Directors' Statement and
Audited Financial Statements

Wipro Networks Pte. Limited

(Co. Reg. No. 199907933M)

For the year ended 31 March 2017

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

General Information

Directors

Nagpaul Manoj Kumar
Mahima Rajivkumar Singhal

Secretary

Sitoh Tuck Meng

Independent Auditors

Sashi Kala Devi Associates

Contents

Contents	Page
Directors' Statement	1
Independent Auditor's Report	3
Balance Sheet	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	7
Cash Flow Statement	8
Notes to the Financial Statements	9

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Directors' Statement

The directors are pleased to present their statement to the member together with the audited financial statements of Wipro Networks Pte. Limited ("the Company") for the financial year ended 31 March 2017.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Nagpaul Manoj Kumar
Mahima Rajivkumar Singhal

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisitions of shares or debentures in the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

No director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the Company was granted.

6. OPTIONS EXERCISED

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares of the Company under option.

8. INDEPENDENT AUDITOR

The independent auditor, Sashi Kala Devi Associates, has expressed its willingness to accept re-appointment as auditor.

SD/-

Mahima Rajivkumar Singhal
Director

SD/-

Nagpaul Manoj Kumar
Director

Singapore

31 MAY 2017

Independent Auditor's Report
to the member of Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Wipro Networks Pte. Limited (the "Company"), which comprise the balance sheet as at 31 March 2017, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act Chapter 50 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

20 Peck Seah Street #05-00
Singapore 079312

t: +65 6323 1928 / 6221 7216
f: +65 6225 3884

www.hlbatrede.com

Independent Auditor's Report
to the member of Wipro Networks Pte. Limited – continued
(Co. Reg. No. 199907933M)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 SSAs 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism 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 the effectiveness of the Company's internal control.

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

20 Peck Seah Street #05-00
Singapore 079312

t: +65 6323 1928 / 6221 7216
f: +65 6225 3884

www.hlbatrede.com

Independent Auditor's Report
to the member of Wipro Networks Pte. Limited - continued
(Co. Reg. No. 199907933M)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

SD/-

Sashi Kala Devi Associates
Public Accountants and
Chartered Accountants

Singapore
31 MAY 2017

20 Peck Seah Street #05-00
Singapore 079312

t: +65 6323 1928 / 6221 7216
f: +65 6225 3884

www.hlbatrede.com

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Balance Sheet as at 31 March 2017

	Note	2017 US$	2016 US$ (Reclassified)
Non-current assets			
Plant and equipment	4	1,591,766	2,049,758
Intangible assets	5	3,010,021	4,843,035
Investment in subsidiaries	6	5,700,001	1
Investment in securities	7	1,003	1,003
Finance lease receivables	8	3,728,754	4,941,486
		14,031,545	11,835,283
Current assets			
Finance lease receivables	8	1,212,732	1,162,416
Trade receivables	9	5,772,386	3,933,933
Other receivables	10	829,370	553,591
Amounts due from holding company	11	9,832,746	11,532,244
Amounts due from related companies		–	38,488
Cash and cash equivalents	12	4,911,833	7,497,403
		22,559,067	24,718,075
Current liabilities			
Trade payables	13	132,622	237,896
Other payables	14	2,868,673	1,818,533
Amounts due to holding company	15	4,829,443	2,923,690
Amounts due to related companies		4	–
Obligation under finance leases	16	1,480,103	1,589,458
Tax payable	17	30,724	1,514,620
		9,341,569	8,084,197
Net current assets		13,217,498	16,633,878
Non-current liability			
Obligation under finance leases	16	3,879,824	5,301,583
Net assets		23,369,219	23,167,578
Equity attributable to the owner of the Company			
Share capital	18	22,372,024	22,372,024
Accumulated profits		997,195	795,554
Total equity		23,369,219	23,167,578

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

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Statement of Comprehensive Income for the financial year ended 31 March 2017

	Note	2017 US$	2016 US$
Revenue	19	47,231,255	67,944,464
Cost of services		(35,395,600)	(47,405,659)
Gross profit		11,835,655	20,538,805
Other operating income	20	920,917	262,643
Administrative expenses		(12,313,033)	(15,927,032)
Other (charges)/credits	21	(455,306)	246,431
Finance costs	22	(197,200)	(102,432)
(Loss)/profit before tax	23	(208,967)	5,018,415
Income tax credits/(expense)	24	410,608	(1,057,388)
Profit for the year		201,641	3,961,027
Other comprehensive income		–	–
Total comprehensive income for the year		201,641	3,961,027

Statement of Changes in Equity for the financial year ended 31 March 2017

	Share capital US$	Accumulated profits/(losses) US$	Total US$
Balance at 1 April 2015	22,372,024	(3,165,473)	19,206,551
Total comprehensive income for the year	–	3,961,027	3,961,027
Balance at 31 March 2016	22,372,024	795,554	23,167,578
Total comprehensive income for the year	–	201,641	201,641
Balance at 31 March 2017	22,372,024	997,195	23,369,219

