MSKA
& Associates
Chartered Accountants

Floor 6, No. 5, Prestige Khoday Tower
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Wipro Holdings (UK) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of Wipro Holdings (UK) Limited("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the standalone financial statements.

Restriction on use

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors and is not intended to be and should not be used by anyone other than specified parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Deepak Rao
Partner
Membership No. 113292
UDIN: 20113292AAAAKD9190
Date: June 15, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WIPRO HOLDINGS (UK) LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Sd/-
Deepak Rao
Partner
Membership No.113292
UDIN: 20113292AAAAKD9190
Date: June 15, 2020

Wipro Holdings (UK) Ltd
Balance Sheet as at 31st Mar,2020
(All amounts are in GBP thousands, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,005	5,364
Investments	4	48,079	57,767
Total non-current assets		**53,084**	**63,131**
Current assets			
Inventories (Traded goods)	6	61	120
Financial assets			
Trade receivables	7	7,497	9,049
Cash and cash equivalents	8	23,251	7,302
Unbilled revenues		683	867
Contract asset		00	306
Other financial assets	5	37,785	39,109
Current tax assets		1,069	1,144
Total current assets		**70,347**	**57,897**
TOTAL ASSETS		**1,23,431**	**1,21,028**
EQUITY			
Equity share capital	9A	79,463	79,463
Other equity	9B	(55,866)	(46,963)
Total equity		**23,597**	**32,500**
LIABILITIES			
Non current liabilities			
Financial liabilities	12		
Borrowings		118	232
Current liabilities			
Financial liabilities			
Borrowings	12	89,437	74,231
Trade payables			
(i) total outstanding dues of creditors of micro enterprise and small enterprise	10	-	-
(ii) total outstanding dues of creditors other than micro enterprise and small enterprise	10	5,868	8,594
Other financial liabilities	11	4,410	3,718
Total current liabilities		**99,833**	**86,775**
TOTAL EQUITY AND LIABILITIES		**1,23,431**	**1,21,028**

See accompanying notes to the financial statements 1- 30

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Holdings (UK) Limited

Sd/-
Deepak Rao
Partner
Membership No: 113292
Place: Bangalore
Date: Jun 15, 2020

Sd/-
R.Phillips
Director

Place: Bangalore
Date: Jun 15, 2020

Sd/-
N.S.Balasubramanian
Director

Place: Bangalore
Date: Jun 15, 2020

Wipro Holdings (UK) Limited

Statement of Profit & Loss for the year ended 31st Mar,2020

(All amounts are in GBP thousands, unless otherwise stated)

	Note	Year ended 31 March 2020	Year ended 31 March 2019
REVENUE			
Revenue from operations	13	19,927	23,801
Other income	14	1,459	2,125
Total		**21,386**	**25,926**
EXPENSES			
Cost of materials consumed	17	406	1,715
Sub contracting/technical fees		14,866	16,829
Finance costs	15	1,514	1,546
Depreciation and amortisation expense	3	585	1,101
Other expenses	16	12,695	4,084
Total Expenses		**30,066**	**25,275**
Profit before tax		(8,681)	651
Tax expense			
Current tax		222	384
Deferred tax			
Tax expense		222	384
Profit for the year		**(8,903)**	**267**
Earnings / (loss) per share			
Basic and diluted earnings /(loss) per share (GBP)		(112)	3

See accompanying notes to the financial statements 1- 30

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
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Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Holdings (UK) Limited

Sd/-
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Partner
Membership No: 113292
Place: Bangalore
Date: Jun 15, 2020

Sd/-
R.Phillips
Director

Place: Bangalore
Date: Jun 15, 2020

Sd/-
N.S.Balasubramanian
Director

Place: Bangalore
Date: Jun 15, 2020

Wipro Holdings (UK) Limited
Cash Flow Statement for the year ended March 2020
(All amounts are in GBP thousands, unless otherwise stated)

