-	103	103
	-	**5**	**103**	**108**

Valuation Technique

Investment in mutual funds is measured at the redemption price declared by the mutual fund. Derivatives are measured basis the counterparty quotes obtained. Cost of investments in equity shares is considered to be representative of fair value.

Notes to the Standalone Financial Statements

(iv) Financial risk management

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

Geographic and client concentration risk

During the year ended December 31, 2022, Americas contributed 68.1% (December 31, 2021 - 67%) of the Company's total revenue. The Company continues to expand its global footprint to diversify geographic concentration though Americas remains largest market for the IT industry. The Company's exposure to the US regions is in line with the global industry practices. The Company will continue to invest in the region. There are a number of other growth factors in Americas such as favour for capitalism, highest per capita income, innovation driven culture and focus to retain high end work that allow us to identify and address the pockets of inefficiencies in the most optimum way.

48.8% of the revenue for the year is generated from top 10 clients (previous year - 50%). Any loss or major downsizing by these clients may impact Company's profitability. Further, excessive exposure to particular clients will limit Company's negotiating capacity and expose us to higher credit risk.

The Company is able to maintain a diversified high quality client roster that can be accessed through the depth of relationships with existing clients.

The Company's growth strategy involves a mix of new client addition and mining the accounts of existing clients. As the Company adds more clients and grow revenues from the existing clients, it reduces dependence on the large clients. Moreover, large clients allow quick scaling up of revenues and they come with higher margins due to lower associated cost and higher cost predictability.

Credit Risk

Since most of Company’s transactions are done on credit, the Company is exposed to credit risk on accounts receivable. Any delay, default or inability on the part of the client to pay on time will expose the Company to credit risk and can impact profitability. Company's maximum credit exposure is in respect of trade receivables of ₹ 9,163 million and ₹ 7,549 million as at December 31, 2022 and December 31, 2021, respectively, unbilled receivables of ₹ 2,829 million and ₹ 1,732 million as at December 31, 2022 and December 31, 2021, respectively and contract assets of ₹ 530 million and ₹ 388 million as at December 31, 2022 and December 31, 2021, respectively.

The Company has adopted an effective receivable management system to control the Days’ Sales Outstanding (DSO). Refer to note 13 for the age wise analysis of trade receivables that are not due as well as past due and allowance for the doubtful receivables.

Top 10 customer dues contribute 60.1% of the total outstanding as at December 31, 2022 (65.7% as at December 31, 2021).

Cash and cash equivalents and mutual funds are neither past due nor impaired. Cash and cash equivalents include deposits with banks and financial institution with high credit-ratings assigned by credit-rating agencies. The investment in liquid mutual fund units are measured at fair value through profit and loss.

Notes to the Standalone Financial Statements

Foreign Currency fluctuations Risk

Foreign exchange fluctuations is one of the key risks impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is functional currency of the Company vis-a-vis the US Dollar, the Euro and other foreign currencies, as largely, the costs incurred are in Indian Rupees and the revenue/ inflows are in foreign currencies. The contracts we enter into with our customers tend to run across several years and many of these contracts are at fixed rates, therefore any appreciation in the Indian rupee vis-à-vis foreign currencies will affect our margins.

The Foreign Exchange Risk Management Policy authorised by the Board who takes these circumstances into account and authorises hedging on a systematic basis. These risks have been effectively addressed by the processes and controls laid out in the Foreign Exchange Risk Management Policy. The hedge ratio assigned to the exposures depends on the time horizon in which they fall, the near term exposures get a higher ratio whereas the farther exposures get a lower ratio. This graded approach ensures that hedges are spread across the hedge horizon in a tapered down manner. The exposure as indicated below is net of derivative contracts entered into by the Company.

The following table analyses foreign currency risk from financial instruments as at December 31, 2022 & 2021:

	Net financial assets (A)	**Net financial liabilities (B)**	**Net assets/ (liabilities) (A-B)**
As at December 31, 2022			
USD	13,684	2,886	10,798
EUR	307	111	196
GBP	2,967	5	2,962
Others [1]	1,505	13	1,492

	Net financial assets (A)	Net financial liabilities (B)	Net assets/ (liabilities) (A-B)
As at December 31, 2021			
USD	15,064	2,139	12,925
EUR	199	110	89
GBP	1,452	8	1,444
Others [1]	993	86	907

10% depreciation/appreciation of the respective foreign currencies vis-a-vis functional currency of the Company would result in the increase/decrease in Company's profit before tax approximately by ₹ 1,545 million and ₹ 1,537 million for the year ended December 31, 2022 and December 31, 2021, respectively.

Notes:

1. Others include currencies such as Singapore Dollars, Canadian Dollars, United Arab Emirates Dirhams, Philippine Pesos, Japanese Yen, Australian Dollars etc.

Notes to the Standalone Financial Statements

The Company uses derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on trade receivables and forecasted cash flows denominated in certain foreign currencies. The Company had outstanding hedging instrument in the form of foreign currency forward contracts as at:

	As at December 31, 2022	As at December 31, 2021
Currency hedge (sell contracts)		
USD	254	249
EURO	13	8
GBP	39	37

The weighted average forward rate for the hedges outstanding as at December 31, 2022 is ₹ 82.13, ₹ 91.18 and ₹ 105.21 (As at December 31, 2021: ₹ 79.71, ₹ 94.21 and ₹ 107.94) for USD, Euro and GBP, respectively. The hedges mature over the eight quarters.

10% depreciation/appreciation of the respective foreign currencies with respect to closing exchange rate would result in the increase/decrease in Company's other comprehensive income approximate by ₹ 319 million and ₹ 279 million for the year ended December 31, 2022 and December 31, 2021, respectively.

The movement in accumulated other comprehensive income on account of derivatives designated as cash flow hedges is as under:

	For the year ended December 31, 2022	For the year ended December 31, 2021
Balance at the beginning of the year	537	251
Less: Net gains transferred to statement of profit or loss on occurrence of forecasted hedge transaction	(161)	(364)
Add: Changes in the fair value of the effective portion of outstanding cash flow hedges	(833)	730
Less: Deferred tax	203	(80)
Balance at the end of the year	**(254)**	**537**

There were no material hedge ineffectiveness for the year ended December 31, 2022 and 2021.

Notes to the Standalone Financial Statements

Liquidity risk

The Company needs continuous access to funds to meet short and long term strategic investments. 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 material loss will expose it to liquidity risks.

Over the years, the Company has increased its liquidity position by managing its DSO and maintaining high cash/bank balance and investments.

As at December 31, 2022 the Company had total cash, bank balance and current investments of ₹ 6,825 million (December 31, 2021: ₹ 9,404 million) which constitutes approximately 19% (December 31, 2021: 33%) of total assets.

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

₹ million

As at December 31, 2022	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	290	223	395	1,504	2,412
Trade and other payables	2,618	-	-	-	2,618
Foreign currency derivative liabilities	414	182	-	-	596
Others (Refer to note 16)	1,530	92	-	-	1,622
Total	**4,852**	**497**	**395**	**1,504**	**7,248**

₹ million

As at December 31, 2021	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	230	349	482	1,318	2,379
Trade and other payables	2,722	-	-	-	2,722
Foreign currency derivative liabilities	4	1	-	-	5
Others (Refer to note 16)	1,193	2	-	-	1,195
Total	**4,149**	**352**	**482**	**1,318**	**6,301**

Interest rate risk

The Company does not have any debt. The balances with banks is in the form of fixed interest rate deposits. Accordingly, the Company is not exposed to significant interest rate risk.

Capital management

The Company’s objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

Notes to the Standalone Financial Statements

28. Share Based Compensation

(a) The Nomination and Remuneration Committee ('Committee') of the Company administers the stock options plans viz. ESOP 2008 and 2015 plan. Under the plans, the employees of the holding Company as well as its subsidiaries are granted options/Restricted Stock Options (RSU) entitling them to one equity share of ₹ 2/- each for each option granted. Exercise price is the price determined by the Committee. The Options/RSU's vest over a period of 1 to 6 years from the date of grant on the basis of service period and/or achievement of performance conditions. The maximum time available to exercise upon vesting is 6 years.

(b) The particulars of number of options granted and lapsed under the aforementioned Schemes are tabulated below

Particulars	ESOP – 2008		ESOP – 2015		Total	
	Options/ RSU's (nos.)	Weighted ex. Price per share (₹)	RSU's (nos.)	Weighted ex. Price per share (₹)	Options/ RSU's (nos.)	Weighted ex. Price per share (₹)
Outstanding at the beginning of the year	124,546	2.00	2,536,752	2.00	2,661,298	2.00
	(443,352)	(2.00)	(4,582,347)	(2.00)	(5,025,699)	(2.00)
Granted during year	-	-	-	-	-	-
	-	-	(1,753,064)	(2.00)	(1,753,064)	(2.00)
Exercised during the year	118,296	2.00	365,108	2.00	483,404	2.00
	(199,947)	(2.00)	(1,082,857)	(2.00)	(1,282,804)	(2.00)
Lapsed during the year	-	-	-	-	-	-
	(118,859)	(2.00)	(2,715,802)	(2.00)	(2,834,661)	(2.00)
Outstanding at the year end	6,250	2.00	2,171,644	2.00	2,177,894	2.00
	(124,546)	(2.00)	(2,536,752)	(2.00)	(2,661,298)	(2.00)
Exercisable as at the year end	6,250	2.00	1,996,675	2.00	2,002,925	2.00
	(58,501)	(2.00)	(225,581)	(2.00)	(284,082)	(2.00)

Previous year figures are given in bracket.

