WIPRO LLC

STANDALONE FINANCIAL STATEMENTS UNDER IND AS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Wipro LLC
Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Wipro LLC ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Special Purpose Financial Statements"). As explained in Note 2(i) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the Management of Wipro Limited ("the Parent") solely for inclusion in the annual report of Wipro limited for the year ended March 31, 2020 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of preparation referred to in Note 2 (i) to the Special Purpose Financial Statements, of the state of affairs of the Company as at March 31, 2020, and its loss, total comprehensive loss, its changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose 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 (ICAI) and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Financial Statements.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2(i) to the Special Purpose Financial Statements, on the basis of the preparation to the special purpose financial statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company under the requirements of Section 129(3) of the Companies Act, 2013. As a result, the Special Purpose Financial Statements may not be suitable for any other purpose. Our report is intended solely for the Company and Wipro Limited and should not be distributed to or used by parties other than the Company and Wipro Limited.

Management's Responsibility for the Special Purpose Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the basis described in Note 2 (i) of the Special Purpose Financial Statements for safeguarding 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 special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, management is 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 management 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 Responsibility for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 special purpose 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 special purpose 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 special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the special purpose financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the special purpose financial statements.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W- 100018)

SD/-
Amit Ved
Partner
(Membership No.120600)

Place: Bengaluru
Date: June 19, 2020

WIPRO LLC
BALANCE SHEET AS AT MARCH 31, 2020
(USD in mn except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	5	18
Right-of-use assets	4	14	-
Goodwill	5	24	24
Other intangible assets	5	68	76
Financial assets			
Investments	6	446	301
Trade receivables	7	21	-
Other financial assets	9	^	4
Non-current tax assets		1	1
Other non-current assets	11	35	3
Total non-current assets		**614**	**427**
Current assets			
Inventories	10	^	^
Financial assets			
Trade receivables	7	111	106
Cash and cash equivalents	8	57	79
Unbilled receivables		33	41
Loans to subsidiaries	32	68	43
Other financial assets	9	10	29
Current tax assets		-	13
Contract assets		11	14
Other current assets	11	4	8
Total current assets		**294**	**333**
TOTAL ASSETS		**908**	**760**
EQUITY			
Share capital	12	903	903
Other equity		(726)	(619)
Total equity		**177**	**284**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	13	378	96
Lease Liability	13	7	-
Provisions	15	1	1
Deferred tax liabilities	19	25	23.35
Total non-current liabilities		**411**	**120**
Current liabilities			
Financial liabilities			
Borrowings	13		-
Trade payables	17		
(a) Total outstanding dues of Micro, small and medium enterprises		-	-
(b)Total outstanding dues of creditors other than micro, small and medium enterprises.		147	105
Other financial liabilities	14	138	154
Lease Liability	13	3	-
Contract Liabilities		17	95
Current Tax Liabilities (Net)		13	-
Provisions	15	1	1
Other current liabilities	16	1	1
Total current liabilities		**320**	**356**
Total liabilities		**731**	**476**
TOTAL EQUITY AND LIABILITIES		**908**	**760**

The accompanying notes form an integral part of these standalone financial statements
^ Value is less than USD 1
As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No :117366W/W-100018

SD/-
Amit Ved
Partner
Membership No. : 120600
Bangalore
Date :

For and on behalf of the Board of Directors

SD/-
Ashish Chawla
Director
New Jersey

SD/-
N.S. Bala
Director
New Jersey

WIPRO LLC
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020
(USD in mn except share and per share data, unless otherwise stated)

	Notes	Year Ended March 31, 2020	Year Ended March 31, 2019
REVENUE			
Revenue from operations	20	1,055	818
Other Operating Income	28	14	94
Other income	21	30	3
Total		**1,099**	**915**
EXPENSES			
Employee benefits expense	22	45	44
Sub Contracting/Technical Fees		909	706
Finance costs	23	10	9
Depreciation and amortization expense		17	13
Other expenses	24	232	495
Total Expenses		**1,213**	**1,267**
Loss before tax		**(114)**	**(352)**
Tax expense			
Current tax	19	3	(15)
Deferred tax	19	2	15
Total tax expense		**5**	**-**
Loss for the year		**(119)**	**(352)**
<u>Other Comprehensive Income (OCI)</u>			
Items that will not be reclassed to statement of profit or loss (Net of tax)			
Net change in fair value of financial instruments through OCI		11	13
Total Other Comprehensive Income for the year, net of tax		**11**	**13**
Total comprehensive income for the year		**(108)**	**(339)**
Loss per equity share	25		
(Equity shares of par value $2500 each)			
Basic and Diluted		**(660)**	**(1,951)**
No. of shares			
Basic and Diluted		180,378	180,378

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Director
New Jersey

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Director
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WIPRO LLC
STATEMENT OF CHANGES IN EQUITY

A. OTHER EQUITY

Particulars	Retained Earnings	Other Reserves	Total other equity
Balance as at April 1, 2019	**(641)**	**22**	**(619)**
Total Comprehensive income for the year			
Loss for the year	(119)	-	(119)
Adjustment on adoption of IND AS 116	1	-	1
Other comprehensive income for the year	-	11	11
Total Comprehensive income for the year	**(118)**	**11**	**(107)**
Balance as at March 31, 2020	**(759)**	**33**	**(726)**

Particulars	Retained Earnings	Other Reserves	Total other equity
Balance as at April 1, 2018	**(287)**	**9**	**(278)**
Total Comprehensive income for the year			
Loss for the year	(352)	-	(352)
Adjustment on adoption of IND AS 115	(2)	-	(2)
Other comprehensive income for the year	-	13	13
Total Comprehensive income for the year	**(354)**	**13**	**(341)**
Balance as at March 31, 2019	**(641)**	**22**	**(619)**

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached
for Deloitte Haskins & Sells LLP
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Firm Registration No :117366W/W-100018

For and on behalf of the Board of Directors

SD/-
Amit Ved
Partner
Membership No. : 120600
Bangalore
Date :

SD/-
Ashish Chawla
Director
New Jersey

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Director
New Jersey

WIPRO LLC

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(USD in mn except share and per share data, unless otherwise stated)