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

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Cash Flow Statement for the financial year ended 31 March 2017

	2017 US$	2016 US$
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before tax	(208,968)	5,018,415
Adjustments for:		
Allowances for impairment on trade receivables	47,260	280,809
Amortisation of intangible assets	1,833,014	1,833,014
Bad debts written off – non-trade	82,504	–
Depreciation of plant and equipment	457,992	267,964
Interest income	(236,667)	(54,543)
Interest expenses	197,200	102,432
Reversal of allowances for impairment - trade	(181,636)	–
Reversal of allowances for impairment - non-trade	(406)	–
Reversal of provisions for leave encashment	(73,821)	(78,920)
Foreign exchange losses on tax	56,619	5,912
Operating profit before working capital changes	1,973,091	7,375,083
(Increase)/decrease in trade and other receivables	(2,023,466)	1,191,321
Increase in trade and other payables	1,018,687	5,682,209
Decrease in amount due from related parties	–	569,055
Decrease/(increase) in amount due from holding company	1,322,803	(2,052,117)
Decrease/(increase) in amount due to holding company	491,942	(7,013,025)
Cash from operations	2,783,058	5,752,526
Interest paid	(197,200)	(102,432)
Interest received	245,415	54,543
Income tax paid	(1,081,693)	–
Net cash flows from operating activities	1,749,580	5,704,637
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	–	(2,280,053)
Purchase of investment securities	–	(1,000)
Increase in investments in subsidiaries	(5,700,000)	–
Net cash flows used in investing activities	(5,700,000)	(2,281,053)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in amount due from holding companies	376,695	477
Increase in amount due to holding company	1,413,811	–
Increase in amount due to related companies	4	–
Proceeds from finance lease obligations	1,399,081	–
Repayment of finance lease obligations	(1,728,312)	–
Net cash flows from financing activities	1,461,279	477
Net (decrease)/increase in cash and cash equivalents	(2,489,142)	3,424,061
Effect of exchange rate changes on cash and cash equivalent	(96,428)	–
Cash and cash equivalents at beginning of year	7,497,403	4,073,342
Cash and cash equivalents at end of year	4,911,833	7,497,403

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

These notes are an integral part of and should be read in conjunction with the accompanying financial statements.

(a) CORPORATE INFORMATION

The Company is a private company limited by shares incorporated and domiciled in Singapore. Its holding company is Wipro Limited, a company incorporated in the Republic of India.

The registered office of the Company is located at 31 Cantonment Road Singapore 089747. Its principal place of business is located at 1 Changi Business Park Crescent #02-03 Podium Plaza 8 @ CBP Singapore 486025.

The principal activities of the Company are to carry on the business of equipment, services, maintenance and support for the establishment or integration of voice or data communication equipment products or systems.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise described in the accounting policies below.

The financial statements are presented in United States Dollar (USD or US$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies adopted are consistent with those used in the previous financial year except in current financial year the Company has adopted all applicable new and revised FRS that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS did not result in any changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Standards issued but not yet effective

The Company has not adopted the following standards and interpretations which are potentially relevant to the Company that has been issued but not yet effective:

	Effective date (Annual periods beginning on or after)
FRS 109 Financial Instruments	1 January 2018
FRS 115 Revenue from Contracts with Customers	1 January 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) *Basis of preparation (continued)*

Standards issued but not yet effective (continued)

	Effective date (Annual periods beginning on or after)
FRS 116 Leases	1 January 2019
Amendments to FRS 7 Disclosures Initiative	1 January 2017

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

Consolidated Financial Statements

The financial statements of subsidiaries have not been consolidated with the Company's financial statement as the Company is a wholly-owned subsidiary of Wipro Limited, incorporated in the Republic of India, which prepares consolidated financial statements on a worldwide basis. Such financial statements are publicly available.

The registered address of Wipro Limited is Doddakannelli, Sarjapur Road, Bangalore - 560 035, Karnataka, India.

Investments in subsidiaries in the financial statements of the Company are stated at cost, less any impairment in recoverable value.

(b) *Functional and foreign currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e. functional currency, to be USD.

Foreign currency transactions

Transactions in foreign currencies are measured in USD and are recorded on initial recognition at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency at the rate of exchange ruling at the end of the reporting period. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial recognition. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) *Functional and foreign currency (continued)*

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(c) *Plant and equipment*

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced in intervals, the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Computer	–	5 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Non-telecom data centre	–	5 years

Fully depreciated assets are retained in the financial statements until they are no longer in use.

