INDEPENDENT AUDITORS' REPORT

To the Members of Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited)

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of **Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 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 the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated August 30, 2016 and September 16, 2015, respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Price Waterhouse & Co Bangalore LLP
Chartered Accountants

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements – Refer Note 27;

ii. The Company has long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 – Refer Note 5 (c).

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674

Bangalore
July 25, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited) on the Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Capgemini Solutions Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited) on the Ind AS financial statements for the year ended March 31, 2017

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674

Bangalore
July 25, 2017

Price Waterhouse & Co Bangalore LLP
Chartered Accountants

Annexure B to Independent Auditors' Report

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The Company does not own any immovable properties as disclosed in Note 4 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the Order are not applicable to the Company.

ii. It is the general practice of the Company not to hold any inventory for the purpose of carrying its business. Therefore, the provisions of Clause 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, and other material statutory dues, as applicable, with the appropriate authorities.

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited) on the Ind AS financial statements for the year ended March 31, 2017

vii. (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	440,170 (1)	2005–06	The Income Tax Appellate Tribunal, Bangalore
The Income Tax Act, 1961	Income tax	299,270	2006–07	The Income Tax Appellate Tribunal, Bangalore
The Income Tax Act, 1961	Income tax	17,546,001 (2)	2007–08	The Income Tax Appellate Tribunal, Bangalore
The Income Tax Act, 1961	Income tax	28,263,660 (3)	2008–09	The Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income tax	19,956,470	2009–10	The Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income tax	55,849,330 (4)	2010–11	The Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income tax	61,573,526 (5)	2011–12	The Commissioner of Income Tax (Appeals), Bangalore
The Income Tax Act, 1961	Income tax	27,907,850 (6)	2012-13	The Commissioner of Income Tax (Appeals), Bangalore
The Finance Act, 1994	Service tax	237,811,939(7)	2006–12	The Customs, Excise and Service Tax Appellate Tribunal, Bangalore
The Central Sales Act, 1956 and The Karnataka Value Added Tax Act, 2003	Value added tax	42,684,872 (8)	2006-13	The Joint Commissioner of Commercial Taxes (Appeals), Bangalore

(1) Rs.440,170 paid under protest
(2) Rs.8,084,081 paid under protest
(3) Rs.12,822,086 paid under protest
(4) Rs.26,567,214 paid under protest
(5) Rs.8,316,393 paid under protest
(6) Rs.4,186,178 paid under protest
(7) net of paid under protest of Rs.15,416,323
(8) Rs.12,805,462 paid under protest

Price Waterhouse & Co Bangalore LLP
LLPIN AAC-6274
Chartered Accountants
FRN 007567S/S-200012
Bangalore

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited) on the Ind AS financial statements for the year ended March 31, 2017

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674

Bangalore
July 25, 2017

Office copy

CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

BALANCE SHEET as at March 31, 2017
(All amounts in Rupees Millions, unless otherwise stated)

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets				
Non-current assets				
Property, plant & equipment	4	396	358	139
Capital work-in-progress		-	2	90
Financial assets				
i. Investments	5(a)	-	116	140
ii. Loans	5(d)	26	28	20
iii. Other financial assets	5(e)	2	3	1
Deferred tax assets	13	90	168	117
Other non-current assets	6	161	101	163
Total non-current assets		675	776	670
Current assets				
Financial assets				
i. Investments	5(a)	398	598	681
ii. Trade receivables	5(b)	754	445	560
iii. Cash and cash equivalents	5(c)	49	363	276
iv. Bank balances other than (iii) above	5(c)	28	28	31
v. Loans	5(d)	-	-	7
vi. Other financial assets	5(e)	160	233	215
Current tax assets	14	122	-	-
Other current assets	7	85	104	54
Total current assets		1,596	1,771	1,824
Total assets		2,271	2,547	2,494
Equity and Liabilities				
Equity				
Equity share capital *	8(a)	0	0	0
Other equity	8 (b)	1,788	1,553	1,307
Total equity		1,788	1,553	1,307
Liabilities				
Non-current liabilities				
Other financial liabilities	9(b)	18	16	58
Provisions	10	52	44	49
Other non-current liabilities	11	70	69	48
Total non-current liabilities		140	129	155
Current liabilities				
Financial liabilities				
i. Trade payables	9(a)	263	309	367
ii. Other financial liabilities	9(b)	-	-	16
Provisions	10	55	358	344
Current tax liabilities	14	-	117	127
Other current liabilities	12	25	81	178
Total current liabilities		343	865	1,032
Total liabilities		483	994	1,187
Total equity and liabilities		2,271	2,547	2,494

* Amounts below rounding off limits.

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our audit report of even date

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674
Place: Bangalore
Date: 25/7/2017

For and on behalf of Board of Directors

Srinivasarao Kandula
Managing Director
DIN: 07412426
Place: Bangalore
Date: 25/07/2017

Mukund Srinath
Director
DIN: 00025017
Place: Bangalore
Date: 25/07/2017

Ashok Bhandarkar
Company Secretary
Membership Number: 7616
Place: Bangalore
Date: 25/07/2017

CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

STATEMENT OF PROFIT AND LOSS
(All amounts in Rupees Millions, unless otherwise stated)

	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from operations	15	3,239	2,973
Other income	16	159	143
Total income		**3,398**	**3,116**
Expenses:			
Purchases of stock-in-trade	17	53	38
Employee benefit expense	18	1,387	1,330
Finance costs	19	1	45
Depreciation expense	20	182	125
Other expenses	21	1,260	1,092
Total expenses		**2,883**	**2,630**
Profit before exceptional items and tax		**515**	**486**
Exceptional items	27(i)	435	110
Profit before tax		**950**	**596**
Income tax expense			
Current tax	22		
- for the year		157	233
- relating to earlier years		(14)	59
Deferred tax	13	78	(56)
Total tax expense		**221**	**236**
Profit for the year		**729**	**360**
Other comprehensive income/ (expense)			
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(1)	13
- Tax relating thereto *		0	(5)
Other comprehensive income/ (expense) for the year, net of tax		(1)	8
Total comprehensive income for the year		**728**	**368**
Earnings per equity share [Nominal value per share: Rs.10 (March 31, 2016: Rs.10) (amount in Rupees)]			
Basic and Diluted	29	57,715	28,471

* Amounts below rounding off limits.

The statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our audit report of even date

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674
Place:
Date: 25/7/2017

For and on behalf of Board of Directors

Srinivasarao Kandula
Managing Director
DIN: 07412426
Place: Bangalore
Date: 25/7/2017

Mukund Srinath
Director
DIN: 00025017
Place: Bangalore
Date: 25/7/2017

Ashok Bhandarkar
Company Secretary
Membership Number: 7616
Place: Bangalore
Date: 25/7/2017

CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

CASH FLOW STATEMENT
(All amounts in Rupees Millions, unless otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	950	596
Adjustments for:		
Depreciation expense	182	125
Gain on disposal of property, plant & equipment	(12)	(6)
Unwinding of discount on security deposits	(5)	(2)
Employee share based payment expense	27	70
Gains from Investments in Mutual Funds	(36)	(43)
Interest income	(4)	(5)
Interest and other finance cost	1	45
Unrealised foreign exchange loss/ (gain) *	0	(10)
Reversal of provision for litigated tax matters	(435)	(110)
Operating profit before working capital changes	668	660
Changes in working capital:		
Increase/ (Decrease) in trade payables	(46)	(60)
Increase in provisions	30	11
Increase/ (Decrease) in other financial liabilities	0	(53)
Increase/ (Decrease) in other current liabilities	(56)	(98)
Increase/ (Decrease) in other non-current liabilities	2	20
(Increase)/ Decrease in trade receivables	(310)	127
(Increase)/ Decrease in other financial assets	79	(18)
(Increase)/ Decrease in other current assets	20	(51)
(Increase)/ Decrease in other non-current assets	(60)	62
(Increase)/ Decrease in other bank balances *	0	3
Cash generated from operations	**327**	**603**
Taxes paid (net of refunds)	(273)	(218)
Net cash generated from operating activities	**54**	**385**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(238)	(270)
Proceeds from sale of fixed assets	33	13
Interest received	4	5
Purchase of investments	(390)	(100)
Proceeds from sale of investments	742	250
Net cash from/ (used in) investing activities	**151**	**(102)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(354)	(142)
Dividend distribution tax paid	(72)	(29)
Repayment made towards employee share based plans	(94)	(21)
Redemption of Preference Shares	-	(6)
Net cash used in financing activities	**(520)**	**(198)**
Net increase in cash and cash equivalents	(315)	85
Cash and Cash equivalents at the beginning of the year	363	276
Effect of exchange differences on balances with banks in foreign currency	1	2
Cash and Cash equivalents at the end of the year [refer note: 5(c)]	**49**	**363**

* Amounts below rounding off limits.