(c) The weighted average share price of options exercised on the date of exercise was ₹ 765 per share and ₹ 475 per share for the year ended December 31, 2022 and December 31, 2021, respectively.

(d) Range of exercise price and weighted average remaining contractual life (in months) for the options outstanding:

Range of exercise price	As at December 31, 2022		As at December 31, 2021	
	Options/RSU's (Nos.)	Life	Options/RSU's (Nos.)	Life
2.00	2,177,894	12	2,661,298	23
Total	**2,177,894**		2,661,298	

Notes to the Standalone Financial Statements

(e) The fair values of the RSU's granted in year 2021 are determined using Black Scholes Option pricing model using following assumptions:

Particulars	Year 2021
Weighted Average fair value (₹)	458.73
Weighted Average share price (₹)	475.00
Dividend Yield (%)	1.68
Expected Life (years)	1.19-2.50
Risk free interest rate (%)	3.75-4.95
Volatility (%)	10.41-40.34

The expected volatility is determined based on historical volatility during a period equivalent to the expected term of RSU granted.

(f) (i) During the year ended December 31, 2022, the Company modified the grant in respect of 364,764 vested RSUs to allow for the equity settlement instead of cash settlement chosen by employee during the year ended December 31, 2021. Accordingly, the Company has

1. Derecognised the liability towards cash settlement of ₹ 75 million.
2. Remeasured equity settled award at modification date fair value and recorded ₹ 210 million in equity.
3. An amount of ₹ 37 million being difference between the carrying amount of the liability derecognised and the amount of equity recognised on the modification date is recognised in standalone statement of profit and loss for the period.

(ii) During the year ended December 31, 2021, the Company modified the aforesaid scheme and provided a one-time option in respect of certain grants for RSU holder to surrender RSU against a cash payment of ₹ 763/- per RSU ('offer price'). Total of 1,908,249 RSUs were surrendered by the employees (included under lapsed in table (b) above). Total cash payout/payable by the Company is ₹ 1,456 million. The modification was recorded as follows in the year 2021:

1. Incremental cost recorded in the Statement of Profit and Loss of ₹ 657 million comprising of:
   (i) Unamortised cost determined at the grant date fair value
   (ii) Excess of offer price of ₹ 763/- over fair value on date of modification
2. Fair value on the modification date has been considered as cost of re-purchase of option and difference between this fair value and grant date fair value amounting to ₹ 365 million was recorded in the equity.

   The fair value on the date of modification was based on an valuers report prepared taking into consideration recent transaction adjusted for estimate for control premium and marketability by reference to public available information.

(g) During the year, the Ultimate Holding company Hexaware Global Limited (earlier known as CA Campine Limited) has granted ESOP to employees of the Company. The said grants allows eligible employee to opt for one share of Hexaware Global Limited for each option held upon vesting which could be time based, performance based or event based. The exercise price for the option is USD 7 per share, weighted average estimated fair value is approximately USD 1.10 per option and remaining weighted average life is approximately 50 months.

The Company has recognised ₹ 140 million as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2022.

Notes to the Standalone Financial Statements

29. Employee benefit plans

(i) Provident Fund, Superannuation Fund and other similar funds

Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary. In respect of the Company's employees enrolled with the Hexaware Technologies Limited Employees Provided Fund Trust (the 'Trust'), the Company pays a part of the contributions to the Trust. The remaining portion of Company's contribution in respect of such employees and entire contribution in respect of other employees is contributed to the Government administered Employee Provident and Pension Fund.

The interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the short fall, if any, between the return from the investments of the trust and the notified interest rate. The valuation of the liability, fund position and assumptions considered are as follows.

Particulars	December 31, 2022	December 31, 2021
Present value of benefit obligation	4,580	5,055
Fair value of plan assets	4,602	4,953
Expected Investment Return	8.15%	7.90%
Remaining term of maturities of plan assets	4.75 years	8.81 years
Expected guaranteed interest rates	8.10%	8.50%

Certain employees of the Company are entitled to benefits under the superannuation plan, a defined contribution plan. The Company makes quarterly voluntary contributions under the superannuation plan to LIC based on a specified percentage of each covered employees salary and recognises such contributions as an expense when incurred and has no further obligation to the plan beyond such contributions.

During the year, the Company has recognised expenses towards contributions to Provident Fund and other funds and Superannuation Fund of ₹ 1,069 million (December 31, 2021: ₹ 710 million) and ₹ 65 million (December 31, 2021: ₹ 55 million), respectively.

(ii) Gratuity Plan

The Company makes annual contribution to the Employee's Company Gratuity Assurance Scheme, administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment based on completed years of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

During the year ended December 31, 2022, the Company made changes to it's gratuity plan to bring this in line to Payment of Gratuity Act, 1972. With this change the Company has accounted for one-time benefit in profit and loss account amounting to ₹ 246 million (net of payments).

Notes to the Standalone Financial Statements

The following table sets out the status of the gratuity plan

₹ million

Particulars	For the year ended December 31, 2022	For the year ended December 31, 2021
Change in Defined Benefit Obligation		
Opening defined benefit obligation	1,355	1,223
Current service cost	189	243
Past service cost	(591)	-
Interest cost	75	59
Adjustment for remeasurement of defined benefit plan		
– Actuarial loss/(gains) arising from change in financial assumptions	(49)	(68)
– Actuarial loss/(gains) arising from change in demographical assumptions	-	-
– Actuarial loss/(gains) arising on account of experience changes	92	1
Benefits paid	(195)	(104)
Closing defined benefit obligation (A)	**876**	**1,355**
Change in the Fair Value of Assets		
Opening fair value of plan assets	525	587
Interest on plan assets	28	29
Remeasurement due to actual return on plan assets less interest on plan assets	1	2
Contribution by employer	3	10
Benefits paid	(195)	(104)
Closing fair value of plan assets (B)	**363**	**525**
Net liability as per actuarial valuation (A-B)	**513**	**830**
Expense charged to statement of profit and loss:		
Current service cost	189	243
Past service cost	(591)	-
Net Interest on defined benefit plan	46	30
Total included in Employment Benefit expenses	**(356)**	**273**
Amount recognised in other comprehensive income:		
Remeasurement of defined benefit plan due to –		
– changes in financial assumptions	(49)	(68)
– changes in demographical assumptions	-	-
– Experience adjustments	92	1
– Actual return on plan assets less interest on plan assets	(1)	(2)
Total amount recognised in other comprehensive income	**42**	**(68)**
Actual return on plan assets	30	31
Category of assets – Insurer Managed Fund #	363	525

Since the investments are held in the form of deposit with the LIC, these are not volatile, the market value of assets is the cost value of assets and has been accordingly considered for the above disclosures.

Notes to the Standalone Financial Statements

The Company is expected to contribute ₹ 100,000,000 to gratuity funds for the year ending December 31, 2023.

₹ million

Financial assumptions at the valuation date	For the year ended December 31, 2022	For the year ended December 31, 2021
Discount rate *	7.35%	5.95%
Rate of increase in compensation levels of covered employees **	7.5% to 10%	7.5% to 10%
Rate of Return on Plan assets	7.25%	7.25%

* The discount rate is primarily based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

** The estimates of future salary increases considered in actuarial valuation takes into account the inflation, seniority, promotions and other relevant factors.

The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

Impact on defined benefit obligation	For the year ended December 31, 2022	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.46%	2.55%
Decrease in 50 bps	2.58%	-2.46%

Impact on defined benefit obligation	For the year ended December 31, 2021	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.91%	3.00%
Decrease in 50 bps	3.07%	-2.88%

Projected plan cash flow

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Maturity profile	₹ million
Year 1	175.15
Year 2	138.01
Year 3	119.46
Year 4	119.09
Year 5	100.07
Thereafter	716.06

The weighted average duration to the payment of these cash flows is 5.15 years.

Notes to the Standalone Financial Statements

30. Segments

As per Ind AS 108 - “Operating Segments”, there is only one reportable segment viz. IT and related services, the results of which are disclosed in the financial statements.

31. Corporate Social Responsibility

a. Gross amount required to be spent by the Company is ₹ 127 million and ₹ 119 million for the year ended December 31, 2022 and December 31, 2021, respectively.

b. Amount spent during the year on :

₹ million

Particulars	For the year ended December 31, 2022		
	Amount Paid	Amount yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	102	25	127
Total amount spent during the year	**102**	**25**	**127**

₹ million

Particulars	For the year ended December 31, 2021		
	Amount Paid	Amount yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	119	-	119
Total amount spent during the year	**119**	**-**	**119**

The nature of corporate social responsibility activities undertaken by the Company for the year ended December 31, 2022 and 2021 includes work in the area of education, woman empowerment, environment, health and sanitation, sports and skill development.

