B S R & Co. LLP

Chartered Accountants

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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 31 December 2024, 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 material accounting policies and other explanatory information.

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 31 December 2024, and its profit and other comprehensive loss, 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	
Revenue recognition – Fixed price contracts where revenue is recognized using percentage of completion method.	
Refer Note 2.4 of material accounting policies to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company inter alia engages in Fixed-price contracts where performance obligations are satisfied over a period of time and revenue is recognized using the percentage of completion	Our audit procedures included the following: • Obtained an understanding of the systems, processes and controls implemented by the Company for revenue recognition on Fixed-price

computed as per the input method based on the Company's estimate of efforts. We identified revenue recognition of Fixed-price contracts where the percentage of completion is used as a key audit matter since – • there is an inherent risk and presumed fraud risk of revenues recognised considering the customised and complex nature of these contracts. • Revenue recognition in such contracts involves key judgments and estimates relating to identification of distinct performance obligations, determination of transaction price for such performance obligations and estimation of future effortsof completion which is used to determine the percentage of completion of the relevant performance obligation. • These contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Company.	contracts. • Involved our Information Technology (IT) specialists, as required: - Assessed the IT environment in which the business systems operate and tested system controls over computation of revenue recognised; - Tested the IT controls over appropriateness of efforts and revenue reports generated by the system. • Tested the design and operating effectiveness of internal controls relating to - Recording of the contract value, determining the transaction price to be allocated to performance obligations, measurement of efforts incurred and estimation of efforts required to complete the remaining performance obligations and appropriateness of revenue recognition. - Management review and approval of efforts estimates and any changes to the same over the contract period. • On selected specific and statistical samples of contracts, we tested that the revenue recognised is in accordance with the revenue recognition accounting standard, including: - evaluated the identification of performance obligations; - considered the terms of the contracts to determine the transaction price, - tested the allocation of transaction price to the performance obligations; - tested the Company's calculation of efforts incurred and estimation of contract efforts including estimation of onerous obligations, if any; and - performed a retrospective analysis by comparing revised efforts with estimated efforts at inception of contract to identify and test the appropriateness of significant variations in estimated efforts with the underlying documentation and approvals. • Assessed the appropriateness of the related disclosures in the consolidated financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the Management discussion and analysis and Board report, but does not include the financial statements and auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a. We draw attention to Note 35 of the Standalone financial statements, for the period ended 31 December 2024, the Company translated certain financial information consisting of extract of the Statement of Profit and Loss (before other comprehensive income) using the monthly closing exchange rate as published by FEDAI for the purposes of alignment with internal reporting. Thus the Standalone financial statements contains supplementary information - extract of Statement of Profit and Loss (before other comprehensive income). We have audited the translation of extract of statement of profit and loss (before other comprehensive income) presented in Indian Rupee into United States Dollars on the basis set forth in Note 35 to the Standalone 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.

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 except for the certain matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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 31 December 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. 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 31 December 2024 on its financial position in its standalone financial statements - Refer Note 34 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 37A 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 its knowledge and belief, as disclosed in the Note 37B to the standalone financial statements, 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 person(s) or entity(ies), 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 its knowledge and belief, as disclosed in the Note 38B to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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) of Rule 11(e), as provided under (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.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software, which along with an access management tool, as applicable for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software and we did not come across any instance of audit trail feature being tampered with.

i. At the application level for accounting software which is used for processing Project billing the audit trail was not enabled for the period till April 2024. Further in absence of monitoring over audit trail feature within the database till November 2024, we are unable to comment whether audit trail at the database level of the said software was enabled and operated till November 2024.

ii. At the application level for the software used for maintaining general ledger for certain tables relating to master data audit trail was not enabled. Further, In the absence of change log over audit trail feature at the application level, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

A. 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 by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid 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

Digitally signed by JACLYN DESOUZA
Date: 2025.03.07 01:31:05 +05'30'

Jaclyn Desouza

Partner

Place: Rovaniemi

Date: 07 March 2025

Membership No.: 124629

ICAI UDIN:25124629BMOQGZ7069

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended 31 December 2024

(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 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	Net carrying value (Rs. 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	74	Maharashtra Airport Developement Company Limited (MADC) , Nagpur	No	November 2007	Lease deed is being 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 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 not been sanctioned any working capital limits

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended 31 December 2024 *(Continued)*

in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(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 made any investments, provided any guarantee or security to firms and limited liability partnership during the year. The Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies or firms or limited liability partnership or any other parties during the year. The Company has made investments and provided guarantees to companies or any other parties, in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided guarantee to any other entities as below:

Particulars	Guarantees (Rs. in Million)
Aggregate amount during the year Subsidiaries* Joint ventures* Associates* Others	 171
Balance outstanding as at balance sheet date Subsidiaries* Joint ventures* Associates* Others	 3,082

**As per the Companies Act, 2013*

(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.

(c) 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)(f) of the Order is not applicable to the Company.

(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 security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made or guarantee provided by the Company, in our opinion the provisions of Section 185 and 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 products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended 31 December 2024 *(Continued)*

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 1 July 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, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

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, Duty of Customs or Cess or other material statutory dues in arrears as at 31 December 2024 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, Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	261	2017 to 2020	Central Government Industrial Tribunal-cum-Labour Court	
Central/State Goods & Services Tax Act, 2017	Goods & Service Tax	11	July 2017 to March 2018	Commissioner Appeals	
Central/State Goods & Services Tax Act, 2017	Goods & Service Tax	33	April 2019 to March 2020	Deputy Commissioner Appeals	
Income Tax Act, 1961	Income Tax	-	Assessment Year 2014 - 15	Commissioner Appeals	
Income Tax Act, 1961	Income Tax	389 Million	Assessment Year 2020 - 21	Commissioner Appeals	

Amounts less than INR 1 million are reported as '0'.

(viii) According to the information and explanations given to us and on the basis of our examination

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended 31 December 2024 *(Continued)*

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 loans and 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, associates or joint ventures as defined under the Act.

(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, joint ventures or associate companies (as defined under the Act).

(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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(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, 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) 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 project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(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.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Hexaware Technologies Limited for the year ended 31 December 2024 *(Continued)*

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 Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:31:42 +05'30'

Jaclyn Desouza

Partner

Membership No.: 124629

ICAI UDIN:25124629BMOQGZ7069

Place: Rovaniemi

Date: 07 March 2025

Annexure B to the Independent Auditor's Report on the standalone financial statements of Hexaware Technologies Limited for the year ended 31 December 2024

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)(g) 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 31 December 2024 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 31 December 2024, 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.

Annexure B to the Independent Auditor's Report on the standalone financial statements of Hexaware Technologies Limited for the year ended 31 December 2024 *(Continued)*

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 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 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 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

Digitally signed by JACLYN DESOUZA
Date: 2025.03.07 01:32:14 +05'30'

Jaclyn Desouza

Partner

Place: Rovaniemi — Membership No.: 124629

Date: 07 March 2025 — ICAI UDIN:25124629BMOQGZ7069

Hexaware Technologies Limited

Registered Office: 152, MILLENIUM BUSINESS PARK, SECTOR 3R TTC INDUSTRIAL AREA MAHAPE, NAVI MUMBAI MH 400710 INDIA
CIN: U72900MH1992PLC069662

Standalone Financial Statements under Indian Accounting Standards (Ind AS) as at December 31, 2024

Hexaware Technologies Limited

Registered Office: 152, MILLENIUM BUSINESS PARK, SECTOR 3R TTC INDUSTRIAL AREA MAHAPE, NAVI MUMBAI MH 400710 INDIA

CIN: U72900MH1992PLC069662

(Rupees in millions, except share and per share data, unless otherwise stated)

Standalone Balance Sheet

	Note No.	As at December 31, 2024	As at December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	4,454	4,799
Capital work-in-progress	5	1,294	561
Right-of-use assets	4A	4,157	2,646
Goodwill	6	115	115
Other intangible assets	7	54	73
Financial assets:			
Investments	8A	15,962	6,497
Other financial assets	10A	614	435
Deferred tax assets (net)	9C	1,321	1,471
Income tax assets (net)		393	425
Other non-current assets	11A	651	287
Total non-current assets		**29,015**	**17,309**
Current assets			
Financial assets:			
Investments	8B	428	2,506
Trade receivables			
Billed	12	8,810	8,452
Unbilled		4,403	2,836
Cash and cash equivalents	13A	7,763	8,986
Other bank balances	13B	106	103
Other financial assets	10B	799	105
Other current assets	11B	2,649	1,363
Total current assets		**24,958**	**24,351**
TOTAL ASSETS		**53,973**	**41,660**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	608	607
Other equity		30,912	28,106
Total equity		**31,520**	**28,713**
Non-current liabilities			
Financial liabilities:			
Lease liabilities	4B	3,437	2,111
Other financial liabilities	15A	2,223	106
Provisions	18A	724	781
Total non-current liabilities		**6,384**	**2,998**
Current liabilities			
Financial liabilities:			
Lease liabilities	4B	600	288
Trade payables			
Dues of micro enterprises and small enterprises	32	42	1
Dues of other than micro enterprises and small enterprises	16	5,905	4,461
Other financial liabilities	15B	5,612	2,639
Other current liabilities	17	1,707	791
Provisions	18B	1,203	1,165
Income tax liabilities (net)		1,000	604
Total current liabilities		**16,069**	**9,949**
Total liabilities		**22,453**	**12,947**
TOTAL EQUITY AND LIABILITIES		**53,973**	**41,660**

^ value less than Rs. 0.5 million

The accompanying notes 1 to 37 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 Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:11:06 +05'30'

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 07, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

SRIKRISHNA RAMAKARTHIKEYAN Digitally signed by SRIKRISHNA RAMAKARTHIKEYAN Date: 2025.03.06 23:21:37 +05'30'

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 06, 2025

NEERAJ BHARADWAJ Digitally signed by NEERAJ BHARADWAJ Date: 2025.03.07 00:31:19 +05'30'

Neeraj Bharadwaj
Director
DIN 01314963
Place: Palo Alto
Date: March 06, 2025

KAPIL MODI Digitally signed by KAPIL MODI Date: 2025.03.06 23:54:46 +05'30'

Kapil Modi
Director
DIN 07055408
Place: Mumbai
Date: March 06, 2025

VIKASH KUMAR JAIN Digitally signed by VIKASH KUMAR JAIN Date: 2025.03.06 23:32:19 +05'30'

Vikash Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: March 06, 2025

GUNJAN SUMIT METHI Digitally signed by GUNJAN SUMIT METHI Date: 2025.03.06 23:25:32 +05'30'

Gunjan Methi
Company Secretary

Place: Mumbai
Date: March 06, 2025

Hexaware Technologies Limited

Registered Office: 152, MILLENIUM BUSINESS PARK, SECTOR 3R TTC INDUSTRIAL AREA MAHAPE, NAVI MUMBAI MH 400710 INDIA

CIN: U72900MH1992PLC069662

(Rupees in millions, except share and per share data, unless otherwise stated)