This is the Cash Flow Statement referred to in audit report of even date

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674
Place:
Date: 25/7/2017

For and on behalf of Board of Directors

Srinivasarao Kandula
Managing Director
DIN: 07412426
Place: Bangalore
Date: 25/7/2017

Mukund Srinath
Director
DIN: 00025017
Place: Bangalore
Date: 25/7/2017

Ashok Bhandarkar
Company Secretary
Membership Number: 7616
Place: Bangalore
Date: 25/7/2017

CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

STATEMENT OF CHANGES IN EQUITY
(All amounts in Rupees Millions, unless otherwise stated)

A. Equity share capital

	Number of Shares	Equity share capital *
Issued and paid-up capital as at April 1, 2015	12,627	126,270
Changes in equity share capital during the year	-	-
Balance as at March 31, 2016	12,627	126,270
Changes in equity share capital during the year	-	-
Balance as at March 31, 2017	12,627	126,270

B. Other equity

Particulars	Notes	Reserves and surplus					Total
		Securities premium reserve	Retained earnings	Capital redemption reserve	General reserve	Share based payment reserves	
Balance as at April 1, 2015		38	1,084	-	140	45	1,307
Profit for the year		-	360	-	-	-	360
Other comprehensive income		-	8	-	-	-	8
Total comprehensive income for the year		-	368	-	-	-	368
Transfer to Capital Redemption Reserve		-	-	6	(6)	-	-
Transactions with owners in their capacity as owners:							
Dividend on Preference shares *		-	(0)	-	-	-	(0)
Dividend distribution tax on dividend on preference shares *		-	(0)	-	-	-	(0)
Employee stock option expense	23	-	-	-	-	70	70
Repayment made towards employee share based plans	23	-	-	-	-	(21)	(21)
Final dividend on Equity Shares for the year ended March 31, 2015	26	-	(92)	-	-	-	(92)
Dividend distribution tax on final dividend on Equity Shares for the year ended March 31, 2015		-	(19)	-	-	-	(19)
Interim dividend on Equity Shares	26	-	(50)	-	-	-	(50)
Dividend distribution tax on interim dividend on Equity Shares		-	(10)	-	-	-	(10)
Balance as at March 31, 2016		38	1,281	6	134	94	1,553
Profit for the year		-	729	-	-	-	729
Other comprehensive income/(expense)		-	(1)	-	-	-	(1)
Total comprehensive income for the year		-	728	-	-	-	728
Transactions with owners in their capacity as owners:							
Employee stock option expense	23	-	-	-	-	27	27
Repayment made towards employee share based plans	23	-	-	-	-	(94)	(94)
Interim Dividend on Equity Shares	26	-	(354)	-	-	-	(354)
Dividend distribution tax on interim dividend on equity shares		-	(72)	-	-	-	(72)
Balance as at March 31, 2017		38	1,583	6	134	27	1,788

* Amounts below rounding off limits.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674
Place: Bangalore
Date: 25/7/2017

For and on behalf of Board of Directors

Srinivasarao Kandula
Managing Director
DIN: 07412426
Place: Bangalore
Date: 25/7/2017

Mukund Srinath
Director
DIN: 00025017
Place: Bangalore
Date: 25/7/2017

Ashok Bhandarkar
Company Secretary
Membership Number: 7616
Place: Bangalore
Date: 25/7/2017

CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

1. **Background**

Capgemini Solutions Private Limited (formerly known as AXA Technologies Shared Services Private Limited) is a company limited by shares and incorporated in India. The registered office of the company is in Akruti Softech Park, 4th floor, Cross road no. 21, MIDC, Andheri (East), Mumbai, Maharashtra, India. The primary activities of the Company is providing Information Technology Enabled Services (ITES) to AXA group companies. The services comprise of remote systems administration, data processing, and general consulting services in the field of software, production of computer programs and export of software programs including application software development and maintenance, package implementation and maintenance, testing, IT administration and quality validation.

The financial statements were authorised for issue by Board of Directors on July 25, 2017.

2. **Significant accounting policies**

2.1 Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act.

The Financial Statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) as per previous GAAP and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 33 for an explanation of how the transition from the previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

2.2 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
(i) certain financial assets and financial liabilities that is measured at fair value;
(ii) defined benefit plans - plan assets measured at fair value; and
(iii) share-based payments

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM of the Company comprised of Head of Service Delivery and Chief Financial Officer until November 30, 2016. Subsequent to the share transfer, from December 1, 2016 the CODM has been changed to Vice President (Delivery Operations) and the Chief Financial Officer [refer Note 8(a)(iii) for details].

2.4 Foreign currency translation

a. Functional and presentation currency

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

b. Transaction and balances

Foreign currency transactions are translated into the functional currency using the average exchange rates that approximates the actual rates on the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis as Other Income.

2.5 Revenue recognition

Revenue is measured at fair value of consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.

Sale of Services: Revenue is primarily derived from ITES. Billing arrangement with customers are based on time and material, volume of transactions processed, or on a fixed price basis. Revenue for time and material contracts and transaction based contracts is recognised as related services are performed. Revenue in excess of billing is recognised as unbilled revenue and is included in other current financial assets. Revenue for fixed-price contracts is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method).

The Company also has service agreements where the revenue is recognised on a cost plus basis. Revenue from services rendered to the related parties is recognized on cost plus mark-up basis determined on arm's length principle as and when the related services are rendered.

Other income: Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment. Dividend income is recognised when the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.6 Leases

As a lessee:

(a) Operating lease: Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis unless the payments structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(b) Finance lease: The Company leases certain property, plant & equipment and such leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. These assets are capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. The outstanding liability is included in other short/long-term borrowings. The finance charge is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Capgemini Solutions Private Limited

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2.6 Leases (contd.)

As a lessor:

The Company has leased certain property, plant & equipment and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight-line basis unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.7 Impairment of assets.

Property, plant & equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.8 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is.
Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

2.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for any impairment.

2.11 Investment and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset 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 of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

Capgemini Solutions Private Limited * Bangalore *

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NOTES TO THE FINANCIAL STATEMENTS

2.11 Investment and other financial assets (contd.)

Fair value through other comprehensive income (FVOCI):
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity in the statement of profit and loss and recognised in other income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses in the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost . The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.12 Derivatives 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 the item being hedged and the type of hedge relationship designated. The Company has not designated any derivatives as hedging instrument.

2.13 Property, plant and equipment

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation of the fixed assets concerned. Subsequent expenditures related to an item of property, plant and equipment are added to its carrying amount only if it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation method and estimated lives

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are in few cases higher/ lower than the rates prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The estimates of useful lives of the assets, based on a technical evaluation, are as follows:

Asset	Useful life
Computers and servers	3 - 5 years
Office equipment	3 - 5 years
Furniture and fixtures	3 - 5 years
Leasehold improvements	8.75 years
Vehicles	4 years

Property, plant and equipment individually costing up to Rs.5,000 are fully depreciated in the year of purchase.

Property, plant and equipment acquired on finance lease are depreciated over the period of the lease or useful life determined based on above rates of depreciation, whichever is lower.

Leasehold improvements are amortized over the period of lease or estimated useful life as above, whichever is lower.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and these are included in the statement of profit and loss as other income.

Capgemini Solutions Private Limited Bangalore

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2.14 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful life.

Operating software is capitalised and amortised along with the related tangible assets while application software are charged off on purchases, except for major application software, which are amortised over its useful life as determined by the management.

2.15 Provisions and contingent liabilities

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest.

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

2.16 Earning per share

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the profit for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Trade and other payables

Trade payables are liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities.

2.19 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Compensated absences: The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Long-term service awards: The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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2.20 Employee benefits (contd.)

(iii) Post-employment obligations

(a) Defined contribution plans

The Company has a defined contribution plan (where Company pays pre-defined amounts and does not have any legal or informal obligation to pay additional sums) for post employment benefits (viz., Pension Scheme), and the Company's contributions thereto are charged to the Statement of Profit and Loss every year.

Pension Fund: Contributions towards pension fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classifies as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b)Defined benefits plan

Provident Fund: Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is determined by an independent actuary (using the Projected Unit Credit method) at the end of the year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Changes in the present value of defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost. The contributions made to the Trust are recognised as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. The Company also makes contributions to Gratuity Funds administered by an insurance company which is recognised as Plan Assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined obligation as reduced by the fair value of Plan Assets.

(iv) Employee share-based payments

Equity settled stock options

The fair value of performance shares granted by the parent company is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance shares granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions and
- including the impact of any non-vesting conditions

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

(v) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.21 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

2.22 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows' and Ind AS 102, 'Share-based payment'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows' and IFRS 2, 'Share-based payment', respectively. The amendments to Ind AS 7 are applicable to the Company from April 1, 2017. The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and the losing balances in the balance sheet for liabilities arising from the financing activities, to meet the disclosure requirement. The Company has evaluated the requirements of the amendment and believes that the effect on the financial statements is unlikely to be material.