		Year ended	
A.	**Cash flows from operating activities:**	**March 31, 2020**	**March 31, 2019**
	Loss before tax	**(119)**	**(352)**
	Adjustments:		
	Depreciation and amortization expense	18	13
	Provision for bad and doubtful debts	^	^
	Unrealized exchange differences - net	^	(1)
	Dividend, gain from investments and interest (income)/Expense, net	(19)	6
	Provision against ICD	-	3
	Provision for diminution in the value of non-current investments	215	468
	Income tax expense	5	-
	Gain on sale of investments	(14)	(94)
	Changes in operating assets and liabilities:		
	Trade receivables and unbilled revenue	(26)	(2)
	Unbilled receivables and contract assets	11	-
	Other assets	(17)	(27)
	Inventories	^	1
	Contract Liabilities	(78)	-
	Other financial, non financials liabilities and provisions	35	(30)
	Cash generated from operating activities before taxes	**11**	**(14)**
	Direct taxes (paid)/refund	23	8
	Net cash generated from operating activities (A)	**34**	**(6)**
B.	**Cash flows from investing activities:**		
	Purchase of property, plant and equipment	(6)	(4)
	Proceeds from sale of property, plant and equipment	4	-
	Loan recovered from subsidiaries	23	4
	Loan given to subsidiaries	(48)	(27)
	Investment in Subsidiaries	(335)	(401)
	Purchase of Other Investment	(16)	(39)
	Proceeds from sale of investments	29	373
	Proceeds from sale of business	-	-
	Dividend received	25	-
	Interest received	4	3
	Net cash used in investing activities (B)	**(320)**	**(91)**
C.	**Cash flows from financing activities:**		
	Interest paid on borrowings	(10)	(9)
	Proceeds from Issue of Shares	-	400
	Loan taken during the year	285	227
	Repayment of lease liabilities	(11)	-
	Loan repaid during the year	-	(464)
	Net cash used in financing activities (C)	**264**	**154**
	Net increase/(decrease) in cash and cash equivalents during the year (A+B+C)	**(22)**	**57**
	Effect of exchange rate changes on cash and cash equivalents	^	^
	Cash and cash equivalents at the beginning of the year	79	22
	Cash and cash equivalents at the end of the year (Note 8)	**57**	**79**

The accompanying notes form an integral part of these standalone financial statements

^ Value is less than USD 1

As per our report of even date attached

for Deloitte Haskins & Sells LLP
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For and on behalf of the Board of Directors

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Amit Ved
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Bangalore
Date :

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Director
New Jersey

SD/-
N.S. Bala
Director
New Jersey

1. The Company overview

Wipro LLC ("the Company") is a subsidiary of Wipro Limited ('the holding company'). The Company is incorporated in USA and is engaged in the software development services.

Wipro LLC is a limited liability company incorporated and domiciled in US. The address of its registered office is Wipro LLC, 2 Tower Center Blvd, Suite 2200 East Brunswick, NJ 08816, USA

2. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

This special purpose financial statement is prepared for inclusion in the annual report of the Ultimate Holding Company (Wipro limited) under the requirements of section 129(3) of the Companies Act, 2013.

These are the Standalone financial statements of Wipro LLC. The Company has not prepared consolidated financial statements because it has availed the specific exemption from the preparation of consolidated financial statements, available under Ind AS 110, "Consolidated Financial Statements". Accordingly, the investment in the subsidiaries are accounted for on a cost basis in these standalone financial statements.

The investment in subsidiaries is considered as a long term investment and carried at cost, less impairment, if any (refer note 6).

The financial performance and position of the Company and the subsidiaries are included in the consolidated financial statements of Wipro Limited, incorporated under the Companies Act, 2013, and having its registered office at Doddakanelli, Sarjapur Road, Bengaluru – 560035, Karnataka, India.

The financial statement is prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

All amounts included in the financial statements are reported in millions of USD ($ in millions) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

Amounts below rounding off norm adopted by the Company been disclosed as nil in the financial statement.

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The functional currency of the company is US Dollar and the financial statement is also presented in US Dollar.

(ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for financial instruments classified as fair value through other comprehensive income or fair value through profit or loss, and.

(iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

a) **Revenue recognition:** The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

b) **Impairment testing:** Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than its carrying value. The recoverable amount of the asset or the cash generating units is higher of value in use and fair value less cost of disposal. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c) **Income taxes:** The major tax jurisdictions for the Company is United States of America. 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. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

d) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

e) **Expected credit losses on financial assets:** The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s history of collections, customer’s creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) **Measurement of fair value of non-marketable equity investments:** These instruments are initially recorded at cost and subsequently measured at fair value. Fair value of investments is determined using the market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees' revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data.

g) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

h) **Useful lives of intangible assets**: The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually

i) **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

j) **Uncertainty relating to the global health pandemic on COVID-19:**

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The Company basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges.

The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

3. Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in USD, which is the functional currency of the Company.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results of operating activities except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Gains/(losses), net, relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as financial instruments measured at fair value through other comprehensive income are included in other comprehensive income, net of taxes.

(iii) Financial instruments

a) Non-derivative financial instruments:
Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets; Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognised only when the Company has not retained control over the financial asset.
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non- derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

B. Investments

Financial instruments measured at amortised cost:

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Financial instruments measured at fair value through other comprehensive income (FVTOCI):

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Interest income is recognised in statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

Financial instruments measured at fair value through profit or loss (FVTPL):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

Interest income is recognised in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

Investments in equity instruments designated to be classified as FVTOCI:

The Company carries certain equity instruments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognised in other comprehensive income and the gain or loss is not reclassified to statement of profit and loss on disposal of these investments. Dividends from these investments are recognised in statement of profit and loss when the Company's right to receive dividends is established.

Investments in subsidiaries:

Investment in subsidiaries are measured at cost less impairment.

C. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables and other assets.

D. Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

b) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Equity

a) Share capital and securities premium reserve

The authorized share capital of the Company is USD 903 and 903 USD as of March 31, 2020 and March 31, 2019 respectively and is divided into 180,378 common stock of $ 2,500.

b) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

c) Other reserves

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

(v) Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortised over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortised over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	28 to 40 years
Plant and machinery	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as at each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

(vi) Business combination, Goodwill and Intangible assets

a) Business combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

b) Goodwill

The excess of the cost of an acquisition over the Company’s share in the fair value of the acquiree’s identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

c) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

The estimated useful life of amortisable intangibles is reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortisable intangible assets for the current and comparative periods are as follows:

Category	**Useful life**
Customer related intangibles	5 years
Marketing related intangibles	15 years

Goodwill and intangible assets, if any, associated with an operation disposed shall be measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

(vii) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

a) control the use of an identified asset,
b) obtain substantially all the economic benefits from use of the identified asset, and
c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

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(viii) Inventories

Inventories are valued at lower of cost and net realisable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

(ix) Impairment

A) Financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments classified as FVTOCI, lease receivables, trade receivables, lease receivables, contract assets and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables, contract assets and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

B) Impairment of Investment in subsidiaries

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

C) Non - financial assets

The Company assesses long-lived assets such as property, plant and equipment, right-of-use assets and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets.

Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value.

The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represent the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. An impairment in respect of goodwill is not reversed.

