

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Wipro IT Services, LLC

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the standalone financial statements of Wipro IT Services, LLC ("the Company"), which comprise the Balance Sheet as at 31 March, 2021, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describe the basis of accounting.

Restriction on Distribution and Use

The financial statements are prepared to assist the Company in consolidation of its accounts with the Ultimate Holding Company. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the information of the Company's and its ultimate holding company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

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

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

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Sd/-

Ganesh Udupa A

Partner

Membership No. 224152

UDIN: 21224152AAAAAL3685

Place: Bengaluru

Date: June 21, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WIPRO IT SERVICES, LLC**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Sd/-

Ganesh Udupa A
Partner
Membership No. 224152
UDIN:21224152AAAAAL3685

Place: Bengaluru
Date: June 21, 2021

Wipro IT Services LLC

Balance Sheet as at 31 March 2021

(Amount in '000 USD, except share and per share data, unless otherwise specified)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Other intangible assets	3	-	-
Financial assets			
Investments	4	6,47,245	5,90,873
Deferred tax assets		-	-
Non-current tax assets		-	6
Other non-current assets	7	-	-
Total non-current assets		6,47,245	5,90,879
Current assets			
Financial Assets			
Cash and cash equivalents	6	8,243	15,068
Other financial assets	5	969	6,279
Other current assets	7	-	142
Total current assets		9,212	21,489
TOTAL ASSETS		6,56,457	6,12,369
EQUITY			
Share capital	8	10,10,801	9,37,801
Other equity	9	(7,04,974)	(6,83,454)
Total equity		3,05,827	2,54,347
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	10	1,07,000	60,000
Other financial liabilities	11	25,047	-
Total non-current liabilities		1,32,047	60,000
Current liabilities			
Financial liabilities			
Borrowings	10	2,10,000	2,95,000
Trade payables	12		
i)total outstanding dues of micro enterprises and small enterprises		-	-
ii)total outstanding dues of creditors other than micro enterprise and small enterprise		377	1,602
Other financial liabilities	11	8,206	1,419
Total current liabilities		2,18,583	2,98,022
TOTAL EQUITY AND LIABILITIES		6,56,457	6,12,369

The accompanying notes form an integral part of these condensed interim financial statements (Notes 1 - 23)

As per our report of even date

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

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

Sd/-
Ganesh Udupa A
 Partner
 Membership No.: 224152
 Place: Bangalore
 Date: June 21, 2021

Sd/-
Mohit Bansal
 Director
 Place: NJ, USA
 Date: June 09, 2021

Sd/-
Rajan Kohli
 Director
 Place: NJ, USA
 Date: June 09, 2021

Wipro IT Services LLC**Statement of Profit and Loss for the year ended 31st March 2021**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

	Note	Year Ended March 31,	
		2021	2020
REVENUE			
Other income	13	24,065	1,02,722
Total		24,065	1,02,722
EXPENSES			
Finance costs	14	4,342	17,981
Depreciation and amortisation expense	3	-	-
Other expenses	15	41,243	1,67,848
Total Expenses		45,585	1,85,829
Loss before tax		(21,520)	(83,107)
Tax expense			
Current tax		-	6
Deferred tax		-	8,757
Tax expense		-	8,763
Loss for the year		(21,520)	(91,870)
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss (Net of tax)			
Change in fair value of forward contracts designated as cash flow hedges		-	152
Total Other Comprehensive loss for the year, net of tax		-	152
Total comprehensive loss for the year		(21,520)	(91,718)

The accompanying notes form an integral part of these condensed interim financial statements (Notes 1 - 23)

As per our report of even date

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

For MSKA & Associates**Chartered Accountants**

Firm Registration No.: 105047W

Sd/-

Ganesh Udupa A

Partner

Membership No.: 224152

Place: Bangalore

Date: June 21, 2021

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

Sd/-

Mohit Bansal

Director

Place: NJ, USA

Date: June 09, 2021

Sd/-

Rajan Kohli

Director

Place: NJ, USA

Date: June 09, 2021

Wipro IT Services LLC**Cash Flow Statement for the year ended 31st March 2021**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