Standalone Statement of Profit And Loss

	Note No.	For the year ended December 31, 2024	For the year ended December 31, 2023
INCOME			
Revenue from operations	19	62,887	49,849
Other income	20	491	343
TOTAL INCOME		**63,378**	**50,192**
EXPENSES			
Employee benefits expense	21	29,710	25,430
Finance costs	23	508	241
Depreciation and amortisation expense	24	1,367	1,347
Other expenses	22	21,430	14,047
TOTAL EXPENSES		**53,015**	**41,065**
PROFIT BEFORE TAX		**10,363**	**9,127**
Tax expense			
Current tax	9A	2,287	1,957
Deferred tax charge / (credit)	9A	236	(100)
Total tax expense		**2,523**	**1,857**
PROFIT FOR THE YEAR		**7,840**	**7,270**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		(82)	(47)
Income tax relating to items that will not be reclassified to profit or loss	9A	13	9
Items that will be reclassified subsequently to profit or loss			
Net change in fair value of cash flow hedges		(365)	226
Income tax relating to items that will be reclassified to profit or loss	9A	73	(44)
TOTAL OTHER COMPREHENSIVE INCOME		**(361)**	**144**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**7,479**	**7,414**
Earnings per equity share:- Basic and diluted (Rs.)	25		
Basic		12.91	11.99
Diluted		12.86	11.96

The accompanying notes 1 to 37 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 — Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:11:58 +05'30'

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 07, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

SRIKRISHNA RAMAKARTHIKEYAN — Digitally signed by SRIKRISHNA RAMAKARTHIKEYAN Date: 2025.03.06 23:21:56 +05'30'

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 06, 2025

NEERAJ BHARADWAJ — Digitally signed by NEERAJ BHARADWAJ Date: 2025.03.07 00:32:10 +05'30'

Neeraj Bharadwaj
Director
DIN 01314963
Place: Palo Alto
Date: March 06, 2025

KAPIL MODI — Digitally signed by KAPIL MODI Date: 2025.03.06 23:55:24 +05'30'

Kapil Modi
Director
DIN 07055408
Place: Mumbai
Date: March 06, 2025

VIKASH KUMAR JAIN — Digitally signed by VIKASH KUMAR JAIN Date: 2025.03.06 23:32:52 +05'30'

Vikash Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: March 06, 2025

GUNJAN SUMIT METHI — Digitally signed by GUNJAN SUMIT METHI Date: 2025.03.06 23:26:04 +05'30'

Gunjan Methi
Company Secretary

Place: Mumbai
Date: March 06, 2025

Hexaware Technologies Limited

Registered Office: 152, MILLENIUM BUSINESS PARK, SECTOR 3R TTC INDUSTRIAL AREA MAHAPE, NAVI MUMBAI MH 400710 INDIA

CIN: U72900MH1992PLC069662

(Rupees in millions, except share and per share data, unless otherwise stated)

Standalone Statement of Changes in Equity

A. EQUITY SHARE CAPITAL

Balance as at January 01, 2024	Changes in equity share capital during the year[1]	Balance as at December 31, 2024
607	1	608

Balance as at January 01, 2023	Changes in equity share capital during the year[1]	Balance as at December 31, 2023
604	3	607

B. OTHER EQUITY

	Share application money pending allotment	Reserves and surplus							Other comprehensive income	Total equity
		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, 2024	^	5,162	4	11	1,896	202	2,118	18,785	(72)	28,106
Profit for the year	-	-	-	-	-	-	-	7,840	-	7,840
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(69)	(292)	(361)
Total comprehensive income	**^**	**-**	**-**	**-**	**-**	**-**	**-**	**7,771**	**(292)**	**7,479**
Dividend	-	-	-	-	-	-	-	(5,314)	-	(5,314)
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	552	-	-	(552)	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(234)	-	-	234	-	-
Amount transferred on cancellation of Group Plan [3]	-	-	-	-	-	362	-	-	-	362
Compensation related to employee share based payments	-	-	-	-	-	279	-	-	-	279
Balance as at December 31, 2024	**^**	**5,162**	**4**	**11**	**2,214**	**843**	**2,118**	**20,924**	**(364)**	**30,912**
Balance as at January 01, 2023	^	4,761	4	11	722	674	2,118	18,069	(254)	26,105
Profit for the year	-	-	-	-	-	-	-	7,270	-	7,270
Other comprehensive income / (losses) (net of tax)	-	-	-	-	-	-	-	(38)	182	144
Total comprehensive income	**^**	**-**	**-**	**-**	**-**	**-**	**-**	**7,232**	**182**	**7,414**
Dividend	-	-	-	-	-	-	-	(5,308)	-	(5,308)
Received / transferred on exercise of stock options	-	401	-	-	-	(401)	-	-	-	-
Transfer to Special Economic Zone re-investment reserve	-	-	-	-	1,249		-	(1,249)	-	-
Transfer from Special Economic Zone re-investment reserve	-	-	-	-	(75)	-	-	75	-	-
Repurchase of restricted stock units [2]	-	-	-	-	-	-	-	(34)	-	(34)
Compensation related to employee share based payments	-	-	-	-	-	(71)	-	-	-	(71)
Balance as at December 31, 2023	**^**	**5,162**	**4**	**11**	**1,896**	**202**	**2,118**	**18,785**	**(72)**	**28,106**

Notes

1 Refer to note 14
2 Refer to note 28
3 During the year ended December 31, 2024, ESOP plan of Company is discontinued and replaced with ESOP plan issued by the company, hence cumulative liability on the date of replacement is transferred to share options outstanding account.
4 ^ value less than Rs. 0.5 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 utilized 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 37 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 Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:13:02 +05'30'

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 07, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

SRIKRISHNA RAMAKARTHIKEYAN Digitally signed by SRIKRISHNA RAMAKARTHIKEYAN Date: 2025.03.06 23:22:18 +05'30'

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 06, 2025

NEERAJ BHARADWAJ Digitally signed by NEERAJ BHARADWAJ Date: 2025.03.07 00:33:03 +05'30'

Neeraj Bharadwaj
Director
DIN 01314963
Place: Palo Alto
Date: March 06, 2025

KAPIL MODI Digitally signed by KAPIL MODI Date: 2025.03.06 23:56:26 +05'30'

Kapil Modi
Director
DIN 07055408
Place: Mumbai
Date: March 06, 2025

VIKASH KUMAR JAIN Digitally signed by VIKASH KUMAR JAIN Date: 2025.03.06 23:33:18 +05'30'

Vikash Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: March 06, 2025

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Gunjan Methi
Company Secretary

Place: Mumbai
Date: March 06, 2025

Hexaware Technologies Limited

Registered Office: 152, MILLENIUM BUSINESS PARK, SECTOR 3R TTC INDUSTRIAL AREA MAHAPE, NAVI MUMBAI MH 400710 INDIA

CIN: U72900MH1992PLC069662

(Rupees in millions, except share and per share data, unless otherwise stated)

Standalone Statement of Cash Flows	**For the year ended December 31, 2024**	**For the year ended December 31, 2023**
Cash flow from operating activities		
Profit before tax	**10,363**	**9,127**
Adjustments for:		
Depreciation and amortization expense	1,367	1,347
Employee stock option compensation cost	146	108
Interest income	(273)	(83)
Life time expected credit loss	271	112
Net (gains)/losses on investments carried at fair value through profit or loss	(140)	(84)
Profit on sale of property, plant and equipment (PPE) (net)	(6)	(6)
Exchange rate difference (net) - unrealised	(37)	(20)
Finance costs	508	241
Operating profit before working capital changes	**12,199**	**10,742**
Adjustments for:		
Trade receivables and other assets	(4,712)	384
Trade payables, other liabilities and provisions	3,549	3,162
Cash generated from operations	**11,036**	**14,288**
Direct taxes paid (net)	(1,859)	(1,733)
Net cash generated from operating activities	**9,177**	**12,555**
Cash flow from investing activities		
Purchase of PPE and intangible assets including CWIP and capital advances	(1,081)	(522)
Proceeds from sale of property, plant and equipment	17	9
Purchase of investments	(17,050)	(6,201)
Proceeds from sale / redemption of investments	19,696	3,778
Redemption of Debentures	2,505	(1,246)
Investment in subsidiaries	(8,484)	(24)
Interest received	277	80
Net cash (used in) / generated from investing activities	**(4,120)**	**(4,126)**
Cash flow from financing activities		
Proceeds from issue of shares / share application money	1	3
Repurchase of restricted stock units	-	(190)
Payment towards lease liabilities including interest on lease liabilities	(733)	(585)
Interest paid	(224)	(61)
Dividend paid	(5,314)	(5,308)
Net cash used in from financing activities	**(6,270)**	**(6,141)**
Net increase in cash and cash equivalents	**(1,213)**	**2,288**
Cash and cash equivalents at the beginning of the year	8,986	6,698
Exchange difference on translation of foreign currency cash and cash equivalents	(10)	^
Cash and cash equivalents at the end of the year (Refer to note 13A)	**7,763**	**8,986**

The accompanying notes 1 to 37 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 Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:13:55 +05'30'

Jaclyn Desouza

Partner

Membership number: 124629

Place: Rovaniemi

Date: March 07, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED

CIN: U72900MH1992PLC069662

SRIKRISHNA RAMAKARTHIKEYAN Digitally signed by SRIKRISHNA RAMAKARTHIKEYAN Date: 2025.03.06 23:22:39 +05'30'

R. Srikrishna

CEO & Executive Director

DIN 03160121

Place: Mumbai

Date: March 06, 2025

NEERAJ BHARADWAJ Digitally signed by NEERAJ BHARADWAJ Date: 2025.03.07 00:33:59 +05'30'

Neeraj Bharadwaj

Director

DIN 01314963

Place: Palo Alto

Date: March 06, 2025

KAPIL MODI Digitally signed by KAPIL MODI Date: 2025.03.06 23:57:24 +05'30'

Kapil Modi

Director

DIN 07055408

Place: Mumbai

Date: March 06, 2025

VIKASH KUMAR JAIN Digitally signed by VIKASH KUMAR JAIN Date: 2025.03.06 23:33:42 +05'30'

Vikash Kumar Jain

Chief Financial Officer

Place: Mumbai

Date: March 06, 2025

GUNJAN SUMIT METHI Digitally signed by GUNJAN SUMIT METHI Date: 2025.03.06 23:27:14 +05'30'

Gunjan Methi

Company Secretary

Place: Mumbai

Date: March 06, 2025

Notes forming part of Standalone Financial Statements

1 Company Overview

Hexaware Technologies Limited ("Hexaware" or "the Holding Company") is a public limited company incorporated in India. The Company is actively involved in information technology consulting, software development, business process services, data and AI, cloud, Digital IT operations, and enterprise platforms. Hexaware delivers a range of services to clients across diverse industries, including travel, transportation, hospitality, logistics, banking, financial services, insurance, healthcare, manufacturing, retail, consumers, telecom, and utilities. The broad spectrum of service offerings encompasses application development and management, enterprise package solutions, infrastructure management, business intelligence and analytics, business process, digital assurance, testing, Generative AI, and sustainability.