32. Disclosure pursuant to amount due to Micro, Small and Medium enterprises is as under:

	As at December 31, 2022	As at December 31, 2021
Amount due to vendor	34	47
Principal amount paid (includes unpaid beyond the appointed date)	22	9
Interest due and paid/payable for the year	^	^
Interest accrued and remaining unpaid	^	^

Dues to Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Notes to the Standalone Financial Statements

33. Contingent liabilities

	As at December 31, 2022	As at December 31, 2021
(i) Disputed Liabilities not provided for		
(a) Income Tax	10	10
(b) Other Litigations (Gross of tax)[1, 2]	69	74
(ii) Claims against the Company not acknowledged as debts (Gross of tax)	28	28

(iii) The above does not include obligations resulting from customer claims, show case notices, regulatory inquiries, legal pronouncements and other judicial interpretations, having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

(iv) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) as at December 31, 2022 and 2021 is ₹ 1,623 million and ₹ 396 million, respectively.

(v) The Company has provided guarantees to third parties on behalf of its subsidiaries. The Company does not expect any outflow of resources in this respect.

1. The Company and its subsidiary Hexaware Technology Inc. has been made party as defendant in a case of car accident involving its employees. The Company has the automobile insurance cover and the insurer were notified of the claim by the plaintiff. The insurer of Hexaware Technology Inc., admitting notification by Hexaware Technology Inc.,consented to the settlement with plaintiff for payment of ₹ 320 million ($4 million) subject to approval by the competence court. The insurer of the Company has asserted that it has not agreed to such settlement considering grossly overvalued and is expected to contest any claim for contribution made by insurer of Hexaware Technology Inc. on them. If insurer of the Company agrees to any settlement, there could be potential liability on the Company of amount upto ₹ 69 million. Pending resolution between the insurer and fact that Company has not agreed to any settlement, no provision is considered necessary in the financial statements.

2. Based on the counsel's opinion, the Company has made a provision of ₹ 74 million in March 2022 with respect to other litigations which was contigent as on December 31, 2021.

34. Relationship with the struck off companies

Transactions with struck off companies:

Name of struck off company	Nature of Transaction	Transactions during the year December 31, 2022	Balance outstanding As at December 31, 2022	Transactions during the year December 31, 2021	Balance outstanding As at December 31, 2021
Pan Cyber Infotech Pvt. Ltd.	Receipt of services	3	-	^	-
Mascon Global Limited	Shareholders – Interim dividend	^	^	^	^
Vaishak Shares Limited	Shareholders – Interim dividend	^	-	^	-
Home Trade Limited	Shareholders – Interim dividend	^	^	^	^
Arihant Capital Markets Ltd	Shareholders – Interim dividend	^	-	^	-
Nangalia Fiscal Services Pvt. Ltd	Shareholders – Interim dividend	^	-	^	-
Hundalani Finance and Leasing Company Limited	Shareholders – Interim dividend	^	-	^	-
Gurudev Marketing Private Ltd	Shareholders – Interim dividend	^	-	^	-
Idafa Investments Private Ltd	Shareholders – Interim dividend	^	^	^	^

Notes:
1. ^ values less than 1 million.

Notes to the Standalone Financial Statements

35. Additional Regulatory Information – Financial ratios

Ratio	Numerator	Denominator	Current year	Previous year	% variance
Current ratio (in times)	Total Current Assets	Total Current Liability	3.06	3.54	-14%
Debt-equity ratio (in times)	Debt including and lease liabilities	Total Equity	0.09	0.09	2%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest, lease and principal repayments	16.01	17.53	-9%
Return on equity ratio (in %)	Profit for the year less preference dividend	Average total equity	25.81%	25.12%	3%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables (including unbilled receivables and contract asset)	3.95	3.30	20%
Trade payables turnover ratio (in times)	Other operating expenses (net of doubtfull debts)	Average trade payables	3.67	3.90	-6%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (Total current assets less Total current liabilities)	2.89	2.76	5%
Net profit ratio (in %)	Profit for the year	Revenue from operations	16.82%	18.26%	-8%
Return on capital employed (in %)	Profit before interest and tax	Tangible Net Worth + Debt (including lease liability) + Deferred Tax Liability	30.62%	25.72%	19%

36. Other updates

A. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the end of the reporting period end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of account.

B. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the Standalone Financial Statements

C. Material events after Balance Sheet date:

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

D. Approval of the financial statements:

The Standalone financial statements were approved for issue by the Board of Directors on February 08, 2023.

The accompanying notes 1 to 36 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firms' registration number:101248W/W-100022

Jaclyn Desouza
Partner
Membership number: 124629
Place: Mumbai
Date: February 08, 2023

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

Neeraj Bharadwaj
Director
DIN 01314963
Place: New York
Date: February 08, 2023

Kapil Modi
Director
DIN 07055408
Place: New York
Date: February 08, 2023

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: New York
Date: February 08, 2023

Milind Sarwate
Independent Director
DIN 00109854
Place: Mumbai
Date: February 08, 2023

Vikash Kumar Jain
Chief Financial Officer
Place: Mumbai
Date: February 08, 2023

Gunjan Methi
Company Secretary
Place: Mumbai
Date: February 08, 2023

Notice

Notice is hereby given to all the members of Hexaware Technologies Limited (the "Company") that the Thirtieth Annual General Meeting of the Members of the Company will be held on Thursday, May 4, 2023 at 4.30 p.m. IST via video conferencing / other audio visual means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS:

Item no 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended December 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon.

Item no 2 – To confirm payment of interim dividends

To confirm the payment of Interim Dividends on equity shares.

Item no 3 - Re-appointment of Mr. Neeraj Bharadwaj

To appoint a Director in place of Mr. Neeraj Bharadwaj, (DIN: 01314963), who retires by rotation, and being eligible, seeks re-appointment.

Item no 4 - Re-appointment of Mr. Julius Genachowski

To appoint a Director in place of Mr. Julius Genachowski, (DIN: 09365873), who retires by rotation, and being eligible, seeks re-appointment.

Item no 5 - Re-appointment of Statutory Auditors

To consider and approve re-appointment of M/s. BSR & Co. LLP, Chartered Accountants, Mumbai as statutory auditors of the company for a period of 5 years, with Registration no. 101248W/W-100022 and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. BSR & Co. LLP, Chartered Accountants, Mumbai with Registration no:- 101248W/W-100022 be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of 30th Annual General Meeting till the conclusion of 35th Annual General Meeting on such remuneration plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution"

SPECIAL BUSINESS:

Item No 6 - Appointment of Mr. Shawn Albert Devilla (DIN: 09699900) as a Non-Executive Non Independent director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shawn Albert Devilla (holding DIN:- 09699900), who was appointed as an Additional Director in the capacity of Non Executive Non Independent Director of the Company by the Board of Directors effective August 9, 2022 in terms of Section 161 of the Companies Act, 2013, and whose appointment is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

Item no 7 - Appointment of Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) as a Director of the Company not liable to retire by rotation

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions (if any) of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) who was appointed as an additional director of the Company with effect from March 2, 2023 on the Board of the Company in terms of Section 161 of the Companies Act, 2013, and as recommended by the Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Srikrishna Ramakarthikeyan for the office of director, be and is hereby appointed as a director of the Company not liable to retire by rotation;

RESOLVED FURTHER THAT any Director of the Company and the Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution, including making the necessary filings with the Registrar of Companies and updating the statutory records and registers of the Company."

Item no 8 - Appointment of Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) as the Chief Executive Officer and Whole-time Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with relevant rules framed thereunder, as may be amended from time to time, and the articles of association of the Company and subject to the approval of the Central Government, the consent of the members be and is hereby accorded to appoint Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) as the Chief Executive Officer and Whole-time Director of the Company, not liable to retire by rotation, to hold the office for a period of 5 (Five) years effective from March 2, 2023 to March 1, 2028 upon the terms and conditions of appointment including remuneration as set out in the Explanatory Statement annexed to the Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and/or any guidelines prescribed by the Government from time to time;

RESOLVED FURTHER THAT the Directors and Company Secretary of the Company, be and are hereby severally authorised to do all acts, deeds, matters and things and execute all documents and take all steps and give such directions as may be required, necessary, expedient or desirable in connection with or incidental thereto, including updating the statutory registers of the Company and filing of the requisite forms and documents for and on behalf of the Company in connection therewith with any person, statutory and/or governmental authority, including with the jurisdictional Registrar of Companies."