	31 March 2021	31 March 2020
Cash flows from operating activities		
Loss for the year	(21,520)	(91,870)
Depreciation and amortisation	-	-
Income tax expense for the year	-	8,763
Interest on borrowings	4,342	17,981
Other income	(102)	(722)
Provision for diminution in value of non-current investments	40,919	1,67,600
Dividend Income	(21,800)	(1,02,000)
Operating loss before working capital changes	1,839	(248)
Loans and advances and other assets	(448)	(37)
Liabilities and provisions	7,960	1,753
Net cash used in operations	9,352	1,468
Income taxes paid	(6)	6
Net cash used in operating activities	9,358	1,462
Cash flows from investing activities		
Interest income received	102	815
Loan to subsidiaries repayment received	5,900	12,415
Dividend income received	21,800	1,02,000
Investment in subsidiaries	(74,643)	(1,51,021)
Net cash used in investing activities	(46,841)	(35,792)
Cash flows from financing activities		
Interest paid on borrowings	(4,342)	(18,017)
Proceeds from issue of equity shares	28,000	3,35,000
Payment of dividends	-	(25,000)
Proceeds from borrowings	7,000	45,000
Repayment of borrowings	-	(3,00,000)
Net cash generated from financing activities	30,658	36,983
Net increase/ (decrease) in cash and cash equivalents during the year	(6,825)	2,653
Cash and cash equivalents as at the beginning of the year	15,068	12,415
Cash and cash equivalents as at the end of the year (refer note 6)	8,243	15,068

The accompanying notes form an integral part of these condensed interim financial statements (Notes 1 - 23)

As per our report of even date

For MSKA & Associates**Chartered Accountants**

Firm Registration No.: 105047W

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

Sd/-

Ganesh Udupa A

Partner

Membership No.: 224152

Place: Bangalore

Date: June 21, 2021

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Mohit Bansal

Director

Place: NJ, USA

Date: June 09, 2021

Sd/-

Rajan Kohli

Director

Place: NJ, USA

Date: June 09, 2021

Wipro IT Services LLC

Statement of change in equity for the year ended 31st March 2021

(Amount in '000 USD, except share and per share data, unless otherwise specified)

A) Paid-up Capital

	Changes during the year	Balance as of March 31, 2020
Balance as of April 1, 2019		
	6,02,801	3,35,000
		9,37,801

	Changes during the year	Balance as of March 31, 2021
Balance as of April 1, 2020		
	9,37,801	73,000
		10,10,801

B) Other equity

Particulars	Share Premium	Retained Earnings	Cash flow hedging Reserve	Total other equity
Balance as at April 1, 2020	10,000	(6,93,455)	-	(6,83,454)
Total Comprehensive income for the year				
Loss for the year	-	(21,520)	-	(21,520)
Other comprehensive income for the year	-	-	-	-
Total Comprehensive income for the year	-	(21,520)	-	(21,520)
Additional Contribution	-	-	-	-
Cash dividend paid	-	-	-	-
	-	(21,520)	-	(21,520)
Balance as at March 31, 2021	10,000	(7,14,975)	-	(7,04,974)

Particulars	Share Premium	Retained Earnings	Cash flow hedging Reserve	Total other equity
Balance as at April 1, 2019	35,000	(6,01,585)	(152)	(5,66,737)
Total Comprehensive income for the year				
Loss for the year	-	(91,870)	-	(91,870)
Other comprehensive income for the year	-	-	152	152
Total Comprehensive income for the year	-	(91,870)	152	(91,718)
Additional Contribution	-	-	-	-
Cash dividend paid	(25,000)	-	-	(25,000)
	(25,000)	(91,870)	152	(1,16,718)
Balance as at March 31, 2020	10,000	(6,93,455)	-	(6,83,454)

The accompanying notes form an integral part of these condensed interim financial statements (Notes 1 - 23)

As per our report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration No.: 105047W