2 Material 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 and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period 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.

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 12 months.

2.3 Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial information 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 information. 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 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/obtain 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 Material Accounting Policies (Continued)

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

Revenues related to fixed-price maintenance, testing and business process services are recognized 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 recognized as the service is performed using the percentage of completion method.

When value of services provided is uniform over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the manner in which services are performed.

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 recognizes an oneright-of-uses 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 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 recognized as an rent expense on a straight-line basis over the lease term.

The right-of-use 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 right-of-use assets are 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.

2 Material Accounting Policies (Continued)

2.5 Leases (Continued)

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.

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 recognized in the profit or loss, except exchange differences on transactions entered into in order to hedge certain foreign currency risk.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date of Balance Sheet. 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 in Other comprehensive income.

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.

2 Material Accounting Policies (Continued)

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 recognized 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 recognized 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 tax rates after taking credit for tax relief available for export operations in Special Economic Zone (SEZ).

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

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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2 Material Accounting Policies (Continued)

2.11 Property, plant and equipment (PPE)

PPE are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, 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.

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 date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivables and unbilled receivables. ECL impairment loss allowance or reversal is recognized during the period as expense or income respectively in the statement of profit and loss. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months 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 yearly 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, Intangible and Right-of-use assets

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

In case of reversal of impairment loss, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

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.

Notes forming part of Standalone Financial Statements

2 Material Accounting Policies (Continued)

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, except for trade receivables which are initially measured at transaction price. 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 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

(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.

C Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

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

Instruments in hedging relationship

The Company designates certain foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges. The Company uses hedging instruments that are governed by the policies of the Company and its subsidiaries which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company and its subsidiaries. The hedge instruments are designated and documented as hedges at the inception of the contract.
The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and 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.

Instruments not in hedging relationship

The Company enters into contracts that are effective as hedges from an economic perspective, but they do not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

Notes forming part of Standalone Financial Statements

2 Significant Accounting Policies *(Continued)*

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 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. The choice of measurement basis is made on an acquisition-by acquisition basis . 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. During the year ended December 31,2024 MCA has notified Ind AS 117 – Insurance Contracts applicable to the Company w.e.f. January 1, 2025. The Company has reviewed the new standard and based on its evaluation has determined that it does not have any significant impact in its Standalone Financial Statement.

(Rupees in millions, except share and per share data, unless otherwise stated)

4 Right-of-use assets and lease liabilities
A Right-of-use assets

The details of the right-of-use assets held by the Company is as follows:

	IT Equipment	Office premises	Leasehold land	Total
Cost as at January 01, 2024	-	3,448	547	3,995
Additions	190	1,897	-	2,087
Disposals / Remeasurement	-	(195)	-	(195)
Cost as at December 31, 2024	**190**	**5,150**	**547**	**5,887**
Accumulated amortization as at January 01, 2024	-	1,324	25	1,349
Amortisation for the year	13	547	7	567
Disposals / Remeasurement	-	(186)	-	(186)
Accumulated amortization as at December 31, 2024	**13**	**1,685**	**32**	**1,730**
Net carrying amount as at December 31, 2024	**177**	**3,465**	**515**	**4,157**
Cost as at January 01, 2023	-	3,067	546	3,613
Additions	-	391	1	392
Disposals / Remeasurement	-	(10)	-	(10)
Cost as at December 31, 2023	**-**	**3,448**	**547**	**3,995**
Accumulated amortization as at January 01, 2023	-	893	18	911
Amortisation for the year [1]	-	441	7	448
Disposals / Remeasurement	-	(10)	-	(10)
Accumulated amortization as at December 31, 2023	**-**	**1,324**	**25**	**1,349**
Net carrying amount as at December 31, 2023	**-**	**2,124**	**522**	**2,646**

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 year are disclosed under financing activities in the statement of cash flows.

Details of title deeds of immovable properties not held in name of the Company :

Year Ended	Relevant line item in the Balance Sheet	Net 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, 2024	RoU asset - Leasehold land	74 million	Maharashtra Airport Development Company Limited (MADC)	No	13 November, 2007	Lease deed is being executed
December 31, 2023		75 million				

B Lease liabilities

	Opening Balance	Payment of lease liabilities	Net additions to lease liability (non-cash)	Closing Balance
December 31, 2024	2,399	(733)	2,371	4,037
December 31, 2023	2,412	(585)	572	2,399

The maturity analysis of lease liabilities is covered under Note 27 - Financial instruments.

On transition to IND AS 116, the company had recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset was recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the group's incremental borrowing rate as at January 1, 2020.

Notes
1 includes accelerated amortisation of RoU of certain offices leases on optimisation of Rs. 4 million for year ended December 31, 2023.
2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

5 Property, plant and equipment

Property, plant and equipment (PPE) consist of the following:

	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, 2024	^	4,252	3,682	1,113	30	2,156	46	11,279	561	11,840
Additions	-	-	360	21	^	65	-	446	780	1,226
Capitalised	-	-	-	-	-	-	-	-	(47)	(47)
(Disposals) / (Adjustments)	-	-	(137)	(31)	-	(33)	-	(201)	-	(201)
Cost as at December 31, 2024	^	4,252	3,905	1,103	30	2,188	46	11,524	1,294	12,818
Accumulated depreciation as at January 01, 2024	-	722	2,983	794	23	1,913	45	6,480	-	6,480
Depreciation for the year	-	93	434	85	3	165	-	780	-	780
(Disposals) / (Adjustments)	-	^	(128)	(31)	-	(31)	-	(190)	-	(190)
Accumulated depreciation as at December 31, 2024	-	815	3,289	848	26	2,047	45	7,070	-	7,070
Net carrying amount as at December 31, 2024	**^**	**3,437**	**616**	**255**	**4**	**141**	**1**	**4,454**	**1,294**	**5,748**
Cost as at January 01, 2023	^	4,246	3,729	1,102	30	2,096	46	11,249	72	11,321
Additions	-	6	144	15	-	75	-	240	551	791
(Disposals) / (Adjustments)	-	-	(191)	(4)	-	(15)	-	(210)	(62)	(272)
Cost as at December 31, 2023	^	4,252	3,682	1,113	30	2,156	46	11,279	561	11,840
Accumulated depreciation as at January 01, 2023	-	609	2,725	715	20	1,725	45	5,839	-	5,839
Depreciation for the year	-	113	446	83	3	203	-	848	-	848
(Disposals) / (Adjustments)	-	-	(188)	(4)	-	(15)	-	(207)	-	(207)
Accumulated depreciation as at December 31, 2023	-	722	2,983	794	23	1,913	45	6,480	-	6,480
Net carrying amount as at December 31, 2023	**^**	**3,530**	**699**	**319**	**7**	**243**	**1**	**4,799**	**561**	**5,360**

On transition to IND AS , the Company has elected to continue with the carrying value of property,plant and equipment recognised as at January 01,2016 measured as per previous GAAP and use that carrying value as deemed cost of property plant and equipment.

Note:

1 Plant and machinery includes computer systems.

2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

5 Property, plant and equipment (Continued)

Capital work-in-progress ageing

	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	**Total**
Projects in progress					
As at December 31, 2024	1,029	213	11	41	**1,294**
As at December 31, 2023	509	11	1	40	**561**

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

	As at December 31, 2024	**As at December 31, 2023**
Opening balance	115	115
Addition during the year	-	-
Closing balance	**115**	**115**

7 Intangible assets

	Software licenses	**Customer Contracts / Relations**	**Total**
Cost as at January 01, 2024	618	143	761
Additions	1	-	1
Disposals	(19)	(13)	(32)
Cost as at December 31, 2024	600	130	730
Accumulated amortization as at January 01, 2024	607	81	688
Amortisation for the year [1]	10	10	20
Disposals	(19)	(13)	(32)
Accumulated amortization as at December 31, 2024	598	78	676
Net carrying amount as at December 31, 2024	2	52	54
Cost as at January 01, 2023	707	143	850
Additions	1	-	1
Disposals	(90)	-	(90)
Cost as at December 31, 2023	618	143	761
Accumulated amortization as at January 01, 2023	680	47	727
Amortisation for the year [1]	17	34	51
Disposals	(90)	-	(90)
Accumulated amortization as at December 31, 2023	607	81	688
Net carrying amount as at December 31, 2023	11	62	73

On transition to IND AS , the Company has elected to continue with the carrying value of intangible assets recognised as at January 01,2016 measured as per previous GAAP and use that carrying value as deemed cost of intangible assets.

Notes:

1. Amortisation is included under the line item “Depreciation and amortisation expenses" in the standalone statement of profit and loss.
2.^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

8 Investments

A Investments – Non-current

	As at December 31, 2024	As at December 31, 2023
Investment in Subsidiary at cost (unquoted)		
30,027 common stock at no par value in Hexaware Technologies Inc., U.S.A.	1,633	1,633
2,167,000 shares of GBP 1/- each fully paid up in Hexaware Technologies UK Limited	155	155
2,000,000 shares of Singapore USD 1/- each fully paid up in Hexaware Technologies Asia Pacific Pte. Ltd., Singapore	12	12
3,618 shares of face value Euro 50/- each fully paid up in Hexaware Technologies Gmbh., Germany	8	8
1 common stock at no par value in Hexaware Technologies Canada Limited, Canada	1	1
1 participation share of no par value in Hexaware Technologies Mexico S De R.L. De C.V.	29	29
Entire Share Capital in Hexaware Technologies Limited Liability Company, Russia [1]	-	-
45,000 shares of SAR 10/- each in Hexaware Technologies Saudi LLC, Saudi Arabia	8	8
1,945,000 shares of HKD 1/- each in Hexaware Technologies Hong Kong Limited, Hong Kong	16	16
56,000 shares of SEK 100/- each in Hexaware Technologies Nordic AB, Sweden [5]	56	56
65 shares of USD 5000/- each in Hexaware Information Technologies (Shanghai) Company Limited [10]	25	13
10,292 Shares of INR 10/- each in Mobiquity Softech Private Limited	401	401
130,000 Shares of QAR 1/- each of Hexaware Al Balagh Technologies LLC, Qatar [8]	3	-
10,383,291 Membership interest in Softcrylic LLC.,USA [6]	12,152	-
260,644 Shares of INR 10/- each in Softcrylic Technology Solutions India Private Limited [6]	165	-
100,000 Shares of LKR 1/- each of Hexaware Technologies SL (Private) Limited , Sri Lanka [7]	8	-
70,000 Shares of AED 1/- each of Hexaware Novelty Technologies Ltd [9]	2	-
	14,674	**2,332**
Investment in Non Convertible Debenture at amortised cost [2 & 3]	1,284	4,161
Investments in Other Entities - Designated at fair value through OCI		
Fully paid equity shares (unquoted)		
Beta Wind Farm Pvt. Ltd. (197,958 equity shares of INR 10/- each) [4]	4	4
Total	**15,962**	**6,497**