3 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation — Note 10 (a)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Capgemini Solutions Private Limited Bangalore

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CAPGEMINI SOLUTIONS PRIVATE LIMITED
(Formerly known as AXA TECHNOLOGIES SHARED SERVICES PRIVATE LIMITED)

NOTES TO THE FINANCIAL STATEMENTS
(All amounts in Rupees Millions, unless otherwise stated)

4 Property, plant and equipment

Description	Gross block					Accumulated depreciation					Net block
	As at April 1, 2016	Adjustments	Additions	Disposals	As at March 31, 2017	As at April 1, 2016	Adjustments	Additions	Disposals	As at March 31, 2017	As at March 31, 2017
Own assets:											
Computers and servers	220	53	124	0	397	138	53	58	0	249	148
Office equipment	188	38	50	-	276	76	38	48	1	161	115
Furniture and fixtures	37	-	8	3	42	9	-	16	1	24	18
Leasehold improvements	77	-	6	3	80	19	-	17	2	34	46
Vehicles	160	-	51	77	134	82	-	43	60	65	69
Total (A)	682	91	239	83	929	324	91	182	64	533	396
Assets taken on finance lease (refer note)											
Computers and servers	53	(53)	-	-	-	53	(53)	-	-	-	-
Office equipment	38	(38)	-	-	-	38	(38)	-	-	-	-
Total (B)	91	(91)	-	-	-	91	(91)	-	-	-	-
Total (A) + (B)	773	-	239	83	929	415	-	182	64	533	396

Description	Gross block					Accumulated depreciation					Net block
	As at April 1, 2015	Adjustments	Additions	Disposals	As at March 31, 2016	As at April 1, 2015	Adjustments	Additions	Disposals	As at March 31, 2016	As at March 31, 2016
Own assets:											
Computers and servers	156	-	80	16	220	116	-	40	18	138	82
Office equipment	91	-	129	32	188	70	-	37	31	76	112
Furniture and fixtures	15	-	37	15	37	14	-	10	15	9	28
Leasehold improvements	26	-	68	17	77	24	-	11	16	19	58
Vehicles	151	-	37	28	160	76	-	28	22	82	78
Total (A)	439	-	351	108	682	300	-	126	102	324	358
Assets taken on finance lease (refer note)											
Computers and servers	53	-	-	-	53	53	-	-	-	53	-
Office equipment	38	-	-	-	38	38	-	-	-	38	0
Total (B)	91	-	-	-	91	91	-	-	-	91	0
Total (A) + (B)	530	-	351	108	773	391	-	126	102	415	358

Note:
(i) The lease term in respect of assets acquired under finance leases generally expire within three to five years. During March, 2016 ownership of these assets has been transferred to the Company.

Solutions Private Limited Bangalore

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NOTES TO THE FINANCIAL STATEMENTS
(All amounts in Rupees Millions, unless otherwise stated)

5 Financial assets

5(a) Investments

	March 31, 2017	March 31, 2016	April 1, 2015
Investment in mutual funds (At fair value through profit or loss):			
Non-current			
Quoted			
ICICI Prudential FMP Series 74-370 days Plan X Regular Plan Cumulative Nil (March 31, 2016: 10,000,000) (April 1, 2015: Nil) units of Rs.10 each fully paid	-	116	-
UTI Fixed Term Income Fund Series XV-VIII- Growth Plan Nil (March 31, 2016: Nil) (April 1, 2015: 7,000,000) units of Rs.10 each fully paid	-	-	82
UTI Fixed Term Income Fund Series XVI -IV -Growth Plan Nil (March 31, 2016: Nil) (April 1, 2015: 5,000,000) units of Rs.10 each fully paid	-	-	58
Total	-	116	140
Aggregate amount of quoted investments and market value thereof	-	116	140
Current			
Quoted			
BOI AXA Liquid fund - Regular Plan- Daily Dividend Nil (March 31, 2016: 134,229) (April 1, 2015: 373,881) units of Rs.1,000 each fully paid	-	135	374
BOI AXA Treasury Advantage Fund - Direct Plan - Daily Dividend (Re-investment) Nil (March 31, 2016: 99,850) (April 1, 2015: Nil) units of Rs.1,000 each fully paid	-	100	-
ICICI Prudential FMP Series 74 - 370 Days Plan X RP Cum 10,000,000 (March 31, 2016: Nil) (April 1, 2015: 10,000,000) units of Rs.10 each fully paid	125	-	107
ICICI Prudential Liquid Plan - Direct - Growth 299,810 (March 31, 2016: Nil) (April 1, 2015:Nil) units of Rs.225 each fully paid	72	-	-
Reliance Money Manager Fund - Daily Dividend Plan - Dividend reinvestment Nil (March 31, 2016: 84,134) (April 1, 2015: 79,779) units of Rs.1,000 each fully paid	-	84	80
RELIANCE LIQUID FUND - TREASURY PLAN - DIRECT GROWTH PLAN - GROWTH OPTION 33,325 (March 31, 2016: Nil) (April 1, 2015:Nil) units of Rs.4,000 each fully paid	133	-	-
UTI Treasury Advantage Fund - Institutional Plan - Daily Dividend reinvestment Nil (March 31, 2016: 126,670) (April 1, 2015: 119,722) units of Rs.1,000 each fully paid	-	127	120
UTI Treasury Advantage Fund - Institutional Plan - Growth 30,274 (March 31, 2016: Nil) (April 1, 2015:Nil) units of Rs.1,000 each fully paid	68	-	-
UTI Fixed Term Income Fund Series XV-VIII- Growth Plan Nil (March 31, 2016: 7,000,000) (April 1, 2015:Nil) units of Rs.10 each fully paid	-	89	-
UTI Fixed Term Income Fund Series XVI -IV -Growth Plan Nil (March 31, 2016: 5,000,000) (April 1, 2015:Nil) units of Rs.10 each fully paid	-	63	-
Total	398	598	681
Aggregate amount of quoted investments and market value thereof	398	598	681

5(b) Trade receivables

	March 31, 2017	March 31, 2016	April 1, 2015
Unsecured, considered good			
Current			
Trade receivables	43	-	-
Receivables from related parties (refer Note: 32)	711	445	560
	754	445	560

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Price Waterhouse & Co Bangalore LLP
LLPIN AAC-6294
Chartered Accountants
FRN 007567S/S-200012
Bangalore

CAPGEMINI SOLUTIONS PRIVATE LIMITED
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	March 31, 2017	March 31, 2016	April 1, 2015
5(c) Cash and cash equivalents			
Balance with bank			
- in current accounts	8	118	133
Deposit with original maturity of less than 3 months	41	245	143
	49	363	276
Other bank balances			
Deposit with original maturity of more than 3 months but less than 12 months	28	28	31
	28	28	31

Disclosures relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	-	-

	March 31, 2017	March 31, 2016	April 1, 2015
5(d) Loans			
Non-current, considered good			
Security deposits	26	28	20
Current, considered good			
Security deposits	-	-	7
5(e) Other financial assets			
Non-current, considered good			
Fixed deposit with maturity of more than 12 months	2	3	1
Total	2	3	1
Current			
Unbilled revenue	155	177	35
Interest accrued on deposits with banks	1	2	2
Fair value adjustment of derivative contracts	-	10	130
Non-trade receivables	4	44	48
Total	160	233	215
6 Other non-current assets			
Capital advances	-	-	4
Taxes paid under protest	37	-	-
Service tax refund receivable	74	82	131
Prepayment:			
Prepaid rent arising from interest free security deposits	11	15	12
Prepaid expenses	39	4	16
Total	161	101	163
7 Other current assets			
Prepayment:			
Prepaid rent arising from interest free security deposits	2	3	2
Prepaid expenses	43	28	21
Service tax and Value added tax credit recoverable	38	40	14
Advances to suppliers	2	13	9
Other current assets	-	20	8
Total	85	104	54

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8 Equity Share Capital and Other Equity

8(a) Equity Share Capital

	March 31, 2017	March 31, 2016	April 1, 2015
Authorised:			
6,000,000 Equity Shares of Rs.10 each	60	60	60
Issued, subscribed and fully paid:			
12,627 Equity Shares of Rs.10 each (amount in Rupees)	126,270	126,270	126,270

(i) Reconciliation of number of shares

Equity Shares:

	Number of Shares	Amount in Rupees
Balance as at April 1, 2015	12,627	126,270
Issued during the year	-	-
Balance as at March 31, 2016	12,627	126,270
Issued during the year	-	-
Balance as at March 31, 2017	12,627	126,270

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares having a par value of Rs.10 per share. They entitle the holder to participate in dividends in proportion to the number of shares held and amounts paid on the shares held. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares held by holding company and subsidiaries of holding company

	March 31, 2017	March 31, 2016	April 1, 2015
Equity Shares of Rs.10 each held by:			
Capgemini Technology Services India Limited, the holding company (from December 1, 2016)	12,626	-	-
Srinivasarao Kandula (beneficial interest held by Capgemini Technology Services India Limited) (from December 1, 2016)	1	-	-
AXA Technology Services SAS, France, the holding company (until November 30, 2016)	-	9,999	9,999
AXA Group Solutions SAS, France, a fellow subsidiary (until November 30, 2016)	-	1,606	1,606
AXA SA, France, the ultimate holding company (until November 30, 2016)	-	1,022	1,022

Note: On December 1, 2016, 100% shareholding in the equity capital of the Company constituting 12,627 shares of Rs. 10 face value each, were transferred from the then existing shareholders, viz. AXA Technology Services SAS, France (9,999 shares), AXA Group Solutions SAS, France (1,606 shares) and AXA SA, France (1,022 Shares) to the new shareholders, viz. IGATE Global Solutions limited (12,626 shares) and Srinivasa Rao Kandula (1 share for which the beneficial interest is held by IGATE Global Solutions limited). The name of the shareholder, IGATE Global Solutions Limited, has since changed to Capgemini Technology Services India limited.

Consequent to this change in shareholding, the Company ceased to be a related party with other entities in the AXA Group. Also, subsequent to the year, the Company has changed its name from AXA Technologies Shared Services Private Limited to Capgemini Solutions Private Limited.