(x) Employee benefits

a) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has 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.

b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

(xi) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are 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.

(xii) Revenue

The Company derives revenue primarily from software development, maintenance of software/hardware and related services, business process services, sale of IT and other products.

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The adoption of the new standard has resulted in a reduction of USD 2 in opening retained earnings, primarily relating to certain contract costs because these do not meet the criteria for recognition as costs to fulfil a contract.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the services rendered:

A. Time and materials contracts

Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.

B. Fixed-price contracts

i) Fixed-price development contracts

Revenues from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognised using the “percentage-of-completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company is not able to reasonably measure the progress of completion, revenue is recognised only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on fixed-price development contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is an entity’s obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Unbilled revenues on other than fixed price development contracts are classified as a financial asset where the right to consideration is unconditional upon passage of time

ii) Maintenance contracts

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognised as revenue on completion of the term.

iii) Volume based contracts

Revenues and costs are recognised as the related services are rendered.

C. Products

Revenue on product sales are recognised when the customer obtains control of the specified asset.

D. Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company’s historical experience of material usage and service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. If Company controls the good or service before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

(xiii) Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

(xiv) Other income

Other income comprises interest income on deposits, dividend income and gains / (losses), net, on disposal of investments. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(xv) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognised in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent 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.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period, taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income 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 deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(xvi) Earnings per share

Basic and Diluted earnings per share is computed using the weighted average number of equity shares outstanding during the period.

(xvii) Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated.

(xviii) Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

(xix) Non-current assets and disposal groups held for sale

Assets of disposal groups that is available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Noncurrent assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

(xx) Disposal of assets

The gain or loss arising on disposal or retirement of assets are recognised in the statement of profit and loss.

New Accounting standards adopted by the Company:

Ind AS 116 – Leases

On April 1, 2019, the Company has adopted Ind AS 116, Leases, which, applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The Company has made use of the following practical expedients available in its transition to Ind AS 116 -

(a) The Company will not reassess whether a contract is or contains a lease. Accordingly, the definition of lease in accordance with Ind AS 17 will continue to be applied to lease contracts entered by the Company or modified by the Company before April 1, 2019.

(b) The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment. Consequently, the Company has recorded its lease liability using the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and the right-of- use asset at its carrying amount as if the standard had been applied since the commencement date of the lease but discounted using the incremental borrowing rate at the date of initial application.

(c) The Company excluded the initial direct costs from measurement of the RoU asset;

(d) The Company does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

The weighted average rate of discount applied to lease liabilities as at April 1, 2019 is 4.69%.

On adoption of Ind AS 116,

a) the Company had recognized right-of-use assets USD 9 and corresponding lease liabilities USD 10.
b) the net carrying value of assets procured under the finance lease USD 11 (gross carrying and accumulated depreciation value of USD 26 and USD 15, respectively) have been reclassified from property, plant and equipment to right- of-use assets.
c) the obligations under finance leases of USD 11 (non-current and current obligation under finance leases USD 2 and USD 9 respectively) have been reclassified to lease liabilities.

The adoption of the new standard has resulted in an increase of USD 1 in retained earnings, net of deferred tax asset.

During the year ended March 31, 2020, the Company recognized in the statement of profit and loss-

a) Depreciation expense from right-of-use assets of USD 6 (Refer to Note 4).
b) Interest expenses on lease liabilities of ^.
c) Rent expense amounting to USD 2 pertaining to leases with less than twelve months of lease term has been included under facility expenses (Refer to Note 24).

Refer to Note 4 for additions to right-of-use assets during the year ended March 31, 2020 and carrying amount of right-of-use assets as at March 31, 2020 by class of underlying asset.

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

The comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

The adoption of Ind AS 116 did not have any material impact on the Company's statement of profit and loss and earnings per share.

The difference between the lease obligation disclosed as of March 31, 2019 under Ind AS 17 and the value of the lease liabilities as of April 1, 2019 is primarily on account of practical expedients exercised for short term leases, as at adoption of the standard, in measuring lease liability and discounting the lease liabilities to the present value in accordance with Ind AS 116.

Particulars	**Total**
Operating lease commitments disclosed as at March 31, 2019	**17**
(Less): Impact of discounting on opening lease liability	-2
(Less): Short term lease not recognised as liability	-5
Lease liability recognized as at April 1, 2019	**10**

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the standalone financial statements of the Company.

New Accounting Standards not yet adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

(USD in mn except share and per share data, unless otherwise stated)

Note 4 Property, plant and equipment

Particulars	Buildings	Plant and Equipment*	Furniture & fixtures	Office equipments	Total
Gross carrying value					
As at 01 April 2018	2	49	3	1	55
Additions	-	3	^	^	4
As at 31 March 2019	**2**	**52**	**3**	**2**	**59**
As at 01 April 2019	**2**	**52**	**3**	**2**	**59**
Reclassified on adoption of Ind AS 116	-	**(26)**	-	-	**(26)**
Adjusted balance as at 01 April 2019	**2**	**26**	**3**	**2**	**33**
Additions	-	6	^	^	6
Disposals	-	(4)	-	-	(4)
As at 31 March 2020	**2**	**28**	**3**	**2**	**35**
Accumulated depreciation					
As at 01 April 2018	1	32	2	-	34
Charge for the year	^	6	^	^	7
As at 31 March 2019	**1**	**38**	**2**	**1**	**41**
As at 01 April 2019	**1**	**38**	**2**	**1**	**41**
Reclassified on adoption of Ind AS 116	-	(15)	-	-	**(15)**
Adjusted balance as at 01 April 2019	**1**	**22**	**2**	**1**	**26**
Charge for the year	^	2	1	^	4
Disposals/Adjustment	-	^	-	-	^
As at 31 March 2020	**2**	**24**	**3**	**1**	**30**
Net carrying value					
As at 31 March 2019	**1**	**15**	**1**	**1**	**18**
As at 31 March 2020	^	**4**	^	**1**	**5**

*Including net carrying value of computer equipment and software amounting to USD 1 and ^ as at March 31, 2020 and 2019, respectively.