B Investments – Current

	As at December 31, 2024	As at December 31, 2023
Investment in Non Convertible Debenture at amortised cost [2&3]	428	-
Investments carried at fair value through profit or loss		
Mutual fund units (quoted)	-	2,506
Total .	**428**	**2,506**

Aggregate value of quoted and unquoted investments is as follows:	As at December 31, 2024	As at December 31, 2023
Aggregate value of quoted investments	-	2,506
Aggregate value of un-quoted investments	16,390	6,497
	16,390	**9,003**

Notes:

1 During the year ended December 31, 2022, the Company had already provided for the impairment in value of investment and subsidiary is liquidated on 21st February 2024.
2 During the year ended December 31, 2024 , the Company redeemed non convertible debentures of Rs 2505 Million which was issued by Hexaware Technologies Inc.
3 Movement of Rs. 56 Million the during current period is on account of exchange rate.
4 Purchase of additional shares (57,000) during the year ended December 31, 2023 for Rs. 1 million
5 Purchase of additional shares (16,000) during the year ended December 31, 2023 for Rs. 24 million
6 Acquired Softcrylic LLC and Softcrylic Technology Solutions India Private Limited w.e.f May 03 , 2024
7 Hexaware Technologies SL (Private) Limited was incorporated w.e.f February 28, 2024
8 Hexaware Al Balagh Technologies LLC was incorporated w.e.f December 05, 2023
9 Hexaware Novelty Technologies Ltd was incorporated w.e.f August 13, 2024
10 Purchase of additional shares (30) during the year ended December 31, 2024 for Rs. 12 million
11 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

9 Income taxes

A Income tax expense is allocated as follows :

		For the year ended December 31, 2024	For the year ended December 31, 2023
	Income tax expense as per the Statement of Profit and Loss	2,523	1,857
	Income tax included in Other Comprehensive Income on :		
a)	Net change in fair value of cash flow hedges	(73)	44
b)	Remeasurement of defined benefit plan	(13)	(9)
		2,437	1,892

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:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Profit before tax	10,363	9,127
Expected tax expense at the enacted tax rate of 34.944% in India (Previous year 34.944%) in India	3,621	3,189
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense :		
Income exempt from tax *	(1,500)	(1,425)
Tax effect of non-deductible expenses	227	26
Tax charges/ (credit) pertaining to earlier years	94	-
Others	81	67
	2,523	1,857

* 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.

Current income tax expense comprises of taxes on income from operations in India and foreign jurisdictions.
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 company 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 Rs.133 million in the statement of profit and loss for the FY 2018 to 2019 (for which MAP order was received). The Company continues to carry the same as at December 31, 2024 pending completion of limitation of period for assessments in US.

Notes
1 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

9 Income taxes (Continued)

C Deferred tax assets movement

Significant components of net deferred tax assets and liabilities for the year ended December 31, 2024 are as follows:

Components of deferred taxes:	January 01, 2024	Recognised in profit or loss	Recognised in OCI	December 31, 2024
Deferred tax assets				
Life time expected credit loss	95	46	-	141
Employee benefit obligations	357	101	13	471
Other Intangible assets	3	(2)	-	1
Cash flow hedges	19	-	73	92
Minimum alternate tax credit carry forward	1,160	(497)	-	663
Leases liabilities	488	457	-	945
Total	2,122	105	86	2,313
Deferred tax liabilities				
Property, plant and equipment's	266	(91)	-	175
ROU Assets	385	432	-	817
Total	651	341	-	992
Net deferred tax asset	1,471	(236)	86	1,321

Significant components of net deferred tax assets and liabilities:

Components of deferred taxes:	January 01, 2023	Recognised in profit or loss	Recognised in OCI	December 31, 2023
Deferred tax assets				
Life time expected credit loss	63	32	-	95
Employee benefit obligations	234	114	9	357
Other Intangible assets	-	3	-	3
Cash flow hedges	63	-	(44)	19
Minimum alternate tax credit carry forward	1,248	(88)	-	1,160
Leases liabilities	447	41		488
Total	2,055	102	(35)	2,122
Deferred tax liabilities				
Property, plant and equipment's	289	(23)	-	266
ROU Assets	359	26		385
Other Intangible assets	1	(1)	-	-
Total	649	2	-	651
Net deferred tax asset	1,406	100	(35)	1,471

a) Deferred income tax assets have not been recognized on temporary differences as at December 31, 2024 aggregating Rs.806 millions (Rs.751 millions as at December 31, 2023) 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, 2024 aggregating Rs.617 millions (Rs.603 millions as at December 31, 2023) for which no deferred tax asset is recognized as it is not considered probable that there will be future taxable profits available. If these tax losses are not utilized they would expire on various dates starting from FY 2031.)

Notes

1 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

10 Other financial assets

A Other financial assets – Non-current	As at December 31, 2024	As at December 31, 2023
Interest accrued on bank deposits	^	1
Derivative assets	29	36
Restricted bank balances[2]	28	22
Security deposits for premises and others	557	376
Total	**614**	**435**

B Other financial assets – Current	As at December 31, 2024	As at December 31, 2023
Interest accrued on bank deposits	136	3
Others receivables from related parties [3]	548	11
Derivative assets	60	72
Security deposits for premises and others [1]	55	19
Total	**799**	**105**

11 Other assets

A Other assets – Non-current	As at December 31, 2024	As at December 31, 2023
Capital advances	111	224
Cost to fulfill/obtain contract	511	34
Prepaid expenses	17	17
Indirect taxes recoverable	12	12
Total	**651**	**287**

B Other assets – Current	As at December 31, 2024	As at December 31, 2023
Cost to fulfill/obtain contract	159	25
Prepaid expenses	635	581
Indirect taxes recoverable	577	449
Employee advances	72	19
Contracts assets	1,069	263
Advance to suppliers	136	26
Others	1	-
Total	**2,649**	**1,363**

Notes

1 Excludes deposits aggregating Rs. 6 million as at December 31, 2024 (Rs. 6 million as at December 31, 2023) provided as doubtful of recovery basis the expected credit loss model.

2 Restriction on account of bank deposits held as margin money.

3 Balance as at December 31, 2024 includes expenses incurred in relation to IPO of Rs. 329 Mn that are recoverable by the Company from the selling shareholder i.e. CA Magnum Holdings

4 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

12 Trade receivables

A Trade receivables - Billed - Current (Unsecured)

	As at December 31, 2024	As at December 31, 2023
Trade receivable - Billed (Gross)	9,209	8,717
Less: Life time expected credit loss	(399)	(265)
Considered good	**8,810**	**8,452**

B Trade receivables ageing

Ageing for trade receivables as at December 31, 2024 is as follows:

	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 (Gross)							
Undisputed trade receivables – considered good	5,967	2,960	2	13	4	1	8,947
Undisputed trade receivables – with significant increase in credit risk	2	249	-	8	-	-	259
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – with significant increase in credit risk	-	-	2	1	-	-	3
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	5,969	3,209	4	22	4	1	9,209
Less - Life time expected credit loss							(399)
							8,810
Trade Receivables - Unbilled							4,403
							13,213

Ageing for trade receivables as at December 31, 2023 is as follows:

	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	5,455	2,873	42	31	-	4	8,405
Undisputed trade receivables – with significant increase in credit risk	-	4	29	52	-	-	85
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	89	112	-	-	201
Disputed trade receivables – with significant increase in credit risk	-	-	19	7	-	-	26
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	5,455	2,877	179	202	-	4	8,717
Less - Life time expected credit loss							(265)
							8,452
Trade Receivables - Unbilled							2,836
							11,288

C The activity in the Life time expected credit loss is given below:

	As at December 31, 2024	As at December 31, 2023
Balance at the beginning of the year	265	171
Additions during the year	271	112
Charged against allowance	(130)	(18)
Exchange difference	(7)	-
Balance at the end of the year	**399**	**265**

Notes

1 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

13 Cash and bank balances

A Cash and cash equivalents	As at December 31, 2024	As at December 31, 2023
Remittance in transit	260	63
In current accounts with banks	4,064	7,410
Demand deposits with banks [2]	3,439	1,513
Unclaimed dividend accounts	106	103
Margin money with banks	28	22
	7,897	**9,111**
Less: Restricted bank balances	(134)	(125)
Total	**7,763**	**8,986**

B Other bank balances	As at December 31, 2024	As at December 31, 2023
Restricted bank balances in respect of unclaimed dividend [1]	106	103
Total	**106**	**103**

Notes:

1 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF) as at December 31, 2024.

2 These deposits can be withdrawn by the company at any time without prior notice and without any penalty on the principal.

3 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

14 Equity share capital

		As at December 31, 2024	As at December 31, 2023
14.1	**Authorised capital**		
	1,050,000,000 Equity shares of Rs. 1 each	1,050	1,050
	1,100,000 Series "A" Preference Shares of Rs. 1,421 each	1,563	1,563

		As at December 31, 2024	As at December 31, 2023
14.2	**Issued, subscribed and fully paid-up capital**		
	Equity shares of face value of Re. 1 each	608	607

		As at December 31, 2024	As at December 31, 2023
14.3	**Reconciliation of number of shares (Refer Note 14.7.2)**		
	Shares outstanding at the beginning of the year	606,817,582	604,193,326
	Shares issued during the year on exercise of employee stock options	727,086	2,624,256
	Shares outstanding at the end of the year	**607,544,668**	**606,817,582**

14.4 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 1 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 Company after distribution of all liabilities, in proportion to their shareholding.

		As at December 31, 2024	As at December 31, 2023
14.5	**Details of shares held by shareholders holding more than 5% shares**		
	Name of the shareholder		
	CA Magnum Holdings (Parent Company)	577,604,202	577,604,202
		95.07%	95.19%

14.6 Disclosure of shareholding of promoters

Promoter name	As at December 31, 2024		As at December 31, 2023		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
CA Magnum Holdings (Parent Company)	577,604,202	95.07%	577,604,202	95.19%	-0.12%

Promoter name	As at December 31, 2023		As at December 31, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
CA Magnum Holdings (Parent Company)	577,604,202	95.19%	577,234,956	95.54%	-0.35%

14.7 Equity share movement during the 5 years preceeding December 31, 2024

14.7.1 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.