	Year ended 31 March 2020	Year ended 31 March 2019
A. Cash flow from operating activities		
Profit/(loss) before tax	(8,681)	651
Adjustments		
Depreciation and amortization	585	1,101
Impairment of investment	9,697	-
Unrealised exchange differences net	(2,168)	1,079
Interest expense	1,514	1,546
Interest income	(802)	(827)
Operating profit before working capital changes	**146**	**3,551**
Adjustments for working capital changes:		
Reduction in trade receivable	2,034	1,148
Reduction in other current assets	1,947	(1,237)
Reduction in trade payables	(2,726)	1,329
Increase in other current liability	(696)	2,913
Net cash generated from operations	**706**	**7,703**
Direct taxes (paid) / refund	(297)	451
Net cash generated by operating activities	**409**	**8,154**
B. Cash flows from investing activities:		
Acquisition of plant and equipment (net of deletions)	(226)	(512)
Investment	(08)	(6,723)
Interest received	30	137
Net cash generated by / (used in) investing activities	**(205)**	**(7,098)**
C. Cash flows from financing activities:		
Interest paid	(1,514)	(1,547)
Proceeds(repayment) from borrowings(net)	15,092	1,213
Net cash generated by / (used in) financing activities	**13,577**	**(334)**
Net (decrease) / increase in cash and cash equivalents during the year	**13,781**	**723**
Cash and cash equivalents at the beginning of the year	7,302	5,499
Effect of exchange rate changes on cash	2,168	1,080
Cash and cash equivalents at the end of the year (refer note 8)	**23,251**	**7,302**

See accompanying notes to the financial statements 1- 30

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
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Sd/-
Deepak Rao
Partner
Membership No: 113292
Place: Bangalore
Date: Jun 15, 2020

For and on behalf of the Board of Directors of
Wipro Holdings (UK) Limited

Sd/-
R.Phillips
Director
Place: Bangalore
Date: Jun 15, 2020

Sd/-
N.S.Balasubramanian
Director
Place: Bangalore
Date: Jun 15, 2020

Wipro Holdings (UK) Limited
Statement of changes in equity for the year ended 31st March 2020
(All amounts are in GBP thousands, unless otherwise stated)

(A) Equity share capital	**As at 31st March 2020**	**As at 31st March 2019**
Equity shares of [USD 1] each issued, subscribed and fully paid 2020-130,151,974 2019-130,151,974		
Opening	79,463	79,463
Add: issue during the year	-	-
Closing	**79,463**	**79,463**

(B) Other equity

	Retained Earnings	**Total**
Balance as at 01 April 2018	**(47,230)**	**(47,230)**
Profit for the year	267	267
Balance as at 31 March 2019	**(46,963)**	**(46,963)**
Profit for the year	(8,903)	**(8,903)**
Balance as at March 31, 2020	**(55,866)**	**(55,866)**

See accompanying notes to the financial statements 1- 30

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

For and on behalf of the Board of Directors of
Wipro Holdings (UK) Limited

Sd/-
Deepak Rao
Partner
Membership No: 113292

Place: Bangalore
Date: Jun 15, 2020

Sd/-
R.Phillips
Director

Place: Bangalore
Date: Jun 15, 2020

Sd/-
N.S.Balasubramanian
Director

Place: Bangalore
Date: Jun 15, 2020

1 The Company overview

Wipro Holdings (UK) Limited (the Company) , is a subsidiary of Wipro Limited (the holding company).
The principal activities of the Company are to act as a holding entity for step down subsidiaries and provide IT enabled services. Wipro Limited holds 100% equity of the Company.

2 Basis of preparation of financial statements

2 Basis of preparation of financial statements
(i) Statement of compliance and basis of preparation

These financial statements are 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.

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 statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

(ii) Basis of Measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis.
All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(iii) Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note M for detailed discussion on estimates and judgments.

3 Significant accounting policies

A. Financial Instruments
Non-derivative financial instruments:
Non derivative financial instruments consist of:
- financial assets ,which includes cash and cash equivalents, trade receivables and eligible current and non current asset;
- financial liabilities, which includes trade payables, eligible current and non current liabilities.

These financial instruments are recognised initially at fair value. Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset has been transferred. In cases where substantial risks and rewards of ownership of the financial asset are neither transferred or retained ,financial asset are de-recognised only when the Company has not retained control over the financial asset.
Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

i Cash and cash equivalent
Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

ii 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 recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables and other assets

iii Trade and Other Payables

Trade and other payables are initially recognized 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 <u>Revenue recognition</u>

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

i Time and material contracts

Revenues and costs relating to time and material contracts are recognized as the related services are rendered.

ii Fixed-price contracts

Revenues from fixed-price contracts, including systems development and integration contracts 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 does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost 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.