Item No 9 - Re-appointment of Mr. Milind Shripad Sarwate (DIN:- 00109854) as a Non Executive Independent director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Milind Shripad Sarwate (holding DIN 00109854), a non-executive Independent Director of the Company, who is eligible for re-appointment and whose re-appointment is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria for independence as provided in

Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company to hold office for three years w.e.f. April 25, 2023 and shall not be liable to retirement by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

By Order of the Board of Directors
For Hexaware Technologies Limited

Sd/-
Gunjan Methi
Company Secretary

Date : March 27, 2023
Place: Navi Mumbai

Registered Office:
152, Millennium Business Park, Sector-III, 'A' Block,
TTC Industrial Area, Mahape,
CIN : U72900MH1992PLC069662
Email : Investori@hexaware.com
Website : www.hexaware.com
Tel : 022 - 67919595

NOTES:

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, Circular no. 02/2021 dated January 13, 2021, Circular No.19/2021 dated December 08, 2021, General Circular No. 10/2022 dated December 28, 2022 and any other applicable circulars, if any, (collectively referred to as 'MCA Circulars') permitted the holding of Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of members at the common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), and MCA circulars, the AGM of the Company is being held through VC / OAVM. The Board of Directors of the Company considered that the special business under Item No. 6 to 9, being considered unavoidable, be transacted at the 30th AGM of the Company. The 30th Annual General Meeting shall be deemed to be held at Registered office address of the Company. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

2. The Explanatory Statement for item no. 3 to 9, pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this notice. The relevant details of persons seeking appointment / re-appointment as Directors under Item No. 3, 4, 6 to 9 of the Notice, are also annexed to the Notice.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. All documents referred to in the notice and in the accompanying explanatory statement will be available for inspection electronically up to the date of AGM, i.e. May 04, 2023. Members seeking to inspect such documents can send an email at Investori@hexaware.com.

4. Shareholders are requested to intimate the change in their address, if any, quoting the folio number/ DPID Client ID and are requested to register their e-mail address and changes therein with the Depositories/ Registrar and Share Transfer Agent.

5. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder read with Circulars issued by the Ministry of Corporate Affairs, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL on all resolutions set forth in this Notice. The voting facility through electronic voting system shall be made available during the AGM and members attending the meeting through VC who have not casted their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on April 27, 2023 are entitled for remote e-voting on the Resolutions set forth in this Notice.

6. The process and manner for e-voting and process of joining meeting through video conferencing along with other details also forms part of the Notice.

7. The Register of Directors and key managerial personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection. All documents referred to in the Notice will also be available for electronic inspection up to the date of AGM, i.e. May 04, 2023. Members seeking to inspect such documents can send an email at Investori@hexaware.com.

8. Those Members who have so far not encashed their dividend warrants for the financial year 2016 onwards, may approach the Registrar and Share Transfer Agent, M/s. KFin Technologies Limited, for making their claim without any further delay as the said unpaid dividends will be transferred to the Investor Education and Protection Fund of the Central Government pursuant to the provisions of Companies Act. Further, the "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" prescribe for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years to IEPF. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website: www.hexaware.com

9. Shareholders are requested to note that no claim shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of 7 years and transferred to Investor Education and Protection Fund of the Central Government. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF as per the applicable provisions of Companies Act, 2013 and rules made thereunder.

10. A sum of ₹ 2,63,09,150/- (Rupees Two Crores Sixty Three Lakhs Nine Thousand One Hundred and Fifty only) has been transferred to the Investor Education and Protection Fund in FY 2022 towards unclaimed/unpaid dividend for the year 2014 and 2015 comprising Five dividend accounts.

11. Members holding shares in physical mode are entitled to nominate a person to whom his/her shares in the Company shall vest in the event of his/her demise, by filling up Form No. SH-13. The shareholders are requested to avail of this facility. The duly filled in and signed nomination Form No. SH-13 should be sent to the Registrar and Share Transfer Agent, M/s. KFin Technologies Limited at the address mentioned elsewhere in the Notice.

12. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, NECS/ ECS mandates, nominations, power of attorney, change of address/name, etc., to their Depository Participant only and not to the Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agent to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agent, M/s. KFin Technologies Limited.

13. Members are requested to:
    a. Intimate to the Company's Registrar and Share Transfer Agent/Depository Participant, changes, if any, in their respective addresses along with Pin Code number at an early date.
    b. Quote folio numbers/DP ID – Client ID in all their correspondence.
    c. Consolidate holdings into one folio in case of multiplicity of folios with names in identical order.
    d. Update Bank details and PAN number with the Registrar and Share Transfer Agent / Depository Participant to avail receipt of dividend by ECS/ NECS facility.

14. Non-Resident Shareholders are requested to inform the Company immediately about:
    a. The change in the Residential Status on return to India for permanent settlement;
    b. The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.

15. Corporate Members are requested to send a duly certified copy of the board resolution authorizing their representative to vote during the Annual General Meeting.

16. M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretary has been appointed as Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.

17. In compliance with the MCA Circulars, Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2022 will also be available on the Company's website www.hexaware.com, and on the website of NSDL https://www.evoting.nsdl.com

    It is encouraged that members update their email address registered with RTA / Depository to ensure that all communication sent by the Company are received at the desired email address.

18. Re-appointment of Directors: At the ensuing Annual General Meeting, Mr. Neeraj Bharadwaj and Mr. Julius Genachowski - Non-Independent Non-Executive Directors of the Company retire by rotation and being eligible offer themselves for re-appointment.

    Mr. Shawn Albert Devilla shall be appointed as Non-Independent Non-Executive Director liable to retire by rotation. Mr. Srikrishna Ramakarthikeyan shall be appointed as director not liable to retire by rotation and the CEO and Whole-time director for 5 years.

    Mr. Milind Sarwate shall be re-appointed as an Independent Non-Executive Director of the company for a period of three years.

    Directors are not related to any other Directors of the Company. The information in terms of Secretarial Standard for General Meeting pertaining to Mr. Neeraj Bharadwaj, Mr. Julius Genachowski, Mr. Shawn Albert Devilla, Mr. Srikrishna Ramakarthikeyan and Mr. Milind Sarwate is annexed to the Notice of AGM.

19. The re- appointment of M/s. BSR & Co. LLP, Chartered Accountants, Mumbai with Registration no. 101248W/W-100022 for a period of 5 years, is to hold office till the conclusion of 35th Annual General Meeting.

20. Pursuant to Finance Act, dividend income will be taxable in the hands of shareholders w.e.f April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rate. For the prescribed rates of various categories, the shareholders are requested to refer the Finance Act and amendments thereof. The shareholders are requested to update their PAN, address and other related details with the Company /RTA (In case shares are held in physical mode) and depository (in case shares are held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, available on the website of the Company www.hexaware.com to avail the benefit of non-deduction of tax at source by sending email to Investori@hexaware.com. Resident Shareholders are requested to note that in case their PAN is not registered or if the PAN provided to the company is invalid, the tax will be deducted at a higher rate of 20%. All communication by the resident shareholders should include PAN details and should be signed by the shareholders.

    Non-resident shareholders (including Foreign Portfolio Investors & Foreign Institution Investors from April 01, 2021 onwards) can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to Investori@hexaware.com. Please refer detailed note on website of the Company www.hexaware.com for further details.

21. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

22. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 28, 2022, and other applicable circulars, if any, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as voting during AGM on the date of the AGM will be provided by NSDL.

24. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.hexaware.com. and the AGM Notice is also available on the website of NSDL (agency for providing the Remote

e-Voting facility) i.e. www.evoting.nsdl.com. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

25. The Company has been delisted from the stock exchanges (BSE and NSE) w.e.f. November 9, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

I. The remote e-voting period commences on May 1, 2023 (9:00 am) and ends on May 3, 2023 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of April 27, 2023, may cast their vote by remote e-voting.

II. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

V. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.A person who is not a Member as on the cut-off date should treat this Notice of 30th AGM for information purpose only.

VI. M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinise the voting and remote e-voting process in a fair and transparent manner.

VII. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a Director authorised by the board, who shall countersign the same.

VIII. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.hexaware.com and on the website of NSDL https://www.evoting.nsdl.com immediately.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a. pdf file. Open the. pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to scrutinzer@snaco.net with a copy marked to evoting@nsdl.co.in.

   Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000 or send a request to Sarita Mote at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice, updation of bank details:

1. In case shares are held in physical mode please send request letter at Investori@hexaware.com duly signed by registered member providing Folio No., Name of shareholder, email id, mobile number, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) or any document (such as Driving Licence, Bank Statement, Election Card, Passport) for registering email address.

2. Following additional details need to be provided in case of updating Bank Account Details:
   a) Name and Branch of the Bank in which you wish to receive the dividend,
   b) the Bank Account type,
   c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions
   d) 9 digit MICR Code Number, and
   e) 11 digit IFSC Code
   f) a scanned copy of the cancelled cheque bearing the name of the first shareholder
3. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for Members for E-Voting on the day of the agm are as Under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same as mentioned above for Remote e-voting.

Instructions for Members for Attending the agm Through VC/Oavm are as Under:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions may send their questions in advance from their registered email id mentioning their name, demat account number/folio number, mobile number at Investori@hexaware.com. The same will be replied by the company suitably. Members, who would like to ask questions during the 30th AGM with regard to the financial statements or any other matter to be placed at the 30th AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address - Investori@hexaware.com in advance by April 25, 2023. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

EXPLANATORY STATEMENT FOR ITEM NOS. 3 to 9 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 3:

Director, Mr. Neeraj Bharadwaj, (DIN: 01314963), retires by rotation, and being eligible, seeks re-appointment. Kindly refer the annexure to the Notice for information in respect of re-appointment of Mr. Neeraj Bharadwaj, pursuant to the Secretarial Standard on General Meetings. Your Directors recommend the resolution for approval of members.