14.7.2 The Board of Directors of the Company at its meeting held on April 12, 2024, recommended the sub-division/split of 1 fully paid-up equity share having a face value of Rs. 2 each into 2 fully paid-up equity shares having a face value of Rs. 1 each by alteration of capital clause of the Memorandum of Association (MOA) subject to the approval of Members of the Company. The Members of the company approved the sub-division of 1 fully paid up equity share of Rs. 2 each into 2 fully paid up equity shares of Rs, 1 each in annual general meeting held on May 09, 2024 and the voting results were declared on May 10, 2024.

Further, the Board of Directors on May 17, 2024 approved the Record Date for Split/sub-division of equity shares as May 27, 2024.

Consequent to this, the authorised share capital comprises 1,050,000,000 equity shares of Rs. 1 each aggregating to Rs. 1,050 Mn. Earnings per share, dividend per share and number of shares/RSUs/options have been retrospectively restated to give effect of share split from the earliest period presented.

14.7.3 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 Rs. 1 each. 247,424 RSU's / options were outstanding as on December 31, 2024 (1,092,370 as on December 31, 2023)

The Company has granted employee stock options under the ESOP 2024 scheme. Each option entitles the holder to one equity share at Rs. 1 each. 20,838,300 options were outstanding as on December 31, 2024

14.7.4 The interim dividend per share recognised as distribution to equity shareholders during the year ended December 31, 2024 was Rs. 8.75 per share (year ended December 31, 2023 Rs. 8.75 per share).

(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

15 Other financial liabilities

	As at December 31, 2024	As at December 31, 2023
A Other financial liabilities - Non-current		
Derivative liabilities	220	64
Contingent Consideration towards business acquisition	1,995	34
Others	8	8
Total	**2,223**	**106**

	As at December 31, 2024	As at December 31, 2023
B Other financial liabilities - Current		
Unclaimed dividend [1]	106	103
Contingent Consideration towards business acquisition	2,128	47
Capital creditors		
Dues of micro enterprises and small enterprises (Refer to note 32)	10	3
Dues of other than micro enterprises and small enterprises	299	320
Employee liabilities	1,798	1,491
Liabilities towards customer contracts	902	458
Others payables to related parties	-	48
Derivative liabilities	369	169
Total	**5,612**	**2,639**

16 Trade payables

	As at December 31, 2024	As at December 31, 2023
A Dues of other than micro enterprises and small enterprises		
Trade payables	2,639	1,933
Accrued expenses	3,266	2,528
Total	**5,905**	**4,461**
B Dues of micro enterprises and small enterprises	**42**	**1**
Total	**5,947**	**4,462**

C Trade payable ageing

Ageing for trade payables outstanding as at December 31, 2024 is as follows:

	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	41	1	^	-	-	42
Others	1,580	971	21	10	57	2,639
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	1,621	972	21	10	57	2,681
Accrued Expenses						3,266
						5,947

Ageing for trade payables outstanding as at December 31, 2023 is as follows:

	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	1	-	-	-	-	1
Others	1,288	563	17	15	50	1,933
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	1,289	563	17	15	50	1,934
Accrued Expenses						2,528
						4,462

Notes:

1 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund (IEPF) at December 31, 2024 and December 31, 2023.

2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

17 Other liabilities

	As at December 31, 2024	As at December 31, 2023
Other liabilities - Current		
Contract liabilities	1,108	297
Statutory liabilities	599	494
Total	**1,707**	**791**

18 Provisions

	As at December 31, 2024	As at December 31, 2023
A Provisions - Non-current		
Employee benefit obligations in respect of gratuity and others	724	781
Total	**724**	**781**

	As at December 31, 2024	As at December 31, 2023
B Provisions - Current		
Employee benefit obligations in respect of compensated absences and others	1,022	843
Employee benefit obligations in respect of gratuity and others	32	123
Provision for onerous contracts	149	199
Total	**1,203**	**1,165**

Movement of Provision for onerous contracts	As at December 31, 2024	As at December 31, 2023
Opening Balance	199	-
Additional provision during the year	23	199
Provision reversed/utilised during the year	(73)	-
Closing Balance	**149**	**199**

19 Revenue from operations

19.1 Revenue disaggregation by geography is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Geography		
Americas [1]	45,250	34,424
Europe [2]	11,335	9,999
Asia Pacific [3]	6,302	5,426
Total	**62,887**	**49,849**

Notes :

[1] is substantially related to operations in United States of America.

[2] is substantially related to operations in United Kingdom

[3] is substantially related to operations in India

19.2 Revenue disaggregation by contract type is as follows [1]:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Offshore IT services	32,539	26,292
Onshore IT services	15,985	12,238
IT Services	**48,524**	**38,530**
BPS services	13,657	10,954
Others	706	365
Total revenue from operations	**62,887**	**49,849**

19.3 Revenue disaggregation by nature of service is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Revenue from contracts with customers	62,887	49,849
	62,887	**49,849**

19.4 Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended December 31, 2024	For the year ended December 31, 2023
Contracted price	63,619	50,469
Reductions towards variable consideration components (discounts, rebate)	(732)	(620)
Revenue recognised	**62,887**	**49,849**

Notes:

1 Revenue by Offshore IT services refers to IT revenue delivered from India and Revenue by Onshore IT services refers to IT revenue delivered from any other location. BPS revenue refers to revenue from operations generated from our BPS business.

2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

19.5 Cost to fulfill/obtain contract

The Company recognises contract fulfilment/obtaining 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:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Balance as at the beginning of the year	59	89
Cost capitalised during the year	741	-
Amortization during the year	(130)	(30)
Balance as at the end of the year	**670**	**59**

19.6 Changes in Contract Liabilities are as follows:

	For the year ended	
	December 31, 2024	**December 31, 2023**
Balance as at the beginning of the year	297	406
Revenue recognised during the year	(91)	(342)
Additions during the year	902	233
Balance as at the end of the year	**1,108**	**297**

19.7 Contract Assets are as follows:

During the years ended December 31, 2024 and 2023, Rs. 263 millions and Rs. 530 millions of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.

19.8 Transaction price allocated to the remaining performance obligations

The remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods.

	For the year ended	
	December 31, 2024	**December 31, 2023**
Within 1 year	16,370	7,089
More than 1 year	20,443	6,788

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

	For the year ended	
	December 31, 2024	**December 31, 2023**
Gains / (losses) (net) on investments carried at fair value through profit or loss	140	84
Interest income on financial assets at amortized cost	273	83
Profit / (loss) on sale of property, plant and equipment (net)	6	6
Exchange rate difference (net)	33	158
Guarantee Charges	30	-
Miscellaneous income	9	12
Total	**491**	**343**

21 Employee benefits expense

	For the year ended	
	December 31, 2024	**December 31, 2023**
Salary and allowances [1]	27,132	23,467
Contributions to provident and other funds	1,637	1,395
Staff welfare expenses	795	460
Employee stock option compensation cost	146	108
Total	**29,710**	**25,430**

Notes:

1 **Salary and allowances**

	For the year ended	
	December 31, 2024	**December 31, 2023**
Non-recurring Employee benefit and severance costs	424	-
Enterprise Resource Planning (ERP) Transformation cost	446	-
	870	**-**

2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

22 Other expenses

	For the year ended	
	December 31, 2024	December 31, 2023
Rent [5]	116	52
Rates and taxes	62	24
Travelling and conveyance [4]	944	909
Electricity charges	287	258
Communication expenses [2]	123	323
Repairs and maintenance	751	607
Printing and stationery	29	22
Payment to auditors		
Audit fees	15	14
Tax audit fees	2	2
Certification work, taxation and other matters	2	3
Legal and professional fees [3]	679	424
Advertisement and business promotion	192	237
Bank and other charges	32	21
Directors' sitting fees and Commission	58	60
Insurance charges	112	88
Subcontracting charges	15,822	9,283
Life time expected credit loss	271	112
Staff recruitment expenses	383	225
Cost of Software Licenses [6]	1,156	1,214
Miscellaneous expenses [7,8]	394	169
Total	**21,430**	**14,047**

23 Finance costs

	For the year ended	
	December 31, 2024	December 31, 2023
Interest on lease liabilities	284	180
Others	224	61
Total	**508**	**241**

24 Depreciation and amortisation expense

	For the year ended	
	December 31, 2024	December 31, 2023
Depreciation on Property, plant and equipment	780	848
Amortisation of RoU assets [9]	567	448
Amortisation of Intangibles [10]	20	51
Total	**1,367**	**1,347**

Notes:

1 ^ value less than Rs. 0.5 million

2 includes provision for onerous vendor contracts of Rs. 140 million for year ended December 31, 2023.

3 Legal and professional fees

	For the year ended	
	December 31, 2024	December 31, 2023
Acquisition related costs	117	85
IPO related costs	9	-
Enterprise Resource Planning (ERP) Transformation cost	251	160
	377	**245**

4 includes Enterprise Resource Planning (ERP) Transformation cost of Rs. 24 million for the year ended December 31, 2024.

5 Rent

	For the year ended	
	December 31, 2024	December 31, 2023
Expense related to short term leases	114	17
Expense related to low value asset	2	35
	116	**52**

6 Cost of Software Licenses

	For the year ended	
	December 31, 2024	December 31, 2023
Provision for onerous vendor contracts	-	59
Enterprise Resource Planning (ERP) Transformation cost	108	80
	108	**139**

7 includes Regulatory fees paid of Rs. 170 million for the year ended December 31, 2024

8 includes CSR expenses of Rs. 165 million and Rs. 144 million for the year ended December 31, 2024 and December 31, 2023 respectively.

9 includes accelerated amortisation of RoU of certain offices leases on optimisation of Rs. 4 million for year ended December 31, 2023.

10 includes amortisation of intangible assets acquired in business combination of Rs 10 million and Rs. 34 million for the quarter ended December 31, 2024 and December 31, 2023 respectively.