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

iii Maintenance Contracts

Revenue from maintenance contracts is recognised over the period of the contract 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 unutilised by the customer is recognised as revenue on completion of the term.

Revenue recognition is done on straight line basis over the term of performance obligation using the output method (with respect to time)

iv Products:

Revenue on product sales are recognised when the customer obtains

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

vi <u>Other income</u>

Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

C <u>Property, plant and equipment</u>

i 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 capitalized as part of the cost.

ii 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 amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are 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.

The cost of property, plant and equipment not available for use before each reporting date are disclosed under capital work- in-progress. Deposits & advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.

iii Leases

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

a) Arrangements where the Company is the lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–
(a) the use of an identified asset,
(b) the right to obtain substantially all the economic benefits from use of the identified asset, and
(c) the right to direct the use of the identified asset.

The Company at the inception 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) and low-value assets.

The cost of the right-of-use assets 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 is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The Company applies IND AS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets included as part of our annual financial statements for the year ended March 31, 2020.

For lease liabilities at inception, 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 is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

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 assets 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 consolidated statement of income.
Company has elected not to apply requirements of para 22-49 of Ind AS 116 to short term leases and low value leases. For 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

b) Arrangements where the Company is the lessor

Lease income from operating leases where the group is a lessor is recognized in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The group did not need to make any adjustments to the accounting assets held as lessor as a result of adopting the new leasing standard.

D <u>Foreign currency transactions and translations</u>

<u>(i) Functional and presentation currency</u>

These financial statements are presented in the British Pound, the national currency of United Kingdom, which is the functional currency of the Company.

<u>(ii) Foreign currency transactions and translation</u>

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 recognized 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. Gains/(losses) 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 FVTOCI are included in other comprehensive income, net of taxes.

E Taxes

Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

F Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

G Equity and share capital

(a) Share capital

The authorized share capital of the Company as of March 31, 2020 is 130,151,974 equity shares of face value USD 1 each

The voting right of an equity share holder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity. Voting right cannot be exercised in respect of shares on which any call or other sums presentably payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

(b) Retained earnings

Retained earnings comprises of the Company’s capital reserve and undistributed earnings after taxes.

H Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

I Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

J Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets.

K Inventories

Inventories are valued at the lower of cost and net realisable value.
Materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.
Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.
The comparison of cost and net realizable value is made on item by item basis.

L Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

M Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

(b) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate

(c) Revenue recognition

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 labour 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

(d) 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.

(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) 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 are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee

N Recent Indian Accounting Standards (Ind AS)

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

Wipro Holdings (UK) Limited
Balance Sheet as at 31st Mar,2020
(All amounts are in GBP thousands, unless otherwise stated)

Note 3 : Property, plant and equipment

A - For the financial year 2019-20

	Plant and machinery	Buildings	Total
Gross block (at cost)			
Balance as at 01 April 2019	4,481	3,990	8,471
Additions	62	-	62
Adjustment	165		165
Balance as at 31 March 2020	**4,708**	**3,990**	**8,698**
Accumulated depreciation			
Balance as at 01 April 2019	2,067	1,040	3,107
Depreciation charge for the year	477	108	585
Balance as at 31 March 2020	**2,545**	**1,148**	**3,692**
Net block			
Balance as at 31 March 2019	**2,414**	**2,950**	**5,364**
Balance as at 31 March 2020	**2,163**	**2,843**	**5,005**

The net book value of plant and machinery includes GBP 20,24,804 of software intangibles (2018-19 3,190,850) . The depreciation charge in respect of software amounted to GBP 4,11,729 (2018-19- 108,991)

B - For the financial year 2018-19

	Plant and machinery	Buildings	Total
Gross block (at cost)			
Balance as at 01 April 2018	5,255	3,990	9,245
Additions	145	-	145
Adjustments	(919)		
Balance as at 31 March 2019	**4,481**	**3,990**	**8,471**
Accumulated depreciation			
Balance as at 01 April 2018	1,074	932	2,006
Depreciation charge for the year	993	108	1,101
Balance as at 31 March 2019	**2,068**	**1,040**	**3,107**
Net block			
Balance as at 31 March 2018	**4,181**	**3,058**	**7,239**
Balance as at 31 March 2019	**2,414**	**2,950**	**5,364**