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	March 31, 2017	March 31, 2016	April 1, 2015
Equity Shares:			
Capgemini Technology Services India Limited, the holding company *	12,627		
AXA Technology Services SAS, France	-	9,999	9,999
AXA Group Solutions SAS, France	-	1,606	1,606
AXA SA, France	-	1,022	1,022

* Includes 1 share held by Srinivasa Rao Kandula for which the beneficial interest is held by Capgemini Technology Services India Limited, the holding company.

(v) There are no shares reserved for issue under options.

(vi) There are no shares alloted as fully paid-up pursuant to contracts without payment being received in cash during 5 years immediately preceding March 31, 2017.

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		March 31, 2017	March 31, 2016	April 1, 2015
8 (b)	**Other equity**			
	Capital redemption reserve	6	6	-
	General reserve	134	134	140
	Securities premium reserve	38	38	38
	Retained earnings	1,583	1,281	1,084
	Share based payment reserves	27	94	45
	Total reserves and surplus	1,788	1,553	1,307

		March 31, 2017	March 31, 2016
(i)	**Capital redemption reserve**		
	Balance as at the beginning of the year	6	-
	Add: Transfer from general reserve	-	6
	Closing Balance	6	6
(ii)	**General reserve**		
	Balance as at the beginning of the year	134	140
	Less: Transfer to capital redemption reserve	-	(6)
	Closing Balance	134	134
(iii)	**Securities premium reserve**	38	38
(iv)	**Retained earnings**		
	Opening balance	1,281	1,084
	Profit for the year	729	360
	Items of other comprehensive income recognised directly in equity		
	- Remeasurements of post-employment benefit obligations	(1)	8
	Dividend on Preference shares *	-	(0)
	Dividend distribution tax on dividend on preference shares *	-	(0)
	Interim dividend on equity shares	(354)	(50)
	Dividend distribution tax on interim dividend on equity shares	(72)	(10)
	Dividend paid for FY 2014-15	-	(92)
	Dividend distribution tax on dividend on Equity Shares for FY 2014-15	-	(19)
	Closing Balance	1,583	1,281
(v)	**Share based payment reserves (refer note 23)**		
	Opening balance	94	45
	Employee stock option expense	27	70
	Less: Repayment made towards employee share based plans	(94)	(21)
	Closing Balance	27	94

Nature and purpose of other reserves:

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital redemption reserve

On account of redemption of preference shares, capital redemption reserve is created as per the provisions of Companies Act, 2013. The reserve is utilised in accordance with the provisions of the Act.

Share based payment reserves

The equity shares outstanding account is used to recognize the grant date fair value of performance shares issued to employees under performance shares plan.

* Amounts below rounding off limits.

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9 Financial Liabilities

		March 31, 2017	March 31, 2016	April 1, 2015
9(a)	**Trade Payables**			
	Current			
	Trade Payables (*)	184	151	226
	Trade Payables to related parties	79	158	141
	Total	263	309	367

(*) Based on the information available with the Company, there are no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006.

		March 31, 2017	March 31, 2016	April 1, 2015
9(b)	**Other financial liabilities**			
	Non-current			
	Security deposit from customers	18	16	58
	Total non- current financial liabilities	18	16	58
	Current			
	Current maturities of finance lease obligations *	-	-	0
	Payables for capital expenditure	-	-	10
	5%, 10 Year Redeemable Non-Cumulative Preference Shares of Rs.10 each	-	-	6
	Total	-	-	16

10 Provisions

	March 31, 2017	March 31, 2016	April 1, 2015
Current			
Gratuity [refer Note 10(a)]	-	2	-
Compensated absences [refer Note (i)]	11	11	3
Long-term service awards [refer Note (ii)]	3	5	4
Employees incentives	41	53	41
Employee share based payment	-	-	21
Provision for Service tax and Sales tax demands [net of tax paid under protest: March 31, 2016: Rs.28 million; April 1, 2015: Rs.25 million]	-	287	275
Total	55	358	344
Non-current			
Compensated absences [refer Note (i)]	40	33	33
Long-term service awards [refer Note (ii)]	12	11	13
Employees incentives	-	-	3
Total	52	44	49

Movement in provisions

	Long-term service awards	Compensated absences	Provision for service tax and sales tax demands
As at April 1, 2015	17	36	275
Charged to profit or loss			
Additional provisions recognised	3	13	12
Amounts used during the year	4	5	-
As at March 31, 2016	16	44	287
Charged to profit or loss			
Additional provisions recognised	-	21	-
Unused amounts reversed	-	-	287
Amounts used during the year	1	14	-
As at March 31, 2017	15	51	-

Notes:

(i) Compensated absences

The leave obligations cover the group's liability for earned leave. The Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(ii) Long-term service awards

The long service benefit payable to the employees of the Company on completion of certatain year of service in the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

* Amounts below rounding off limits.

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10 (a) Employee Benefit Obligations

	March 31, 2017		March 31, 2016		April 1, 2015	
	Current	Non - current	Current	Non - current	Current	Non - current
Gratuity	-	-	2	-	-	-
Provident Fund	-	-	-	-	-	-
Total	-	-	2	-	-	-

(i) Gratuity
The Company operates a gratuity plan through the "AXA Technologies Shared Services Private Limited Employees Gratuity Trust". Every eligible employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(ii) Provident Fund
Provident fund for certain eligible employees is managed by the Company through the "AXA Employees' Provident Fund Trust", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The expense recognised during the period towards defined benefit plan is Rs. 64 million (March 31, 2016: Rs. 51 million).

A. The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the years are as follows:

	Provident Fund			Gratuity		
	Present Value of obligation	Fair Value of plan assets	Net amount	Present Value of obligation	Fair Value of plan assets	Net amount
As of April 1, 2015	408	(432)	(24)	85	(85)	-
Current service cost	45	-	45	15	-	15
Interest expense	37	(34)	3	6	(6)	0
Total amount recognised in profit or loss	82	(34)	48	21	(6)	15
Remeasurements:						
Return on plan assets, excluding amounts included in internet expense	-	(2)	(2)	-	(1)	(1)
Net actuarial (gain)/ loss						
Change in experience	7	-	7	13	-	13
Change in demographic assumptions	-	-	-	-	-	-
Change in financial assumptions	-	-	-	(25)	-	(25)
Total amount recognised in comprehensive income	7	(2)	5	(12)	(1)	(13)
Employee's contributions	68	(68)	-	-	-	-
Transfers in	1	(3)	(2)	-	-	-
Employer's contributions	-	(45)	(45)	-	-	-
Benefits payments	(45)	45	-	(11)	11	-
As of March 31, 2016	521	(539)	(18)	83	(81)	2
Current service cost	48	-	48	16	-	16
Interest expense/(income)	43	(41)	2	5	(5)	(0)
Total amount recognised in profit or loss	91	(41)	50	21	(5)	16
Remeasurements:						
Return on plan assets, excluding amounts included in internet expense	-	(2)	(2)	-	(2)	(2)
Net Actuarial (gain)/loss :						
Change in experience	1	-	1	(0)	-	(0)
Change in demographic assumptions	-	-	-	0	-	0
Change in financial assumptions	-	-	-	3	-	3
Total amount recognised to comprehensive income	1	(2)	(1)	3	(2)	1
Employee's contributions	72	(72)	-	-	-	-
Transfers in	-	10	10	-	-	-
Employer's contribution	-	(48)	(48)	-	(19)	(19)
Benefits payment	(143)	143	-	(23)	23	-
As of March 31, 2017	542	(549)	(7)	84	(84)	(0)

The net liability disclosed above relates to funded plans and are as follows:

	Provident fund			Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Present Value of funded obligations	542	521	408	84	83	85
Fair Value of plan assets	(549)	(539)	(432)	(84)	(81)	(85)
Deficit/ (Surplus) of funded plan (#)	(7)	(18)	(24)	(1)	2	0

(#) Surplus of funded plans have not been recognised as the plan assets belong to the trust and the realisability is restricted.

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Notes to the financial statements
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10 (a) Employee Benefit Obligations (contd.)

B. Actuarial assumptions

	Provident fund			Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate	6.90%	7.70%	7.90%	6.68%	7.52%	7.74%
Expected return on assets	8.65%	8.80%	8.75%	7.52%	7.52%	7.74%
Salary growth rate	NA	NA	NA	10.25% for first year, 9% for second year and 8% thereafter		
Mortality rate	Indian assured lives mortality (2006-08 Ultimate)			Indian assured lives mortality (2006-08 Ultimate)		
Attrition rate	18.90%	18.90%	19.00%	18.90%	19.00%	19.00%
Disability rate	5% of mortality rate rates			5% of mortality rate rates		
Interest rate guarantee	8.65%	8.80%	8.75%	NA	NA	NA

C. Sensitivity analysis

The sensitivity analysis of the defined benefits obligation to changes of +/- 1% in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Provident Fund			Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Discount rate - increase of 1%	-0.24%	-0.26%	-0.28%	-4.88%	-4.70%	-6.19%
Discount rate - decrease of 1%	2.54%	2.51%	2.46%	5.23%	5.14%	7.36%
Interest rate guarantee - increase of 1%	4.26%	4.39%	4.35%	NA	NA	NA
Interest rate guarantee - decrease of 1%	-1.34%	-1.16%	-1.21%	NA	NA	NA
Salary growth rate - increase of 1%	NA	NA	NA	3.67%	4.36%	6.14%
Salary growth rate - decrease of 1%	NA	NA	NA	-3.70%	-4.07%	-5.23%
Attrition rate - increase of 1%	NA	NA	NA	-0.80%	-0.78%	-2.43%
Attrition rate - decrease of 1%	NA	NA	NA	0.70%	0.80%	3.13%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

D. The major categories of Plans Assets are as follows:

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.
The group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The group has not changed the processes used to manage its risks from previous periods. The group uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

	Provident fund			Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Central government securities	50%	25%	31%	0%	0%	0%
High quality corporate bonds	48%	49%	47%	0%	0%	0%
State government securities	0%	25%	19%	0%	0%	0%
Insurance company	0%	0%	0%	100%	100%	100%
Others	2%	1%	3%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%

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10 (a) Employee Benefit Obligations (contd.)