(Rupees in millions, except share and per share data, unless otherwise stated)

25 Earnings per share (EPS)

	For the year ended	
	December 31, 2024	**December 31, 2023**
The components of basic and diluted EPS:		
Net profit after tax	7,840	7,270
Weighted average outstanding equity shares considered for basic EPS (Refer Note 14.7.2)	607,188,187	606,393,643
Basic earnings per share	**12.91**	**11.99**
Weighted average outstanding equity shares considered for basic EPS (Refer Note 14.7.2)	607,188,187	606,393,643
Add: Effect of dilutive issue of stock options	2,598,588	1,505,696
Weighted average outstanding equity shares considered for diluted EPS (Refer Note 14.7.2)	609,786,775	607,899,339
Diluted earnings per share	**12.86**	**11.96**
Par value per share in Rs.	1.00	1.00

26 Related party disclosures

Names of related parties	**Country**
Promoter Group Companies (control exists)	
Hexaware Global Limited	Mauritius
Holding Company (control exists)	
CA Magnum Holdings	Mauritius
Affiliate of Promoter	
CA Sebright Investments [13]	
Carlyle Investment Management,L.L.C	
Subsidiaries	
Hexaware Technologies Inc.	United States of America
Hexaware Technologies UK Ltd.	United Kingdom
Hexaware Technologies Asia Pacific Pte. Ltd.	Singapore
Hexaware Technologies GmbH.	Germany
Hexaware Technologies Canada Ltd.	Canada
Hexaware Technologies, Mexico S. De. R.L. De. C.V.	Mexico
Hexaware Technologies LLC [8]	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]	USA
Mobiquity Velocity Solutions, Inc [3]	USA
Mobiquity Velocity Cooperative UA [3]	Netherland
Mobiquity BV [4]	Netherland
Mobiquity Consulting BV [4]	Netherland
Mobiquity Softech Private Limited [5]	India
Hexaware Technologies South Africa (Pty) Ltd [1]	South Africa
Hexaware Technologies Belgium SRL [1]	Belgium
Hexaware Technologies ARG SAS [1]	Argentina
Hexaware Al Balagh Technologies LLC [6]	Qatar
Hexaware Technologies SL (Private) Limited [7]	Sri Lanka
Softcrylic LLC [9]	USA
Softcrylic Technology Solutions India Private Limited [9]	India
Softcrylic Technologies Inc. [9]	Canada
Hexaware Novelty Technologies Ltd [10]	Abu Dhabi
Hexaware Nevada Inc. [11]	United States of America
Hexaware Information Technologies SDN BHD. [12]	Malaysia

Key Management Personnel (KMP)

Executive Director and CEO

R Srikrishna

Non-Executive Directors

Milind Sarwate
Larry Quinlan
Michael Bender (upto August 12, 2024)
Neeraj Bharadwaj
Sandra Joy Horbach
Julius Michael Genachowski
Lucia De Fatima Soares
Shawn Albert Devilla
Kapil Modi
Sukanya Kripalu (w.e.f. August 13, 2024)
Vivek Sharma (w.e.f. August 13, 2024)

Notes:

1. Subsidiary of Hexaware Technologies UK Ltd. Liquidated on September 13, 2023.
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. Subsidiary Formed on 5th December, 2023.
7. Formed on 28th February, 2024.
8. Liquidated on 21st February , 2024.
9. Acquired on 3rd May 2024.
10. Formed on 13th August , 2024.
11. Subsidiary of Hexaware Technologies Inc. incorporated on 11th September , 2024
12. Incorporated on 13th December 2024
13. CA Sebright Investments ('CAS') being the affiliate of promoter, has covered certain identified employees of the Company under the Multiple Of Invested Capital (MOIC) plan, under which direct payments will be made upon satisfaction of specified conditions therein, at their discretion. The MOIC Plan was approved by the Board of Directors of the Company on May 3, 2022. There is no financial impact / burden to the Company for the payments to be made pursuant to MOIC.

(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

26 Related party disclosures (Continued)

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Nature of transactions	Name of the Related party and Relationship	For the year ended December 31, 2024	For the year ended December 31, 2023
Investment made in Equity	**Subsidiaries**		
	Hexaware AL Balagh Technologies LLC	3	-
	Softcrylic LLC	12,152	-
	Softcrylic Technology Solutions India Private Limited	165	-
	Hexaware Information Technologies (Shanghai) Company Limited	12	-
	Hexaware Technologies SL (Private) Limited	8	-
	Hexaware Novelty Technologies Ltd	2	-
	Hexaware Technologies Nordic AB	-	24
		12,342	**24**
Redemption of Non Convertible Debenture	**Subsidiaries**		
	Hexaware Technologies Inc.	2,505	-
		2,505	**-**
Investment made in Non Convertible Debenture	**Subsidiaries**		
	Hexaware Technologies Inc.	-	1,246
		-	**1,246**
Accrual of Share based cost	**Ultimate Holding Company**		
	Hexaware Global Limited	74	157
		74	**157**
Software and consultancy income	**Affiliate of Promoter**		
	Carlyle Investment Management, LLC	1,444	-
		1,444	**-**
Software and consultancy income	**Subsidiaries**		
	Hexaware Technologies UK Ltd.	4,838	4,944
	Hexaware Technologies Belgium	1,447	502
	Hexaware Technologies GmbH.	1,326	219
	Others	2,227	2,012
		9,838	**7,677**
Software and development expenses- subcontracting charges	**Subsidiaries**		
	Hexaware Technologies Inc	12,537	7,275
	Others	2,718	891
		15,255	**8,166**
Reimbursement of cost to	**Subsidiaries**		
	Hexaware Technologies Belgium	^	-
	Hexaware Technologies UK Limited	^	1
	Others	^	-
		1	**1**
Recovery of cost from	**Holding Company**		
	CA Magnum Holdings	329	-
		329	**-**
Recovery of cost from	**Subsidiaries**		
	Hexaware Technologies Inc.	231	83
	Hexaware Technologies UK Limited	67	66
	Others	30	25
		328	**174**
Corporate Guarantee Charges	**Subsidiaries**		
	Hexaware Technologies Inc.	30	3
		30	**3**
Corporate Guarantee Given	Hexaware AL Balagh Technologies LLC	167	-
		167	**-**
Interest on Non Convertible Debenture	**Subsidiaries**		
	Hexaware Technologies Inc.	94	69
		94	**69**
Remuneration to KMP's and Directors			
	Short term employee benefits	9	18
	Post employee benefits	2	1
	Share based payment	41	31
	Commission and other benefits to non-executive directors [1]	62	60
		114	**110**

Notes

1 Provision is made for commission, for the year ended December 31, 2024, payment of which is subject to adequacy of profits to be determined annually.

2 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

26 Related party disclosures (Continued)

Details of transactions and balances with party wise details for transactions in excess of 10% of the total transactions

Outstanding Balances		**For the year ended**	
Name of the Related party and Relationship		**December 31, 2024**	**December 31, 2023**
Investment in equity (Including share application money) (Refer to note 8A)		14,674	2,332
		14,674	**2,332**
Investment in Non Convertible Debentures	**Subsidiaries**		
	Hexaware Technologies Inc.	1,712	4,161
		1,712	**4,161**
Trade, other receivable and Accrual	**Subsidiaries**		
	Hexaware Technologies UK Limited	1,071	1,269
	Hexaware Technologies GMBH	368	118
	Hexaware Technologies Saudi LLC	492	454
	Hexaware Technologies Belgium SRL	358	199
	Hexaware Al Balagh Technologies LLC	361	-
	Others	354	443
		3,004	**2,483**
Debenture Interest Receivable	**Subsidiaries**		
	Hexaware Technologies Inc.	7	-
		7	-
	Subsidiaries		
Guarantee Receivable	Hexaware Technologies Inc.	8	-
	Hexaware Al Balagh Technologies LLC	1	-
		9	-
Trade payable - towards services , reimbursement of cost and Accrual	**Subsidiaries**		
	Hexaware Technologies Inc.	2,597	2,253
	Mobiquity Softech Private Limited	772	146
	Others	552	151
		3,921	**2,550** -
Payable to / Provision for KMP's		47	57
		47	**57**
Corporate Gaurantee [1]	**Subsidairies**		
	Hexaware Technologies Inc.	2,911	2,829
	Others	171	-
		3,082	**2,829**
Payable to Hexaware Global Limited (including accruals)[2]		**-**	**276**
Receivable from CA Magnum Holdings (including accruals) [3]		**329**	**-**
Payable to Carlyle Investment Management,L.L.C (including accruals and advance billing)		**166**	**-**

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 During the year ended December 31, 2024, ESOP plan of Hexaware Global Limited is discontinued and replaced with ESOP plan issued by the company, hence cumulative liability on the date of replacement is transferred to share options outstanding account.

3 Transactions for the year ended December 31, 2024 and Balance as at December 31, 2024 represents expenses incurred in relation to IPO that are recoverable by the Company from the selling shareholder.

4 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

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, 2024 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value[1]
Cash and cash equivalents	7,763	-	-	-	7,763
Other bank balances	106	-	-	-	106
Trade receivables - Billed	8,810	-	-	-	8,810
Trade receivables - Unbilled	4,403	-	-	-	4,403
Other financial assets	1,324	-	-	89	1,413
Investment in Non-Convertible Debenture	1,712	-	-	-	1,712
Investments in equity shares	-	-	4	-	4
Total	**24,118**	**-**	**4**	**89**	**24,211**
Trade payables	5,947	-	-	-	5,947
Lease liabilities	4,037	-	-	-	4,037
Other financial liabilities	3,123	4,123	-	589	7,835
Total	**13,107**	**4,123**	**-**	**589**	**17,819**

The carrying value / fair value of financial instruments (other than investment in associate) by categories as at December 31, 2023 is as follows:

	Amortized cost	Fair value through profit and loss	Fair value through other comprehensive income	Derivative instrument in hedging relationship	Total carrying / fair value[1]
Cash and cash equivalents	8,986	-	-	-	8,986
Other bank balances	103	-	-	-	103
Investments in mutual fund units	-	2,506	-	-	2,506
Trade receivables - Billed	8,452	-	-	-	8,452
Trade receivables - Unbilled	2,836	-	-	-	2,836
Investment in Non-Convertible Debenture	4,161	-	-	-	4,161
Other financial assets	432	-	-	108	540
Investments in equity shares	-	-	4	-	4
Total	**24,970**	**2,506**	**4**	**108**	**27,588**
Trade payables	4,462	-	-	-	4,462
Lease liabilities	2,399	-	-	-	2,399
Other financial liabilities	2,512	-	-	233	2,745
Total	**9,373**	**-**	**-**	**233**	**9,606**

Notes

1 Carrying amount of cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, other financial assets, Investment in Non-Convertible Debentures, 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 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

27 Financial Instruments (continued)

(ii) 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, 2024:

	Level I	Level II	Level III	Total
Investments in equity shares	-	-	4	4
Derivative financial assets	-	89	-	89
	-	**89**	**4**	**93**
Derivative financial liabilities	-	589	-	589
Contingent consideration	-	-	4,123	4,123
	-	**589**	**4,123**	**4,712**

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at December 31, 2023:

	Level I	Level II	Level III	Total
Mutual fund units	2,506	-	-	2,506
Investments in equity shares	-	-	4	4
Derivative financial assets	-	108	-	108
	2,506	**108**	**4**	**2,618**
Derivative financial liabilities	-	233	-	233
	-	**233**	**-**	**233**

Type	Valuation Technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value
Contingent consideration	Discounted cash flow: The valuation model considers the present value of expected payment discounted using a risk adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast Revenue, Gross Profit and the amount to be paid under each scenario and the probability of each scenario.	1. Forecasted Revenue and Gross Profit 2. Risk Adjusted Discount rate	Any change (increase/decrease) in the significant unobservable inputs would entail corresponding change in contingent consideration payable

Movement of contingent consideration payable	For the Year Ended December 31, 2024
Balance at the beginning of the year	-
Add : Recognised during the year	3,857
Add : Interest on contingent consideration	159
Add: Exchange rate difference	107
Balance at the end of the year	**4,123**

(iii) 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, 2024, Americas contributed 72 % (December 31, 2023 - 69.1 %) 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.