4 Details of non-current investments

Investments

A For the financial year 2019-20(Refer foot note)

	Investment in group company	Unlisted investments	Total
Cost			
As at 1st April 2019	1,07,932	6,296	1,14,228
Additions*	08	-	08
Disposals	-	-	-
As at 31st March 2020	1,07,940	6,296	1,14,236
Impairment			
As at 1st April 2019	56,461	-	56,461
Additions	9,697	-	9,697
As at 31st March 2020	66,158	-	66,158
Net Book Value			
As at 31st March 2019	51,471	6,296	57,767
As at 31st March 2020	41,782	6,296	48,078

All the above investments are unquoted.

* During the year the Company has invested GBP 8.174 in Wipro IT Services S. R. L.

Subsidiary Undertaking	**Holding %**
Designit A/S	100
Wipro IT Services S. R. L.	100
Wipro Europe Limited	100
Wipro Financial Services UK Ltd	100

B For the financial year 2018-19(Refer foot note)

	Investment in group company	Unlisted investments	Total
Cost			
As at 1st April 2018	1,29,594	-	1,29,594
Additions*	2,700	6,296	8,996
Disposals	(24,362)	-	(24,362)
As at 31st March 2019	1,07,932	6,296	1,14,228
Impairment			
As at 1st April 2018	78,550	-	78,550
Additions	(22,089)	-	(22,089)
As at 31st March 2019	56,461	-	56,461
Net Book Value			
As at 31st March 2018	51,044	-	51,044
As at 31st March 2019	51,471	6,296	57,767

All the above investments are unquoted.

* During the financial year 2018-19, the Company has invested GBP 2,700 in Wipro Digital APS
During the financial year 2018-19,year the Company has invested GBP 0.036 in Wipro IT Services S. R. L.
During the financial year 2018-19, the Company has done external invested of GBP 6,296 in Tricentis

Subsidiary Undertaking	Holding %
Designit A/S	100
Wipro IT Services S. R. L.	100
Wipro Europe Limited	100
Wipro Financial Services UK Ltd	100

Foot note:

The annual financial statements presented are not consolidated annual financial statements as the entity qualifies for the consolidation exemption in Ind AS 110 Consolidated Financial Statements.

The exemption is allowed provided that all of the following criteria are complied with:

• The entity is wholly owned or partially owned, where none of the other shareholder's object to the fact that consolidated annual financial statements are not prepared.

• The entity's debt or equity instruments are not traded in a public market

• The entity did not file, and is not in the process of filing its annual financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instrument in a public market, and

• The entity's ultimate or intermediary parent produces consolidated annual financial statements available for public use which comply with International Financial Reporting Standards.

Wipro Limited, incorporated in India, produces consolidated annual financial statements available for public use. These annual financial statements can be obtained from Doddakanelli, Sarjapur Road, Bangalore - 560035.

Wipro Holdings (UK) Limited
Balance Sheet as at 31st Mar,2020
(All amounts are in GBP thousands, unless otherwise stated)

Note 5 Other Financial Assets

	As at 31st March 2020	As at 31st March 2019
Current		
Prepaid expenses	984	1,307
Loans to subsidiary companies	36,801	36,869
Other receivable from group company	-	919
Other receivable	-	14
	37,785	**39,109**

Note 6 Inventories

	As at 31st March 2020	As at 31st March 2019
(At lower of cost and net realizable value)		
Traded goods	61	120
	61	**120**

Note 7 Trade Receivable

	As at 31st March 2020	As at 31st March 2019
Unsecured:		
Considered good	7,497	9,049
Considered doubtful	42,942	42,955
	50,439	52,003
Less: Provision for doubtful receivables	(42,942)	(42,955)
	7,497	**9,049**

Note 8 Cash and cash equivalent

	As at 31st March 2020	As at 31st March 2019
Cash and cash equivalents		
Balances with banks		
In current accounts	23,251	7,302
	23,251	**7,302**