E. Defined benefit liability and employer contributions

The Company monitors deficit in defined benefit obligation related to gratuity every year after taking actuarial valuation report and contributes amount to eliminate deficit, if any. For provident fund related defined benefit obligation agreed contribution rate is 12% of the basic salaries and the contributions are made on a monthly basis.

	Provident Fund		Gratuity	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Expected contribution in the following year	53	49	14	18
Weighted average duration of the defined benefit obligations	4.58 years	4.58 years	4.73 years	4.70 years

The expected maturity analysis of defined benefit obligations is as follows:

	Gratuity		
	March 31, 2017	March 31, 2016	April 1, 2015
Less than a year	12	13	10
Between 1 -2 years	11	10	10
Between 2 - 5 years	21	21	20
Over 5 years	40	39	45
Total	84	83	85

F. Risk exposure

Through its defined benefit plan, the Company is exposed to a number of risks. The most significant risks are:

(a) Gratuity

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to factors like mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and attrition rate.

(b) Provident fund

(i) Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Fund return risk : Lower the return on fund, higher the expected shortfall, if Employees Provident Fund Organisation (EPFO) declared return continues to be on the higher side, it will increase the defined benefit obligation.

(iii) Demographic risk : On an increase in membership, there will be an increase in the defined benefit obligation.

(iv) Investment risk: The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the obligations by investing in long-term interest bearing securities with maturities that match the benefit payments as they fall due. A large portion of assets consists of government and corporate bonds. The Company believes that investment in government and corporate bonds offer the best returns over the long-term with an acceptable level of risk.

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11 Other non - current liabilities

	March 31, 2017	March 31, 2016	April 1, 2015
Deferred rent	70	69	48
Total	70	69	48

12 Other current liabilities

Deferred revenue	1	34	139
Employee benefits payable	-	0	1
Statutory dues including Provident Fund and Tax Deducted at Source	24	47	38
Total	25	81	178

13 Deferred tax assets

The balance comprises of temporary differences attributable to:

Property, plant and equipment	35	36	33
Provision for service tax demands (tax and interest)	-	57	53
Provision for commercial tax demands (tax and interest)	-	19	18
Provision for employee incentives	-	10	31
Provision for long-term employee benefits	20	20	18
Provision for rent equalisation reserve	24	24	17
Others	11	2	(53)
Total	90	168	117
Debit/ (Credit) in the Statement of Profit and Loss	78	(51)	44

14 Current tax (assets)/ liabilities

Provision for income tax	1,232	1,087	814
Provision for income tax demands	-	109	174
Less: Advance income tax	(1,293)	(1,032)	(840)
Less: Taxes paid under protest	(61)	(47)	(21)
Total	(122)	117	127

Movement in current tax (assets)/ liabilities

	March 31, 2017	March 31, 2016
Opening balance	117	127
Add: Current tax expense [net of reversals of provision for tax demands Rs.109 million (March 31, 2016: 110 million)] for the year	34	208
Less: Taxes paid	(273)	(218)
Closing balance	(122)	117

15 Revenue from operations

Sale of traded products (IT equipment)	57	40
Sale of services		
Exports	2,518	2,341
Domestic	664	592
Total	3,239	2,973

16 Other Income

Interest income	4	5
Rent	1	0
Gains from investments in mutual funds	36	43
Unwinding of discount on security deposits	5	2
Net gain on foreign exchange transactions (including fair valuation of derivative contracts)	100	83
Gain on disposal of property, plant and equipment	12	6
Miscellaneous income	1	4
Total	159	143

17 Purchases of stock-in-trade

Purchases of stock-in-trade (IT equipment)	53	38

18 Employee benefit expenses

Salaries, wages and bonus	1,294	1,220
Contribution to provident fund and other funds	56	51
Gratuity [refer Note 10(a)]	16	15
Staff welfare expenses	21	44
Total	1,387	1,330

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		March 31, 2017	March 31, 2016
19	**Finance costs**		
	Interest accrual on litigated tax matters	-	32
	Interest on delayed payment of advance income tax	-	11
	Other finance costs	1	2
	Total	1	45
20	**Depreciation expense**		
	Depreciation on property, plant & equipment	182	125
	Total	182	125
21	**Other expenses**		
	Rent [refer Note 30]	128	147
	Rates and taxes	10	14
	Power and fuel	27	30
	Repairs and maintenance	64	78
	Software expenses	294	258
	Management fee	29	22
	Business consultancy services	59	85
	Insurance	15	6
	Professional and consultancy expense	322	220
	Travel and conveyance	145	87
	Communication charges	98	81
	Printing and stationery	3	1
	Recruitment and training	25	39
	Payments to Auditors		
	As auditor:		
	- Audit fee	2	1
	- Tax audit fee	0	0
	- Out of pocket expenses	-	0
	Other services		
	- Other non-audit assurance engagement	-	0
	Corporate social responsibility expenditure [refer note (a) below]	1	4
	Miscellaneous expense	38	19
	Total	1,260	1,092
(a)	**Corporate social responsibility expenditure**		
	Amount required to be spent as per Section 135 of the Act	10	7
	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	1	4
		1	4

22 **Income tax expense**

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

	March 31, 2017	March 31, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	157	233
Adjustments for current tax of prior periods	(14)	59
Total current tax expense	143	292
Deferred tax		
Decrease/ (increase) in deferred tax assets	78	(51)
Total deferred tax expense/ (benefit)	78	(51)
Income tax expense	221	241
(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate		
Profit before tax	950	596
Tax at India tax rate of 34.608 % (2015-16: 34.608 %)	329	206
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments relating to prior years	(14)	59
Expenses not deductible for tax purposes	(88)	21
Non-taxable income	(6)	(45)
Income tax expense	221	241

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23 Employee Share based Payments

(a) Employee Stock Options Plan (Equity settled) ("ESOP")

Employees of the Company are eligible to participate in the 'Employee Stock Option Plan' (ESOP) of AXA SA, France, the ultimate holding company. Under the plan, the employees are entitled at their option to buy shares of the ultimate holding company and receive the differential amount between the ongoing share price and the exercise price. The plan is assessed, managed and administered by the ultimate holding company. Under this plan, one-third of the options granted vest on completion of 2 years of service, another one-third of options vest on completion of 3 years of service and remaining one-third vest on completion of 4 years of service, from the grant date. Once vested, the options remain exercisable for a period not exceeding 10 years from the grant date.
All grants under this plan were fully vested as on April 1, 2015 the transition date to Ind AS. There is no recharge made to Company by AXA SA, France. The Company has elected to not recognise any expense under this plan, as per the optional exemptions available under first time adoption to Ind AS. Please refer note 33 (A.1.2) on the specific exemption availed by the Company towards its transition to the new GAAP, Ind AS.

(b) AXA Miles (Equity settled) ("AXA Miles 2012")

Employees of the Company are eligible to participate in a employee share based payment plan (AXA Miles 2012) of AXA SA, France, the ultimate holding company. The shares have vested over a period of four years, ended on March 16, 2016, subject to conditions related to termination of employment within the vesting period. The plan is assessed, managed and administered by the ultimate holding company. The costs related to such share based payments pertaining to the Company's employees were recognised on a proportionate basis over the vesting period.
All grants under this plan were fully vested as on April 1, 2015 the transition date to Ind AS. Please refer note 33 (A.1.2) on the specific exemption availed by the Company towards its transition to the new GAAP, Ind AS.

(c) Performance Units (Cash settled) ("PU")

Employees of the Company are eligible for share based payment plan '2012 Performance Units plan' ("PU") of AXA SA, France, the ultimate holding company. The performance units vest over a period of 36 months from the initial grant date, subject to conditions related to termination of employment within the vesting period. The plan is assessed, managed and administered by AXA SA, the ultimate holding company. Performance units are share equivalents that were awarded to employees on March 16, 2012 (grant date) with a promise to pay an amount based on the average closing price of shares of AXA SA, France on the Paris Stock Exchange during the last 20 days preceding the vesting date being March 16, 2015. The payout has been made by the Company in April 2015 to its employees, amounting to Rs.21 million.

All grants under this plan were fully vested as on April 1, 2015 the transition date to Ind AS. Please refer note 33 (A.1.2) on the specific exemption availed by the Company towards its transition to the new GAAP, Ind AS.

(d) Performance Shares (Equity settled) ("PS")

Employees of the Company are eligible for share based payment plan 'Performance Shares' ("PS") of AXA SA, France, the ultimate holding company. These shares are awarded to certain employees on grant date with a promise to deliver the shares of AXA SA, France, on the vesting date subject to conditions related to continuing employment during the vesting period. Accordingly, at the year end, the Company has recognised for the expected proportionate cost of such grants over the vesting period, based on the fair value of share price of AXA SA in Paris Stock Exchange as on the grant date.