For acquisition and disposal of plant and equipment, depreciation is provided in the month of acquisition and no depreciation is provided in the month of disposal.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit or loss in the year the asset is derecognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Intangible assets*

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated tangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite useful lives are amortised on a straight line basis over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

- *Goodwill*

  Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses

  For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Intangible assets (continued)*

- *Goodwill (continued)*

The cash generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit and loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operating within the cash-generating unit is disposed of, the goodwill associated with the operation disposed of, is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

- *Contractual customer relationships and non-compete rights*

Contractual customer relationships and non-compete rights acquired in a purchase of a business are recognised at fair value at the acquisition date. They have a finite useful life and are at cost less accumulated amortisation less impairment losses. Amortisation is calculated using the straight line method over five year, which is their expected life.

- *Other intangible assets*

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight line basis over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) *Intangible assets (continued)*

- *Other intangible assets (continued)*

  Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

  Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

(e) *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(f) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When a financial asset is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Financial assets (continued)*

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss.

The Company has not designated any financial assets upon initial recognition at fair value through profit or loss.

(ii) *Held-to-maturity investment*

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Company has the positive intention and ability to hold the investments to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

(iii) *Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) *Financial assets (continued)*

Subsequent measurement (continued)

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets include equity and debt securities. Equity investment classified as available for sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses arising from changes in the fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase and sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(g) *Impairment of financial assets*

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

(i) *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial asset that are individually significant, or collectively for financial assets that are not individually significant.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) *Impairment of financial assets (continued)*

(i) *Financial assets carried at amortised cost (continued)*

If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amount charged to the allowance account is written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) *Financial assets carried at cost*

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) the impairment loss is recognised and the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) *Impairment of financial assets (continued)*

(iii) *Available-for-sale financial assets*

In the case of equity investments classified as available-for-sale, objective evidence of impairment include (i) significant financial difficulty of the issuer or obligor, (ii) information about significant changes with an adverse effect that have taken place in the technological market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and (iii) a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial assets is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

(i) *Impairment of non-financial assets*

The Company assesses at each reporting date whether there is an indication that a non-financial asset, may be impaired. If any such an indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generation unit to which the asset belongs.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) *Financial liabilities*

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

When a financial liability is recognised initially, an entity shall measure it at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial liability.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

(ii) *Financial liabilities at amortised cost*

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

(j) *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

(k) *Trade and other payables*

Trade and other payables are non-interest bearing and trade payables are normally settled on 30 to 60 days' terms while other payables have an average term of six months.

(l) *Provisions*

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) *Employee benefits*

(i) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

In particular, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) *Employee benefits (continued)*

(ii) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(n) *Leases*

(i) *As lessee*

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(ii) *As lessor*

Leases where the Company retains substantially all the risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases.

The leased assets are derecognized and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognized on the balance sheet and included in "finance lease receivables". The difference between the gross receivable and the present value of the lease receivable is recognized as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and unearned finance income. The finance income is recognized in the profit and loss on a basis that reflects a constant periodic rate of returned on the net investment in the finance lease receivable.

Initial direct costs incurred by the Company in negotiating and arranging finance leases are added to finance lease receivables and recognized as an expenses in the income statement over the lease term on the same basis as the lease income.

When a lease is terminated before the lease period expires, any payment made (or received) by the Company as penalty is recognized as an expense or income when termination takes place.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(o) *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

(i) *Rendering of services*

Revenue from rendering of services that are of short duration is recognised by reference to the stage of completion at the end of the reporting period. Stage of completion is assessed using the proportion that contract costs incurred for work performed to date to the estimated total contract costs. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(ii) *Sales of goods*

Revenue from sale is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(iii) *Interest income*

Interest income is recognised using the effective interest method.

(p) *Taxes*

(i) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from 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 end of the reporting period.

Current income taxes are recognised in the profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ***(continued)***

(p) *Taxes (continued)*

(i) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(ii) *Goods and services tax*

Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) *Taxes (continued)*

(iii) *Goods and services tax (continued)*

- Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(q) *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
  (i) Has control or joint control over the Company;
  (ii) Has significant influence over the Company; or
  (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
  (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  (iii) Both entities are joint ventures of the same third party;
  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  (vi) The entity is controlled or jointly controlled by a person identified in (a);
  (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

- *Key sources of estimation uncertainty*

  The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

  (i) *Useful lives of plant and equipment*

  The cost of plant and equipment is depreciated on a straight-line basis over the plant and equipment's estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 5 years.

  These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore, future depreciation charges could be revised. The carrying amount of the plant and equipment at the end of each reporting period is disclosed in Note 4 to the financial statements.