^ Value is less than USD 1

Note 4 Right Of Use Assets

Particulars	Buildings	Plant and Equipment	Total
Gross carrying value			
As at 1 April 2019	**8**	**12**	**20**
Additions	-	-	-
Disposals	-	-	-
Translation adjustment	-	-	-
As at 31 March 2020	**8**	**12**	**20**
Accumulated depreciation			
As at 1 April 2019	-	-	-
Charge for the year	1	5	6
Disposals	-	-	-
Translation adjustment	-	-	-
As at 31 March 2020	**1**	**5**	**6**
Net carrying value			
As at 31 March 2020	**7**	**7**	**14**

^ Value is less than USD 1

The movement in intangible asset is given below:-

5. Goodwill and other intangible assets

The movement in goodwill balance is given below:-

	Year ended at March 31,2020	
	2020	**2019**
Balance at the beginning of the year	24	24
Balance at the year end	24	24

The movement in intangible asset is given below:-

Particulars	**Customer related**	**Marketing related**	**Total**
Gross carrying value			
As at 01 April 2018	82	6	88
Additions during the year	-	-	-
As at 31 March 2019	**82**	**6**	**88**
Additions during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2020	**82**	**6**	**88**
Accumulated amortization			
As at 01 April 2018	4	2	6
Charge for the year	5	1	6
As at 31 March 2019	**9**	**3**	**12**
Charge for the year	6	2	8
As at 31 March 2020	**15**	**5**	**20**
Balance as at 31 March 2019	**73**	**3**	**76**
Balance as at 31 March 2020	**67**	**1**	**68**

6. Investments

Investments consists of the following:	Note	As at March 31, 2020	As at March 31, 2019
Financial instruments at FVTOCI			
Equity instruments	**6.1**	113	89
Financial instruments at amortized cost			
		113	89
Investment in subsidiaries (Carried at cost)	**6.2**	323	203
Investment in Associates (Carried at cost)	**6.3**	10	10
		446	301
Non-current		446	301
Aggregate carrying value of unquoted investments			
Non-current		446	301
Aggregate amount of impairment in value of investments in subsidiaries		719	503

Details of Investments

6.1 Details of investments in equity instruments – other than subsidiaries (fully paid up) - classified as FVTOCI

Particulars	Number of units as at		Balances as at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Talena Inc	-	10,103,248	-	2
TLV Partners, L.P	-	-	8	5
Emailage Corp	-	373,800	-	7
Vectra Networks Inc.	1,811,807	1,811,807	8	8
Avaamo Inc.	1,887,193	1,887,193	3	3
Intsights Cyber Intelligence Limited	2,191,903	1,981,365	8	7
Tradeshift Inc.	384,615	384,615	7	7
Incorta Inc, Ltd.	1,458,272	-	7	-
WORK BENCH CAPITAL		-	2	^
VICARIOUS	423,920	423,920	3	3
Ensono Holdings, LLC	13,024,920	13,024,920	36	25
CLOUDGENIX	1,946,131	1,946,131	5	5
Moogsoft (Herd) Inc.	1,230,182	1,230,182	3	2
CyCognito Ltd.	122,075	122,075	1	1
TLV PARTNERS - Fund II	-	-	3	1
TLV PARTNERS - Fund III	-	-	^	-
BOLDSTART VENTURES IV, L.P.	-	-	^	^
Glilot Capital Partners III L.P.	-	-	^	^
E silicon	-	1,485,149	-	2
Head spin inc	230,733	230,733	11	6
Sealights Technologies Ltd	1,343,635	-	2	-
B Capital Fund II, L.P.	-	-	2	-
CloudKnox Security Inc.	2,389,486	-	2	-
Wipro Technologies S.A DE C. V	-	-	^	^
HARTE HANKS INC	9,926	9,926	2	4
Total			**113**	**89**

^ Value is less than USD 1

6.2 Details of investment in unquoted equity instruments of subsidiaries (fully paid up)

Name of the subsidiary	Currency	Face Value	Number of Units as at		Balances as at March 31,2020			Balances as at March 31,2019		
			March 31, 2020	March 31, 2019	Gross Value	Impairment	Net Value	Gross Value	Impairment	Net Value
Wipro Gallagher Solutions, LLC*	USD	1	500	500	68	-	68	68	-	68
Wipro Insurance Solution LLC *	USD	-	-	-	^	-	^	^	-	^
Wipro IT Services, LLC*	USD	0.01	29,572	29,572	974	(719)	255	638	(503)	135
Total					**1,042**	**(719)**	**323**	**705**	**(503)**	**203**

^ Value is less than USD 1

* As per local laws, there is no concept of issuance of share certificate. Hence the investment by the company is considered as equity contribution.

6.3 Details of investment in unquoted equity instruments of associate (fully paid up)

Name of the associate	Currency	Face Value	Number of Units as at		Balances as at	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2020
DriveStream Inc.	USD	1.01	312,917	312,917	10	10
Total			312,917	312,917	10	10

7. Trade receivables

	As at	
	March 31, 2020	March 31. 2019
Unsecured:		
Considered good	118	97
Considered doubtful	1	1
	119	98
With holding company - Considered good (Refer note 32 (iii)(a))	10	9
With group companies - Considered good (Refer note 32 (iii)(a))	4	^
Less: Allowance for expected credit loss	(1)	(1)
	132	**106**
Included in the financial statement as follows:		
Current	111	106
Non-Current	21	-

The activities in the allowance for expected credit loss is given below:

	As at	
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	1	1
Additions during the year, net	^	^
Uncollectable receivable charged against allowance	^	-
Balance at the end of the year	1	1

^ Value is less than USD 1

8. Cash and cash equivalents

	As at	
	March 31, 2020	March 31, 2019
Balances with banks		
In current accounts	35	56
Deposits	22	23
	57	**79**

Cash and cash equivalents consists of the following for the purpose of the cash flow statement:	As at	
	March 31, 2020	March 31, 2019
Cash and cash equivalents	57	79
	57	**79**

9. Other financial assets

	As at	
	March 31, 2020	March 31, 2019
Non-current		
Security deposits	^	^
Finance lease receivables	^	2
Others	-	2
	^	**4**

	As at	
	March 31, 2020	March 31, 2019
Current		
Considered good		
Finance lease receivables	3	4
Receivables for sale of investment	5	17
Accrued Interest (Refer note 32 (iii)(f))	2	-
Balance with group companies (Refer note 32 (iii)(a))	-	1
Security deposits	^	^
Others	-	5
	10	**29**

Finance lease receivables:

Leasing arrangements

Finance lease receivables consist of assets that are leased to customers for contract terms ranging from 1 to 5 years, with lease payments due in monthly or quarterly installments.