(e) Movement in ESOP:

Particulars	ESOP			
	Share options		Weighted average exercise price (in EURO)	
	2017	2016	2017	2016
Outstanding at the beginning of the year	6,328	12,067	22	19
Granted during the year	-	-	-	-
Forfeited/ expired/ transferred during the year	3,944	366	23	28
Exercised during the year	2,384	5,373	16	16
Outstanding at the end of the year	-	6,328	-	22
Exercisable at the end of the year	-	6,328	-	22

Particulars	2017	2016
Range of exercise price for ESOP (in EURO)	-	10.00 - 33.75
Weighted average remaining life for ESOP (in days)	-	96

(f) Details about equity instruments granted during the year

Particulars	2017	2016
Performance shares		
Number of equity instruments granted during the year	16,141	15,652
Fair value of instruments granted as on the measurement date (in EURO)	19.76	22.62

(g) Expense arising from share based payment transactions

Particulars	2017	2016
AXA miles	-	14
PS	27	56
PU	-	47

(h) All the employee share based schemes had a condition where if an Entity of the AXA Group divests itself of a business or an operating unit to the benefit of a third party to the AXA Group at any time before the Settlement Date, the Beneficiaries belonging to the company and transferred with it shall lose their grants on the date of such divestiture. The Company was a part of the AXA group until November 30, 2016 [refer note 8(a)(iii)]. Consequently, the group share based payment schemes were cancelled on the date of share transfer. The Company has accounted for such cancellation as an acceleration of vesting and as a result, share based payment expense of Rs.12 million has been accounted in the Statement of Profit and loss during the year.

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24 Fair Value Measurement

Financial instruments by category

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	FVPL	Amortised cost	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets						
Investment in mutual funds	398	-	714	-	821	-
Trade receivables	-	754	-	445	-	560
Cash and cash equivalents	-	49	-	363	-	276
Other bank balances	-	28	-	28	-	31
Fixed deposit with maturity of more than 12 months	-	2	-	3	-	1
Security deposits	-	26	-	28	-	27
Unbilled revenue	-	155	-	177	-	35
Interest accrued on deposits with banks	-	1	-	2	-	2
Fair value adjustment of derivative contracts	-	-	10	-	130	-
Non-trade receivables	-	4	-	44	-	48
Total financial assets	398	1,019	724	1,090	951	980
Financial liabilities						
Security deposit from customers	-	18	-	16	-	58
Current maturities of finance lease obligations	-	-	-	-	-	0
Payables for capital expenditure	-	-	-	-	-	10
5%, 10 Year Redeemable Non-Cumulative Preference Shares of Rs.10 each	-	-	-	-	-	6
Trade payables		184		151		226
Trade Payables to related parties		79		158		141
Total financial liabilities	-	281	-	325	-	441

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial instruments					
Mutual funds - growth plan	5(a)	398	-	-	398
Security deposits	5(d)	-	-	26	26
Foreign exchange forward contracts	5(e)	-	-	-	-
Total financial assets		398	-	26	424

As at March 31, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial instruments					
Mutual funds - growth plan	5(a)	268	-	-	268
Mutual funds - daily dividend reinvestment plan	5(a)	446	-	-	446
Security deposits	5(d)	-	-	28	28
Foreign exchange forward contracts	5(e)	-	10	-	10
Total financial assets		714	10	28	752

As at April 1, 2015	Notes	Level 1	Level 2	Level 3	Total
Financial instruments					
Mutual funds - growth plan	5(a)	247	-	-	247
Mutual funds - daily dividend reinvestment plan	5(a)	574	-	-	574
Security deposits	5(d)	-	-	27	27
Foreign exchange forward contracts	5(e)	-	130	-	130
Total financial assets		821	130	27	978

Management considers that there is no difference between carrying amount of those financial assets and financial liabilities, that are measured at amortised cost and its fair values.

For financial instruments that are subsequently measured at fair value, the fair value measurement is grouped into Levels 1 to 3 based on the following fair value hierarchy:

- 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 price) or indirectly (i.e. derived from prices);
- Level 3 - derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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24 Fair Value Measurement (contd.)

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for investment in mutual funds
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the security deposits is determined using discounted cash flow analysis.

The carrying amounts of trade receivables, preference shares, trade payables, capital creditors, payables for capital expenditure, cash and cash equivalents, unbilled revenue, and interest accrued on deposits with banks are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

25 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) (i) Credit risk

Credit risk arises primarily from cash and cash equivalents, deposits with banks as well as trade receivables.

(ii) Credit risk management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers located in various countries. The Company operates with its related parties which results in limited credit risk on trade receivables. During the period, the Company made no write-offs of trade receivables and does not expect any credit loss towards its receivables. Hence, the carrying amount of trade receivables is Rs.754 million (March 31, 2016: Rs.445 million, April 1, 2015: Rs.560 million)

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Management monitors cash and cash equivalents on the basis of expected cash flows.

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 1 year	1 to 5 years	Total
March 31, 2017			
Security deposit from customers	-	18	18
Trade payables	263	-	263
	263	**18**	**281**
March 31, 2016			
Security deposit from customers	-	16	16
Trade payables	309	-	309
	309	**16**	**325**
April 1, 2015			
Security deposit from customers	-	58	58
Current maturities of finance lease obligations	0	-	0
Payables for capital expenditure	10	-	10
5%, 10 Year Redeemable Non-Cumulative Preference Shares of Rs.10 each	6	-	6
Trade payables	367	-	367
	383	**58**	**441**

(C) Market risk

Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR,GBP,CHF, and SGD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's risk management policy till November 2016 was to hedge around 70% to 80% of forecasted foreign currency sales by taking foreign exchange forward contracts, for the subsequent 12 months.

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25 Financial Risk Management (contd)

Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

As at March 31, 2017	MXN	EUR	USD	GBP	CHF	SGD
Financial assets						
Trade receivables	-	12	1	-	-	-
Cash and cash equivalents	-	1	1	0	1	2
Net exposure to foreign currency risk (asset)	-	13	2	0	1	2
Financial liabilities						
Trade payables	-	19	4	-	-	-
Net exposure to foreign currency risk (liabilities)	-	19	4	-	-	-

As at March 31, 2016	MXN	EUR	USD	GBP	CHF	SGD
Financial assets						
Trade receivables	10	242	49	34	4	24
Cash and cash equivalents	-	20	71	19	5	2
Unbilled revenue	-	20	32	3	0	56
Net exposure to foreign currency risk (asset)	10	282	152	56	9	82
Financial liabilities						
Trade payables	-	63	8	0	-	-
Net exposure to foreign currency risk (liabilities)	-	63	8	0	-	-

As at April 1, 2015	MXN	EUR	USD	GBP	CHF	SGD
Trade receivables	5	203	65	42	4	50
Cash and cash equivalents	-	68	21	22	4	11
Unbilled revenue	-	20	8	0	-	-
Net exposure to foreign currency risk (asset)	5	291	94	64	8	61
Financial liabilities						
Security deposit from customers	-	-	-	43	-	-
Payables for capital expenditure			2			
Trade payables	-	137	2	0	3	-
Net exposure to foreign currency risk (liabilities)	-	137	4	43	3	-

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises from foreign exchange forward contracts.

Particulars	Impact on profit after tax	
	March 31, 2017	March 31, 2016
USD Sensitivity		
INR/USD -Increase by 6%	-	(15)
INR/USD -Decrease by 6%	-	15
EUR Sensitivity		
INR/EUR -Increase by 6%	-	(26)
INR/EUR -Decrease by 6%	-	26
GBP Sensitivity		
INR/GBP -Increase by 6%	-	(8)
INR/GBP -Decrease by 6%	-	8
CHF Sensitivity		
INR/CHF -Increase by 6%	-	(2)
INR/CHF -Decrease by 6%	-	2

*Holding all other variables constant

26 Capital management

(a) Risk management

The Company's objective when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. In order to maintain or achieve this objective, the Company may adjust the amount of dividends paid to shareholders.

(b) Dividends

Particulars	March 31, 2017	March 31, 2016
(i) Equity shares		
Final dividend for the year ended March 31, 2015 of Rs.7,300 per fully paid share	-	92
Interim dividend for the year ended March 31, 2017 of Rs.28,000 (March 31, 2016: Rs.3,922) per fully paid share	354	50

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27 Contingent liabilities

	March 31, 2017	March 31, 2016	April 1, 2015
Claims against the Company not acknowledged as debts	-	-	-
(a) Service tax matters	-	-	-
(b) Sales tax matters	-	-	-
(c) Income tax matters	-	-	-
Total	-	-	-

Others

Notes:

(i) On December 1, 2016, the shareholding of the Company was transferred by its shareholders i.e. AXA Group entities, to Capgemini Technology Services India Limited (formerly known as IGATE Global Solutions Limited). The new management of the Company reviewed the open tax cases pending before various appellate authorities and concluded that it is more likely than not that it will prevail and accordingly, the provisions pertaining to these tax cases made in prior years were reversed during the year and disclosed as an exceptional item in the Statement of Profit and Loss. The provision made in earlier years comprised Rs.109 million relating to income tax cases, Rs.269 million relating to service tax cases and Rs.57 million relating to sales tax cases, aggregating to Rs.435 million.