Note 9A Share Capital	As at 31st March 2020	As at 31st March 2019
Equity contribution-Wipro Limited	79,463	79,463
	79,463	**79,463**
Issued, subscribed and paid-up capital		
Equity shares of [USD 1] each issued, subscribed and fully paid 2020-130,151,974 2019-130,151,974	79,463	79,463
	79,463	**79,463**

Share issued included 1 deferred share of GBP 1. The holder of the deferred share does not have the right to receive notice or to attend and vote at general meetings of the Company, is not entitled to any dividend declared or paid by the Company, and in the event of any winding up, shall be entitled to repayment of the nominal value of such share but shall not be entitled to participate further in any distribution of the Company's assets.

Note 9B Other equity	As at 31st March 2020	As at 31st March 2019
Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	(46,963)	(47,230)
Add: Net profit/(loss) for the current year	(8,903)	267
Closing balance	**(55,866)**	**(46,963)**
Total other equity	**(55,866)**	**(46,963)**

Note 10 Trade payables	As at 31st March 2020	As at 31st March 2019
Total outstanding dues of micro enterprises and small enterprises*	-	-
Total outstanding dues of other than micro enterprises and small enterprises	3,710	4,486
Payable to group companies	2,158	5,860
	5,868	**10,346**

*Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Note 11 Other financial liabilities	As at 31st March 2020	As at 31st March 2019
Current		
Unearned revenue	2,296	624
VAT payable	917	2,061
Other liabilities	1,198	1,033
	4,410	**3,718**

Note 12 Borrowings	As at 31st March 2020	As at 31st March 2019
Non Current		
Unsecured:		
External commercial borrowings	118	232
	118	**232**
Terms and conditions of loans		
Current		
Unsecured:		
External commercial borrowings	114	111
Loan from related parties	89,323	74,120
	89,437	**74,231**

Terms and conditions of borrowings(amount in '000'):

1.The Company has an external commercial borrowing of GBP 557.16 from Hewlett Packard Enterprise for a term of 60 months repayable in 20 quarterly instalments of GBP 30.02 each

2. Loan from Wipro Portugal SA, the fellow subsidiary, of EURO 25,000 is repayable in 12 months from the date of 19th January 2020 along with interest at EUR LIBOR Rate Plus 200 basis Points per annum.

3. Loan from Wipro Holdings Hungary Ltd , the fellow subsidiary, of USD 20,000 is repayable on demand from the date of 13th February 2014 along with interest at Libor+0.85 basis points. The Libor rate will reset for each of calendar quarter using the Libor rate quoted on the day before the interest period begins.

4. Loan from Wipro Holdings Hungary Ltd , the fellow subsidiary, of GBP 44,000 is repayable in 12 months from the date of 9th January 2020 along with interest at Libor+0.85 basis points. The Libor rate will reset for each of calendar quarter using the Libor rate quoted on the day before the interest period begins.

External commercial borrowings and loan from related parties do not carry any debt covenant. The company has not defaulted on any loans payable.

(All amounts are in GBP thousands, unless otherwise stated)

Note 13 Revenue from operations	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Sale of services	19,927	23,801
Total revenue from operations	**19,927**	**23,801**

Note 14 Other income

Rental income	569	383
Interest on debt instruments and others	802	827
Other exchange differences, net	88	915
	1,459	**2,125**

Leasing arrangements

The investment properties are leased to tenants under the operating leases with monthly rentals payable.

Although the company may be exposed to change in the residual value at the end of the current leases, the company typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of theses leases.

Minimum lease payments receivable on leases of investment properties as follows

	Year ended 31 March 2020	**Year ended 31 March 2019**
Within 1 year	582	383

Note 15 Finance costs

Interest cost	1,514	1,546
	1,514	**1,546**

Note 16 Other expenses

Technical fees / third party application	2,637	3,008
Auditors fees	18	19
Bad debts	52	-
Bank charges	20	27
Donations	150	201
Legal & professional Fees	23	14
Impairment of investment	9,697	
Other exchange differences, net	-	684
Miscellaneous expenses	98	131
	12,695	**4,084**