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

Sd/-

Ganesh Udupa A

Partner

Membership No.: 224152

Place: Bangalore

Date: June 21, 2021

Sd/-

Mohit Bansal

Director

Place: NJ, USA

Date: June 09, 2021

Sd/-

Rajan Kohli

Director

Place: NJ, USA

Date: June 09, 2021

Wipro IT Services LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

1 Background

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

1.2 Going concern

The Company has accumulated loss primarily arising on account of impairment of its investment in subsidiaries. In addition, the Company's current liabilities exceeded its current assets. The accompanying financial statements have been prepared on going concern assumption, based on funding received from the holding company, which is indicative of the financial support from the holding company. Consequently, no adjustment have been made to the carrying values or classification of the assets and liabilities.

2 Summary of significant accounting policies

a) Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

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.

The annual financial statements presented are not consolidated annual financial statements as the entity qualifies for the consolidation exemption in Ind AS 110 Consolidated Financial Statements. Further, the entity also qualifies for exemption in not applying equity method for investment in associates as per Ind AS 28.

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

- The entity is wholly owned or partially owned, where none of the other shareholder's object to the fact that consolidated annual financial statements are not prepared.
- The entity's debt or equity instruments are not traded in a public market.
- The entity did not file, and is not in the process of filing its annual financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instrument in a public market, and
- The entity's ultimate or intermediary parent produces consolidated annual financial statements available for public use which comply with International Financial Reporting Standards.

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

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.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value- in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors together with economic factors.

Wipro IT Services LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Measurement of fair value of non-marketable equity instruments

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

Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liabilities acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of receivables including certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The impact of the global health pandemic may be different from that estimated as at the date of approval of these condensed interim financial statements and the Company will continue to closely monitor any material changes to future economic conditions .

c) Foreign currency

Functional Currency and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in US Dollars (USD), which is the Company's functional and presentation currency.

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.

Wipro IT Services LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

d) Non-derivative Financial instruments

Non derivative financial instruments consist of:

i) financial assets, which include cash and cash equivalents, investments in equity and eligible current and non-current assets;

ii) financial liabilities, which include long and short-term loans and borrowings, 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.

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) Investments

Investment in subsidiaries are measured at cost less impairment.

iii) Other financial assets

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

iv) 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.

Derivative and Hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and if so the nature of item being hedged and the type of hedging relationship designated.

The Company designated their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The full fair value of the hedging derivative is classified as non current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivative are also classified as a current asset or liability when expected to be realised/ settled within 12 months of the balance sheet date.

e) Equity

i) Share capital and share premium

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.

Wipro IT Services LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

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) Intangible assets

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

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

The estimated useful life of amortizable intangibles are reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortizable intangible assets for the current and comparative periods is 3 years.

g) Impairment

Financial Assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. The amount of loss for receivables is measured as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the statement of profit and loss. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recognized impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

h) 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.

i) Finance expenses

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

j) 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 LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

k) 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.

l) 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.

m) Business combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred. The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

Common Control business combinations

The Company accounts for business combinations involving entities or businesses under common control using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately as Common Control Transactions Capital reserve.

Wipro IT Services LLC

Summary of significant accounting policies and other explanatory information

(Amount in '000 USD, except share and per share data, unless otherwise specified)

2A Recent Indian Accounting Standards (Ind AS)

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

New Accounting standards adopted by the Company

The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the preparation of the Company's annual standalone financial statements for the year ended March 31, 2021.

(i) Amendment to Ind AS 1 and Ind AS 8 – Definition of Material

The Ministry of Corporate Affairs (MCA) issued Amendment to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors to update a new definition of material in Ind AS 1. The amendments clarify the definition of "material" and how it should be applied by including in the definition guidance that until now has featured elsewhere in Ind AS Standards. The new definition clarifies that, information is considered material if omitting, misstating, or obscuring such information, could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term 'material' to ensure consistency. The adoption of the amendment to Ind AS 1 and Ind AS 8 did not have any material impact on its evaluation of materiality in relation to the financial statements.