Amounts receivable under finance leases:

The components of finance lease receivable are as follows:

	Minimum lease payment as at		**Present value of minimum lease payment receivable as at**	
Description	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Not later than one year	3	4	3	4
Later than one year but not later than five years	^	2	^	2
Gross investment in lease	3	6	3	6
Less : Unearned finance income	^	^		
Present value of minimum lease payment receivable	**3**	**6**		**6**

Included in the financial statements as follows

	March 31, 2020	**March 31, 2019**
- Non-current finance lease receivable	^	2
- Current finance lease receivable	3	4

^ Value is less than USD 1

10. Inventories

	As at	
	March 31, 2020	**March 31, 2019**
Stock-in-trade	^	^
	^	^

^ Value is less than USD 1

11. Other assets

	As at	
	March 31, 2020	**March 31, 2019**
Non-current		
Cost to obtain contract	5	3
Cost to fulfill contract	30	-
Prepaid expenses	^	^
	35	**3**
Current		
Cost to obtain contract	2	^
Prepaid expenses	2	2
Advance to suppliers	^	6
Balances with government authorities	^	^
	4	**8**

^ Value is less than USD 1

12. Share Capital

	As at	
	March 31, 2020	**March 31, 2019**
I. Issued, subscribed and fully paid-up capital		
A. Paid up capital	903	903
	903	**903**

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 2,500 per share. The Company is a limited liability company with a single member Wipro Limited. In the event of liquidation of the Company, the sole member will be entitled to receive the remaining assets of the Company after satisfaction of all liabilities, if any.

b) Shareholding pattern

Details of shareholders having more than 5% of the total equity shares of Company:	**As at March 31, 2020**		**March 31, 2019**	
	No. of shares	**% held**	**No. of shares**	**% held**
Capital Holder				
Wipro Limited	180,378	100%	180,378	100%
		100%	180,378	100%

13. Borrowings

A summary of loans and borrowings is as follows:

	As at March 31, 2020	As at March 31, 2019
Non current borrowings		
Secured:		
Long term maturity of finance lease obligations (Refer note 27) #	-	2
Unsecured:		
Term loan ~	^	1
Loan from fellow subsidiaries (Refer note 32 (iii)(c & d)) *	378	93
Total Non-Current borrowings	**378**	**96**

^ Value is less than USD 1
#Obligations under finance leases amounting to USD 9 as at March 31, 2019 is classified under "Other financial liabilities". Refer Note 13.

~ Term loans are repayable in fixed installments till the month of June, 2021. They carry interest rate of 3.81%. Current maturities of term loans amounting to USD ^ (March 31, 2019 : USD ^) is classified under "Other financial liabilities".

* Loan is repayable during the month of Jul'21. They carry interest rate of 12 months USD LIBOR plus 85 basis points.. Current maturities of Loan from Fellow subsidiaries amounting to USD 136 (March 31, 2019: USD 136) is classified under "Other Financial Liabilities"

Short term borrowing	March 31, 2020			March 31, 2019		
	USD	Interest (F/V)	interest rate	USD	Interest (F/V)	interest rate
Unsecured Bank Overdraft	-			-	-	-
Unsecured Loan from Subsidiary (Refer note 31 (iii)(b))	136	Variable	Libor + 85 bps	136	Variable	Libor + 85 bps
Total	**136**			**136**		

Long term borrowing	March 31, 2020			March 31, 2019		
	USD	Interest (F/V)	interest rate	USD	Interest (F/V)	interest rate
Unsecured Long term borrowing *	0	Fixed	3.81%	1	Fixed	3.81%
Secured loan "Obligation under finance lease" *	-	Fixed	2.6%-6.03%	11	Fixed	2.6%-6.03%
Unsecured Loan from Subsidiary (Refer note 32 (iii)(b)) *	378	Variable	Libor + 85 bps	229	Variable	Libor + 85 bps
Total	**378**			**241**		

* Includes current obligations under borrowings classified under “Other financial liabilities”

Changes in financing liabilities arising from cash and non-cash changes:

	April 1, 2019	Cash Flow	Non Cash: Ind AS 116 adoption	Non Cash: Others	March 31, 2020
Unsecured Loan from Subsidiary*	229	285			514
Unsecured Long term borrowing*	1	^		(1)	^
Secured loan "Obligation under finance lease*	11	(11)			-
Lease Liabilities	-	-	10		10
Total	**241**	**274**	**10**	**(1)**	**524**

* Includes current obligations under borrowings classified under “Other financial liabilities”

	April 1, 2018	Cash Flow	Non Cash: Others	March 31, 2019
Unsecured Loan from Subsidiary	368	(138)	(2)	229
Unsecured Long term borrowing*	93	(92)		1
Secured loan "Obligation under finance lease*	18	(7)		11
Total	**479**	**(237)**	**(2)**	**241**

* Includes current obligations under borrowings classified under “Other financial liabilities”

14. Other financial liabilities

	As at	
	March 31, 2020	March 31, 2019
Current		
Salary payable	2	1
Current maturities of long-term debt	^	^
Current maturities of Loan from fellow subsidiaries	136	136
Other payables to employees	^	^
Interest accrued but not due on borrowings	-	^
Current maturities of finance lease obligations (Refer Note 27)	-	9
Balances due to holding company (Refer note 32 (iii)(b))	-	5
Balances due to group companies (Refer note 32 (iii)(b))	-	3
	138	**154**

^ Value is less than USD 1

15. Provisions

	As at	
	March 31, 2020	March 31, 2019
Non current		
Provision for employee benefits	1	1
	1	**1**
Current		
Provision for employee benefits	1	1
	1	**1**

16. Other liabilities

	As at	
	March 31, 2020	March 31, 2019
Current		
Employee travel and other payables	^	-
Statutory liabilities	1	1
	1	**1**

^ Value is less than USD 1

17. Trade payables

	As at	
	March 31, 2020	March 31, 2019
Payable to holding company (Refer note 32 (iii)(b))	92	47
Payable to group companies (Refer note 32 (iii)(b))	21	15
Trade payable due to other than related parties	34	43
	147	**105**

18. Financial instruments

Financial assets and liabilities (carrying value / fair value)

	As at	
	March 31, 2020	March 31, 2019
Assets		
Cash and cash equivalents	57	79
Investments		
Financial instrument at FVTOCI	113	89
Investment in Subsidiaries	323	203
Investment in Associates	10	9
Loan to Subsidiaries	68	43
Other financial assets		
Trade receivables	132	105
Unbilled receivables	33	41
Other assets	10	33
Total	**746**	**603**
Liabilities		
Trade payables and other payables		
Trade payables	147	105
Other financial liabilities	138	154
Borrowings	378	96
	663	**355**

Offsetting financial assets and liabilities

The following table contains information on other financial assets and trade payables and other payables subject to offsetting:

	As at	
	March 31, 2020	March 31, 2019
Financial Assets:		
Gross amounts of recognised other financial assets	174	181
Gross amounts of recognised trade payables and other liabilities set off in the balance sheet	-	(2)
Net amounts of recognised other financial assets presented in the balance sheet	**174**	**180**
Financial liabilities		
Gross amounts of recognised trade payables and other payables	285	261
Gross amounts of recognised trade payables and other liabilities set off in the balance sheet	-	(2)
Net amounts of recognised trade payables and other payables presented in the	**285**	**259**

For the financial assets and liabilities subject to offsetting or similar arrangements, each agreement between the Company and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis and hence are not offset.

