

GlobalLogic India Limited

Statutory audit for the year ended March 31, 2018

INDEPENDENT AUDITOR'S REPORT**To the Members of GlobalLogic India Limited****Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of GlobalLogic India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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 that 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. 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 the design, implementation and maintenance of adequate internal financial control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, 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. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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. 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

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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.;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2018 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 25 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogender Seth**

Partner

Membership Number: 94524

Place of Signature: Gurugram

Date: September 13, 2018



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Annexure 1 to the Auditor's Report referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in our report of even date

Re: GlobalLogic India Limited ("the Company")

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
c) According to the information and explanations given by the management, there are no immovable properties, included in fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

S. No.	Name of the statute	Nature of dues	Amount under dispute (Rs.)	Period to which the amount relates	Forum where dispute is pending
a.	Income tax Act, 1961	Income tax	5,174,192	AY 2002-03	Commissioner of Income tax- Appeals, Nagpur
b.	Income tax Act, 1961	Income tax	5,731,730	AY 2003-04	Commissioner of Income tax- Appeals, Nagpur
c.	Income tax Act, 1961	Income tax	6,125,350	AY 2006-07	Commissioner of Income tax- Appeals, Nagpur
d.	Income tax Act, 1961	Income tax	4,534,945	AY 2008-09	Assessing Officer, Bangalore
e.	Income tax Act, 1961	Income tax	4,557,380	AY2009-10	Deputy Commissioner of Income Tax, New Delhi
f.	Income tax Act, 1961	Income tax	86,190,420	AY2011-12	ITAT, New Delhi
g.	Income tax Act, 1961	Income tax	21,540,690	AY2012-13	Deputy Commissioner of Income Tax, New Delhi
h.	Income tax Act, 1961	Income tax	4,312,440	AY2013-14	ITAT, New Delhi
i.	Income tax Act, 1961	Income tax	59,682,490	AY2014-15	ITAT, New Delhi
j.	Finance Act, 1994	Service Tax	18,378,512	April 2011 to March 2014	Additional Commissioner, Noida Customs Commissionerate
k.	Finance Act, 1994	Service Tax	10,193,553	April 2013 to March 2015	CESTAT, Allahabad

Against the above Rs. 6,125,350, Rs. 2,267,473 and Rs. 70,000 have respectively been deposited for c, d, e and f above with the authorities.

- viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- ix. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



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- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per **Yogender Seth**

Partner

Membership Number: 94524

Place: Gurugram

Date: September 13, 2018



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GLOBALLOGIC INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GlobalLogic India Limited ("the Company") as of March 31, 2018 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

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. 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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



S.R. BATLIBOI & ASSOCIATES LLP

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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 With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2018, 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 **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per **Yogender Seth**
Partner
Membership Number: 94524
Place: Gurugram
Date: September 13, 2018



GlobalLogic India Limited

Balance sheet as at March 31, 2018

(All amounts are in millions of Indian Rupees, except per share data and as stated otherwise)

	Notes	March 31, 2018	March 31, 2017	April 1, 2016
Assets				
Non-current assets				
Property, plant and equipment	3	169.52	148.25	128.90
Intangible assets	4	19.16	24.40	17.64
Financial assets				
Investments	5 (a)	0.01	0.01	0.01
Loans and security deposits	5 (b)	53.52	39.04	28.42
Non-current bank deposits	5 (e)	0.70	1.45	0.05
Others	5 (f)	0.22	-	-
Other non-current assets	6	22.63	16.23	7.35
Income tax assets (net)	7	137.78	26.37	78.04
Deferred tax assets (net)	20	158.74	90.24	145.01
		<u>562.28</u>	<u>345.99</u>	<u>405.42</u>
Current assets				
Financial assets				
Trade receivables	5 (c)	2,602.15	1,003.02	1,672.40
Cash and cash equivalents	5 (d)	355.66	304.72	125.57
Current bank deposits	5 (e)	0.75	-	1.40
Loans and security deposits	5 (b)	163.08	41.67	265.31
Others	5 (f)	25.06	150.76	42.09
Other current assets	6	106.11	1,450.59	139.36
		<u>3,252.81</u>	<u>2,950.76</u>	<u>2,246.13</u>
TOTAL ASSETS		<u>3,815.09</u>	<u>3,296.75</u>	<u>2,651.55</u>
Equity and liabilities				
Equity				
Equity share capital	8 (a)	1.80	1.80	1.80
Other equity				
Securities premium	8 (b)	12.65	12.65	12.65
Capital reserve	8 (c)	5.62	5.62	5.62
General reserve	8 (d)	26.20	26.20	26.20
Retained earnings	8 (e)	3,145.60	2,629.53	2,240.14
Share based payments reserve	8 (f)	26.09	19.72	8.67
Cash flow hedge reserve	8 (g)	16.25	98.45	27.44
Total equity		<u>3,234.22</u>	<u>2,793.97</u>	<u>2,322.54</u>
Non-current liabilities				
Provisions	9	206.56	133.96	100.78
Other non current liabilities	11	3.94	-	-
		<u>210.50</u>	<u>133.96</u>	<u>100.78</u>
Current liabilities				
Financial liabilities				
Trade payables	10 (a)	233.92	243.66	140.17
Other financial liabilities	10 (b)	3.09	29.87	3.55
Other current liabilities	11	66.58	45.43	43.32
Provisions	9	66.78	49.87	41.20
Total liabilities		<u>370.37</u>	<u>368.83</u>	<u>228.24</u>
TOTAL EQUITY AND LIABILITIES		<u>3,815.09</u>	<u>3,296.75</u>	<u>2,651.55</u>
Summary of significant accounting policies	2			