(ii) In the prior year, the Company had entered into an Advance Pricing Agreement (APA) under section 92CC of the Income Tax Act, 1961 with the Central Board of Direct Taxes (CBDT) on March 28, 2016. Under the agreement, the Company is required to maintain an Arm's Length Price ("ALP") on the covered transactions (with respect to Associate Enterprises). The ALP of the covered transactions shall be the operating profit margin as actually earned or the agreed minimum % as specified in the agreement, whichever is higher, for each previous year covered under the APA. The agreement applies to consecutive five years commencing from Assessment Year 2014-15 to 2018 -19 ("APA years") and also to four roll-back years i.e. Assessment Year 2010-11 to 2013-14. Consequent to the signing of the APA and compliance to the terms specified therein, the Company reversed tax and interest provisions created on disputed tax matters, amounting to Rs.Nil (March 31, 2016: Rs.110 million) and the same was disclosed as exceptional item in the Statement of Profit and Loss.

28 Commitments

	March 31, 2017	March 31, 2016	April 1, 2015
Capital commitments:			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for, for acquisition of:			
- Property, plant & equipment	11	-	61

29 Earnings per Share

		March 31, 2017	March 31, 2016
(a)	Earnings per share (basic and diluted) (amount in Rupees)	57,715	28,471
(b)	Profit attributable to the equity holders of the Company used in calculating earnings per share	729	360
(c)	Weighted Average number of Equity shares of Rs.10 each outstanding used as denominator	12,627	12,627

There are no potentially dilutive equity shares outstanding at the Balance Sheet date.

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30 Lease arrangements

Operating lease:

The Company has entered into operating lease arrangements for office premises, residential premises and disaster recovery sites. The lease period ranges from 11 to 60 months with option of renewal on periodic basis, as per the terms contained in the lease agreement. Certain operating leases are cancellable by the lessor or lessee with a notice of upto 3 months while the others have a non-cancellable period ranging from 1 to 60 months.

	March 31, 2017	March 31, 2016	April 1, 2015
(i) Rental expense [including minimum lease payments: Rs.64 million (March 31, 2016: Rs.25 million)]	128	147	153
Not later than one year	62	64	34
Later than one year and not later than five years	258	295	162
Later than five years	135	184	3
Total	455	543	199

	March 31, 2017	March 31, 2016	April 1, 2015
(ii) Rental income [including minimum lease payments received: Rs.1 million (March 31, 2016: Rs.0 million)]	1	1	-
Not later than one year	1	1	-
Later than one year and not later than five years	4	5	-
Later than five years	-	-	-
Total	5	6	-

Note: Rental income represents lease rental received towards sub-letting of the Company's office premises.

31 Segment information

Description of segments and principal activities

The Company renders Information Technology Enabled Services consisting of remote systems administration, data processing, and general consulting services in the field of software, production of computer programs and export of software programs including application software development and maintenance, package implementation and maintenance, testing, IT administration and quality validation in Asia, Europe and USA regions .Others include products sold to the AXA group entities.

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM and the same is presented below:

Particulars	Asia	Europe	USA	Others	Total
Revenue	1,235	1,719	262	23	3,239
	(1,243)	(1,329)	(375)	(26)	(2,973)
Trade receivables	32	722	-	-	754
	(135)	(274)	(33)	(3)	(445)

Note:
(i) Figures in brackets relate to previous year.

Disclosure in respect of revenue transactions with customers which are more than 10% of the total revenue from operations:

	March 31, 2017		March 31, 2016	
Name of the entity	**Amount**	**Percentage**	**Amount**	**Percentage**
AXA Business Services Private Limited, India	425	13%	400	13%
AXA Technology Services Singapore Pte. Ltd, Singapore	324	10%	399	13%
Capgemini Outsourcing Services SAS, France	518	16%	0	0%
Others	1,972	61%	2,174	74%
Total	3,239	100%	2,973	100%

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32 Related party disclosures

A. Names of related parties and nature of relationship:

Description of relationship	Names of related parties
Parties where control exists [refer Note (ii)]:	
Ultimate holding company	AXA SA, France (until November 30, 2016) Capgemini SE, France (from December 1, 2016)
Holding company	AXA Technology Services SAS, France [ATSSF] (until November 30, 2016) Capgemini Technology Services India Limited, India [CTSL](from December 1, 2016)
Other related parties with whom transactions have taken place during the period [refer Note (ii)]:	
Fellow subsidiaries (until November 30, 2016)	AllianceBernstein LP, USA [AB] AXA Assistance SA, France [AAS] AXA Business Service Private Limited, India [ABS] AXA Group Solutions SA, France [AGS] AXA Group Solutions UK, United Kingdom [AGUK] AXA Group Solutions, Switzerland [AGSS] AXA Insurance (Gulf) Bsc (C), Dubai [ATG] AXA Life Insurance Company Limited, Hong Kong AXA Life Insurance, Japan [ALJ] AXA Matrix Risk Consultants India Private Limited, India [MRCI] AXA PPP Healthcare Limited, United Kingdom [APPP] AXA Sun Life Direct Limited, United Kingdom [ALUK] AXA Technology Regional Services Mediterranean and Latin América S.A., Spain AXA Technology Services AG, Switzerland [ATSS] AXA Technology Services America Inc., USA [ATSU] AXA Technology Services Asia (HK) Limited, Hong Kong [ATHK] AXA Technology Services Asia Pte Ltd, Singapore AXA Technology Services Germany GMBH, Germany [ATSG] AXA Technology Services MED.REG.AEIE, Italy [ATIT] AXA Technology Services MED.REG.AEIE, Spain AXA Technology Services Mediterranean Region A.E.I.E., Portugal AXA Technology Services Mexico, S.A. De, Mexico AXA Technology Services Singapore Pte. Ltd, Singapore [ATSSG] AXA Technology Services UK Limited, United Kingdom [ATUK] AXA UK PLC, United Kingdom [AUK] AXA UK, United Kingdom Bharti AXA Life Insurance Company Limited, India [BAL] Bharti AXA General Insurance Company Limited, India [BAGI] BOI AXA Investment Managers Private Limited, India [BAIM] GIE AXA Group Solutions, France GIE AXA Technology Services, Belgium [GATB] GIE AXA Technology Services, France [ATF] GIE AXA, France [GIEP] Inter Partner Assistance SA, Belgium PT AXA Services, Indonesia PT AXA Technology Services Asia Limited, Indonesia PT. Mandiri AXA General Insurance, Indonesia
Fellow subsidiaries (from December 1, 2016)	Capgemini Outsourcing Services SAS, France [CGOF] Capgemini Technology Services, France [CGTF]
Key Management Personnel (KMP):	
Managing Director	Srinivasarao Kandula (from December 1, 2016)
Managing Director	Seshadri Shibiraj (from December 1, 2015 till November 30, 2016)

Key management personnel cannot individually exercise significant influence in the Employee Trust funds where they are the Trustees.

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32. Related party disclosures (contd.)

B. Disclosure in respect of transactions and balances with the related parties which are more than 10% of the total transactions of the same type :

Particulars	Ultimate holding company	Holding company	Fellow subsidiaries	Total
Transactions during the year [refer Note (ii)]:				
Revenue:				
Sale of traded products:				
ABS			54	54
			(39)	(39)
Others			2	2
			(1)	(1)
Subtotal (a)	-	-	56	56
	(-)	(-)	(40)	(40)
Sale of services:				
ABS			307	307
			(360)	(360)
ATSSF		289		289
		(266)		(266)
AGS			180	180
			(262)	(262)
ATSSG			323	323
			(399)	(399)
CGOF			518	518
			(-)	(-)
CGTF			199	199
			(-)	(-)
Others			1,212	1,212
			(1,646)	(1,646)
Subtotal (b)	-	289	2,739	3,028
	(-)	(266)	(2,667)	(2,933)
Total (a+b)	-	289	2,795	3,084
	(-)	(266)	(2,707)	(2,973)
Other income				
BAIM (Dividend)			3	3
			(10)	(10)
Rent			1	1
			(1)	(1)
Rent paid				
ABS			13	13
			(40)	(40)
Repairs and maintenance				
ATSSF		9		9
		(24)		(24)
Contractor expenses				
CTSL		71		71
		(-)		(-)
ATSSG			1	1
			(1)	(1)

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32. Related party disclosures (contd.)