Fair value

Financial assets and liabilities include cash and cash equivalents, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, eligible current and non-current assets, borrowings, trade payables, and eligible current liabilities and non-current liabilities.

The fair value of cash and cash equivalents, trade receivables, unbilled revenues, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's long-term debt has been contracted at market rates of interest. Accordingly, the carrying value of such long-term debt approximates fair value. Further, finance lease receivables that are overdue are periodically evaluated based on individual credit worthiness of customers. Based on this evaluation, the Company records allowance for estimated losses on these receivables. As of March 31, 2020 and March 31, 2019, the carrying value of such receivables, net of allowances approximates the fair value.

Investments in liquid and short-term mutual funds, which are classified as FVTPL are measured using net asset values at the reporting date multiplied by the quantity held. Fair value of investments in certificate of deposits, commercial papers and bonds classified as FVTOCI is determined based on the indicative quotes of price and yields prevailing in the market at the reporting date. Fair value of investments in equity instruments classified as FVTOCI is determined using market and income approaches.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis:

	As at March 31, 2020				As at March 31, 2019			
Particulars	**Total**	**Fair Value measurements at reporting date using**			**Total**	**Fair Value measurements at reporting date using**		
		Level 1	**Level 2**	**Level 3**		**Level 1**	**Level 2**	**Level 3**
Investments:								
Investments in equity instruments - Other than Subsidiaries/Associates	113	-	-	113	89	-	-	89

Fair value of level 3 investments is determined using market approach. For investments in early stage entities, the market approach involves the use of recent financial rounds and the level of marketability of the investments. These factors are assessed on a periodic basis and movements in fair value of these investments is recognized in other comprehensive income.

Description of significant unobservable inputs to valuation:
As at March 31, 2020

Items	Valuation technique	Significant unobservable	Movemen	Increase	Decrease
Unquoted equity investments	Discounted cash flow model	Long term growth rate	0.50%	4	(4)
		Discount rate	0.50%	(5)	5

Details of assets and liabilities considered under Level 3 classification

Particulars	Investment in equity instruments
Balance as at April 1, 2018	55
Additions	40
Transferred to investment in associates	(19)
Gain/(loss) recognised in other comprehensive income	13
Balance as at March 31, 2019	**89**
Balance as at April 1, 2019	89
Additions	17
Deletions	(4)
Gain/(loss) recognised in other comprehensive income	11
Balance as at March 31, 2020	**113**

Sale of financial assets

From time to time, in the normal course of business, the Company transfers accounts receivables to banks. Under the terms of the arrangements, the Company surrenders control over the financial assets and transfer is without recourse. Accordingly, such transfers are recorded as sale of financial assets. Gains and losses on sale of financial assets without recourse are recorded at the time of sale based on the carrying value of the financial assets and fair value of servicing liability. The incremental impact of such transactions on our cash flow and liquidity for the year ended March 31, 2020 and March 31, 2019 is not material.

In certain cases, transfer of financial assets may be with recourse. Under arrangements with recourse, the Company is obligated to repurchase the uncollected financial assets, subject to limits specified in the agreement with the banks. These are reflected as part of borrowings in the balance sheet.

Financial risk management

Market Risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

Risk management procedure

The Company manages market risk through a corporate treasury department, which evaluates and exercises independent control over the entire process of market risk management. The corporate treasury department recommends risk management objectives and policies, which are approved by senior management. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

Foreign currency risk

The Company operates internationally and a major portion of its business is transacted in USD currency. Consequently, the Company is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's short-term investments and short-term borrowing do not expose it to significant interest rate risk. If interest rates were to increase by 100 bps from March 31, 2020, additional net annual interest expense on floating rate borrowing would amount to approximately USD 5

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

Counterparty Risk

Counterparty risk encompasses issuer risk on marketable securities, settlement risk on derivative and money market contracts and credit risk on cash and time deposits. Exposure to these risks are closely monitored and maintained within predetermined parameters.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2020, cash and cash equivalents are held with major banks and financial institutions.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date. The amounts include estimated interest payments and exclude the impact of netting agreements, if any.

As at March 31, 2020						
Contractual Cash Flows	**Carrying Value**	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Borrowings (including current maturities of long-term debt and finance lease obligations included in other financial liabilities)	**378**	285	94	^	-	**380**
Lease Liabilities	**10**	3	1	2	4	**10**
Trade payables	**147**	147				**147**
Other financial liabilities	**2**	2				**2**

As at March 31, 2019						
Contractual Cash Flows	**Carrying Value**	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Borrowings (including current maturities of long-term debt and finance lease obligations included in other financial liabilities)	**240**	150	95	^	-	**245**
Trade payables	**105**	105				**105**
Other financial liabilities	**10**	10				**10**

^ Value is less than USD 1

The balanced view of liquidity and financial indebtedness is stated in the table below. This calculation of the net cash position is used by the management for external communication with investors, analysts and rating agencies:

	As at	
	March 31, 2020	**March 31, 2019**
Cash and cash equivalents	57	79
Loan and borrowings (including current maturities of long-term debt and finance lease obligations)	(378)	(241)
Loans to subsidiaries	68	43
Net cash position	(253)	(119)

19. Income taxes

"Wipro LLC is included in the consolidated tax return of Wipro Limited. The Company calculates the provision for income taxes by using a "separate return" method. Under this method, the Company computes tax provision as if it will file a separate return with the tax authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from Wipro Limited.

Currently the Company does not have any difference between the tax provision (or benefit) allocated under the separate return method and payments to be made to (or received from) Wipro Limited for tax expense.

Income tax expense has been allocated as follows:

	As at	
	March 31, 2020	**March 31, 2019**
Income tax expense		
Current tax	3	(15)
Deferred tax	2	15
Total income taxes	**5**	-

The reconciliation between the provision of income tax and amounts computed by applying the American statutory tax rate to profit before taxes is as follows:

	As at	
	March 31, 2020	**March 31, 2019**
	USD	USD
Loss before taxes	(114)	(352)
Enacted income tax rate in USA	28.00%	28.00%
Computed expected tax expense	(32)	(99)
Effect of:		
Income exempt from tax	(7)	(26)
Income taxes for prior years	(1)	(9)
Income taxed at higher/ (lower) rates	(15)	3
Changes in unrecognized deferred tax assets	60	131
	5	-

The components of deferred tax assets and liabilities are as follows

	As at	
	March 31, 2020	**March 31, 2019**
Deferred tax assets (DTA)		
Other Liablity	2	2
Carried forward losses	1	1
	3	**3**
Deferred tax liabilities (DTL)		
Amortization of goodwill and Intangibles	12	11
Property, plant and equipment	16	15
	28	**26**
Net deferred tax liabilities	**(25)**	**(23)**

Note 20 Revenue from operations	**Year ended**	
	March 31, 2020	**March 31, 2019**
Sale of services	1,055	818
	1,055	**818**

A. Contract Assets and Liabilities

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the Company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company presents such receivables as part of unbilled receivables at their net estimated realizable value.