During the year ended December 31,2024, 46.21 % of the revenue for the year is generated from top 10 clients (December 31, 2023 - 47.76 %). 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 Companys 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 Rs. 8810 million and Rs.8452 million as at December 31, 2024 and December 31, 2023, respectively, unbilled receivables of Rs 4403 miillion and Rs 2836 million as at December 31, 2024 and December 31, 2023, respectively and contract assets of Rs.1069 million and Rs 263 million as at December 31, 2024 and December 31, 2023, respectively.

The Company has adopted an effective receivable management system to control the Days' Sales Outstanding (DSO). Refer to note 12 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 46 % of the total outstanding as at December 31, 2024 (55 % as at December 31, 2023).

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.

(Rupees in millions, except share and per share data, unless otherwise stated)

27 Financial Instruments (continued)

(iv) 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 authorized by the of the Board who takes these circumstances into account and authorizes 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, 2024 & 2023:

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2024			
USD	11,321	8,146	3,175
EUR	593	262	331
GBP	636	22	614
Others [1]	2,057	273	1,784

	Net financial assets (A)	Net financial liabilities (B)	Net assets/(liabilities) (A-B)
As at December 31, 2023			
USD	15,485	4,591	10,894
EUR	323	196	127
GBP	618	16	602
Others [1]	1,802	73	1,729

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 Rs. 590 million and Rs. 1,335 million for the year ended December 31, 2024 and December 31, 2023 respectively.

Notes

1 Others include currencies such as Singapore Dollars, Canadian Dollars, United Arab Emirates Dirhams, Philippine Pesos, Japanese Yen, Australian Dollars etc.

(Rupees in millions, except share and per share data, unless otherwise stated)

27 Financial Instruments (continued)

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, 2024	As at December 31, 2023
Currency hedge (sell contracts)		
USD	449	331
EURO	32	12
GBP	46	54

The weighted average forward rate for the hedges outstanding as at December 31, 2024 is Rs. 86.37, Rs. 95.29 and Rs. 109.09 (As at December 31, 2023 - Rs. 84.70, Rs. 93.23 and Rs. 105.54) 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 Rs. 565 millions and Rs. 422 millions for the year ended December 31, 2024 and December 31, 2023 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, 2024	December 31, 2023
Balance at the beginning of the year	(72)	(254)
Less: Net gains transferred to statement of profit or loss on occurrence of forecasted hedge transaction	68	(53)
Add: Changes in the fair value of the effective portion of outstanding cash flow hedges	(433)	279
Less: Deferred tax	73	(44)
Balance at the end of the year	**(364)**	**(72)**

There were no material hedge ineffectiveness for the year ended December 31, 2024 and 2023.

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, 2024 the Company had total cash, bank balance and current investments of Rs. 8,325 millions (December 31, 2023 : Rs.11,617 millions) which constitutes approximately 12 % (December 31, 2022 : 28 %) of total assets.

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

As at December 31, 2024	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	979	939	2,365	1,113	5,396
Trade and other payables	5,947	-	-	-	5,947
Foreign currency derivative liabilities	369	220	-	-	589
Others (Refer to note 15)	5,243	2,003	-	-	7,246
Total	**12,538**	**3,162**	**2,365**	**1,113**	**19,178**

As at December 31, 2023	Less than 1 year	1-2 years	3-5 years	Beyond 5 years	Total
Lease Liabilities	542	492	1,127	1,358	3,519
Trade and other payables	4,462	-	-	-	4,462
Foreign currency derivative liabilities	169	64	-	-	233
Others (Refer to note 15)	2,470	42	-	-	2,512
Total	**7,643**	**598**	**1,127**	**1,358**	**10,726**

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 maximize 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.

(Rupees in millions, except share and per share data, unless otherwise stated)

28 Share Based Compensation

a) The Nomination and Remuneration Committee ('Committee') of the Company administers the stock options plans viz. ESOP 2008, 2015 and 2024 plan. Under the plans, the employees of the holding Company as well as its subsidiaries are granted options/ Restricted Stock Units (RSUs) entitling them to one equity share of face value of Re. 1 each for each option/RSU granted. Exercise price is the price determined by the Committee. Exercise price is the price determined by the Committee. The options / RSUs vest over a period of 1 to 6 years from the date of grant which could be time based, performance based or event based. The maximum time available to exercise upon vesting is 3 years.

b) The particulars of number of options/RSUs granted and lapsed under the aforementioned Schemes are tabulated below. Refer Note 14.7.2 for information on share split.

	ESOP - 2008		ESOP - 2015		ESOP - 2024		Total	
Particulars	**Options/ RSU's (nos.)**	**Weighted ex. Price per share (Rs.)**	**RSU's (nos.)**	**Weighted ex. Price per share (Rs.)**	**RSU's (nos.)**	**Weighted ex. Price per share (Rs.)**	**Options/ RSU's (nos.)**	**Weighted ex. Price per share (Rs.)**
Outstanding at the beginning of the year	4,464	1.00	1,087,906	1.00	-	-	1,092,370	1.00
	(12,500)	(1.00)	(4,247,446)	(1.00)	-	-	(4,259,946)	(1.00)
Granted during year	-	-	-	-	21,526,100	383.00	21,526,100	383.00
	-	-	-	-	-	-	-	-
Exercised during the year	4,464	1.00	722,622	1.00	-	-	727,086	1.00
	(4,762)	(1.00)	(2,619,494)	(1.00)	-	-	(2,624,256)	(1.00)
Lapsed during the year	-	-	117,860	1.00	687,800	382.50	805,660	326.69
	(3,274)	(1.00)	(540,046)	(1.00)	-	-	(543,320)	(1.00)
Outstanding at the year end	-	-	247,424	1.00	20,838,300	383.01	21,085,724	378.53
	(4,464)	(1.00)	(1,087,906)	(1.00)	-	-	(1,092,370)	(1.00)
Exercisable as at the year end	-	-	247,424	1.00	-	-	247,424	1.00
	(4,464)	(1.00)	(811,968)	(1.00)	-	-	(816,432)	(1.00)

Previous year figures are given in bracket.

c) The weighted average share price of options/RSUs exercised on the date of exercise was Rs. 387.34 per share and Rs. 382.5 per share for the year ended December 31, 2024 and December 31, 2023, respectively.

d) Range of exercise price and weighted average remaining contractual life (in months) for the options outstanding:

	As at December 31, 2024		As at December 31, 2023	
Range of exercise price	**Options/ RSU's (Nos)**	**Life**	**Options/ RSU's (Nos)**	**Life**
1.00	247,424	6.9	1,092,370	12
382.50	20,613,800	45.3	-	-
430.00	224,500	64.5	-	-
Total	**21,085,724**		**1,092,370**	

e) The fair values of the options/RSU's granted in year 2024 are determined using Black Scholes Option pricing model using following assumptions:

Particulars	**Year 2024**
Weighted Average fair value (Rs.)	65.87
Weighted Average share price (Rs.)	298.28
Dividend Yield (%)	2.50
Expected Life (years)	2.50 - 4.50
Risk free interest rate (%)	4.45
Volatility (%)	36.59 - 45.53

The expected volatility is determined based on historical volatility during a period equivalent to the expected term of RSU granted.

(i) During the year ended December 31, 2023, the Company modified the restricted stock unit (RSU) scheme and provided a one-time option in respect of certain grants for RSU holder to surrender RSU against a cash payment of Rs. 381.5/- per RSU ('offer price'). Total of 501,524 RSUs were surrendered by the employees. Total cash payout / payable by the Company is Rs.190 million.

1. Incremental cost recorded in the statement of profit and loss of Rs. 47 million, for excess of offer price of Rs. 381.5/- 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 Rs.34 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) 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 recognized Rs. 74 million as estimated cost for such ESOPs granted in the statement of profit and loss during the year ended December 31, 2024, Rs. 157 million during the year ended December 31, 2023.

In May'24, Hexaware Global Limited's ESOP plan was cancelled and was replaced by granting options of Hexaware Technologies Limited. The said grants will allow eligible employee to opt for one share of Hexaware Technologies Limited for each option held upon vesting which could be time based, performance based or event based. Refer note 28 (b) to 28 (e) for details.

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.

During the year ended December 31, 2024, the company has filed application for surrender of the trust. Entire amount payable towards Provident fund including interest has been paid to EPFO. The closure application is under process. From March'24 onwards, in respect of all employees contribution is being made to the the Government administered Employee Provident and Pension Fund.

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 recognized expenses towards contributions to provident fund and other funds and superannuation funds of Rs.1,265 million (previous year Rs 1,074 millions) and Rs 65 million (previous year Rs 71 Million), respectively.

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(Rupees in millions, except share and per share data, unless otherwise stated)

Notes forming part of Standalone Financial Statements

29 Employee benefit plans (Continued)

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') and Aditya Birla Sunlife Insurance Company Ltd, 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.

The following table sets out the status of the gratuity plan

Particulars	For the year ended December 31, 2024	For the year ended December 31, 2023
<u>Change in Defined Benefit Obligation</u>		
Opening defined benefit obligation	**1,088**	**876**
Current service cost	263	219
Past service cost	-	-
Interest cost	71	58
Adjustment for remeasurement of defined benefit plan		
- Actuarial loss/(gains) arising from change in financial assumptions	48	28
- Actuarial loss/(gains) arising from change in demographical assumptions	-	-
- Actuarial loss/(gains) arising on account of experience changes	(4)	17
Benefits paid	(86)	(109)
Closing defined benefit obligation (A)	**1,380**	**1,088**
<u>Change in the Fair Value of Assets</u>		
Opening fair value of plan assets	**316**	**363**
Interest on plan assets	32	24
Remeasurement due to actual return on plan assets less interest on plan assets	17	(2)
Contribution by employer	420	40
Benefits paid	(86)	(109)
Closing fair value of plan assets (B)	**699**	**316**
Net liability as per actuarial valuation (A-B)	**681**	**772**
<u>Expense charged to statement of profit and loss:</u>		
Current service cost	263	219
Past service cost	-	-
Net Interest on defined benefit plan	39	34
Total included in Employment Benefit expenses	**302**	**253**
<u>Amount recognised in other comprehensive income:</u>		
Remeasurement of defined benefit plan due to -		
- changes in financial assumptions	48	28
- changes in demographical assumptions	-	-
- Experience adjustments	(4)	17
- Actual return on plan assets less interest on plan assets	(17)	2
Total amount recognised in other comprehensive income	**27**	**47**
Actual return on plan assets	**49**	**22**
Category of assets - Insurer Managed Fund #	**699**	**316**

Since the investments are held in the form of deposit with the Insurer Managed funds, these are not volatile, the market value of assets is the cost value of assets and has been accordingly considered for the above disclosures.