  (ii) *Impairment of loans and receivables*

  The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

  Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Company's loans and receivable at the end of each reporting period is disclosed in Note 29 to the financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

- *Judgment made in applying accounting policies*

  In the process of applying the accounting policies, management has made the following judgements, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

  Determination of functional currency

  The Company measures foreign currency transactions in the respective functional currencies of the Company. In determining the functional currency of the Company, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

  The functional currency of the Company is determined based on management's assessment of the economic environment in which the Company operates and the Company's process of determining sales prices of its goods and services.

4. PLANT AND EQUIPMENT

	Computer US$	Furniture and fittings US$	Office equipment US$	Non-telecom data center US$	Total US$
Cost:					
At 1 April 2015	3,510	50,077	11,332	–	64,919
Additions	3,666	330,519	–	1,945,868	2,280,053
At 31 March 2016 and 1 April 2016	7,176	380,596	11,332	1,945,868	2,344,972
Additions	–	–	–	–	–
At 31 March 2017	7,176	380,596	11,332	1,945,868	2,344,972
Accumulated depreciation:					
At 1 April 2015	2,686	20,032	4,532	–	27,250
Charge for the year	887	31,626	3,084	232,367	267,964
At 31 March 2016 and 1 April 2016	3,573	51,658	7,616	232,367	295,214
Charge for the year	1,834	64,488	2,497	389,173	457,992
At 31 March 2017	5,407	116,156	10,113	621,540	753,206
Net carrying amount:					
At 31 March 2016	3,603	328,938	3,716	1,713,501	2,049,758
At 31 March 2017	1,769	264,450	1,219	1,324,328	1,591,766

Assets held under finance leases

The carrying amount of Non-telecom data center held under finance leases at the end of the reporting period was US$1,324,328 (2016: US$1,713,501).

5. INTANGIBLE ASSETS

	Goodwill US$	Contractual customer relationship US$	Non-compete rights US$	Total US$
Cost:				
At 31 March 2016 and 2017	1,320,839	7,245,071	1,920,000	10,485,910
Accumulated depreciation:				
At 1 April 2015	–	3,009,861	800,000	3,809,861
Charge for the year	–	1,449,014	384,000	1,833,014
At 31 March 2016 and 1 April 2016	–	4,458,875	1,184,000	5,642,875
Charge for the year	–	1,449,014	384,000	1,833,014
At 31 March 2017	–	5,907,889	1,568,000	7,475,889
Net carrying amount:				
At 31 March 2016	1,320,839	2,786,196	736,000	4,843,035
At 31 March 2017	1,320,839	1,337,182	352,000	3,010,021

Goodwill represents the excess of the purchase consideration over the fair value of the net identification assets acquired from the purchase of a business.

6. INVESTMENT IN SUBSIDIARIES

	2017 US$	2016 US$
Unquoted equity shares, at cost	5,700,001	1

Details of the subsidiaries companies at 31 March are as follows:

Name and principal activities	Country of incorporation	Cost of investment 2017 US$	Cost of investment 2016 US$	Effective percentage of equity held 2017 %	Effective percentage of equity held 2016 %
Wipro Technologies Sdn Bhd* (Engaged in the business of providing information technology services)	Malaysia	1	1	100	100

6. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries companies as at 31 March are as follows:

Name and principal activities	Country of incorporation	Cost of investment		Effective percentage of equity held	
		2017	2016	2017	2016
		US$	US$	%	%
Wipro Dalian Limited* (a) (Engaged in the business of providing information technology services and providing related products)	China	4,000,000	–	100	100
Wipro Chengdu Limited* (b) (Engaged in the business of providing information technology services and providing related products)	China	1,700,000	–	77	77

* Audited by a firm other than Sashi Kala Devi Associates

(a) On 27 April 2016, the Company set up a wholly-owned subsidiary, Wipro Dalian Limited, with an initial paid up share capital of US$4,000,000.

(b) On 29 April 2016, the Company has acquired 77% equity interest in Wipro Chengdu Limited for cash consideration of US$1,700.

7. INVESTMENT SECURITIES

	2017	2016
	US$	US$
Available-for-sales financial assets		
Unquoted equity shares, at cost	1,003	1,003

The unquoted investments do not have quoted market prices in an active market nor are there other methods readily available which can reasonably estimate their fair value. Hence, it is not practicable to determine their fair value with sufficient reliability without incurring excessive costs.

8. FINANCE LEASE RECEIVABLES

These leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the opinion of the entity that holds the lease. The average discounted rate implicit in the leases is 4.25% (2016: 4.25%) per annum.