Except Mr. Neeraj Bharadwaj, none of the Directors and Key Managerial Personnel of the Company are concerned or interested in the proposed item no. 3.

Item no. 4:

Director, Mr. Julius Genachowski, (DIN: 09365873), retires by rotation, and being eligible, seeks re-appointment. Kindly refer the annexure to the Notice for information in respect of re-appointment of Mr. Julius Genachowski, pursuant to the Secretarial Standard on General Meetings. Your Directors recommend the resolution for approval of members.

Except Mr. Julius Genachowski, none of the Directors and Key Managerial Personnel of the Company are concerned or interested in the proposed item no. 4.

Item no 5:

The Board of Directors on March 27, 2023 approved re-appointment of M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, with registration number 101248W / W- 100022, as the statutory auditors of the company, whose term ends at this Annual General Meeting. As per the provisions of Companies Act, 2013 read with rules made thereunder their re-appointment needs to be approved by the members. Accordingly, the Board of Directors pursuant to the recommendation of the Audit Committee have recommended the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants Mumbai to the members of the company for their approval at the Annual General Meeting by way of passing an ordinary resolution to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty Fifth Annual General Meeting. M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, have conveyed their consent to be re-appointed as the Statutory Auditors of the Company along with the confirmation that, their re-appointment, if approved by the shareholders, would be within the limits prescribed under the Act. Your Directors recommend the resolution for approval of members. None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed item no. 5 of the notice.

Item No 6:

The Board of Directors, pursuant to the recommendation of the Nomination & Remuneration Committee and provisions of Section 161 of the Act and applicable rules made thereunder appointed Mr. Shawn Albert Devilla (DIN: 09699900) as an Additional Director in the capacity of a Non-Executive Non Independent Director to hold office upto the date of the Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mr. Shawn Albert Devilla as a Director of the Company.

The Nomination & Remuneration Committee has recommended, and the Board has approved the appointment of Mr. Shawn Albert Devilla as a Director.

Vast experience of Mr. Shawn Albert Devilla in various areas, will help the Company to decide future business strategies for growth of the Company. All the relevant documents related to appointment of Mr. Shawn Albert Devilla as Director of the Company shall be open for inspection by the members.

Kindly refer annexure to Notice for the information of Mr. Shawn Albert Devilla in terms of the Secretarial Standard for General Meeting.

A brief profile of Mr. Shawn Albert Devilla is given below:

Shawn Devilla is a Vice President in the Technology, Media, and Telecom ("TMT") of Carlyle group based in Menlo Park, CA. He focuses primarily on Buyout & Growth equity investments in software and information services businesses and has been actively involved with the firm's investments in NEOGOV, Hexaware, Jagex, HireVue, Veritas, and PK (fka ProKarma). He is currently a member of the boards of Hexaware, Jagex, and Veritas.

Prior to joining Carlyle in 2014, he worked in Credit Suisse's TMT investment banking group based in New York City.

He received an M.B.A. from Stanford University's Graduate School of Business and a B.B.A. with honors from the Stephen M. Ross School of Business at the University of Michigan

Except Mr. Shawn Albert Devilla, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Resolution as set out as Item no. 6 of the Notice.

Item No. 7:

Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) was appointed as CEO and Whole-time director of the Company for a period of 5 years from July 28, 2019. In light of the fact that the terms and conditions of his appointment as Chief Executive Officer and Whole-time Director of the Company were proposed to be revised for the period commencing from March 02, 2023 and ending on March 01, 2028, he resigned as Chief Executive Officer and Whole-time Director of the Company with effect from the close of business hours of March 01, 2023. Mr. Srikrishna Ramakarthikeyan (DIN: 03160121) was appointed as an Additional Director by the Board of Directors w.e.f. March 02, 2023, in accordance with the provisions of Sections 149 and 161 of the Companies Act, 2013, based on the recommendation of the Nomination and Remuneration Committee, and holds office up to the date of the ensuing Annual General Meeting. The Company has also received a notice from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Srikrishna Ramakarthikeyan as a Director of the Company.

The Company has received the following from Mr. Srikrishna Ramakarthikeyan; (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act. All the relevant documents related to the appointment shall be open for inspection by the members.

A brief profile of Mr. Srikrishna Ramakarthikeyan is provided below:

Mr. Srikrishna Ramakarthikeyan (Mr. R Srikrishna) joined Hexaware in 2014 as CEO to build a great Hexaware. Since then, he has worked to create an organisation that delivers world-class services to customers and ensures employee delight, while creating and sustaining long-term profitable growth and high momentum.

Mr R. Srikrishna is an eminent industry veteran, with over 25 years of IT experience. In an earlier stint, he was instrumental in building Infrastructure Service offerings up from scratch to a multibillion-dollar business for a reputed Indian multinational company. Over the years, he has honed his intuition and possesses the knack of identifying business opportunities ahead of the competition.

Mr R. Srikrishna spearheaded Hexaware's 'Shrink IT Grow Digital' strategy, thus transforming it from a typical services organisation to a consultative, disruptive player in the IT, BPO and Consulting space. He continues to empower sustained and industry-leading organic growth for Hexaware by leading its evolution to double down on industry domains, digital product engineering, and creating sustainable enterprises through technology.

He showcases a great mix of leadership, inspiration, technology expertise, operational experience, technical breadth, and a passion for outstanding customer service. As a recognition of his leadership skills, he was named in 2010 as the Young Global Leader of the Year by the World Economic Forum.

Mr R. Srikrishna holds a degree in electrical engineering from IIT Madras and an MBA from IIM, Calcutta.

Your Directors recommend the Resolution at Item No. 7 for your approval. Except Mr. R Srikrishna and to the extent of his shareholding in the company, none of the other Directors of the Company and Key Managerial Personnel or their relatives are in any way concerned or interested in the said Resolution.

Item no. 8

The Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee (NRC) at its meeting held on March 02, 2023, appointed Mr. Srikrishna Ramakarthikeyan (Mr. R Srikrishna) as the Chief Executive Officer of the Company for 5 years w.e.f. March 02, 2023. The Board of Directors also appointed Mr. R Srikrishna as an Additional Director to hold the office till the date of the Annual General Meeting of the Company. Further, subject to the approval of the Members and the Central Government, the Board of Directors appointed Mr. R Srikrishna as a Whole-time Director designated as the CEO and Executive Director of the Company for a period of 5 years w.e.f. March 02, 2023 to March 01, 2028.

Mr. R Srikrishna has also been deputed as an employee of the wholly owned US subsidiary company, Hexaware Technologies Inc. Accordingly, Mr. R Srikrishna draws remuneration from both the companies, i.e. the Company for his appointment as a CEO of the Company and from the subsidiary company, Hexaware Technologies Inc. for his deputation as an employee of Hexaware Technologies Inc.

The Members may note that in terms of Section 196(4) of the Act where the appointment as a Whole-time director is at variance to the conditions specified in the Schedule V, the appointment shall also be subject to the approval of the Central Government. In this regard, the Members may further note that one of the conditions prescribed under Schedule V for the appointment of a director is that "he is a resident of India". Mr. R. Srikrishna is not a resident of India. Therefore, his appointment as a Whole-Time Director (designated as

CEO and Executive director) of the company is subject to the approval of the Central Government.

The details of remuneration payable to Mr. R Srikrishna from the Company w.e.f. March 02, 2023 is as follows:

1. Fixed Pay

i) Fixed Pay of ₹ 6,241,000/- (Rupees Sixty Two Lakh Forty One Thousand only) per annum including company contribution to any retirement and other benefit schemes as per policy of the Company. The said amount can be split into various component of pay as per policy of the Company.

ii) In addition to above, Mr. R Srikrishna shall be eligible for a fixed annual bonus of ₹ 5,593,200 (Rupees Fifty Five Lacs Ninety Three Thousand Two hundred only) payable by the Company on or by 31 July of each year during the Employment Period (as defined under the Employment Agreement).

2. Variable Pay/Performance Bonus:

In addition to Fixed Pay, Mr. R Srikrishna shall be eligible for variable / performance pay of ₹ 3,160,000/- (Rupees Thirty One Lacs Sixty Thousand only) per year. Variable pay is linked to achievement of Key Performance Indicators and shall be an amount as may be determined by the Board of Directors of the Company or a Committee thereof.

3. Medical Insurance Scheme:

Mr. R Srikrishna shall be covered under the mediclaim insurance scheme as per the rules of the Company. The Company shall also pay annual premium towards his personal accident insurance coverage as per the rules of the Company.

4. Other Perquisites:

Subject to overall ceiling on remuneration mentioned herein, Mr. R Srikrishna may be given such other benefits in accordance with the schemes and rules applicable to the members of the Company from time to time.

Explanation: Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost. In the event of any re-enactment or modification of the Act or the Income Tax Act, 1961 or amendments thereto, the payment of remuneration mentioned above shall continue to remain in force and the reference to various provisions of the Companies Act or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the relevant new Act or the amendments thereto or the Rules and notification issued there under.