B. Disclosure in respect of transactions and balances with the related parties which are more than 10% of the total transactions of the same type :

Particulars	Ultimate holding company	Holding company	Fellow subsidiaries	Total
Management fees				
ATSSF		15		15
		(19)		(19)
ATSU			9	9
			(2)	(2)
Others			4	4
			(1)	(1)
Business consultancy services				
ATSSF		18		18
		(79)		(79)
ATSU			5	5
			(7)	(7)
Software expenses				
ATSSF		180		180
		(163)		(163)
CTSL		7		7
		(-)		(-)
Others			14	14
			(20)	(20)
Professional and consultancy charges				
ATSSF		7		7
		(-)		(-)
ABS			3	3
			(-)	(-)
Miscellaneous expenses				
AXA SA	23			23
	(-)			(-)
ATSSF		33		33
		(2)		(2)
CTSL		1		1
		(-)		(-)
ATSSG			14	14
			(-)	(-)
ABS			3	3
			(12)	(12)
ATSS			5	5
			(3)	(3)
Others			-	-
			(1)	(1)
Dividend paid during the year				
ATSSF		280		280
		(112)		(112)
AGS			45	45
			(18)	(18)
AXA SA	29			29
	(11)			(11)

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NOTES TO THE FINANCIAL STATEMENTS

(All amounts in Rupees Millions, unless otherwise stated)

32. Related party disclosures (contd.)

B. Disclosure in respect of transactions and balances with the related parties which are more than 10% of the total transactions of the same type :

Particulars	Ultimate holding company	Holding company	Fellow subsidiaries	Total
Balances as at the year end [refer Note (ii)]:				
Current investments				
BAIM			- (235)	- (235)
Trade receivables				
ABS			- (36)	- (36)
BAL			- (25)	- (25)
ATSSF		- (66)		- (66)
AGS			- (57)	- (57)
CGOF			501 (-)	501 (-)
CGTF			210 (-)	210 (-)
Others			- (261)	- (261)
Total	- (-)	- (66)	711 (379)	711 (445)
Other current assets				
ATSSF		- (11)		- (11)
ATSSG			- (60)	- (60)
AB			- (10)	- (10)
BAL			- (41)	- (41)
Others			6 (99)	6 (99)
Total	- (-)	- (11)	6 (210)	6 (221)
Trade payables				
ATSSF		- (150)		- (150)
CTSL		79 (-)		79 (-)
Others			- (8)	- (8)
Total	- (-)	79 (150)	- (8)	79 (158)

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32. Related party disclosures (contd.)

B. Disclosure in respect of transactions and balances with the related parties which are more than 10% of the total transactions of the same type :

Particulars	Ultimate holding company	Holding company	Fellow subsidiaries	Total
Other current liabilities				
ATSSF		-		-
		(3)		(3)
ATHK			-	-
			(3)	(3)
ABS			-	-
			(24)	(24)
Others			-	-
			(1)	(1)
Total	-	-	-	-
	(-)	(3)	(28)	(31)
Other long-term liabilities				
BAL			-	-
			(10)	(10)
BAGI			-	-
			(8)	(8)
Others			-	-
			(1)	(1)
Total	-	-	-	-
	(-)	(-)	(19)	(19)

C. Key management personnel compensation	March 31, 2017	March 31, 2016
Short-term employee benefits	5	6
Post-employment benefits	7	10
Other long-term benefits	1	1
Total compensation	13	17

Notes:

(i) The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company.

(ii) On December 1, 2016, the shareholding of the Company was transferred from its existing shareholders, i.e., AXA Group to Capgemini Technology Services India Limited (Capgemini Group). Refer note 8 (b) for details of share transfer. The above disclosures relating to transactions during the year and the balances as at the year end with the related parties are based on the relationship as on the transaction date and as at the year end, respectively.

(iii) Figures in brackets relate to previous year.

(All amounts in Rupees Millions, unless otherwise stated)

33 First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2, have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2015 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

A.1.2 Employee share based payments

Ind AS 101 permits a first time adopter to not consider the number of grants, that have already vested as on the date of transition, for fair valuation. Accordingly, the Company has elected to measure only those grants that have not vested as on the date of transition.

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transitions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the fact and circumstances that exits at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile total comprehensive income, total equity for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of total comprehensive income for the year ended March 31, 2016

	Notes to first-time adoption	March 31, 2016
Profit after tax as per previous GAAP		426
Adjustments		
Fair valuation of investments	1	21
Fair valuation of security deposits received from customers	2	0
Fair valuation of security deposits	3	(0)
Deferred taxes adjustment	4	35
Fair valuation of derivative contracts	8	(109)
Remeasurements of post-employment benefit obligations	9	(13)
Profit after tax as per Ind AS		360
Other comprehensive income (net of tax Rs.5 million)		8
Total comprehensive income as per Ind AS		368

(ii) Reconciliation of total equity as at March 31, 2016 and April 1, 2015

	Notes to first-time adoption	March 31, 2016	April 1, 2015
Total equity (shareholder's funds) as per previous GAAP		1,414	1,048
Adjustments:			
Fair valuation of investments	1	49	28
Fair valuation of security deposits received from customers	2	0	0
Fair valuation of security deposits	3	(0)	(0)
Deferred taxes adjustment	4	(26)	(56)
Reclassification of employee share-based payment liability to equity	5	94	45
Proposed dividend	7	-	111
Fair valuation of derivative contracts	8	22	131
Total adjustments		139	259
Total equity as per Ind AS		1,553	1,307

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NOTES TO THE FINANCIAL STATEMENTS
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33 First-time adoption of Ind AS (Contd.)

C: Notes to first-time adoption

Note 1: Fair valuation of investments
Under the previous GAAP, investments in mutual funds were classified as long-term investments and current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments and the current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the statement of the profit and loss for the year ended March 31, 2016. Consequent to the above, the total equity as at March 31, 2016 increased by Rs.49 million (April 1, 2015: Rs.28 million).

Note 2: Security deposit from customers
Under the previous GAAP, interest free security deposits received from customers were recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value and accordingly difference between the fair value and transaction value of the deposits has been recognised as deferred revenue under 'other current liabilities'. Consequent to this change, the amount of security deposits decreased by Rs.2 million as at March 31, 2016 (April 1, 2015: Rs.4 million) and the deferred revenue increased by Rs.2 million as at March 31, 2016 (April 1, 2015: Rs.4 million). Amortisation of the deferred revenue is Rs. 1 million which is partially off-set by the notional interest expense of Rs.1 million recognised on security deposits from customers.

Note 3 : Security deposits
Under the previous GAAP, interest free security deposits paid for leased premises (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value and accordingly difference between the fair value and transaction value of the deposits has been recognised as prepaid rent under other current assets. Consequent to this change, the amount of security deposits decreased by Rs.18 million as at March 31, 2016 (April 1, 2015: Rs.14 million) and the prepaid rent increased by Rs.18 million as at March 31, 2016 (April 1, 2015: Rs. 14 million). The total equity decreased by Rs. 0 million on April 1, 2015. Profit for the year ended March 31, 2016 and total equity as at March 31, 2016 decreased by Rs. 0 million due to amortisation of the prepaid rent of Rs. 2 million which is partially off-set by the notional interest income of Rs. 2 million recognised on security deposits.

Note 4 : Deferred tax
Deferred tax have been recognised on the adjustments made on transition to Ind AS.

Note 5: Employee share based payments
Under the previous GAAP, the Company had accounted for the share option schemes (PS and AXA miles) as cash settled schemes and the provision towards employee shared based payment was recorded as liability. Under Ind AS, these schemes are to be accounted as equity settled. On transition to Ind AS, the liability of Rs.45 million as on April 1, 2015 and Rs.94 million as on March 31, 2016 has been reclassified to equity. There is no impact on total comprehensive income.

Note 6 : Other comprehensive income
Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but is shown in the statement of profit and loss as 'other comprehensive income' only include remeasurement of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Note 7: Proposed dividend
Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax) as on March 31, 2016 of Rs. Nil (April 1, 2015: Rs.111 million) included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 8: Fair valuation of derivative contracts
Under the previous GAAP, gains from fair valuation of derivative instruments were not required to be accounted. Only losses from fair valuation of derivative instruments were accounted. Under Ind AS, these instruments are required to be measured at fair value. The resulting fair value changes of these instruments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of Profit and Loss for the year ended March 31, 2016. This increase in retained earnings is Rs.131 million as at April 1, 2015 and a decrease of Rs.109 million to the statement of profit and loss for the year ended March 31, 2016.

Note 9: Remeasurements of post-employment benefits obligations
Under IND AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead in the statement of profit and loss. Under the previous GAAP, these remeasurements were forming part of the statement of profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by Rs.13 million, other comprehensive income increased by Rs.13 million and there is no impact on the total equity as at March 31, 2016.

Note 10 : Retained earnings
Retained earnings as at April 1, 2015 has been adjusted consequent to the Ind AS transition adjustments.

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34 Event occurring after the reporting period

The Company is a fully owned subsidiary of Capgemini Technology Services India Limited, and therefore is a part of Capgemini India group. In order to achieve operational efficiency and cost minimisation, it was decided by the group to merge legal entities, where feasible. Accordingly, the Board of Directors in consultation with the group has decided to merge the Company with its parent company. At its meeting held on June 24, 2017, the Board of Directors of the Company approved the scheme of amalgamation under section 230 to 232 of the Companies Act 2013, for merging the Company with Capgemini Technology Services India Limited. The merger application has been filed on June 30, 2017, before the National Company Law Tribunal at Mumbai seeking necessary approvals for the merger. The outcome of the merger application is awaited.

35 Amounts below rounding off limits have been disclosed as zero, instead of nil.

36 The previous year figures have been reclassified to conform to the current year's classification.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Mohan Dasika
Partner
Membership Number: 202674
Place:
Date: 25/7/2017.

For and on behalf of Board of Directors

Srinivasarao Kandula
Managing Director
DIN: 07412426
Place: Bangalore
Date: 25/7/2017

Mukund Srinath
Director
DIN: 00025017
Place: Bangalore
Date: 25/7/2017

Ashok Bhandarkar
Company Secretary
Membership Number: 7616
Place: Bangalore
Date: 25/7/2017