Future minimum lease payment receivable under finance leases together with the present value of the net minimum lease receipts are as follows:

	Minimum payments receivable US$	Unearned interest income US$	Present value US$
2017			
Minimum lease payments receivable:			
Due within one year	1,399,083	(186,351)	1,212,732
Due within two to five years	3,904,069	(235,315)	3,668,754
Total	5,303,152	(421,666)	4,881,486
2016			
Minimum lease payments receivable:			
Due within one year	1,399,083	(236,667)	1,162,416
Due within two to five years	5,363,152	(421,666)	4,941,486
Total	6,762,235	(658,333)	6,103,902

9. TRADE RECEIVABLES

	2017 US$	2016 US$
Trade receivables	6,234,860	4,375,666
Unbilled receivables	945,503	1,100,620
	7,180,363	5,476,286
Less: Allowance for impairment	(1,407,977)	(1,542,353)
	5,772,386	3,933,933

Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

9. TRADE RECEIVABLES (continued)

Trade receivables denominated in foreign currencies as at 31 March are as follows:

	2017 US$	2016 US$
Euro	95,728	179,564
Singapore Dollar	3,638,735	1,732,152
	3,734,463	1,911,716

Unbilled receivables were those services that rendered and yet to issue tax invoices to customers.

The Company assesses at the end of each reporting period whether there is objective evidence that trade receivables are impaired.

An allowance for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognised in the profit or loss.

Receivables that are impaired

The trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	2017	2016
Balance at beginning of year	1,542,353	1,261,544
Reversal for the year	(181,636)	–
Charge for the year	47,260	280,809
Balance at end of year	1,407,977	1,542,353

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Receivables that are past due but not impaired

The Company has trade receivables amounting to US$287,705 (2016: US$1,781,929) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

9. TRADE RECEIVABLES (continued)

Receivables that are past due but not impaired (continued)

	2017 US$	2016 US$
Trade receivables past due but not impaired:		
Not more than 30 days	47,638	135,966
31 to 60 days	402	33,038
61 to 90 days	153,132	–
More than 90 days	86,533	1,612,925
	287,705	1,781,929

10. OTHER RECEIVABLES

	2017 US$	2016 US$ (Reclassified)
Advance salary	13,756	18,995
Advance payments for business travel	2,488	11,205
Deposits	168,820	227,029
Prepayments	591,061	243,117
Withholding tax receivables	53,245	53,245
	829,370	553,591

Other receivables denominated in foreign currencies as at 31 March are as follows:

Euro	53,245	53,245
Singapore Dollar	182,648	258,465
	235,893	311,710

11. AMOUNTS DUE FROM HOLDING COMPANY

Trade	742,595	2,065,398
Non-trade	9,090,151	9,466,846
	9,832,746	11,532,244

The amounts due are unsecured, interest-free, repayable upon demand and are to be settled in cash.

Amounts due from a holding company denominated in foreign currency as at 31 March are as follows:

Singapore Dollar	9,090,151	9,466,846

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents denominated in foreign currency as at 31 March are as follows:

	2017 US$	2016 US$
Singapore Dollar	1,178,796	1,364,927

13. TRADE PAYABLES

Trade payables denominated in foreign currency as at 31 March are as follows:

Singapore Dollar	105,416	237,305

14. OTHER PAYABLES

	2017 US$	2016 US$ (Reclassified)
Accrued liabilities	250,117	68,672
Advance payments to suppliers	266,691	277,460
GST payables	531,797	577,601
Provision for manpower	29,428	17,253
Provision for unutilised leaves	204,860	278,681
Sundry payables	218	–
Unearned revenue	1,522,563	598,866
Withholding tax payables	62,999	–
	2,868,673	1,818,533

Other payables denominated in foreign currency at 31 March are as follows:

Singapore Dollar	1,016,202	1,055,522

15. AMOUNTS DUE TO HOLDING COMPANY

	2017 US$	2016 US$ (Reclassified)
Trade	3,415,632	2,923,690
Non-trade	1,413,811	–
	4,829,443	2,923,690

The amounts due are unsecured, interest-free, repayable upon demand and are to be settled in cash.

16. OBLIGATION UNDER FINANCE LEASES

The Company has finance leases for curtained items of data equipment (Note 4) and capital assets reimbursement expensed off. These leases have terms of renewal and options to purchase but not escalations clauses. Renewals are at the opinion of the entity that holds the lease. The average discounted rate implicit in the instalment is 2.579% (2016: 2.632%) per annum.

These obligations are secured by a charge over the leased assets.

Future minimum payments under installment purchases together with the present value of the net minimum instalment payments are as follows:

	Minimum payment US$	**Finance charges** US$	**Present value** US$
2017			
Minimum lease payments payable:			
Due within one year	1,631,294	(151,191)	1,480,103
Due within two to five years	4,046,501	(166,677)	3,879,824
Total	5,677,795	(317,868)	5,359,927
2016			
Minimum lease payments payable:			
Due within one year	1,631,293	(41,835)	1,589,458
Due within two to five years	5,774,817	(473,234)	5,301,583
Total	7,406,110	(515,069)	6,891,041

17. TAX PAYABLE

	2017 US$	**2016** US$
Balance at beginning of year	1,514,620	451,320
Current year's tax expense on profit	73,285	1,057,388
Income tax paid	(1,073,288)	5,912
Over provision in respect of prior years	(483,893)	–
Balance at end of year	30,724	1,514,620

18. SHARE CAPITAL

	2017		2016	
	Number of shares	US$	Number of shares	US$
Issued and fully paid:				
Ordinary shares	28,126,108	22,372,024	28,126,108	22,372,024

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares with no par value carry one vote per share without restriction.

