

Financial Statements and Independent Auditor's Report

**Wipro IT Services SRL**

31 March 2019

## **Independent Auditor's Report**

### **To the board of directors of Wipro IT Services SRL**

#### **Opinion**

1. We have audited the accompanying financial statements of Wipro IT Services SRL ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), of the state of affairs of the Company as at 31 March 2019, and its loss, its cash flows and the changes in equity for the year ended on that date.
3. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with 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 for the Financial Statements**

4. The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the 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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

6. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing issued by ICAI 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 financial statements.
7. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
8. 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.

**Restriction on distribution or use**

9. This report is intended solely for the information of the Company's and its ultimate holding company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Sd/-**  
**Nikhil Vaid**  
Partner  
Membership No.: 213356

**Place:** Hyderabad  
**Date:** 16 June 2019

**Wipro IT Services SRL**  
**Balance Sheet as at 31 March 2019**

(Amount in RON, unless otherwise stated)

	Note	As at 31 March 2019
<b>ASSETS</b>		
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	3	4,032,582
Other current assets	4	15,256
		<u><b>4,047,838</b></u>
		<u><u><b>4,047,838</b></u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	5	200
Other equity		(1,674,476)
		<u><b>(1,674,276)</b></u>
<b>Non-Current Liabilities</b>		
Long Term Provision	6	16,770
		<u><b>16,770</b></u>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	7	5,195,600
Trade payables	8	
-Dues to micro and small enterprise		-
-Dues to others		45,233
Other financial liabilities	9	368,800
Other current liabilities	10	84,091
Provisions	11	11,621
		<u><b>5,705,344</b></u>
		<u><u><b>4,047,838</b></u></u>
Summary of significant accounting policies	2	

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

**For and on behalf of the Board of Directors of Wipro IT Services SRL**

**Sd/-**

Vivek Bakshi

**Director**

16 June 2019

**Wipro IT Services SRL**  
**Statement of Income for the period ended 31 March 2019**

(Amount in RON, unless otherwise stated)

	Note	1 November 2018 to 31 March 2019
<b>REVENUE</b>		
Revenue from Operation		-
		-
<b>EXPENSES</b>		
Employee Cost	12	1,623,991
Finance costs	13	32,486
Other expenses	14	18,000
		<u>1,674,476</u>
<b>Loss before tax</b>		<b>(1,674,476)</b>
Current tax		-
Deferred tax		-
<b>Tax expense</b>		<u>-</u>
<b>Loss after tax</b>		<u><b>(1,674,476)</b></u>
Other comprehensive income		-
<b>Total other comprehensive loss for the year</b>		<u><b>(1,674,476)</b></u>
<b>Loss per equity share of par value RON 10 each</b>		
Basic and diluted	15	(83,724)
Summary of significant accounting policies	2	

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

**For and on behalf of the Board of Directors of Wipro IT Services SRL**

**Sd/-**

Vivek Bakshi

**Director**

16 June 2019

**Wipro IT Services SRL**  
**Cash Flow Statement for the period ended 31 March 2019**

(Amount in RON, unless otherwise stated)

**1 November 2018**  
**to**  
**31 March 2019**

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<b>Cash flow from operating activities</b>	
Loss for the period	(1,674,476)
<b>Working capital changes:</b>	
(Increase) in Current Assets	(15,256)
Increase in Non current liabilities	16,770
Increase in trade payable	45,233
Increase in Other financial Liabilities	368,800
Increase in Other Current Liabilities	95,712
<b>Net cash generated from operations</b>	<b>(1,163,217)</b>
Direct taxes (paid)	-
<b>Net cash generated from operating activities (A)</b>	<b>(1,163,217)</b>
<b>Net cash from investing activities (B)</b>	<b>-</b>
<b>Cash flows from financing activities:</b>	
Share capital issued	200
Borrowings availed	5,195,600
<b>Net cash (used in) by financing activities (C)</b>	<b>5,195,800</b>
<b>Net decrease in cash and Cash equivalents during the period (A+B+C)</b>	<b>4,032,582</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the year</b>	<b>4,032,582</b>

