

Independent Auditor's Report

To the Board of Directors of Wipro IT Services Ukraine LLC

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Wipro IT Services Ukraine LLC** (“the Company”), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

7. 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, of the state of affairs (financial position) of the Company as at 31 March 2017, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other matter

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

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

Sd/-
per **Sanjay Banthia**
Partner
Membership No.: 061068

Place: Bengaluru

Date: 2 June 2017

WIPRO IT SERVICES UKRAINE LLC**Balance Sheet as at 31 March 2017**

(Amount in ₹ except share and per share data, unless otherwise stated)

	Notes	As at 31 March 2017
ASSETS		
Current assets		
Financial assets		
Cash and cash equivalents	3	2,381
		<u>2,381</u>
		<u>2,381</u>
EQUITY		
Share capital	4	2,428
Other equity		<u>(1,795,509)</u>
		<u>(1,793,081)</u>
LIABILITIES		
Current liabilities		
Financial liabilities		
Trade payables	7	407,965
Other financial liabilities	6	<u>1,387,497</u>
		<u>1,795,462</u>
		<u>2,381</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 Ukraine LLC

Sd/-
Yuriy Chumak
Director

Place:
Date: 2 June 2017

WIPRO IT SERVICES UKRAINE LLC**Statement of Profit and Loss for the year ended 31 March 2017**

(Amount in ₹ except share and per share data, unless otherwise stated)

	Note	Year ended 31 March 2017
Expenses		
Other expenses	8	1,936,284
		<u>1,936,284</u>
Profit before tax		(1,936,284)
Tax expense		
Current tax		-
Deferred tax		-
Tax expense		<u>-</u>
Profit for the period		(1,936,284)
<u>Other Comprehensive Income</u>		
Items that will not be reclassified to statement of profit or loss (Net of tax)		
Exchange difference on foreign currency translation		140,775
Total Other Comprehensive Income for the period, net of tax		<u>140,775</u>
Total Comprehensive Income for the period		<u>(1,795,509)</u>
Earnings per equity share		
Basic		(1,936)
Diluted		(1,936)

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 Ukraine LLC**Sd/-****Yuriy Chumak**

Director

Place:

Date: 2 June 2017

WIPRO IT SERVICES UKRAINE LLC
Cash Flow Statement for the year ended March 2017
(Amount in ₹ except share and per share data, unless otherwise stated)

Year ended
31 March 2017

A. Cash flow from operating activities

Profit after tax (1,936,284)

Adjustments:

Unrealised exchange differences - net 20,787

Operating profit before working capital changes (1,915,497)

Adjustments for working capital changes:

Increase in trade payables and other financial liabilities 1,774,675

Net cash generated from operations (140,822)

Direct taxes (paid) / refund -

Net cash used in operating activities (A) (140,822)

B. Cash flows from investing activities (B) -

C. Cash flows from financing activities

Proceeds from issue of equity share capital 2,428

Net cash used in financing activities (C) 2,428

Net (decrease) in cash and cash equivalents during the period (138,394)

Cash and cash equivalents at the beginning of the period -

140,775

Cash and cash equivalents at the end of the period 2,381

Components of cash and cash equivalents:

Balances with banks 2,381

In current accounts 2,381

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

For and on behalf of the Board of Directors of Wipro IT Services Ukraine LLC

Sd/-

Yuriy Chumak

Director

Place:

Date: 2 June 2017

WIPRO IT SERVICES UKRAINE LLC
Statement of Changes in Equity as on 31 March 2017
(Amount in ₹ except share and per share data, unless otherwise stated)

Equity share capital

Balance as at 01 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017
-	2,428	2,428

Other Equity

Particulars	Retained Earnings	Foreign currency translation reserve	Total
Balance as at 1 April 2016	-	-	-
Profit for the period	(1,936,284)		(1,936,284)
Movement during the year	-	140,775	140,775
Balance as at 31 March 2017	(1,936,284)	140,775	(1,795,509)

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

For and on behalf of the Board of Directors of Wipro IT Services Ukraine LLC

Sd/-
Yuriy Chumak
Director

Place:
Date: 2 June 2017

Wipro IT Services Ukraine

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

1 Background

Wipro IT Services Ukraine ("the Company") is a subsidiary of Wipro Cyprus Private Limited (the holding company). It is incorporated and domiciled in Ukraine. The Company did not have any activities during the year. The Company's holding company, Wipro Cyprus Private Limited is incorporated and domiciled in Cyprus.