Contract liabilities: During the year ended March 31, 2020 the Company recognized revenue of USD 71 arising from contract liabilities as at March 31, 2019. During the year ended March 31, 2019, the Company recognized revenue of USD 16 arising from opening unearned revenue as at April 1, 2018.

Contract assets: During the year ended March 31, 2020, USD 6 of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones. During the year ended March 31, 2019, USD 17 of unbilled revenue pertaining to fixed-price development contracts (balance as at April 1, 2018 of USD 17), has been reclassified to receivables on completion of milestones.

Contract assets and liabilities are reported in a net position on a contract by contract basis at the end of each reporting period.

B. Remaining Performance Obligations

Revenue allocated to 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. Applying the practical expedient, the Company has not disclosed its right to consideration from customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, which are contracts invoiced on time and material basis and volume based.

As at March 31, 2020, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was USD 1,581 of which approximately 33% is expected to be recognized as revenues within two years, and the remainder thereafter. This includes contracts, with a substantive enforceable termination penalty if the contract is terminated without cause by the customer, based on an overall assessment of the contract carried out at the time of inception. Historically, customers have not terminated contracts without cause

As at March 31, 2019, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was USD 1,786 of which approximately 34% is expected to be recognized as revenues within two years, and the remainder thereafter. This includes contracts, with a substantive enforceable termination penalty if the contract is terminated without cause by the customer, based on an overall assessment of the contract carried out at the time of inception. Historically, customers have not terminated contracts without cause.

C. Disaggregation of Revenues

The tables below present disaggregated revenues from contracts with customers by business segment and contract-type. The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors

Revenue from operations

	Year ended	
	March 31, 2020	**March 31, 2019**
Sale of Services	1,052	818
Sales of Products	3	-
	1,055	**818**

Revenue by nature of contract

	Year ended	
	March 31, 2020	**March 31, 2019**
Fixed price and volume based	630	485
Time and Materials	422	333
Products	3	-
	1,055	**818**

Note 21 Other income	Year ended March 31, 2020	March 31, 2019
Dividend Income	25	-
Interest on debt instruments and others	4	3
Others	1	^
^ Value is less than USD 1	**30**	**3**

Note 22 Employee benefits expense	Year ended March 31, 2020	March 31, 2019
Salaries and wages	45	44
Contribution to provident and other funds	^	^
Share based compensation	^	-
Staff welfare expenses	^	^
^ Value is less than USD 1	**45**	**44**

Note 23 Finance costs	Year ended March 31, 2020	March 31, 2019
Interest expense	10	9
	10	**9**

Note 24 Other expenses	Year ended March 31, 2020	March 31, 2019
Other exchange differences, net	^	1
Travel	2	2
Provision for diminution in the value of non-current investments	215	468
Repairs and maintenance	3	2
Commission on sale	-	3
Facility expenses	3	4
Provision/write off of bad debts	1	^
Power and fuel	^	^
Communication	^	1
Corporate guarantee commission	-	1
Advertisement and brand building	^	^
Legal and professional fees	1	5
Rates and taxes	1	1
Audit fees	^	^
Miscellaneous expenses	6	6
	232	**495**

^ Value is less than USD 1

25. Earnings per share

A reconciliation of loss for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares.

	Year ended	
	March 31, 2020	**March 31, 2019**
The computation of basic and diluted earnings per share is set out below :		
Loss attributable to equity holders of the Company	(119)	(352)
Weighted average number of equity shares outstanding	180,378	180,378
Basic and diluted loss per share (face value: USD 2,500 each)	(660)	(1,951)

26. Additional capital disclosure

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The capital structure as on March 31, 2020 and 2019 was as follows:

	As at		% Change
	March 31, 2020	**March 31, 2019**	**2018-19**
Total equity	177	284	-38%
Current loans and borrowings	136	144	
Non current loans and borrowings	378	96	
Total loans and borrowings	514	240	114%
As percentage of total capital	74%	46%	
Total capital (loans and borrowings and equity)	**691**	**524**	**32%**

27. Assets taken on lease

Operating Leases

Until March 31, 2019, prior to adoption of Ind AS 116, the Company had taken offices under non-cancellable operating lease agreements that were renewable on a periodic basis at the option of both the lessor and the lessee. The total rental expense under non cancellable operating leases amounted to USD 4 for the year ended March 31, 2019.

Details of contractual payments under non-cancellable leases are given below:

	As at
	March 31, 2019
Not later than one year	5
Later than one year but not later than five years	8
Later than five years	4
Total	**17**

Finance leases

On April 1, 2019, the Company has adopted Ind AS 116, Leases, applied to all lease contracts outstanding as at March 31, 2019, using modified retrospective method. Please Refer to Note 3 for additional details.

Details of finance lease payable as at March 31, 2019 is as follows:

	Minimum lease payments	Present value of minimum lease payments
	2019	**2019**
Not later than one year	9	9
Later than one year but not later than five years	2	2
Total minimum lease payments	**11**	**11**
Less: future finance charges	^	^
Present value of minimum lease payments payable	**11**	**11**

Included in the balancesheet as follows:	
- Current maturities of obligations under finance lease	9
- Long term maturities of finance lease obligations	2

^ Value is less than USD 1

28. Other operating income

Sale of hosted data center services business: During the year ended March 31, 2019, the Company has concluded the divestment of one of its subsidiary

The calculation of the gain on sale is shown below:

Particulars	Total
Cash considerations	352
Less: Carrying amount of net assets disposed	258
Gain on sale	**94**

In accordance with the sale agreement, total cash consideration is USD 382 and the Company paid USD 55 to subscribe for units issued by the buyer. Units amounting to USD 30 are callable by the buyer if certain business targets committed by the Company are not met over a period of three years. The fair value of these callable units is estimated to be insignificant as at reporting date. Consequently, the sale consideration accounted of USD 326 and units amounting to USD 25 issued by the buyer.

Year ended March 31, 2020

During the year ended March 31, 2020, the Company has partially met the first year and second year business targets pertaining to sale of data center business concluded during the year ended March 31, 2019. Change in fair value of the callable units pertaining to achievement of the business targets amounting to USD 14 for the year ended March 31, 2020, has been recognized under other operating income.

29. Contingent Liabilities

There are no contingent liabilities as at March 31, 2020 (March 31, 2019:Nil).