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

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**For and on behalf of the Board of Directors of Wipro IT Services SRL**

**Sd/-**

Vivek Bakshi

**Director**

16 June 2019

**Wipro IT Services SRL**  
**Statement of Changes in Equity for the period ended 31 March 2019**

(Amount in RON, unless otherwise stated)

**A) Share Capital**

Equity share capital	Balance as at 01 November 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
Equity share capital of face value RON 10 each 20 Share	-	200	200
	-	<b>200</b>	<b>200</b>

**B) Other equity**

Particulars	Retained earnings	Total
<b>Balance as on 1 November 2018</b>	-	-
Loss for the period	(1,674,476)	(1,674,476)
<b>Balance as at 31 March 2019</b>	<b>(1,674,476)</b>	<b>(1,674,476)</b>

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

**For and on behalf of the Board of Directors of Wipro IT Services SRL**

**Sd/-**

Vivek Bakshi

**Director**

16 June 2019

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information**

(Amount in RON, unless otherwise stated)

#### **1 The Company overview**

Wipro IT Services SRL ("the Company") is a 95% owned subsidiary of Wipro Holding (UK) Limited, incorporated and domiciled in Romania. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

#### **2 A Basis of preparation of financial statements**

##### **(i) Statement of compliance and basis of preparation**

These financial statements are prepared in conformity with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act').

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.

The Functional Currency of the company is RON.

##### **(ii) Basis of measurement**

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:

- a) Derivative financial instruments;
- b) Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- c) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

##### **(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 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, recognised revenue and profit 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.

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

- b) **Income taxes:** The tax jurisdictions for the Company is Poland. 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.
- c) **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.
- d) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- 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) **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.

## 2 B Significant accounting policies

### (i) Functional and presentation currency

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

### (ii) Financial instruments

#### a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, 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.

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

#### a) Non-derivative financial instruments (Cont'd):

**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. 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 revenues, cash and cash equivalents and other assets.

##### C. 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.

#### (iii) 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) Impairment

##### A) Financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments classified as FVTOCI, lease receivables, trade receivables 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.

#### (vi) 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.

#### (viii) 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.

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information**

(Amount in RON, unless otherwise stated)

#### (xii) 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 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.

#### (xiii) Foreign currency transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities at period-end are translated at the exchange rate prevailing at the date of Balance Sheet. The exchange difference between the rate at which foreign currency transactions are accounted and the rate at which they are re-measured/ realized is recognized in the statement of profit and loss.

#### (xiv) Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term.

#### (xiv) Equity

Every holder of the equity shares, as reflected in the records of the company as of the date of the shareholders meeting shall have one vote in respect of each share held for all matters submitted to Vote in Shareholders Meeting.

Retained Earnings Comprises of the companies undistributed earnings after taxes.

#### **New accounting standards not yet adopted:**

Certain new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after April 1, 2018, and have not been applied in preparing these interim condensed standalone financial statements. New standards, amendments to standards and interpretations that could have potential impact on the standalone financial statements of the Company are:

#### **Ind AS 116**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognized assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively apply the new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliest comparative period presented, or the modified retrospective approach, under which the date of initial application of the new leases standard, lessees recognize the cumulative effect of initial application as an adjustment to the opening balance of equity as of annual periods beginning on or after April 1, 2019.

The Company will adopt the standard using modified retrospective method effective April 1,2019, and accordingly , the comparative for the year ended March 31, 2018 and 2019, will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

Based on current assessment, the Company does not expect a significant impact to opening retained earnings on adoption of Ind AS 116. There will be reclassification in the cash flow categories in the statement of cash flows.