The Company is expected to contribute Rs.460 Million to gratuity funds in next year.

Financial assumptions at the valuation date	For the year ended December 31, 2024	For the year ended December 31, 2023
Discount rate *	6.85%	7.20%
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	For the year ended December 31, 2024	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.45%	2.53%
Decrease in 50 bps	2.57%	-2.43%

Impact on defined benefit obligation	For the year ended December 31, 2023	
	Discount Rate	Salary Escalation Rate
Increase in 50 bps	-2.46 %	2.54%
Decrease in 50 bps	2.58%	-2.45%

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	December 31, 2024 Rupees Million	December 31, 2023 Rupees Million
Year 1	255	211
Year 2	232	162
Year 3	206	170
Year 4	198	148
Year 5	163	136
Thereafter	1,022	850
Weighted Average duration to the payment	5.05 years	5.08 years

(Rupees in millions, except share and per share data, unless otherwise stated)

30 Segments

In accordance with Ind AS 108 'Operating Segment', the Company has disclosed Segment information on consolidated basis for the year ended December 31, 2024 which is available as part of the audited consolidated financial statements of the Company.

31 Corporate Social Responsibility

a Gross amount required to be spent by the Company is 165 and Rs. 144 for the year ended December 31, 2024 and December 31, 2023, respectively.

b Amount spent during the year on :

	For the year ended December 31, 2024		
Particulars	**Amount Paid**	**Amount yet to be paid**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	165	-	165
Total amount spent during the year	**165**	**-**	**165**

	For the year ended December 31, 2023		
Particulars	**Amount Paid**	**Amount yet to be paid**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	144	-	144
Total amount spent during the year	**144**	**-**	**144**

The nature of corporate social responsibility activities undertaken by the Company for the year ended December 31, 2024 and 2023 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, 2024	**December 31, 2023**
Amount due to vendor	52	4
Principal amount paid (includes unpaid beyond the appointed date)	3	6
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.

33 Commitments and contingencies

a Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) as at December 31, 2024 and 2023 is Rs. 866 millions and Rs. 1,078 millions respectively.

b Contingencies

	As at December 31, 2024	**As at December 31, 2023**
(i) Disputed Liabilities not provided for		
a) Income Tax	-	10
c) Claims against the Company not acknowledged as debts (Gross of tax) [1]	-	28

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.

[1] During the year ended December 31, 2024, the Company has fully provided for claims against the group acknowledged as debts which was disclosed as contingent as on December 31, 2023.

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, 2024**	**Balance outstanding As at December 31, 2024**	**Transactions during the year December 31, 2023**	**Balance outstanding As at December 31, 2023**
Axenic Water Private Limited	Receipt of services	-	-	^	^
Hundalani Finance And Leasing Company Limited	Shareholders - Interim dividend	^	-	^	-
Unickon Fincap Private Limited	Shareholders - Interim dividend	^	^	^	^
IDAFA Investments Private Limited	Shareholders - Interim dividend	^	^	^	^
Vaishak Shares Limited	Shareholders - Interim dividend	^	-	^	^
Home Trade Limited	Shareholders - Interim dividend	^	1	^	1
Skan Packaging and investments Pvt Ltd	Shareholders - Interim dividend	-	^	^	^
Mascon Global Limited	Shareholders - Interim dividend	^	^	^	^
S R K Enterprises Private Ltd	Shareholders - Interim dividend	^	-	-	-

Notes:

1 ^ value less than Rs. 0.5 million

(Rupees in millions, except share and per share data, unless otherwise stated)

35 Supplementary Information - Extract of statement of Profit and Loss (before other comprehensive income) in USD million

	For the year ended	
	December 31, 2024	**December 31, 2023**
INCOME		
Revenue from operations	752.3	603.2
Other income [1]	5.9	4.1
TOTAL INCOME	**758.2**	**607.3**
EXPENSES		
Employee benefits expense [2,3]	354.6	307.8
Finance costs	6.0	2.9
Depreciation and amortisation expense [5]	16.3	16.3
Other expenses [4]	255.6	169.9
TOTAL EXPENSES	**632.5**	**496.9**
PROFIT BEFORE TAX	125.7	110.4
Tax expense	21.9	22.5
PROFIT FOR THE PERIOD	**103.8**	**87.9**

Note: The standalone financial statements for the year ended 31 December 2023 include supplementary information convenience translation in US dollars using the period end closing rate (FEDAI rate of USD 1 = Rs. 83.21).

The standalone financial statements have been prepared in Indian rupees, the national currency of India and the functional currency of the Holding Company. For the purpose of alignment with internal reporting, instead of the supplementary information mentioned above, certain financial information consisting of extract of the Statement of Profit and Loss (before other comprehensive income) as included in the table above, has been translated into United States dollars using the monthly closing exchange rate (mentioned in table below) as published by FEDAI and included in the standalone financial statements. The standalone financial statements, have been prepared with reference to rates, where applicable, in accordance with requirements of Ind AS 21.

Monthly closing rates published by FEDAI:

Month	2024	2023
January	83.0475	81.9250
February	82.9175	82.6700
March	83.405	82.1700
April	83.43	81.8300
May	83.4675	82.7275
June	83.3875	82.0425
July	83.725	82.2500
August	83.8675	82.7900
September	83.7975	83.0450
October	84.0800	83.2550
November	84.4875	83.4000
December	85.6200	83.2125

Notes:

1 includes exchange gain of USD 0.4 million for the year ended December 31, 2024 and exchange loss of USD 1.9 million for the year ended December 31, 2023.

2 includes Employee stock option compensation cost of USD 1.8 million and USD 1.3 million for the year ended December 31, 2024 and December 31, 2023 respectively.

3 **Employee benefits expense includes:**

	For the year ended	
	December 31, 2024	**December 31, 2023**
Non-recurring Employee benefit and severance costs	5.1	-
Enterprise Resource Planning (ERP) Transformation cost	5.3	-
	10.4	-

4 **Other expenses includes:**

	For the year ended	
	December 31, 2024	**December 31, 2023**
Specific provisions for onerous vendor contracts	-	2.4
Enterprise Resource Planning (ERP) Transformation cost	4.6	2.9
Acquisition related costs	1.4	1.0
IPO Related Costs	0.1	-
Regulatory Fees paid	2.0	-
	8.1	6.3

5 **Depreciation and amortisation expense**

	For the year ended	
	December 31, 2024	**December 31, 2023**
Amortisation of intangible assets acquired in business combination	0.1	0.4
Accelerated amortisation of RoU of certain offices leases on optimisation	-	^
	0.1	0.4

(Rupees in millions, except share and per share data, unless otherwise stated)

36 Additional Regulatory Information - Financial ratios

Ratio	Numerator	Denominator	Current year	Previous year	% variance
Current ratio (in times) [1]	Total Current Assets	Total Current Liability	1.55	2.45	-37%
Debt-equity ratio (in times) [2]	Debt including and lease liabilities	Total Equity	0.13	0.08	53%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest+ Other non-cash	Debt service = Interest, lease and principal repayments	10.43	13.89	-25%
Return on equity ratio (in %)	Profit for the year less preference dividend	Average total equity	26.03%	26.24%	-1%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables (including unbilled receivables and contract asset)	4.87	4.14	18%
Trade payables turnover ratio (in times)	Other operating expenses (net of doubtfull debts)	Average trade payables	4.07	4.20	-3%
Net capital turnover ratio (in times) [3]	Revenue from operations	Average working capital (Total current assets less Total current liabilities)	5.40	3.55	52%
Net profit ratio (in %)	Profit for the year	Revenue from operations	12.47%	14.58%	-15%
Return on capital employed (in %)	Profit before interest and tax	Tangible Net Worth + Debt (including lease liability) + Deferred Tax Liability	30.72%	30.29%	1%

(1) Current ratio has been declined due recognition of deferred consideration for acquitition of Sofycrylic LLC.
(2) The debt-equity ratio has increased due to the addition of lease property, which in turns increases the lease liabilities.
(3) The net capital turnover ratio has been improved due to increase in revenue for the current year.

37 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 No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

C 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.

D Initial Public Offer
Subsequent to December 31, 2024, the Company has completed an Initial Public Offer ("IPO") of 123,720,440 equity shares of face value of Re. 1 each aggregating to Rs 87,500 million as an offer for sale by selling shareholder. The equity shares of the Company were listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on February 19, 2025. The Company has not received any proceeds from the Offer and all such proceeds (net of any Offer related expenses which are borne by Selling Shareholder have gone to the Selling Shareholder). The Offer has been authorised by a resolution by our Board of Directors dated September 06, 2024.

E Material events after Balance Sheet date:
There is no significant event after reporting date which requires amendments or disclosure to these standalone financial statements.

F Approval of the financial statements:
The Standalone financial statements were approved for issue by the Board of Directors on March 06, 2025.

For B S R & Co. LLP
Chartered Accountants
Firms' registration number :101248W/W-100022

JACLYN DESOUZA — Digitally signed by JACLYN DESOUZA Date: 2025.03.07 01:15:42 +05'30'

Jaclyn Desouza
Partner
Membership number: 124629
Place: Rovaniemi
Date: March 07, 2025

For and on behalf of the Board of Directors of HEXAWARE TECHNOLOGIES LIMITED
CIN: U72900MH1992PLC069662

SRIKRISHNA RAMAKARTHIKEYAN — Digitally signed by SRIKRISHNA RAMAKARTHIKEYAN Date: 2025.03.06 23:21:01 +05'30'

R. Srikrishna
CEO & Executive Director
DIN 03160121
Place: Mumbai
Date: March 06, 2025

NEERAJ BHARADWAJ — Digitally signed by NEERAJ BHARADWAJ Date: 2025.03.07 00:29:39 +05'30'

Neeraj Bharadwaj
Director
DIN 01314963
Place: Palo Alto
Date: March 06, 2025

KAPIL MODI — Digitally signed by KAPIL MODI Date: 2025.03.06 23:58:41 +05'30'

Kapil Modi
Director
DIN 07055408
Place: Mumbai
Date: March 06, 2025

VIKASH KUMAR JAIN — Digitally signed by VIKASH KUMAR JAIN Date: 2025.03.06 23:34:15 +05'30'

Vikash Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: March 06, 2025

GUNJAN SUMIT METHI — Digitally signed by GUNJAN SUMIT METHI Date: 2025.03.06 23:28:13 +05'30'

Gunjan Methi
Company Secretary

Place: Mumbai
Date: March 06, 2025