Note 17 Cost of materials consumed

Cost of materials consumed	406	1,715
	406	**1,715**

Wipro Holdings (UK) Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in GBP thousands, unless otherwise stated)

18 Related party disclosure

i) Parties where control exists

Nature of relationship	**Name of Related Party**
Ultimate Holding Company	Wipro Limited
Subsidiary	Wipro Financial Services UK Limited
Subsidiary	Wipro IT Services S. R. L.
Fellow Subsidiary	Wipro IT Services SE (formerly known as Wipro Cyprus SE)
Fellow Subsidiary	Wipro Technologies GmbH
Fellow Subsidiary	PT WT Indonesia
Subsidiary	Wipro Europe Limited
Fellow Subsidiary	Wipro Technologies Nigeria Limited
Subsidiary	Designit A/S
Subsidiary	Designit Germany GmbH
Subsidiary	Designit Denmark A/S
Subsidiary	Designit Oslo A/S
Subsidiary	Designit Sweden AB
Subsidiary	Designit T.L.V Ltd
Subsidiary	Designit Tokyo Ltd
Subsidiary	Designit Spain Digital, S.L.
Subsidiary	Wipro UK Limited
Subsidiary	Designit Colombia S A S
Subsidiary	Designit Peru SAC
Fellow Subsidiary	Opus Capital Markets Consultants LLC
Fellow Subsidiary	Wipro LLC
Fellow Subsidiary	Wipro Portugal SA
Fellow Subsidiary	Wipro Holdings Hungary Kft
Fellow Subsidiary	Wipro IT Services, Inc.
Fellow Subsidiary	Appirio Ltd (UK)
Fellow Subsidiary	Wipro Technologies SRL
Fellow Subsidiary	Wipro Information Technology Austria GMBH

ii) The Company has the following related party transactions:

Particulars	**31 March 2020**	**31 March 2019**
Interest Income		
Wipro IT Services SE (formerly known as Wipro Cyprus SE)	683	679
Wipro Technologies GmbH	28	28
Wipro Europe Limited	-	14
Wipro Technologies Nigeria Limited	01	3
Wipro IT Services S. R. L.	47	06
Wipro Financial Services UK Limited	14	-
Rental Income		
Wipro Limited	569	383
Commission expense		
Wipro Corporate	15	15
Interest Expense		
Wipro Portugal SA	443	441
Wipro Holdings Hungary Kft	1,028	1,093

Borrowings proceeds/(repayment)		
Wipro Holdings Investment Limited	23,390	-
Wipro Digital ApS	-	(07)
Wipro Financial Services UK Limited	50	31
Wipro Holdings Hungary Kft	(7,315)	-
Wipro IT Services Inc.	-	71
Wipro IT Services S. R. L.	425	960
Wipro Technologies GmbH	106	-
Wipro Portugal SA	(458)	211
Wipro Technologies Nigeria Limited	82	-
Software services received		
Wipro Limited	14,866	16,550

iii) Balances due (to)/from parties as at year end are summarised below:

Particulars	31 March 2020	31 March 2019
Appirio Ltd (UK)		(165)
Wipro UK Limited	(61)	-
Wipro IT Services SE (formerly known as Wipro Cyprus SE)	34,364	33,878
Wipro Digital ApS	06	368
Wipro Europe Limited	-	555
Wipro Financial Services UK Limited	512	132
Wipro Technologies GmbH	1,220	-
Wipro Holdings Hungary Kft	(45,703)	(52,359)
Wipro IT Services Inc.	-	(75)
Wipro IT Services S. R. L.	580	941
Wipro Limited	(1,968)	(6,128)
Wipro Portugal SA	(22,494)	(21,762)
Wipro retail Germany	-	1,388
Wipro Technologies Nigeria Limited	35	115
Designit London	(77)	-
Wipro Holdings Investment Limited	(23,390)	-

*Amounts below rounding off norm adopted by the Company

iv) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. Corporate Guarantee has been provided by Wipro Limited on behalf of Wipro Holdings UK Limited for its external customers amounting to GBP 1,671(31st March 2019:1671) (in 000's)

For the year ended 31 March 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(All amounts are in GBP thousands, unless otherwise stated)