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information**

(Amount in RON, unless otherwise stated)

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

On March 30, 2019, Ministry of Corporate Affairs issued Appendix C to Ind AS 12, which 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. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The effective date for adoption of Appendix C to Ind AS 12 is April 1, 2019. The Company will apply Appendix C to Ind AS 12 prospectively from the effective date and the effect on adoption of Ind AS 12 on the standalone financial statement is insignificant.

**Amendment to Ind AS 12 – Income taxes** : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

	<b>As at 31 March 2019</b>
<b>Current Assets</b>	
<b>3 Cash and cash equivalents</b>	
<b>Current</b>	
Balance with Bank	4,032,582
	<b>4,032,582</b>
	<b>As at 31 March 2019</b>
<b>4 Other Current Assets</b>	
Prepaid expenses	6,767
Balance with Government Authorities	2,139
Medical Leave Contribution	6,350
	<b>15,256</b>
	<b>As at 31 March 2019</b>
<b>5 Share capital</b>	
<b>Authorised capital</b>	
20 equity shares of RON 10 each	200
	<b>200</b>
<b>Issued, subscribed and paid-up capital</b>	
20 equity shares of RON 10 each	200
	<b>200</b>
<b>a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:</b>	
Number of common stock outstanding as at beginning and end of the year	<b>20</b>
<b>b) Details of shares held</b>	
	<b>% of share</b>
<b>Name of shareholders</b>	
Wipro Holdings (UK) Limited	95.00
Vivek Bakshi	5.00
<b>Total</b>	<b>100%</b>
	<b>As at 31 March 2019</b>
<b>6 Long Term Provision</b>	
Employee benefit obligations	16,770
	<b>16,770</b>
	<b>As at 31 March 2019</b>
<b>7 Borrowings</b>	
Unsecured	
Loans and advances from related parties (refer note 15)	5,195,600
	<b>5,195,600</b>

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

	<b>As at 31 March 2019</b>
<b>8 Trade payables</b>	
Dues to micro small enterprise	-
Dues to others	45,233
	<u><b>45,233</b></u>
<b>9 Other financial liabilities</b>	
<b>Current</b>	
Employee dues	368,800
	<u><b>368,800</b></u>
	<b>As at 31 March 2019</b>
<b>10 Other current liabilities</b>	
Statutory liabilities	150
Other Payables	51,454
Interest accrued but not due	32,486
	<u><b>84,091</b></u>
	<b>As at 31 March 2019</b>
<b>11 Provisions</b>	
Employee benefit obligations	11,621
	<u><b>11,621</b></u>

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## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

	<b>Period ended 31 March 2019</b>
<b>12 Employee Cost</b>	
Salaries and wages	1,607,057
Staff welfare	16,933
	<b>1,623,991</b>
	<b>Period ended 31 March 2019</b>
<b>13 Finance cost</b>	
Interest expense	32,486
	<b>32,486</b>
	<b>Period ended 31 March 2019</b>
<b>14 Other expenses</b>	
Legal and professional charges	4,043
Insurance	2,256
Loss on foreign exchange adjustments, net	16
Rent	11,093
Bank Charges	591
	<b>18,000</b>
	<b>Period ended 31 March 2019</b>
<b>15 Earning per share (EPS)</b>	
Net profit after tax attributable to the equity shareholders	(1,674,476)
Weighted average number of equity shares - for basic and diluted EPS	20
Earnings per share - Basic and diluted	(83,724)

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## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

#### 16 Borrowings

SI.No	Particulars	Nature of security	Repayment details	31 March 2019
<b>Loans and advances from related parties</b>				
1	Wipro Holding (UK) Ltd.	12 months USD LIBOR rate plus 200 basis points p.a.	Repayable in 12 months	5,195,600
<b>Total</b>				<b>5,195,600</b>

#### 17 Related party disclosure

##### A Parties where control exists:

Name of the related party	Nature of relationship
Ultimate Holding Company	Wipro Limited
Holding company	Wipro Holdings (UK) Ltd

