

May 22, 2017

BSE Limited
Corporate Relation Dept.
P. J. Towers, Dalal Street
Mumbai 400 001.
Scrip Code : 532859

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.
Symbol : HGS

Dear Sirs,

Sub: Outcome of Board Meeting

Further to our letter dated May 12, 2017, this is to inform that the Board of Directors of the Company at its Meeting held today, i.e. May 22, 2017 (meeting commenced at 10:30 p.m. and concluded at 11:55 p.m.) has approved the Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2017. In respect of this, we enclose the following:

- 1) The Audited Standalone and Consolidated Financial Results of the Company for the year ended March 31, 2017.
- 2) Report of the Statutory Auditors of the Company, M/s. Price Waterhouse, Chartered Accountants in respect of Audited Financial Results (Standalone & consolidated) of the Company for the financial year ended March 31, 2017.

The Board of Directors have recommended a Final Dividend of Rs.2.50 per equity share (25%) of Rs.10/- each for the financial year ended March 31, 2017, in addition to three interim dividends of Rs.2.50 per share were paid during the financial year ended March 31, 2017. Accordingly, the total dividend for the year ended March 31, 2017 would be Rs.10/- per equity share of Rs.10/- each (100%) which is subject to the approval/confirmation of the Shareholders of the Company.

Your are requested to kindly put up above documents on your website.

Thanking you,

Yours truly,
For Hinduja Global Solutions Limited



Makarand Dewal
Company Secretary

Encl : a/a.



Hinduja Global Solutions Limited
(CIN: L92199MH1995PLC084610)
Regd. Office : Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018.
Contact no.: 022 - 2496 0707, Fax: 022-2497 4208
Website: www.teamhgs.com
E-mail: investor.relations@teamhgs.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs.in Lakhs)

S.No.	Particulars (Refer Notes Below)	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
		Unaudited	Unaudited	Unaudited	Audited	Audited
		(i)	(ii)	(iii)	(iv)	(v)
1	Income					
	Revenue from operations	41,148.39	41,851.73	38,461.04	1,59,753.65	1,37,566.85
	Other Income	489.82	987.18	1,216.99	2,728.61	3,120.89
	Total income	41,638.21	42,838.91	39,678.03	1,62,482.26	1,40,687.74
2	Expenses					
	Employee benefit expense	26,082.56	27,893.29	23,340.93	1,03,972.73	85,568.83
	Finance cost	289.10	347.24	501.73	1,563.43	1,496.14
	Depreciation and amortisation expense	1,998.26	1,949.54	2,010.82	7,830.17	8,183.79
	Other Expenses	10,496.31	7,929.78	8,219.53	33,514.01	27,990.31
	Total expenses	38,866.23	38,119.85	34,073.01	1,46,880.34	1,23,239.07
3	Profit before tax (1 - 2)	2,771.98	4,719.06	5,605.02	15,601.92	17,448.67
4	Income Tax expense					
	Current tax	616.42	1,611.63	1,229.20	5,307.33	4,918.06
	Deferred tax	142.67	73.40	(63.17)	141.99	288.53
	Total tax expense	759.09	1,685.03	1,166.03	5,449.32	5,206.59
5	Profit for the year (3 - 4)	2,012.89	3,034.03	4,438.99	10,152.60	12,242.08
6	Other comprehensive income					
	A. Items that will be reclassified to profit or loss					
	Deferred gains/ (losses) on cash flow hedges	1,603.16	(681.75)	1,338.64	(16.79)	824.01
	Effect of change in functional currency of Foreign operation	(889.92)	(96.67)	(176.18)	(1,345.77)	(124.22)
	Income tax on above items	(423.37)	60.13	(137.62)	(539.88)	(65.49)
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods (A)	289.87	(718.29)	1,024.84	(1,902.44)	634.30
	B. Items that will not be reclassified to profit or loss					
	Remeasurements of post-employee benefit obligation	(627.20)	146.01	428.38	(824.44)	(754.73)
	Income tax on above item	51.27	-	(28.92)	117.84	105.93
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)	(575.93)	146.01	399.46	(706.60)	(648.80)
	Other comprehensive income for the year, net of tax [A+B]	(286.06)	(572.28)	1,424.30	(2,609.04)	(14.50)
	Total comprehensive income for the year	1,726.83	2,461.75	5,863.29	7,543.56	12,227.58
7	Earning per equity share [nominal value per share Rs.10/- each]					
	(a) Basic	9.70	14.63	20.77	48.96	59.07
	(b) Diluted	9.69	14.62	20.77	48.88	58.99