5. Employees Share Option Plan:

Mr. R Srikrishna shall be granted (i) certain options in accordance with the Employee Share Option Plan adopted by Hexaware Global Limited (formerly known as CA Campine Investments), the Ultimate Holding Company (ii) certain incentive payments pursuant to an incentive payment agreement between CA Sebright Investments and Mr. R Srikrishna, and (iii) such other equity award granted by the Company or Hexaware Global Limited to Mr. R Srikrishna following an IPO, in each case on such terms and subject to such conditions as the Nomination and Remuneration Committee of the Company may determine (together, the "**Employee Incentives**"). The grant of any Employee Incentives, and subsequent settlement of any portion of the Employee Incentives (in cash or in the form of securities), shall be made in compliance with all applicable laws, including applicable India and United States (federal and state) securities laws, and Executive shall cooperate with the Company, and provide such documentation and information in connection therewith, as necessary to comply with such laws.

6. The aggregate of salary, commission and perquisites payable to Mr. R Srikrishna in any financial year shall not exceed the limits prescribed from time to time under Section 197 and other applicable provisions of the Act read with Schedule V of the Act as may be for the time being in force (including any statutory modification(s), enactment(s) or re-enactment(s) thereof).

The details of remuneration payable to Mr. R Srikrishna from Hexaware Technologies Inc. (HTI) w.e.f. March 2, 2023 is as follows:

(i) Compensation (Base Salary)

Mr. R Srikrishna shall be paid a base salary at an annual rate of $813,500 in accordance with HTI's standard payroll schedule and policies, as in effect from time to time. HTI shall withhold from all payments that it makes pursuant to this Agreement as it determines to be required by applicable law.

(ii) HTI will review the salary on an annual basis, and any increase in the base salary will be determined by HTI in consultation with Hexaware, in its sole discretion.

(iii) Annual Bonus

a) Mr. R Srikrishna shall be eligible for a fixed annual (computed based on calendar year) bonus of $729,200 payable on or by 31 July of each year during the Employment Period (the "**Fixed Bonus**").

b) With respect to each financial year during employment period, Mr. R Srikrishna shall additionally be eligible for an annual cash performance bonus as set forth in applicable clauses of Employment Agreement. Annual bonus will be payable after adjusting the variable pay payable in Hexaware. Mr. R Srikrishna shall be eligible for variable/ performance pay of $410,000 per year. Variable pay is linked to the achievement of Key Performance Indicators and shall be an amount as may be determined by the Board of Directors of the Company or a Committee thereof.

(iv) Benefits

Mr. R Srikrishna shall be entitled to participate in all insurance, benefit plans and deduction thereof as available on a general basis to other employees of HTI; provided, however, that HTI reserves the right, from time to time, to amend in any respect and to terminate all such benefit plans.

The Whole time Director shall perform his duty subject to the superintendence, control and direction of the Board of Directors of the Company.

The Nomination & Remuneration Committee / Board of Directors of the Company is authorised to decide the increase in remuneration of Mr. R Srikrishna. Other details of Mr. R Srikrishna as required under the Companies Act and secretarial standards are annexed to the notice.

Your Directors recommend the Resolution at Item No. 8 for your approval. Except Mr. R Srikrishna and to the extent of his shareholding in the company, none of the other Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said Resolution.

Item no. 9:

The term of appointment for Mr. Milind Shripad Sarwate comes to an end on April 24, 2023. The Board of Directors, pursuant to the provisions of the Act and applicable rules made thereunder and pursuant to the recommendation of the Nomination & Remuneration Committee, re-appointed Mr. Milind Sarwate (DIN: 00109854) in the capacity of an Independent Director for a period of three years w.e.f April 25, 2023, on the same terms and conditions including remuneration. The Company has received a notice in writing from a member proposing the candidature of Mr. Milind Sarwate as an Independent Director of the Company. The re-appointment is made as a result of performance evaluation of Directors.

The Nomination & Remuneration Committee has recommended and the Board has approved the re-appointment of Mr. Milind Sarwate as an Independent Director as per the letter of appointment for a period of three years from April 25, 2023.

The Company has received from Mr. Milind Sarwate (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such re-appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Milind Sarwate fulfills the conditions specified in the Act and the rules framed thereunder for re-appointment as Independent Director and he is independent of the management. He possesses the required skills as defined by the Board of Directors for appointment of directors.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013, the re-appointment of Mr. Milind Sarwate as Independent Director is now being placed before the Members for their approval.

All the relevant documents, contracts, the terms and conditions of the re-appointment of Mr. Milind Sarwate as Independent Director of the Company shall be open for inspection by the Members electronically up to the date of AGM.

Members seeking to inspect such documents can send an email at Investori@hexaware.com.

Kindly refer the annexure to notice for information in respect of re-appointment of Mr. Milind Sarwate, pursuant to the Secretarial Standard on General Meetings.

A brief profile of the Mr. Milind Sarwate is given below:

Milind Sarwate is the Founder & CEO of Increate Value Advisors LLP.

Milind set up Increate in 2015 as his second career as an entrepreneur, to help organisations & individuals discover, develop & deliver business & social value. For this, he contributes as required- as Advisor, Mentor, Board Member, or Investor, leveraging his 36-year experience including long stints in Marico & Godrej.

His Advisory roles in Business Value Creation encompass the following:

- Helping Private Equity Investors enhance Investee Companies' value, especially in Consumer / Retail Sectors, across listed and unlisted companies.
- Mentoring promoters and corporate professionals for effective Promotership & Governance
- Capability building and Enhancing effectiveness of Corporate functions, like Finance, HR & Strategy
- Maximizing Value in IPOs / M&As/ Corporate Structuring

His Advisory roles in Social Value Creation cover:

- Guiding Companies in CSR strategy and execution
- Helping Non-Profit Organisations grow and widen their social impact
- Being the middleware between the Social Sector and the Corporate Business sector

His Directorships include listed companies - Metropolis Healthcare Ltd., Matrimony.com, Mahindra and Mahindra Financial Services Limited, SeQuent Scientific Limited, FSN E-Commerce Ventures Limited, Asian Paints Limited - and 2 unlisted public companies- OMNIACTIVE Health Technologies Limited and Eternis Fine Chemicals Ltd., with focus on audit committee roles.

He invests in promising business/ social enterprises (Largely SMEs), by way of venture and angel capital.

He has been awarded ICAI CFO Award (2011), CNBC TV-18 CFO Award (2012) & CFO India Hall of Fame induction (2013).

Milind is a Chartered Accountant, Cost Accountant, Company Secretary and Commerce Graduate. He is a CII-Fulbright Fellow (Carnegie Mellon University, USA).

Mr. Milind Sarwate shall be paid sitting fees for attending Board Meetings / Committee Meetings of the Board and profit based commission pursuant to terms of contract of appointment.

Pursuant to Secretarial Standards on General Meeting, the summary of performance evaluation of Mr. Milind Sripad Sarwate is as follow:

Milind is a highly effective and appropriate Independent Director. He is also very effective given his understanding and depth of the India based governance topic. He is super constructive and engaged in Hexaware and Carlyle's best interest(s). He helps in bringing judgment on the Board of Directors' deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct. He participates constructively and actively in the meetings of the Board /committees of the Board in which he is a member. He keeps himself well informed about the Company and the external environment in which it operates.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

Except Mr. Milind Sarwate, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Special Resolution as set out as Item no. 9 in the Notice.

By Order of the Board of Directors
For Hexaware Technologies Limited

Sd/-
Gunjan Methi
Company Secretary
Date: March 27, 2023
Place: Navi Mumbai

Registered Office:
152, Millennium Business Park, Sector-III, 'A' Block,
TTC Industrial Area, Mahape, Navi Mumbai - 400 710.
CIN : U72900MH1992PLC069662
Email: Investori@hexaware.com
Website: www.hexaware.com
Tel : 022 - 67919595

Annexure to Notice

Additional information on directors recommended for appointment / reappointment as required under Secretarial Standards