(ii) New Amendments not yet adopted by company

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period error and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, the disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

Wipro IT Services LLC**Notes forming part of the financial statements**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

3 Intangible Assets

Particulars	Non-compete fee	Total
Gross block		
Balance as at 01 April 2019	4,454	4,454
Additions during the year	-	-
Disposals during the year	-	-
Translation adjustment	-	-
Balance as at 31 March 2020	4,454	4,454
Additions during the year	-	-
Disposals/Adjustment for the year	(4,454)	(4,454)
Translation adjustment	-	-
Balance as at 31 March 2021	-	-
Accumulated ammortisation		
Balance as at 01 April 2019	4,454	4,454
Charge for the year	-	-
Disposals/Adjustment	-	-
Translation adjustment	-	-
Balance as at 31 March 2020	4,454	4,454
Charge for the year	-	-
Disposals/Adjustment for the year	(4,454)	(4,454)
Translation adjustment	-	-
Balance as at 31 March 2021	-	-
Net block		
Balance as at 31 March 2020	-	-
Balance as at 31 March 2021	-	-

Wipro IT Services LLC**Notes forming part of the financial statements**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

	As at 31 March 2021	As at 31 March 2020
4 Investments		
Unquoted investments:		
Non-current		
Investments in subsidiaries	6,38,421	5,82,040
Investments in associates	8,823	8,833
	6,47,245	5,90,873
Details of investment in unquoted equity instruments of subsidiaries		
Name of the subsidiary		
Healthplan Services Inc (1000 shares of USD 0.01 each)	5,43,883	5,13,883
Appirio Inc. (1000 shares of USD 0.01 each)	4,60,966	4,60,966
Cooper Software, Inc. (11,221,002 shares of USD 0.02 each)	8,719	8,719
International Technegroup Incorporated (16,350,000 shares of USD 0.0001 each)	46,332	46,611
Rational Interaction Inc. (16,350,000 shares of USD 0.0001 each)	53,472	54,410
Infocrossing, LLC. (10 shares of USD 0.01 each)	2,21,800	2,21,800
Eximius Design LLC (100% of equity contribution in the Company)	68,517	-
Less: Provision for diminution in value of investments	(7,65,268)	(7,24,349)
	6,38,421	5,82,040
Name of the associate		
Denim Group, Ltd. (510 Series A Preferred Partnership Units)	8,823	8,833
	8,823	8,833
	As at 31 March 2021	As at 31 March 2020
5 Other Financial Assets		
Current		
Other Receivables	969	260
Loans to subsidiary companies	-	5,900
Interest Accrued on loan to Subsidiaries	-	119
	969	6,279
	As at 31 March 2021	As at 31 March 2020
6 Cash and cash equivalent		
Cash and cash equivalents		
Balances with banks		
In current accounts	8,243	68
In deposit accounts	-	15,000
	8,243	15,068
Cash and cash equivalents consists of the following for the purpose of the cash flow statement:		
Cash and cash equivalents	8,243	15,068
7 Other Assets		
Current		
Prepaid expenses	-	142
	-	142

Wipro IT Services LLC

Notes forming part of the financial statements

(Amount in '000 USD, except share and per share data, unless otherwise specified)

8 Share Capital

(a) The details of share capital are given below:-

Issued, subscribed and fully paid-up capital

Paid up capital	10,10,801	9,37,801
	10,10,801	9,37,801

(b) Details of share holding pattern

Capital holder

Wipro LLC (Holding Company)	10,10,801	9,37,801
Total	10,10,801	9,37,801

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares. The Company is a limited liability company with a single member Wipro LLC.

In the event of liquidation of the company, the sole member will be entitled to receive the remaining assets of the Company after satisfaction of all liabilities, if any.