30. Capital Commitment

The estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) is USD 1 (March 31,

31. Segment reporting

The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

Wipro LLC
(USD in mn except share and per share data, unless otherwise stated)

Note 32 Related party disclosure

i) List of related parties and relationship

Name of the related party	Nature of relationship	Country of Incorporation
Wipro Limited	Holding Company	India
Wipro Technologies SRL	Fellow subsidiary	Romania
Wipro Portugal S.A.	Fellow subsidiary	Portugal
Wipro do Brasil Technologia Ltda	Fellow subsidiary	Brazil
Wipro Cyprus Private Limited	Fellow subsidiary	Cyprus
Wipro Holdings Hungary Korlátolt Felelősségű Társaság	Fellow subsidiary	Hungary
Wipro Holdings Invst Korlátolt Felelősségű Társaság	Fellow subsidiary	Hungary
Wipro Technology Chile SPA	Fellow subsidiary	Chile
Wipro Technologies VZ, C.A.	Fellow subsidiary	Venezuela
Wipro Philippines Inc	Fellow subsidiary	Philippines
Wipro Technologies S.A DE C.V	Fellow subsidiary	Mexico
Wipro Travel Services Limited	Fellow subsidiary	India
Wipro Chengdu Limited	Fellow subsidiary	China
Wipro Shanghai Limited	Fellow subsidiary	China
Wipro Technologies Australia Pty Ltd.	Fellow subsidiary	Australia
Designit Denmark A/S	Fellow subsidiary	Denmark
Wipro Technologies Gmbh	Fellow subsidiary	Germany
Wipro Information Technology Netherlands BV.	Fellow subsidiary	Netherlands
Wipro IT Services Poland Sp. z o. o	Fellow subsidiary	Poland
Wipro (Thailand) Co Limited	Fellow subsidiary	Thailand
Wipro Technologies SA	Fellow subsidiary	Argentina
Cellent GMBH	Fellow Subsidiary	Germany
Wipro Outsourcing Services (Ireland) Limited	Fellow Subsidiary	Ireland
Wipro HR Services India Private Limited	Fellow subsidiary	India
Infocrossing, LLC*	Subsidiary	USA
Wipro Gallagher Solutions, LLC.	Subsidiary	USA
Opus Capital Markets Consultants LLC#	Subsidiary	USA
Wipro Promax Analytics Solutions LLC#	Subsidiary	USA
Wipro Insurance Solutions LLC	Subsidiary	USA
Wipro IT Services, LLC	Subsidiary	USA
HealthPlan Services, Inc.*	Subsidiary	USA
Wipro US Foundation*	Subsidiary	USA
International TechneGroup Incorporated *	Subsidiary	USA
Rational Interaction, Inc. *	Subsidiary	USA
Appirio, Inc*	Subsidiary	USA
Appirio, K.K~	Subsidiary	Japan
Cooper, Software Inc.*	Subsidiary	USA
Topcoder, Inc.~	Subsidiary	USA
Appirio Ltd.~	Subsidiary	Ireland
Appirio GmbH	Subsidiary	Germany
Appirio Ltd. (UK)~	Subsidiary	UK
Drivestream Inc.	Associate	USA

Opus Capital Markets Consultants LLC and Wipro Promax Analytics Solutions LLC are subsidiaries of Wipro Gallagher Solutions, Inc.

* Cooper Software Inc, Appirio Inc,HealthPlan Services, Inc., Wipro US Foundation, International TechneGroup Incorporated, Rational Interaction Inc. and Infocrossing LLC are subsidiaries of Wipro IT Services, LLC.

~ Appirio K.K.;Topcoder, Inc, Appirio Ltd; Appirio Pvt Ltd; Appirio GmbH; Appirio Ltd (UK); Saaspoint, Inc are subsidiaries of Appirio, Inc

ii) **The Company has the following related party transactions:**

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Sale of services		
Wipro Limited	33	26
Purchase of services		
Wipro Limited	670	501
Wipro HR Services India Private Limited	144	85
Corporate guarantee commission		
Wipro Limited	1	1
Interest expense		
Wipro Holdings Invst Korlátolt Felelősségű Társaság	7	6
Interest income		
Healthplan Services Inc	1	1
Wipro IT Services, LLC	1	-

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Loans availed		
Wipro Holdings Invst Korlátolt Felelősségű Társaság	-	227
Wipro Philippines, Inc.	160	-
Wipro Limited	125	-
Loans repaid		
Wipro Holdings Hungary Korlátolt Felelősségű Társaság	-	34
Wipro Holdings Invst Korlátolt Felelősségű Társaság	-	337
Loan Provided		
Healthplan Services Inc	-	8
Appirio, Inc.	3	8
Cooper Software, Inc	-	4
Wipro Gallagher Solutions, LLC.	-	8
Wipro IT Services, LLC	45	-
Loan Recovered		
Designit Denmark A/S	-	2
Wipro Gallagher Solutions, LLC.	8	-
Wipro IT Services Poland Sp. z o. o	8	-
Appirio, Inc.	8	-
Investment in Subsidiary		
Wipro IT Services, LLC	335	381
Wipro Gallagher Solutions, LLC.	-	20
Others		
Appirio, Inc.	3	3
Cooper Software, Inc	1	^

iii) Balances with related parties as at year end are summarised below

Particulars	As at	
	March 31, 2020	March 31, 2019
a) Receviable and other financial assets		
Wipro Limited	10	9
Wipro Solutions Canada Limited	1	-
Cooper Software, Inc	2	1

iii) Balances with related parties as at year end are summarised below

Particulars	As at	
	March 31, 2020	March 31, 2019
b) Payable and other financial liabilities		
Wipro Limited	92	52
WIPRO HR SERVICES INDIA PRIVATE LIMITED	12	12
Appirio, Inc.	5	4
c) Loans payable		
Wipro Holdings Invst Korlátolt Felelősségű Társaság	227	227
Wipro Philippines, Inc.	160	-
Wipro Limited	125	-
d) Interest accrued payable		
Wipro Holdings Invst Korlátolt Felelősségű Társaság	2	2
e) Loans receivable		
Wipro IT Services Poland Sp. z o. o	-	8
Healthplan Services Inc	13	13
Appirio, Inc.	3	8
Cooper Software, Inc	4	4
Wipro Gallagher Solutions, LLC.	-	8
Wipro IT Services, LLC	45	-
f) Interest accrued receivable		
Wipro IT Services, LLC	1	^

^ Value is less than USD 1

As per our report of even date attached

for Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No :117366W/W-100018

For and on behalf of the Board of Directors

SD/-
Amit Ved

Membership No. : 120600
Bangalore
Date :

SD/-
Ashish Chawla
Director
New Jersey

SD/-
N.S. Bala
Director
New Jersey