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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

Balance Sheet As at:

Particulars	(Rs. in Lakhs)	
	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	26,837.87	27,386.29
Capital work-in-progress	72.08	116.04
Intangible assets	4,790.34	4,816.90
Intangible assets under development	28.33	77.96
Financial Assets		
(i) Investments	43,361.85	43,846.86
(ii) Other financial assets	2,189.54	1,395.28
Deferred tax assets (net)	62.42	69.56
Income Tax Assets (net)	3,630.00	4,169.78
Other non-current assets	5,974.60	9,731.33
Total Non-Current Assets	86,947.03	91,610.00
Current assets		
Financial Assets		
(i) Trade receivables	28,836.88	27,856.45
(ii) Cash and cash equivalents	4,291.44	2,809.00
(iii) Bank balances other than (ii) above	38.03	39.10
(iv) Other financial assets	18,235.28	19,345.14
Other current assets	2,686.44	2,427.30
Total Current Assets	54,088.07	52,476.99
TOTAL ASSETS	1,41,035.10	1,44,086.99
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,074.27	2,072.90
Other Equity	96,994.74	91,203.25
Total Equity	99,069.01	93,276.15
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	333.52	5,931.44
Provisions	2,641.68	1,352.11
Other non current liabilities	240.51	481.02
Deferred tax liabilities (net)	951.88	387.85
Total Non-Current Liabilities	4,167.59	8,152.42
Current liabilities		
Financial Liabilities		
(i) Borrowings	14,129.38	17,842.47
(ii) Trade payables	8,060.33	8,002.86
(iii) Other financial liabilities	10,992.83	11,808.63
Provisions	2,414.24	2,829.56
Current tax liabilities	166.54	155.10
Other current liabilities	2,035.18	2,019.80
Total Current Liabilities	37,798.50	42,658.42
Total Liabilities	41,966.09	50,810.84
TOTAL EQUITY AND LIABILITIES	1,41,035.10	1,44,086.99

Notes :

- 1 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.
- 2 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Audit Report with unmodified opinion on annual audited financial results for the financial year ended March 31, 2017.
- 3 The Board of Directors at their meeting held on May 22, 2017 have recommended a final dividend of Rs. 2.50 per share (on an equity share of par value of Rs. 10/- each) for the financial year 2016-17.
- 4 The Company is engaged only in Business Process Management and therefore, has only one reportable segment in accordance with the Ind AS 108 "Operating Segments".

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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

- 5 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(Rs. in Lakhs)	
	Corresponding 3 months ended 31.03.2016 in the previous year	Previous year ended 31.03.2016
	Unaudited	Audited
Net profit as per Previous GAAP (Indian GAAP)	5,079.48	11,825.00
Actuarial (gain)/ loss on employee defined benefit funds recognised in Other Comprehensive Income	(428.38)	754.73
Effect of change in functional currency of Foreign operation	430.14	597.25
Effect of fair valuing security deposits and amortisation of advance rentals	(67.57)	(184.74)
Deferred Income	(721.54)	(721.54)
Others	12.01	(28.62)
Tax impact on Ind AS adjustments	134.85	-
Net profit as per Ind AS	4,438.99	12,242.08
Other comprehensive income, net of income tax	1,424.30	(14.50)
Total comprehensive income for the year	5,863.29	12,227.58

- 6 Reconciliation of Net-worth as previously reported under IGAAP to Ind-AS

Description	(Rs. in Lakhs)	
	March 31, 2016	April 1, 2015
Reported Net-worth under Previous GAAP	90,580.37	81,330.00
De-recognition of proposed dividend and tax thereon as on balance sheet date	311.86	1,246.91
Exchange differences on translation of Foreign operation	3,423.68	2,950.65
Deferred Tax impact on hedge reserve	(133.49)	(68.00)
De-recognition of revenue as per Ind-AS	(721.54)	-
Effect of fair valuing security deposits and amortisation of advance	(184.73)	-
Net-worth as per Ind-AS	93,276.15	85,459.56