Name of Director	Neeraj Bharadwaj	Julius Genachowski	Shawn Devilla	Srikrishna Ramakarthikeyan (R Srikrishna)	Milind Sarwate
Brief Resume	Neeraj Bharadwaj is the Managing Director of Carlyle India Advisors Private Limited, focused on growth capital and buyout opportunities across sectors in India.	Julius Genachowski is a Managing Director in the U.S. Buyout team at The Carlyle Group, focusing on acquisitions and growth investments in global technology, media & telecommunications.	Shawn Devilla is a Vice President in the Technology, Media, and Telecom ("TMT") of Carlyle group based in Menlo Park, CA. He focuses primarily on Buyout & Growth equity investments in software and information services businesses.	R Srikrishna joined Hexaware in 2014 as CEO of the company . Since then, he has worked towards creating an organisation that delivers world-class services to customers, ensures employee delight, while creating and sustaining longterm profitable growth and high momentum.	Mr. Milind Sarwate is the Founder and CEO of Increate Value Advisors LLP, a firm that facilitates organisations and individuals to discover, develop and deliver business & social value. For this, he contributes as required - as Advisor, Mentor, Board Member, or Investor.
Experience / Expertise	Prior to joining Carlyle in 2012, Mr. Bharadwaj was a Managing Director with Accel Partners' growth investing operation in India. Preceding that, he was with Apax Partners for nearly 10 years – he was a Partner in the U.S. and subsequently Managing Director/Country Head for Apax in India, where he led the India operations. Previously, Mr. Bharadwaj was an engagement manager at McKinsey & Co. Mr. Bharadwaj was selected as Board Member of the Indian School of Business (ISB), a Young Global Leader of the World Economic Forum (WEF), Board Member of Olympic Gold Quest (OGQ), Member of the Harvard Business School South Asia Advisory Board, Member of the Wharton Executive Education Board, Member of the Young Presidents' Organisation and Chair, FICCI Committee on Private Equity & Venture Capital.	Mr. Genachowski returned to the private sector after serving as Chairman of the U.S. Federal Communications Commission from 2009 to 2013. He presided at the FCC during a period of robust innovation and investment around communications technology and software, including wired and wireless broadband applications, devices and networks. Under his leadership, the FCC took major actions to extend broadband access, accelerate the rollout of advanced mobile networks, free up spectrum for wireless communications, preserve a vibrant internet and media landscape, foster competition and enhance public safety communications. Mr. Genachowski also extended the FCC's international engagement, visiting more than 20 countries, leading U.S. delegations and working on agreements involving global internet policies, technology, spectrum, national security, cybersecurity and privacy. During his tenure, the FCC was named the most improved agency in the Federal government, and one of Wired Magazine's "Top 7 Disruptions". Earlier, as a senior executive and member of the Office of the Chairman, he helped Barry Diller build IAC/InterActiveCorp, which owned and operated multiple Internet and media businesses, including Expedia, Ticketmaster and USA Network. During this time, Businessweek named Mr. Genachowski one of 25 "Managers to Watch" in the media sector. He has been a board member and advisor to several public and private companies, a Special Adviser at investment firm General Atlantic, on the staff of the Congressional Select Committee on the Iran-Contra Affair and a law clerk to U.S. Supreme Court Justice David Souter.	Shawn has been actively involved with the firm's investments in NEOGOV, Hexaware, Jagex, HireVue, Veritas, and PK (fka ProKarma). Prior to joining Carlyle in 2014, he worked in Credit Suisse's TMT investment banking group based in New York City.	R Srikrishna is an eminent industry veteran, with over 25 years of IT experience. In an earlier stint, he was instrumental in building Infrastructure Service offerings from scratch to a multibillion-dollar business for a reputed Indian multinational company. Over the years, he has honed his intuition and possesses the knack of identifying business opportunities ahead of competition.	He has over 39 years of experience in Finance, HR and Strategy in groups like Marico & Godrej. He has experience in enhancing Investee Companies value, capability building, enhancing effectiveness of Corporate functions, like Finance, HR & Strategy, Maximizing Value in IPOs / M&As/ Corporate Structuring. He has been awarded ICAI CFO Award (2011), CNBC TV-18 CFO Award (2012) & CFO India Hall of Fame induction (2013).
Age	54	60	32	52	63
Date of Birth	18-Dec-68	19-Aug-62	21-06-1990	12-08-1970	23-09-1959

Name of Director	Neeraj Bharadwaj	Julius Genachowski	Shawn Devilla	Srikrishna Ramakarthikeyan (R Srikrishna)	Milind Sarwate
Date of 1st Appointment	10-Nov-21	10-Nov-21	09-08-2022	28-07-2014	25-04-2020
Qualification	Mr. Bharadwaj holds an MBA with distinction from Harvard Business School, and graduated summa cum laude with a BS in Economics from the Wharton School of the University of Pennsylvania.	Mr. Julius Genachowski graduated with highest honors from Columbia College and Harvard Law School, serving on the Harvard Law Review with President Barack Obama.	Mr. Shawn Devilla received an M.B.A. from Stanford University's Graduate School of Business and a B.B.A. with honors from the Stephen M. Ross School of Business at the University of Michigan	Mr. R Srikrishna holds a degree in electrical engineering from IIT Madras and an MBA from IIM, Calcutta	Mr. Milind Sarwate is a Chartered Accountant, Cost Accountant, Company Secretary and Commerce Graduate. He is a CII-Fulbright Fellow (Carnegie Mellon University, U S A)
Relationship between Directors inter-se and with Manager and other KMPs	Mr. Bharadwaj is not related to any other Director, Manager and other KMPs of the Company.	Mr. Julius Genachowski is not related to any other Director, Manager and other KMPs of the Company.	Mr. Shawn Devilla is not related to any other Director, Manager and other KMPs of the Company.	Mr. R Srikrishna is not related to any other Director, Manager and other KMPs of the Company	Mr. Milind Sarwate is not related to any other Director, Manager and other KMPs of the Company.
Name of listed Companies in which he/she is Director and the Membership of Committees of the Board	Mr. Bharadwaj is Director in Sequent Scientific Limited, an Indian Listed Company. Mr. Bharadwaj is Member of Audit Committee and Chairman of Nomination and Remuneration Committee of the Board of Directors of Hexaware Technologies Limited.	Mr. Julius Genachowski is not holding Directorship in any Indian listed company. Mr. Julius Genachowski is a Chairperson of Stakeholders Relationship Committe and Corporate Social Responsibility Committee of the Board of Hexaware Technologies Limited	Mr. Shawn Devilla is not holding Directorship in any Indian listed company. Mr. Shawn Devilla is a member of Nomination And Remuneration Committee of Hexaware Technologies Limited	Mr. R Srikrishna is not holding Directorship in any other Indian listed company. Mr. R Srikrishna is not a member of any committee of the Board of Hexaware Technologies Limited	Mr. Milind Sarwate is holding Directorship in following listed entities : Matrimony.com Ltd., Metropolis Healthcare Limited, Mahindra And Mahindra Financial Services Ltd., SeQuent Scientific Limited, Asian Paints Limited, FSN E-Commerce Ventures Limited. Mr. Milind Sarwate is holding membership in the following committees of Hexaware Technologies Limited. 1. Audit Committee – Chairman 2. Nomination And Remuneration Committee – Member Mr. Milind Sarwate is holding membership in the following committees of other listed companies: **Matrimony.com Ltd:** 1. Corporate Social Responsibility Committee – Member 2. Audit Committee - Member 3. Nomination and Remuneration Committee – Chairperson 4. Risk & Governance Committee – Member 5. Share Allotment Committee - Member **Mahindra and Mahindra Financial Services Ltd:** 1. Audit Committee – Member 2. Nomination and Remuneration Committee – Member 3. Risk Management Committee – Member 4. Committee for Strategic Investments – Member 5. IT Strategy Committee – Chairperson 6. Asset Liability Committee – Member 7. Digital and AI Committee - Member

Name of Director	Neeraj Bharadwaj	Julius Genachowski	Shawn Devilla	Srikrishna Ramakarthikeyan (R Srikrishna)	Milind Sarwate
					Metropolis Healthcare Ltd: 1. Rsk Management committee – Member 2. Corporate Social Responsibility Committee – Member 3. Audit Committee – Chairperson **SeQuent Scientific Limited :** 1. Audit Committee – Chairperson 2. Nomination and Remuneration Committee- Chairperson 3. Stakeholders' Relationship Committee - Member 4. Risk Management Committee - Member **FSN E-Commerce Ventures Limited :** 1. Audit Committee - Chairperson 2. Fundraise & Investment Committee - Member **Asian Paints Limited :** 1. Audit Committee - Chairperson
Shareholding	NIL	NIL	NIL	9,68,080	NIL
Terms and condition of appointment	Appointed as Non Executive Non Independent Director of the company	Appointed as Non Executive Non Independent Director of the company	Appointed as Non Executive Non Independent Director of the company	Appointed as CEO and Executive Director of the company for a period of five years w.e.f March 2, 2023.	Appointed as Independent Director for a period of 3 years w.e.f. April 25, 2023
Details of remuneration sought to be paid	Not Applicable	Not Applicable	Not Applicable	As provided in the explanatory statement annexed to the notice.	Sitting fees and commission
Details of remuneration last drawn	Not Applicable	Not Applicable	Not Applicable	Remuneration details are provided in Corporate Governance report	Remuneration details are provided in Corporate Governance report
Meeting attended during the year	Number of meetings attended are provided in the Corporate Governance report section of the Annual Report 2022.	Number of meetings attended are provided in the Corporate Governance report section of the Annual Report 2022.	Number of meetings attended are provided in the Corporate Governance report section of the Annual Report 2022.	Number of meetings attended are provided in the Corporate Governance report section of the Annual Report 2022.	Number of meetings attended are provided in the Corporate Governance report section of the Annual Report 2022.