##### B The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2019
<b>Interest expense</b>		
Wipro Holding (UK) Ltd	Holding Company	32,486
<b>Loan taken</b>		
Wipro Holding (UK) Ltd	Holding Company	5,195,600

##### C Balances with related parties as at year end are summarised below:

Particulars	Relationship	As at 31 March 2019
<b>Borrowings (including accrued interest)</b>		
Wipro Holding (UK) Ltd	Holding Company	5,228,086

#### 18 Employee Benefit

##### (A) Defined Contribution Plans

Particulars	As at 31 March 2019
a) Employers' Contribution to Provident & Other Fund	34,793

##### (B) Defined Benefits Plans

a) Compensated absences for Employees	28,391
<b>i) Actuarial assumptions</b>	
Discount rate (per annum)	4.40%
Rate of increase in Salary	2.00%
Expected average remaining working lives of	31.62

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

#### 19 Financial instruments

##### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Other financial assets		-	-	4,032,582	4,032,582	4,032,582
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>4,032,582</b>	<b>4,032,582</b>	<b>4,032,582</b>
<b>Financial liabilities :</b>						
Borrowings	7	-	-	5,195,600	5,195,600	5,195,600
Other financial liabilities	10	-	-	414,033	414,033	414,033
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>5,609,632</b>	<b>5,609,632</b>	<b>5,609,632</b>

##### Notes to financial instruments

- i. The management assessed that the fair value of cash and cash equivalents, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

##### ii. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, 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).

##### Measurement of fair value of financial instruments

The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

#### 20 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Trade receivables, financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk,

##### A Credit risk

Credit risk arises from , trade receivables and other financial assets carried at amortized cost and deposits with banks and financial institutions.

##### Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that registry of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

##### B Liquidity risk

adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information

(Amount in RON, unless otherwise stated)

#### 20 Financial risk management (cont'd)

##### B Liquidity risk (cont'd)

###### Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities

31 March 2019	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	5,195,600	-	-	5,195,600
Other financial liabilities	414,033	-	-	414,033
<b>Total</b>	<b>5,609,632</b>	<b>-</b>	<b>-</b>	<b>5,609,632</b>

##### C Interest rate risk

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2019
Variable rate borrowing	5,195,600
Fixed rate borrowing	-
	<b>5,195,600</b>

###### Interest rate risk

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2019
Interest rates – increase by 50 basis points (50 bps)	(3,296)
Interest rates – decrease by 50 basis points (50 bps)	3,296

#### 21 Capital Management

For the purpose of the Company's capital management, capital includes issued capital, additional paid in capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below:

- Equity includes equity share capital and all other equity components, which attributable to the equity holders
- Net Debt includes trade payables and other financial liabilities, less cash and cash equivalents.

Particulars	Note	As at 31 March 2019
Borrowings	Financial liabilities	5,195,600
Less: Cash and cash equivalents	Financial assets	4,032,582
<b>Net Debt</b>		<b>1,163,017</b>
Equity share capital	Equity	200
Other equity	Equity	(1,674,476)
<b>Total capital</b>		<b>(1,674,276)</b>

###### Gearing Ratio

(0.69)

In order to achieve the objective of maximising shareholders value, the Company's capital management, amongst other things, aims to manage its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

#### 22 Segment information

The Company operates in one business segment, namely sale of software services. In line with IND-AS 108, as the relevant information is available from balance sheet and the statement of profit and loss itself, and keeping in view the objective of segment reporting, the Company is not required to disclose segment information as per IND AS -108.

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information**

(Amount in RON, unless otherwise stated)

#### **23 Events occurring after the reporting date**

No adjusting or significant non-adjusting events have occurred between 31 March 2019 and the date of authorization of these standalone financial statements.

#### **24 Comparative figures:**

The company is incorporated during the current year. Therefore information with respect to comparative year cannot be disclosed in the financial statements.

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**For and on behalf of the Board of Directors of Wipro IT Services SRL**

**Sd/-**

Vivek Bakshi

**Director**

16 June 2019