19 Income tax

i

Tax losses of are available for offsetting against future taxable profits of the Company or Group Companies. Deferred tax assets have not been recognized in respect of these losses as they may not be used to offset taxable profits and there are no other tax planning opportunities or other evidence of recoverability in the near future.

ii **Income tax expense**	**31-Mar-20**	**31 March 2019**
- Current tax taxes	222	384
- Adjustments in respect of current income tax of previous year	-	-
- Deferred tax charge / (income)	-	-
Income tax expense reported in the statement of profit or loss	**222**	**384**

iii **Reconciliation of tax charge**	**31-Mar-20**	**31 March 2019**
Profit/(Loss) before tax	(8,681)	651
Tax rate	19%	19%
Income tax expense/(adjustment) at tax rates applicable	(1,649)	124
Tax effects of:		
- Item not deductible for tax		
- Others	1,872	261
Income tax expense	**222**	**384**

20 Earnings/ loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-20	**31 March 2019**
Profit / (Loss) attributable to equity holders	(8,903)	267
Less: preference dividend after-tax	-	-
Profit/(Loss) attributable to equity holders after preference dividend	(8,903)	267
Add: Interest on convertible preference shares	-	-
Profit /(Loss) attributable to equity holders adjusted for the effect of dilution	(8,903)	267
Weighted average number of equity shares for basic EPS	7,94,63,096	7,94,63,096
Weighted average number of equity shares adjusted for the effect of dilution	**7,94,63,096**	**7,94,63,096**
Basic and Diluted profit/(loss) per share (GBP)	(112.04)	3.36

21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment . Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

22 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables ,investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

23 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

•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).

No financial assets/liabilities have been valued using level 1, level 2 and level 3 fair value measurements.

24 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the

Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.
The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax
2020		
GBP	+45	(247)
GBP	-45	247
2019		
GBP	+45	(168)
GBP	-45	168

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

		Change in exchange rate	Effect on profit before tax
2020	EURO	1%	130
	EURO	(1%)	(130)
	USD	1%	(64)
	USD	(1%)	64
	RON	1%	01
	RON	(1%)	(01)
2019	EURO	1%	119
	EURO	(1%)	(119)
	USD	1%	(29)
	USD	(1%)	29
	RON	1%	(02)
	RON	(1%)	(02)

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts as mentioned in Note 12

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. (For example: The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarizes the maturity profile of the Company's financial liabilities:

2020	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings	28	89,409	118	-	89,555
Trade payables	-	5,868	-	-	5,868
Other financial liability	-	4,410	-	-	4,410
	28	99,687	118	-	99,833
2019					
Borrowings	27	74,204	232	-	74,463
Trade payables	-	8,594	-	-	8,594
Other financial liability	-	3,718	-	-	3,718
	27	86,515	232	-	86,775

25 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of current borrowing from ultimate holding Company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		2020	2019
Equity		79,463	79,463
Other Equity		(55,866)	(46,963)
Total equity	(i)	23,597	32,500
Borrowings other than convertible preference shares		89,555	74,463
Less: cash and cash equivalents		(23,251)	(7,302)
Total debt	(ii)	66,304	67,161
Overall financing	(iii) = (i) + (ii)	89,900	99,661
Gearing ratio	(ii)/ (iii)	0.74	0.67

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

26 There are no Contingent Liabilities, Capital and Other Commitments as at March 31, 2020 and March 31, 2019 except for commitment to spend on purchase equipment's amounting to Nil(March 31,2019 GBP50.358)

27 Impact of Covid-19 on Going concern assumption

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian government have taken various actions and ensured many precautionary measures which posed significant disruption to business operations and adversely impacting most of the industries which has resulted in global slowdown.

Management currently believes that it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this Financial Statements.

28 Impact of Covid-19 on Financial statements

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that no there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

29 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS.

30 All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands , unless otherwise stated.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Sd/-
Deepak Rao
Partner
Membership No: 113292
Place: Bangalore
Date: Jun 15, 2020

For and on behalf of the Board of Directors of
Wipro Holdings (UK) Limited

Sd/-
R.Phillips
Director

Place: Bangalore
Date: Jun 15, 2020

Sd/-
N.S.Balasubramanian
Director

Place: Bangalore
Date: Jun 15, 2020