- 7 Other Income includes following:

Particulars	(Rs. in Lakhs)				
	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
Gain on account of fluctuations in foreign exchange currencies	-	137.81	592.37	-	965.79
Dividend received from a wholly owned subsidiary	501.11	501.10	445.43	1,503.30	1,336.27

- 8 Other Expenses includes following:

Particulars	(Rs. in Lakhs)				
	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
Loss on account of fluctuations in foreign exchange currencies	1,782.87	-	-	1,804.69	-

- 9 During the year ended March 31, 2017, the Company issued 4,717 equity shares pursuant to the exercise of stock options by certain employees under the "Employee Stock Option Plan 2008" and 9,007 equity shares pursuant to the exercise of stock options by certain employees under the "Employee Stock Option Plan 2011".
- 10 Effective September 1, 2015, the Company has acquired a significant portion of the domestic BPO business from Mphasis Limited and its wholly owned subsidiary Msource India Private Limited for an aggregate consideration of Rs. 1,700 lakhs. In view of this acquisition, the figures of the current period are not comparable with the figures of the corresponding period of the previous year.
- 11 The figures of the quarter ended March 31, 2017 are the balancing figure between the audited figures in respect of the full financial year ended March 31, 2017 and the published year-to-date figures upto the third quarter of the said financial year.
- 12 The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors of the Company at their meetings held on May 22, 2017.
- 13 Previous period figures have been reclassified to conform to current period classification.

For Hinduja Global Solutions Limited

Rajendra P. Chitale
Director
DIN : 00015986

Place : Mumbai
Date : May 22, 2017

Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Hinduja Global Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which is incorporated the Return for the year ended on that date audited by the branch auditors of the Company's branch at Philippines.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's

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Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Standalone Ind AS Financial Statements

Page 2 of 4

preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 25, 2016 and May 20, 2015, respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.
10. We did not audit the Ind AS financial statements of one Branch included in the standalone Ind AS financial statement of the Company, which constitute total assets of Rs. 35,595.91 Lacs and net assets of Rs. 20,614.96 Lacs as at March 31, 2017, total revenue of Rs. 68,373.11 Lacs, net profit of Rs. 2,114.12 Lacs and net cash flows amounting to Rs. 2,028.20 Lacs for the year then ended. This financial statements and other financial information have been audited by other auditor whose report has been furnished to us, and our opinion on the standalone Ind AS financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Standalone Ind AS Financial Statements

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12. 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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
- (c) The reports on the accounts of the branch office of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the return received from the branch not visited by us.
- (e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (f) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements -Refer Note 27;
 - ii. The company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have any long-term derivative contract as at March 31, 2017.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of HINDUJA GLOBAL SOLUTIONS LIMITED

Report on the Standalone Ind AS Financial Statements

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- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 10(C).

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 048125

Place: Mumbai
Date: May 22, 2017

Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Hinduja Global Solutions Limited ("the Company") as of March, 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (ICAI). 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.
5. 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 system over financial reporting.



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

Page 2 of 3

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 control over financial reporting includes 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

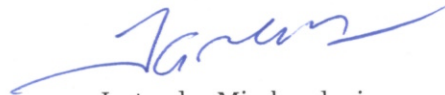
Referred to in paragraph 12(g) of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

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Other Matter

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one Branch, is based on the corresponding reports of the auditors of such Branch of the Company. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number - 048125

Place: Mumbai
Date: May 22, 2017

Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:



Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2017.
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Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax including Interest and Penalty, where applicable	114.56	Assessment year 2011-12	CIT (Appeals)

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.



Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the standalone Ind AS financial statements for the year ended March 31, 2017.
Page 3 of 3

- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 048125

Place: Mumbai
Date: May 22, 2017



Hinduja Global Solutions Limited
(CIN: L92199MH1995PLC084610)

Regd. Office : Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018.
Contact no.: 022 - 2496 0707, Fax: 022-2497 4208
Website: www.teamhgs.com
E-mail: investor.relations@teamhgs.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in Lakhs)