2 Summary of significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

These financial statements have been prepared on a historical cost convention and on accrual basis. Accounting policies have been applied consistently to all periods presented in these financial statements.

These financial statements have been prepared to append with the financial statements of the ultimate holding company, to comply with the provisions of Section 137 (1) of the Companies Act, 2013 ("the Act") in India.

b) 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 recognized in the period in which the estimates are revised and in any future periods affected.

c) Foreign currency

Functional currency

The functional currency of the Company is the UAH (Ukrainian Hryvnia). These financial statements are presented in Indian Rupees (INR).

Transaction

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.

Translation

The functional currency of the Company is UAH and the reporting currency for these financial statements is INR. The translation of financial statements from the local currency to the reporting currency of the Company is performed for balance sheet accounts using the exchange rate in effect at the Balance sheet date and for revenue, expenses and cash flow items using an yearly average exchange rate for the respective periods and the resulted differences is presented as 'foreign currency translation reserve' included in 'Other equity' and 'Effect of exchange rate changes on cash and cash equivalents' included in 'cash flow statement', respectively.

d) Non-derivative Financial instruments

Non derivative financial instruments consist of:

i) 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;

ii) 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 recognized initially at fair value. Financial assets are derecognized 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 derecognized only when the Company has not retained control over the financial asset.

Wipro IT Services Ukraine

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

i) 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 statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

ii) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized 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.

e) Equity

i) Share capital

Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

ii) Retained earnings

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

iii) Other comprehensive income

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

iv) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

f) Provisions and contingencies

Provisions are recognized 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.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The amount recognized 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 recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

g) Finance and other income

Finance and other income comprises interest income on deposits, dividend income and gains / (losses) etc. Interest income is recognized using the effective interest method.

Wipro IT Services Ukraine

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

h) Income tax

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

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

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

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

i) Earnings per share

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

j) Cash flow statement

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

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WIPRO IT SERVICES UKRAINE LLC

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

	As at 31 March 2017
3 Cash and cash equivalent	
Balances with banks	
In current accounts	2,381
	2,381
	As at 31 March 2017
4 Share Capital	
(i) The details of share capital are given below:-	
Authorised capital	
1 Equity share of par value UAH 999.90 and 1 Equity share of par value 0.1 UAH	2,428
	2,428
Issued, subscribed and fully paid-up capital	
1 Equity share of par value UAH 999.90 and 1 Equity share of par value 0.1 UAH	2,428
	2,428
a) Details of shares held by related parties	
Name of shareholders	Percent holding
Wipro Cyprus Private Limited	99.99%
Wipro Technology Netherlands B.V	0.01%
	100%
	As at 31 March 2017
6 Other financial liabilities	
Current	
Balances due to related parties	1,387,497
	1,387,497
	As at 31 March 2017
7 Trade payables	
Trade payable	407,965
	407,965

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WIPRO IT SERVICES UKRAINE LLC

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

	Year ended 31 March 2017
8 Other expenses	
Legal and professional charges	1,915,487
Miscellaneous expenses	10
Other exchange differences, net	20,787
	<u>1,936,284</u>
	Year ended 31 March 2017
9 Earnings per share	
Net profit after tax attributable to the equity shareholders	(1,936,284)
Weighted average number of equity shares - for basic and diluted EPS	1,000
Earnings per share - Basic and diluted	(1,936)

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WIPRO IT SERVICES UKRAINE LLC

Summary of significant accounting policies and other explanatory information

(Amount in ₹ except share and per share data, unless otherwise stated)

10 Related party disclosure

i) Parties where control exists:

Nature of relationship	Name of the related party
Holding Company	Wipro Cyprus Private Limited
Holding Company	Wipro Technology Netherlands B.V

ii) The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2017
Wipro Cyprus Private Limited	Holding Company	1,387,497

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

Particulars	Relationship	As at 31 March 2017
Wipro Cyprus Private Limited	Holding Company	1,387,497

11 Effective Tax Rate (ETR) reconciliation

The Company has incurred losses during the year and accordingly current tax expenses is recognised as Nil. There are no significant temporary differences or other adjustments which give rise to deferred tax liabilities.

12 Financial risk management

The fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

The Company has no lending's or borrowings with its group companies and no market borrowings at floating interest rates, so hence there is no exposure of interest rate risks.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The company does not foresee such a risk as its current assets are greater than its current liability.

13 Prior period comparatives

The Company is in the first year of operations and hence no comparative information is provided.

For and on behalf of the Board of Directors of Wipro IT Services Ukraine LLC

Sd/-
Yuriy Chumak
Director

Place:
Date: 2 June 2017