9 Other Equity

	As at March 31, 2021	As at March 31, 2020
Share Premium		
Balance from Previous year	10,000	35,000
Additions during the year	-	-
Cash dividend paid	-	(25,000)
	10,000	10,000
Retained Earnings		
Balance from Previous year	(6,93,455)	(6,01,585)
Profit/(loss) for the year	(21,520)	(91,870)
	(7,14,975)	(6,93,455)
Cash flow hedging Reserve		
Balance from Previous year	-	(152)
Other comprehensive income for the year	-	152
	-	-
	(7,04,974)	(6,83,454)

10 Borrowings

Non Current

Unsecured:

	As at 31 March 2021	As at 31 March 2020
Term loan with Banks*	1,00,000	60,000
Loan from Related Party**	7,000	-
	1,07,000	60,000

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	31-Mar-21	31-Mar-20
*Term loan with Banks					
CITI BANK NA					
Loan 1	12-03-2024	On Maturity Date	3M LIBOR + 0.85 Margin	75,000	-
Loan 2	12-03-2024	On Maturity Date	3M LIBOR + 0.85 Margin	25,000	-
Australia and NZ Banking Group Limited	31-07-2021	On Maturity Date	3M LIBOR + 0.93 Margin	-	60,000
Term loan with Banks				1,00,000	60,000
**Loan from Related Party					
Wipro Holdings Hungary Kft	23-10-2022	On Maturity Date	12M USD LIBOR + 85 BPS	7,000	-
Loan from Related Party				7,000	-
Total non-current borrowings				1,07,000	60,000

Wipro IT Services LLC

Notes forming part of the financial statements

(Amount in '000 USD, except share and per share data, unless otherwise specified)

10 Borrowings

Current

Unsecured:

Term loan with Banks*	2,10,000	2,50,000
Loan from Related Party**	-	45,000
	2,10,000	2,95,000

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	31-Mar-21	31-Mar-20
*Term loan with Banks					
The Bank of Tokyo-Mitsubishi UFJ, Ltd.,					
Loan 1	22-04-2021#	On Maturity Date	3M LIBOR + 0.90 Margin	75,000	75,000
Loan 2	22-04-2021#	On Maturity Date	3M LIBOR + 0.90 Margin	75,000	75,000
CITI BANK NA					
Loan 1	12-03-2021	On Maturity Date	3M LIBOR + 0.85 Margin	-	75,000
Loan 2	12-03-2021	On Maturity Date	3M LIBOR + 0.85 Margin	-	25,000
Australia and NZ Banking Group Limited					
	31-07-2021	On Maturity Date	3M LIBOR + 0.93 Margin	60,000	-
Term loan with Banks				2,10,000	2,50,000
**Loan from Related Party					
Wipro LLC					
Loan 1	-	On Demand	-	-	40,000
Loan 2	-	On Demand	-	-	5,000
Loan from Related Party				-	45,000
Total current borrowings				2,10,000	2,95,000

#Post balance sheet date, the loan was re-financed.

11 Other Financial Liabilities

Non-current

Contingent Consideration	22,648	-
Other Liabilities Payable	2,400	-
	25,047	-

Current

Interest accrued but not due on borrowings	201	1,226
Balances due to related parties	8,005	193
	8,206	1,419

12 Trade payables

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	377	1,602
	377	1,602

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

Wipro IT Services LLC**Notes forming part of the financial statements**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

	Year ended 31 March 2021	Year ended 31 March 2020
13 Other Income		
Dividend Income	21,800	1,02,000
Interest on debt instruments and others	102	722
Miscellaneous income	2,164	-
	24,065	1,02,722
	Year ended 31 March 2021	Year ended 31 March 2020
14 Finance costs		
Interest Cost	4,342	17,981
	4,342	17,981
	Year ended 31 March 2021	Year ended 31 March 2020
15 Other expenses		
Provision for diminution in value of non-current investme	40,919	1,67,600
Legal and professional charges	38	247
Rates and taxes	280	-
Audit fees	5	1
Miscellaneous expenses	1	-
	41,243	1,67,848

Wipro IT Services LLC

Notes forming part of the financial statements

(Amount in '000 USD, except share and per share data, unless otherwise specified)