S.No.	Particulars (Refer Notes Below)	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
		Unaudited	Unaudited	Unaudited	Audited	Audited
		(i)	(ii)	(iii)	(iv)	(v)
1	Income					
	Revenue from operations	93,999.09	95,626.83	90,671.77	3,71,099.42	3,32,099.80
	Other income	255.87	550.81	1,457.91	2,277.45	2,638.58
	Total income	94,254.96	96,177.64	92,129.68	3,73,376.87	3,34,738.38
2	Expenses					
	Employee benefits expense	61,117.00	63,516.41	59,744.18	2,45,680.27	2,23,512.63
	Finance cost	969.93	1,035.88	1,073.49	4,293.59	4,042.85
	Depreciation and amortisation expense	3,690.75	3,549.89	3,637.97	14,317.12	13,639.60
	Other Expenses	22,665.85	20,871.63	22,341.45	83,617.70	77,521.49
	Total expenses	88,443.53	88,973.81	86,797.09	3,47,908.68	3,18,716.57
3	Profit before tax (1 - 2)	5,811.43	7,203.83	5,332.59	25,468.19	16,021.81
4	Income Tax expense					
	Current tax	1,627.09	2,433.23	2,488.19	8,785.54	5,921.71
	Deferred tax	(86.65)	48.70	(420.96)	(1,238.09)	62.46
	Total tax expense	1,540.44	2,481.93	2,067.23	7,547.45	5,984.17
5	Profit for the year (3 - 4)	4,270.99	4,721.90	3,265.36	17,920.74	10,037.64
7	Other comprehensive income					
	A. Items that will be reclassified to profit or loss					
	Deferred gains/ (losses) on cash flow hedges	2,001.19	(702.23)	1,323.06	595.98	806.53
	Effect of change in functional currency of Foreign operation	2,102.36	1,099.20	63.49	(122.13)	3,054.70
	Income tax on above items	(547.31)	70.62	(146.11)	(711.56)	(68.75)
	Net other comprehensive income to be reclassified to profit or loss in subsequent periods (A)	3,556.24	467.59	1,240.44	(237.72)	3,792.48
	B. Items that will not be reclassified to profit or loss					
	Remeasurements of post-employee benefit obligation	(722.19)	214.52	411.19	(876.46)	(820.60)
	Income tax on above item	135.85	(75.41)	(6.12)	135.85	128.73
	Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)	(586.34)	139.11	405.07	(740.61)	(691.87)
	Total other comprehensive income, net of income tax	2,969.90	606.70	1,645.51	(978.33)	3,100.61
8	Total comprehensive income for the year	7,240.89	5,328.60	4,910.87	16,942.41	13,138.25
	Profit attributable to:					
	- Owners	4,284.38	4,757.11	3,272.27	17,954.84	10,087.85
	- Non-controlling interests	(13.40)	(35.16)	(6.90)	(34.10)	(50.21)
	Other comprehensive income attributable to:	4,270.98	4,721.95	3,265.37	17,920.74	10,037.64
	- Owners	2,911.40	604.29	1,664.31	(1,021.39)	3,104.63
	- Non-controlling interests	58.49	2.41	(18.80)	43.06	(4.02)
	Total Other comprehensive income attributable to:	2,969.89	606.70	1,645.51	(978.33)	3,100.61
	- Owners	7,195.79	5,361.40	4,936.57	16,933.45	13,192.48
	- Non-controlling interests	45.09	(32.75)	(25.70)	8.96	(54.23)
	Earnings per share (of Rs 10/- each) (not annualised):	7,240.88	5,328.65	4,910.87	16,942.41	13,138.25
9	(a) Basic	20.65	22.87	15.14	86.58	48.67
	(b) Diluted	20.62	22.85	15.14	86.44	48.61



Hinduja Global Solutions Limited
(CIN: L92199MH1995PLC084610)

Regd. Office : Hinduja House, 171, Dr. Annie Besant Road, Worli, Mumbai - 400018.