19. REVENUE

	2017 US$	2016 US$
Sales of goods	–	6,147,874
Service income	47,231,255	61,796,590
	47,231,255	67,944,464

20. OTHER OPERATING INCOME

Interest on:		
- Fixed deposits	8,748	–
- Finance lease	236,667	54,543
Government grants – Wages Credit Scheme	–	42,084
Rental income	658,852	164,713
Sundry income	16,650	1,303
	920,917	262,643

21. OTHER CHARGES/(CREDITS)

Allowances for impairment on trade receivables	47,260	280,809
Foreign exchange adjustments, loss/(gain)	581,404	(428,535)
Bad debts written off – non-trade	82,504	–
Reversal of allowances for impairment on non-trade	(406)	–
Reversal of provision for unutilised annual leaves	(73,821)	(19,785)
Reversal of provision for warranty and liquidated damages	–	(78,920)
Reversal of allowances for impairment on trade receivables	(181,636)	–
	455,306	(246,431)

22. FINANCE COSTS

Interest expenses on finance leases	197,200	102,432

23. (LOSS)/PROFIT BEFORE TAX

The (loss)/profit before tax is arrived at after charging:

	2017 US$	2016 US$
Cost of services	35,395,600	41,438,761
Capital assets reimbursement	512,602	5,966,898
Management fee	1,397,676	–
Rental	501,097	586,408

24. INCOME TAX (CREDIT)/EXPENSE

(i) *Major components of income tax expense*

The major components of income tax expense for the years ended 31 March 2017 and 2016 are:

	2017	2016
Statement of comprehensive income:		
Current tax		
- Current year	73,285	1,057,388
- Over provision in respect of prior years	(483,893)	–
	(410,608)	1,057,388

(ii) *Relationship between tax (benefit)/expense and accounting (loss)/profit*

The reconciliation between the tax (benefit)/expense and the product of accounting (loss)/profit multiplied by the applicable tax rate for the years ended 31 March 2017 and 2016 are as follows:

	2017	2016
(Loss)/profit before tax	(208,967)	5,018,415
Tax (benefit)/expense on (loss)/profit before tax at 17%	(35,524)	853,130
Adjustments:		
Expenses not deductible for tax purposes	332,620	321,435
Tax exemptions	(18,443)	(18,692)
Tax rebate	(7,114)	(14,420)
Deferred tax assets not recognised for current year	–	(84,065)
Utilisation of deferred tax assets previously not recognised	66,225	–
Over provision in respect of prior years	(483,893)	–
Enhanced allowances	(264,479)	–
Total tax (credit)/expense	(410,608)	1,057,388

25. EMPLOYEE BENEFITS

	2017	2016
	US$	US$
Employee benefits expenses (including directors):		
Salaries and bonuses	6,999,106	11,682,403
Central Provident Fund contributions	454,521	736,406
Others	13,768	23,353
	7,467,395	12,442,162

26. OPERATING LEASE COMMITMENTS

(i) *As lessor*

The Company has entered into commercial leases mainly for equipment leases. These non-cancellable leases have remaining lease terms of 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rental receivable under non-cancellable operating leases as at the end of reporting period as follows:

Not later than one year	494,139	658,852
Later than one year but not later than five years	–	1,152,991
	494,139	1,811,843

(ii) *As lessee*

The Company has entered into commercial leases mainly on computer equipment, office and warehouse premises and motor vehicle leases. These leases have an average tenure of between 2 and 3 years with no renewal option or contingent rent provision included in the contracts. There is no restriction placed upon the Company by entering into these leases.

Future minimum rental payable under non-cancellable leases as at the end of reporting period is as follows:

Not later than one year	304,143	468,662
Later than one year but not later than five years	19,181	349,049
	323,324	817,711

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 March 2017 amounted to US$501,097 (2016: US$586,408).

27. RELATED PARTY DISCLOSURES

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties that took place at terms agreed between the parties during the financial year:

Significant related party transactions

	2017 US$	2016 US$
Holding company		
Revenue	4,450,376	7,825,568
Cost of services	34,882,998	41,931,511
Corporate guarantee given (unsecured)	–	306,190
Management fee	1,397,677	–
Related parties		
Rental income	658,852	164,713

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, credit risk, interest rate risk and liquidity risk. The Company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Company. The Company does not have any written financial risk management policies and guidelines and there has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

(i) ***Foreign currency risk***

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Company operates and sells their products in several countries other than Singapore and transacts in other than functional currency. As a result, the Company is exposed to movements in foreign currency exchange rates arising from normal trading transactions, primarily with respect to Euro (EUR) and Singapore dollar (SGD). However, the Company does not use any financial derivatives such as foreign currency forward contracts, foreign currency options or swaps for hedging purposes.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) *Foreign currency risk (continued)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in the EUR and SGD, with all other variables held constant.