Contact Us

Sr. No.	Location Address
UNITED STATES	
1.	**NA Head Office** 101 Wood Avenue South Suite 600 Iselin, NJ 08830
2.	**Alpharetta** Lakeview I, 1105 Lakewood Parkway Suite 100 Alpharetta, GA 30004
3.	**Atlanta** 1300 Altmore Avenue Suite 600 Atlanta, GA 30342
4.	**Duluth** 2221 Northmont Pkwy Suite 100 Duluth, GA 30096-5804
5.	**California** 3001 Bishop Drive Suite 300, Office 3108 San Ramon, CA 94583
6.	**CANADA** 600 Matheson Blvd West Unit 5 Mississauga, ON L5R 4C1
MEXICO	
7.	**Saltillo** Av. San Angel 240 piso 3 D-B Valle San Agustin Saltillo, Coahuila Mexico C.P. 25215
8.	**Monterrey – Centro** Washington 1400 Col. Centro Monterrey, N.L. Mexico, C.P. 64000
9.	**Monterrey – Santa Maria** Blvd. Díaz Ordaz 123, Torre 4, piso 17 y 18 Col. Santa María Monterrey, N.L. Mexico, C.P. 64650

Sr. No.	Location Address
10.	**Guadalajara** Paseo de los Virreyes 45 Puerta de Hierro Zapopan, Jal. Mexico, C.P. 45116
11.	**UNITED KINGDOM** 40 Bank Street, Level 19 London E14 5NR
12.	**GERMANY** Mainzer Landstraße 33 60329 Frankfurt am Main
13.	**POLAND** ul. Postępu 17A 02-676 Warszawa
14.	**FRANCE** 37 rue Collange 92300 Levallois Perret
15.	**HOLLAND / THE NETHERLANDS** Tommaso Albinonistraat 9 1083 HM Amsterdam
16.	**SWITZERLAND** 34 Chemin Frank-Thomas Case Postale 6550 1211 Genève 6
17.	**SPAIN** Calle Santaló 10, Planta 1 08021 Barcelona
18.	**LATVIA** Dignājas iela 3B Zemgales priekšpilsēta Rīga, LV-1004
19.	**SWEDEN** Tellusvägen 5A 186 36 Vallentuna
20.	**BELGIUM** Rue des Colonies 11 1000 Bruxelles

Sr. No.	Location Address
21.	**ESTONIA** Harju maakond, Tallinn Kesklinna linnaosa Jõe tn 2, 10151
22.	**ARGENTINA** Av. L.N. Alem 693 5th Floor A C1001AAB Buenos Aires, Argentina
23.	**SINGAPORE** 1 Finlayson Green, #09-01 Singapore 049246
24.	**JAPAN** 6F VORT Kanda, 1-3-1, Kaji-cho Chiyoda-ku Tokyo 101-0044, Japan
25.	**AUSTRALIA** Level 3, 80 Mount Street, North Sydney, NSW, Australia 2060
26.	**SOUTH AFRICA** 13th Floor, Pier Place, 31 Heerengracht Street Cape Town, 8001
27.	**UNITED ARAB EMIRATES** Office No. 220, Building No. 6WA Dubai Airport Free Zone, Dubai, UAE
28.	Second Floor, Al Fardan Building, Al Mankhool, Dubai, UAE
29.	**SAUDI ARABIA** RHOA7451 7451 Al Olaya – AL OLAYA DIST Unit No 55, Riyadh 1222-2215
30.	**CHINA (Shanghai)** Room No.701, Jingang Building, No. 55 Aona Road, Shanghai Free Trade Zone
31.	**HONG KONG** RM1906, 19/F, Lee Garden one, 33, Hysan Avenue Causeway Bay

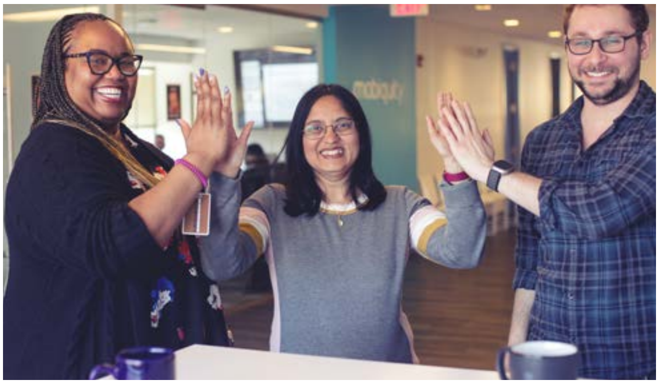
Sr. No.	Location Address
PHILIPPINES	
32.	**Bonifacio – Curve** 9F, 14F and 16F The Curve Bldg Bonifacio Global City Taguig City 1634 PH
33.	**Bonifacio – Philplans** 7th Floor, Philplans Corporate Centre, 10th Avenue, Bonifacio Global City Taguig City, 1634 PH
34.	**Clark Global City** 5th Floor, One West Aeropark Building Clark Global City, Clark Freeport Mabalacat, 2023 Pampanga
INDIA	
Mumbai	
35.	**REGISTERED OFFICE** 152, Millennium Business Park, Sector -III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710
36.	Bldg I, Millennium Business Park, Sector -III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710
37.	157, Millennium Business Park, Sector - III, 'A' Block, TTC Industrial Area, Mahape, Navi Mumbai - 400 710
38.	Building No. 3, Sector II, 'A' Block, Millennium Business Park, TTC Industrial Area, Mahape, Navi Mumbai – 400 710.
39.	6^{th} , 7^{th} , 8^{th} and 9^{th} Floor, M/S. Loma Co-Developers 1 Pvt. Ltd., Plot No.Gen-4/1, TTC Industrial Area, Thane-Belapur Road, Ghansoli, Navi Mumbai – 400 710.

Sr. No.	Location Address
40.	**PUNE** Plot No. 19, Rajiv Gandhi Infotech Park, MIDC - SEZ, Hinjewadi, Phase III, Pune - 411 057
41.	**NAGPUR** Survey No. (Part) 38,39,41,42 and 43 in Village Khapri & Dahegoan, MIHAN, SEZ-MADC. Nagpur - 441 108
42.	**Chennai Campus** H5 Sipcot IT Park, Navallur Post, Siruseri, Kancheepuram District, Chennai - 603 103
43.	**Hexaware - BPS** 5th floor, Fayola Towers, 200 Feet Road, Pallikaranai, Chennai – 600 100 Tamilnadu
44.	North Block, Phase II, IG-3 Infra Limited SEZ, Pallavaram – Thoraipakkam 200 Ft Rd., Thoraipakkam, Chennai – 600 097, Tamil Nadu
45.	**Bhopal** Maple High Street, Unit No.23, 24, 24A, 25, 26 & unit 20 Opposite Aashima Mall, Hoshangabad Road, Bhopal - 426026
46.	**Bengaluru** Prestige Shantiniketan, Crescent-2, 11th Floor, 16, Whitefield Main Road, Sadara Mangala Industrial Area, Thigalarapaiya, Hoodi Bengaluru- 560 048
47.	**Coimbatore** A-3, Elysium Central, 2nd Floor, A-Wing, Puliyakulam Road, Sungam Junction, Opp. Carmel Garden School, Ramanathapuram, Coimbatore - 641 045

Sr. No.	Location Address
48.	**Noida** 1st Floor, Building No.7, M/s. Seaview Developers Pvt. Ltd., IT/ITES SEZ, Plot No. 20 & 21, Sector - 135, Noida – 201 304. Uttar Pradesh
49.	**Pune** Lower ground floor and ground floor, South Block, Plot No. 19, Rajiv Gandhi Infotech Park, Phase-III, MIDC - SEZ, Hinjewadi, Pune - 411 057.
MOBIQUITY	
USA	
50.	**Boston** 230, 3rd Avenue, 3rd Floor Waltham, MA 02451
51.	**Gainesville** 606 SW 4th Ave Gainesville, FL 32601
52.	**Philadelphia** 575 E Swedesford Rd #300 Wayne, PA 19087
AUSTRALIA	
53.	**Melbourne** 140, William Street Melbourne 3004
54.	**Sydney** Level 3/80, Mount St, North Sydney NSW 2060
INDIA	
55.	**Ahmedabad** Ambli BRT Road, Ahmedabad, Gujarat 380 059
56.	**Pune** 411, 4th FL, World Trade Center, Pune, 411014
57.	**Hyderabad** Plot # 37 & 38, Serinity Square, Madhapur, Hyderabad, Telangana 500 081.

Notes

Glimpses of Employee Engagement Programmes



Hexawarians on the front cover
R1: Anthira Nair, India. Anagha Harwande, Spain.
R2: Sandhya Dhayan, India. Krishanu Mukherjee, India.
R3: Erica Johnson-Rice, USA. Piyush Sah, Belgium. Paulina Romo Garcia, Mexico. Mc Erwin Joseph Mendoza, Philippines.
R4: Manish Kumar, India. Gwen Kolader, Netherlands. Serdonnafer Collier, USA. Tatiana Kruglyak, USA.
R5: Liliana Martinez Sanchez, Mexico. Krishna Balagurunathan, India.

HEXAWARE

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CIN: U72900MH1992PLC069662

Registrar & Share Transfer Agent

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Selenium Building, Tower- B, Plot No. 31 & 32, Financial District,
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/Concept, content and design at AICL (hello@aicl.in)