16 Related party disclosure

i) Parties where control exists:

Nature of relationship	Name of the related party
Ultimate Holding Company	Wipro Limited
Holding company	Wipro LLC
Fellow Subsidiary	Opus Capital Markets Consultants LLC
Fellow Subsidiary	Wipro Gallagher Solutions, LLC
Fellow Subsidiary	Wipro Data Centre and Cloud Services, Inc.
Fellow Subsidiary	Wipro Holdings UK Limited
Fellow Subsidiary	Wipro Holdings Hungary
Subsidiary	Appirio Inc
Subsidiary	HealthPlan Services, Inc.
Subsidiary	Cooper Software, Inc.
Subsidiary	Infocrossing LLC
Subsidiary	Wipro US Foundation
Subsidiary	Apprio, K.K
Subsidiary	Topcoder, LLC.
Subsidiary	Appirio Ltd.
Subsidiary	Appirio Ltd (UK)
Subsidiary	International Technegroup Incorporated
Subsidiary	Rational Interaction Inc.
Subsidiary	International TechneGroup Ltd.
Subsidiary	ITI Proficiency Ltd.
Subsidiary	IT S.R.L
Subsidiary	Mech Works S.R.L
Subsidiary	Eximius Design LLC (effective from February 25, 2021)
Subsidiary	Eximius Design India Pvt Ltd (effective from February 25, 2021)
Associates	Denim Group, Ltd.

ii) The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2021	Year ended 31 March 2020
Corporate Guarantee Commission Charges			
Interest expense			
Wipro LLC	Holding Company	-	924
Wipro Holdings Hungary	Fellow Subsidiary	-	-
Interest income			
Appirio Inc	Subsidiary	-	61
HealthPlan Services, Inc.	Subsidiary	85	250
Loans Taken			
Wipro LLC	Holding Company	-	45,000
Wipro Holdings Hungary	Fellow Subsidiary	7,000	-
Receipt of loan given			
Healthplan Services Inc	Subsidiary	5,900	-
Investment			
HealthPlan Services, Inc.	Subsidiary	30,000	50,000
International Technegroup Incorporated	Subsidiary	279	46,611
Rational Interaction Inc.	Subsidiary	937	54,410
Eximius Design LLC	Subsidiary	68,517	-
Additional Capital Contribution			
Wipro LLC*	Holding Company	73,000	3,35,000
Dividend Income			
Infocrossing LLC	Subsidiary	21,800	40,000
Appirio Inc	Subsidiary	-	62,000
Others			
Wipro LLC	Holding Company	-	2
Wipro Limited	Ultimate Holding Company	5,675	36
Rational Interaction Inc.	Subsidiary	707	191
Eximius Design India Pvt Ltd	Subsidiary	730	-

* Includes value of \$ 45,000 of loan converted into capital.

Wipro IT Services LLC**Notes forming part of the financial statements**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

16 Related party disclosure**iii) Balances with related parties as at year end are summarised below**

Particulars	Relationship	As at	
		31 March 2021	31 March 2020
Investments			
Healthplan Services Inc	Subsidiary	5,43,883	5,13,883
Appirio, Inc.	Subsidiary	4,60,966	4,60,966
Denim Group Limited	Associate	8,823	8,833
Cooper Software, Inc.	Subsidiary	8,719	8,719
International Technegroup Incorporated	Subsidiary	46,332	46,611
Rational Interaction Inc.	Subsidiary	53,472	54,410
Infocrossing LLC	Subsidiary	2,21,800	2,21,800
Eximius Design LLC	Subsidiary	68,517	-
Loan Given			
Healthplan Services Inc	Subsidiary	-	5,900
Loan Taken			
Wipro LLC	Holding Company	-	45,000
Wipro Holdings Hungary	Fellow Subsidiary	7,000	-
Interest accrued but not due on loan taken from related parties			
Wipro Holdings Hungary	Fellow Subsidiary	-	-
Others			
Wipro Limited	Ultimate Holding Company	5,677	-
Eximius Design, LLC	Subsidiary	1,599	-
Eximius Design India Pvt Ltd	Subsidiary	730	-
Rational Interaction Inc.	Subsidiary	898	191
Appirio, Inc.	Subsidiary	71	71
Wipro LLC	Holding Company	-	2

Wipro IT Services LLC

Notes forming part of the financial statements

(Amount in '000 USD, except share and per share data, unless otherwise specified)

17 Segment information

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

18 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk.