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Website: www.teamhgs.com

E-mail: investor.relations@teamhgs.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

Balance Sheet As at:

Particulars	(Rs. in Lakhs)	
	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	55,111.29	54,415.84
Capital work-in-progress	3,155.16	1,343.86
Goodwill	29,864.35	30,742.73
Other Intangible assets	9,943.53	8,451.80
Intangible assets under development	28.33	83.55
Financial Assets		
(i) Investments	535.95	1,020.96
(ii) Other financial assets	3,966.61	3,231.64
Deferred tax assets (net)	6,483.14	2,699.46
Income Tax Assets (net)	3,826.35	4,981.39
Other non-current assets	6,937.52	11,599.28
Total Non-Current Assets	1,19,852.23	1,18,570.51
Current assets		
Financial Assets		
(i) Trade receivables	46,288.70	45,877.10
(ii) Cash and cash equivalents	30,957.06	26,678.83
(iii) Bank balances other than (ii) above	5,546.41	10,802.29
(iv) Loans	8,235.27	7,994.90
(v) Other financial assets	31,482.01	29,814.55
Other current assets	5,535.60	6,248.73
Total Current Assets	1,28,045.05	1,27,416.40
TOTAL ASSETS	2,47,897.28	2,45,986.91
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,074.27	2,072.90
Other Equity	1,31,801.26	1,16,776.92
Equity attributable to the owners of the Group	1,33,875.53	1,18,849.82
Non-controlling interest	(195.27)	(53.45)
Total Equity	1,33,680.26	1,18,796.37
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	42,636.63	53,851.50
Provisions	2,651.47	1,497.10
Deferred tax liabilities (net)	3,855.52	2,360.50
Other non-current liabilities	1,228.88	1,613.83
Total Non-Current Liabilities	50,372.50	59,322.93
Current liabilities		
Financial Liabilities		
(i) Borrowings	17,058.03	22,354.51
(ii) Trade payables	16,055.96	17,202.74
(iii) Other financial liabilities	20,016.79	17,981.86
Provisions	4,301.28	4,619.43
Current Tax Liabilities (net)	205.31	235.71
Other current liabilities	6,207.15	5,473.36
Total Current Liabilities	63,844.52	67,867.61
TOTAL EQUITY AND LIABILITIES	2,47,897.28	2,45,986.91

Notes :

- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Hinduja Global Solutions Limited and its subsidiaries ("the Group") has for the first time adopted Ind AS with a transition date of April 1, 2015.
- In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the Auditors have issued Audit Report with unmodified opinion on annual audited financial results for the financial year ended March 31, 2017.
- The Board of Directors at their meeting held on May 22, 2017 have recommended a final dividend of Rs. 2.50 per share (on an equity share of par value of Rs. 10/- each) for the financial year 2016-17.
- The Group is engaged only in Business Process Management and therefore, has only one reportable segment in accordance with the Ind AS 108 "Operating Segments".

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Hinduja Global Solutions Limited
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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

- 5 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

(Rs. in Lakhs)

Description	Corresponding 3 months ended 31.03.2016 in the previous year	Previous year ended 31.03.2016
	Unaudited	Audited
Net profit as per Previous GAAP (Indian GAAP)	4,079.45	10,099.75
Actuarial (gain)/ loss on employee defined benefit funds recognised in Other Comprehensive Income	(411.19)	820.59
Effect of change in functional currency of Foreign operation	430.14	597.25
Effect of fair valuing security deposits and amortisation of advance rentals	(75.08)	(205.12)
Others	(738.13)	(785.52)
Tax impact on Ind AS adjustments	(19.83)	(489.32)
Net profit as per Ind AS	3,265.36	10,037.64
Other comprehensive income, net of income tax	1,645.51	3,100.61
Total comprehensive income for the period	4,910.87	13,138.25

- 6 Reconciliation of Net-worth as previously reported under IGAAP to Ind-AS

(Rs. in Lakhs)

Description	March 31, 2016	April 1, 2015
Reported Net-worth under Previous GAAP	1,17,834.28	1,07,423.03
De-recognition of proposed dividend and tax thereon as on balance sheet date	311.86	1,246.91
Exchange differences on translation of Foreign operation	3,423.68	2,950.65
Deferred Tax impact on hedge reserve	(111.67)	(42.91)
Deferred Tax impact on undistributed profits of a subsidiary	(2,079.33)	(1,601.13)
Adjustment of deferred financing cost on borrowings, net of tax	344.21	367.89
De-recognition of revenue as per Ind-AS	(721.54)	-
Effect of fair valuing security deposits and amortisation of advance rentals	(205.12)	-
Net-worth as per Ind-AS	1,18,796.37	1,10,344.43

- 7 Other Income includes following:

(Rs. in Lakhs)

Particulars	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
Gain on account of fluctuations in foreign exchange currencies	-	-	892.27	-	1,008.04

- 8 Other Expenses includes following:

(Rs. in Lakhs)

Particulars	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
Loss on account of fluctuations in foreign exchange currencies	2,266.69	209.69	-	2,435.18	-

- 9 Standalone Information

(Rs. in Lakhs)

Particulars	3 months ended 31.03.2017	Preceding 3 months ended 31.12.2016	Corresponding 3 months ended 31.03.2016 in the previous year	Current year ended 31.03.2017	Previous year ended 31.03.2016
Net Sales / Income from operations	41,148.39	41,851.73	38,461.04	1,59,753.65	1,37,566.85
Profit Before Tax	2,771.98	4,719.06	5,605.02	15,601.92	17,448.67
Profit After Tax	2,012.89	3,034.03	4,438.99	10,152.60	12,242.08

- 10 Effective September 1, 2015, the Group has acquired a significant portion of the domestic BPO business from Mphasis Limited and its wholly owned subsidiary Msource India Private Limited for an aggregate consideration of Rs. 1,700 lakhs. In view of this acquisition, the figures of the current period are not comparable with the figures of the corresponding period of the previous year.
- 11 During the year ended March 31, 2017, the Group issued 4,717 equity shares pursuant to the exercise of stock options by certain employees under the "Employee Stock Option Plan 2008" and 9,007 equity shares pursuant to the exercise of stock options by certain employees under the "Employee Stock Option Plan 2011".
- 12 The figures of the quarter ended March 31, 2017 are the balancing figure between the audited figures in respect of the full financial year ended March 31, 2017 and the published year-to-date figures upto the third quarter of the said financial year.
- 13 Investors can view the standalone results of the Company on the Company's website: www.teamhgs.com and the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 14 The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors of the Company at their meetings held on May 22, 2017.
- 15 Previous period figures have been reclassified to conform to current period classification.

For Hinduja Global Solutions Limited

Rajendra P. Chitale
Director
DIN : 00015986

Place : Mumbai
Date : May 22, 2017

Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Hinduja Global Solutions Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Hinduja Global Solutions Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 30 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended, and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint controlled entities in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Hinduja Global Solutions Limited

Report on the Consolidated Ind AS Financial Statements

Page 2 of 4

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph [i] of the Other Matters paragraph below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph [ii] of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated profit (including other comprehensive income) and their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of :
 - (i) One branch and seven subsidiaries whose financial statements/ financial information reflect total assets of Rs. 83,501.74 Lacs and net assets of Rs. 60,236.61 Lacs as at March 31, 2017, total revenue of Rs. 59,504.79 Lacs, net loss of Rs. 824.74 Lacs and net cash outflows amounting to Rs. 3,087.48 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these branches and subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
 - (ii) We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets of Rs. 330.23 Lacs and net assets of Rs. 868.76 Lacs as at March 31, 2017, total revenue of Rs. 433.51 Lacs, net profit of Rs. 107.08 Lacs and net cash outflows amounting to Rs. 191.81 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Hinduja Global Solutions Limited

Report on the Consolidated Ind AS Financial Statements

Page 3 of 4

based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

9. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 25, 2016 and May 20, 2015, respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Hinduja Global Solutions Limited

Report on the Consolidated Ind AS Financial Statements

Page 4 of 4

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' 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:

i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group.

ii. The Group had long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company of the Company which is incorporated in India during the year ended March 31, 2017.

iv. The Group did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 9c

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner

Membership Number : 048125

Place: Mumbai

Date: May 22, 2017

Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the consolidated Ind AS financial statements for the year ended March 31, 2017

Page 1 of 3

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017 we have audited the internal financial controls over financial reporting of Hinduja Global Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiary Companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Hinduja Global Solutions Limited on the consolidated Ind AS financial statements for the year ended March 31, 2017

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5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 control over financial reporting includes 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.



Price Waterhouse

Chartered Accountants

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Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one branch of the company incorporated in India, is based on the corresponding reports of the auditors of such Branch of the company incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number:301112E
Chartered Accountants



Jeetendra Mirchandani
Partner

Membership Number : 048125

Place: Mumbai
Date: May 22, 2017