	Profit before tax	
	2017	**2016**
	US$	US$
EUR		
- strengthened 4% (2016: 5%)	5,959	898
- weakened 4% (2016: 5%)	(5,959)	(898)
SGD		
- strengthened 2% (2016: 0.2%)	26,546	2,460
- weakened 2% (2016: 0.2%)	(26,546)	(2,460)

(ii) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets such as, cash, the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

- *Exposure to credit risk*

  At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

- *Credit risk concentration profile*

  There was significant concentration of credit risk as at end of the reporting period due to three customers approximately 80% (2016: 87%) of total trade receivables.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) *Credit risk (continued)*

- ***Financial assets that are neither past due nor impaired***

  Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

- ***Financial assets that are either past due or impaired***

  Information regarding financial assets that are either past due or impaired is disclosed in Note 9 (Trade receivables).

(iii) ***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loans and borrowings, interest-bearing loans given to related parties, investments in debt securities and cash and cash equivalent.

The Company's policy is to manage its interest cost using a mix of fixed and variable rate debts as well as by rolling over its borrowings on a short-term basis.

Sensitivity analysis for interest rate risk

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(iv) ***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities.

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) *Liquidity risk (continued)*

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a level of cash to meet the obligations and commitments due and to ensure cash efficiency whereby maximisation of cash flow position can be achieved.

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Company's financial assets and financial liabilities at the end of reporting period, based on contractual undiscounted repayment obligations.

2017	**Total** US$	**Within one year** US$	**Two to five years** US$
Financial assets:			
Investment securities	1,003	1,003	–
Finance lease receivables	5,303,152	1,399,083	3,904,069
Trade receivables	5,772,386	5,772,386	–
Other receivables	222,065	222,065	–
Amounts due from holding company	9,832,746	9,832,746	–
Cash and cash equivalents	4,911,833	4,911,833	–
Total undiscounted financial assets	26,043,185	22,139,116	3,904,069
Financial liabilities:			
Trade payables	(132,622)	(132,622)	–
Other payables	(2,601,982)	(2,601,982)	–
Obligation under finance lease	(5,677,795)	(1,631,294)	(4,046,501)
Amounts due to holding company	(4,829,443)	(4,829,443)	–
Amounts due to related company	(4)	(4)	–
Total undiscounted financial liabilities	(13,241,846)	(9,195,345)	(4,046,501)
Total net undiscounted financial assets/(liabilities)	12,801,339	12,943,771	(142,432)

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iv) ***Liquidity risk (continued)***

Analysis of financial instruments by remaining contractual maturities (continued)

2016	**Total** US$	**Within one year** US$	**Two to five years** US$
Financial assets:			
Investment securities	1,003	1,003	–
Finance lease receivables	6,762,235	1,399,083	5,363,152
Trade receivables	3,933,933	3,933,933	–
Other receivables	280,274	280,274	–
Amounts due from holding company	11,532,244	11,532,244	–
Amounts due from related companies	38,488	38,488	–
Cash and cash equivalents	7,497,403	7,497,403	–
Total undiscounted financial assets	30,045,580	24,682,428	5,363,152
Financial liabilities:			
Trade payables	(237,896)	(237,896)	–
Other payables	(1,541,073)	(1,541,073)	–
Obligation under finance lease	(7,406,110)	(1,631,293)	(5,774,817)
Amounts due to holding company	(2,923,690)	(2,923,690)	–
Total undiscounted financial liabilities	(12,108,769)	(6,333,952)	(5,774,817)
Total net undiscounted financial assets/(liabilities)	17,936,811	18,348,476	(411,665)

29. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	2017 US$	**2016** US$ (Reclassified)
Available-for-sale financial assets		
Investment securities	1,003	1,003
Loans and receivables		
Finance lease receivables	4,941,486	6,103,902
Trade receivables	5,772,306	3,933,933
Other receivables	222,065	280,274
Amounts due from holding company	9,832,746	11,532,244
Amounts due from related companies	–	38,488
Cash and cash equivalents	4,911,833	3,945,496
	25,680,436	25,834,337

29. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES (continued)

	2017 US$	2016 US$ (Reclassified)
Financial liabilities at amortised cost		
Trade payables	132,622	237,896
Other payables	2,601,982	1,541,073
Obligation under finance lease	5,359,927	6,891,041
Amounts due to holding company	4,829,443	2,923,690
Amounts due to related parties	4	–
	12,923,978	11,593,700

30. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value hierarchy

- Level 1 Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 Unobservable inputs for the asset or liability.

Fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

It is not practicable to estimate the fair value of unquoted equity securities, due to the absence of quoted market prices, without incurring excessive costs.

However, the Company does not anticipated that the carrying amounts recorded at the end of the reporting period would be significantly different form the values that would eventually be received or settled.

At the end of reporting period, the Company does not have any other financial assets and liabilities carried at fair value.

31. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

In order to maintain optimal capital structure, the Company may obtain new borrowing or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2017 and 31 March 2016. The Company manages capital by regularly monitoring its current and expected liquidity requirement. The Company is not subjected to externally imposed capital requirements.

32. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. As a result, certain line items have been amended on the face of the statement of comprehensive income, balance sheet and the related notes to the financial statements. Comparative figures have been adjusted to conform with current year's presentation. The reclassifications were not significant.

The items reclassified were as follows:

2016	**Previously reported** US$	**Reclassification** US$	**After reclassification** US$
Balance Sheet			
Other receivables	555,405	(1,814)	553,591
Other payables	1,820,347	(1,814)	1,818,533
Amount due from holding company	12,224,180	(691,936)	11,532,244
Amount due to holding company	3,615,626	(691,936)	2,923,690
	15,839,806	–	14,455,934

33. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2017 were authorised for issue in accordance with a resolution of the directors on 31 May 2017.

The accompanying Supplementary Income Statement has been prepared for management purposes only and does not form part of the audited financial statements.

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Supplementary Income Statement for the financial year ended 31 March 2017

	Schedule	2017 US$	2016 US$
Revenue	A	47,231,255	67,944,464
Cost of service	B	(35,395,600)	(47,405,659)
Gross profit		11,835,655	20,538,805
Other operating income	C	920,917	262,643
Administrative expenses	D	(12,313,033)	(15,927,032)
Other (charges)/credits	E	(455,306)	246,431
Finance costs	F	(197,200)	(102,432)
(Loss)/profit before tax		(208,967)	5,018,415

Schedule A

Revenue		
Sales of goods	–	6,147,874
Services income	47,231,255	61,796,590
	47,231,255	67,944,464

Schedule B

Cost of service		
Capital assets reimbursement	512,602	5,966,898
Cost of services	34,882,998	41,438,761
	35,395,600	47,405,659

Schedule C

Other income		
Interest on:		
- Fixed deposits	8,748	–
- Finance lease	236,667	54,543
Government grants – Wages Credit Scheme	–	42,084
Rental income	658,852	164,713
Sundry income	16,650	1,303
	920,917	262,643

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Supplementary Income Statement for the financial year ended 31 March 2017

	2017 US$	2016 US$
		Schedule D
Administrative expenses		
Amortisation of intangible assets	1,833,014	1,833,014
Auditor's remuneration	30,000	22,113
Bank charges	16,967	12,513
Business meeting expenses	–	525
Commission	11,319	9,667
Depreciation of plant and equipment	457,992	267,964
Foreign travel board	40	10,363
Housekeeping and maintenance expenses	35,924	45,609
Insurance	182,569	120,295
Late charges	1,354	3,127
Legal and professional fees	18,904	54,646
Management fee	1,397,677	–
Miscellaneous expenses	1,941	40,947
Onsite expenses	134,386	114,424
Postage and courier	–	725
Printing and stationery	35	68
Rates and taxes	3,944	4,898
Rental	501,097	586,408
Repairs and maintenance	89,077	166,867
Staff salaries and bonuses	7,012,874	11,705,756
Staff central provident fund contribution	454,521	736,406
Staff welfare	12,615	19,262
Staff training expenses	153	146
Telecommunications	17,485	49,784
Transfer expenses	–	569
Travelling expenses	37,776	76,709
Utilities expenses	49,941	41,665
Visa application expenses	11,428	2,562
	12,313,033	15,927,032

Wipro Networks Pte. Limited
(Co. Reg. No. 199907933M)

Supplementary Income Statement for the financial year ended 31 March 2017

	2017 US$	2016 US$
		Schedule E
Other (charges)/credits		
Allowances for impairment on trade receivables	47,260	280,809
Foreign exchange adjustments, loss/(gain)	581,404	(428,535)
Bad debts written off – non-trade	82,504	–
Reversal of allowances for impairment on – non-trade	(406)	–
Reversal of provision for unutilised annual leaves	(73,821)	(19,785)
Reversal of provision for warranty and liquidated damages	–	(78,920)
Reversal of allowances for impairment on trade receivables	(181,636)	–
	455,306	(246,431)

	2017 US$	2016 US$
		Schedule F
Finance costs		
Interest expenses on finance leases	197,200	102,432