(A) Market risk

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

If interest rates were to increase by 50bps from March 31, 2021. additional net annual interest expense on floating rate borrowing would amount to approximately \$ 1.55mn.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts as mentioned in Note 4 and 6.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

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

	<u>One year or less</u>	<u>More than one year</u>	<u>Total</u>
<u>31 March 2021</u>			
Borrowings	2,10,000	1,07,000	3,17,000
Trade payables	377	-	377
Other financial liability	8,206	25,047	33,253
	<u>2,18,583</u>	<u>1,32,047</u>	<u>3,50,630</u>
<u>31 March 2020</u>			
Borrowings	2,95,000	60,000	3,55,000
Trade payables	1,602	-	1,602
Other financial liability	1,419	-	1,419
	<u>2,98,022</u>	<u>60,000</u>	<u>3,58,022</u>

19 Fair values of financial assets and financial liabilities

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

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets. Non-current borrowing comprises term loans. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Wipro IT Services LLC**Notes forming part of the financial statements**

(Amount in '000 USD, except share and per share data, unless otherwise specified)

20 Fair value hierarchy

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

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

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

	As at	
	31-Mar-21	31-Mar-20
Fair value measurement hierarchy for liabilities:		
(a) Financial liabilities measured at fair value:		
Level 2		
<u>Financial liabilities measured at fair value through profit or loss</u>		
Derivative - Interest Rate Swap	-	-
Trade payables	377	1,600
Financial Assets/ Liabilities measured at amortized cost		
<u>Financial assets measured at amortized cost</u>		
Investments	6,47,245	5,90,873
Loans	-	5,900
Cash and cash equivalents	8,243	15,068
Other financial assets	969	379
<u>Financial liabilities measured at amortized cost</u>		
Liability component of convertible preference shares		
Borrowings (non-current)	1,07,000	60,000
Borrowings (current)	2,10,000	2,95,000
Trade payables	-	2
Other Payables	33,253	1,419

21 Taxation

Income tax expense in the Statement of Profit and Loss comprises of:

	Year ended 31 March 2021	Year ended 31 March 2020
Current tax for previous year	-	6
Deferred tax reversal	-	8,757
	-	8,763

Effective Tax Rate (ETR) reconciliation

	As at	
	March 31, 2021	March 31, 2020
	USD	USD
Loss before taxes	(21,520)	(83,107)
Enacted income tax rate in USA	28.00%	28.00%
Computed expected tax expense	-	(23,270)
Effect of:		
Income exempt from tax	-	-
Basis differences that will reverse during a tax holiday period	-	-
Reversal of deferred tax liability for past years due to rate reduction	-	-
Expenses disallowed for tax purposes	-	-
Income taxes relating to prior years	-	-
Unrecognized deferred tax assets	-	-
Others, net	-	32,033
	-	8,763

Wipro IT Services LLC

Notes forming part of the financial statements

(Amount in '000 USD, except share and per share data, unless otherwise specified)

22 Impact of Covid-19 on Going concern assumption and Financial Statements

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

In assessing the recoverability of receivables, other financial assets, investments etc. the Company has considered internal and external information up to the date the financial statements were available to be issued, including credit reports and economic factors. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

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

23 Prior period comparatives

Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

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

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

Sd/-
Ganesh Udupa A
Partner
Membership No.: 224152
Place: Bangalore
Date: June 21, 2021

Sd/-
Mohit Bansal
Director
Place: NJ, USA
Date: June 09, 2021

Sd/-
Rajan Kohli
Director
Place: NJ, USA
Date: June 09, 2021