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants

per Yogender Seth
Partner
Membership No.: 94524

Place: Gurugram

Date: September 13, 2018



For and on behalf of the Board of Directors of
GlobalLogic India Limited
CIN - U74899DL2000PLC109036

Sumit Shod
Director
DIN - 01191443

Place: Noida

Date: September 13, 2018



Sanjay Kumar
Director
DIN-07977118

Place: Noida

Date: September 13, 2018

GlobalLogic India Limited

Statement of profit and loss for year ended March 31, 2018

(All amounts are in millions of Indian Rupees, except per share data and as stated otherwise)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	12	4,897.10	3,979.21
Other income	13	0.98	0.46
Finance income	14	6.43	3.08
Total income		4,904.50	3,982.74
Expenses			
Employee benefits expense	15	3,234.74	2,534.72
Other expenses	16	873.31	743.54
Finance costs	17	0.93	3.07
Depreciation and amortization expense	18	100.52	93.88
Profit before tax		695.01	607.53
Tax expense:			
Current tax		180.12	220.73
Deferred tax charge / (credit)		(16.73)	(9.87)
Total tax expense	20	163.40	210.85
Profit for the year		531.60	396.68
Other comprehensive income			
	32		
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
- Unrealized gain/ (losses) on derivative financial instruments (refer note 30)		(125.60)	108.59
- Income tax effect of above item		43.39	(37.58)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(82.21)	71.01
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
- Re-measurement gains/ (losses) on defined benefit plans (refer note 23)		(23.93)	(11.16)
- Income tax effect of above item		8.39	3.86
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(15.54)	(7.30)
Other comprehensive income for the year (net of tax)		(97.75)	63.71
Total comprehensive income for the year (net of tax)		433.86	460.39
Earnings per share:			
	19		
Basic in INR		2,945.48	2,197.88
Diluted in INR		2,945.48	2,197.88
Summary of significant accounting policies			
	2		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Yogender Seth
Partner
Membership No. : 94524

Place: Gurugram
Date: September 13, 2018



For and on behalf of the Board of Directors of
GlobalLogic India Limited
CIN - U74899DL2000PLC109036

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Place: Noida
Date: September 13, 2018



Sanjay Kumar
Director
DIN-07977118

Place: Noida
Date: September 13, 2018

GlobalLogic India Limited

Cash flow statement for the year ended March 31, 2018

(All amounts are in millions of Indian Rupees, except per share data and as stated otherwise)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Profit before tax	695.01	607.53
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	100.52	93.88
(Profit)/ loss on sale of property, plant and equipment	(0.98)	(0.46)
Unrealized foreign exchange (gain)/ loss	(104.42)	59.24
Provision for trade receivables and advances	0.35	0.65
Interest expense	-	2.83
Interest income on financial asset at amortised cost	(6.14)	(2.77)
Interest income on fixed deposits with banks	(0.29)	(0.31)
Operating profit before working capital changes	684.04	760.60
Movements in working capital:		
Increase/(decrease) in trade payables and other liabilities	14.43	106.63
Increase/(decrease) in long-term provisions	48.67	22.03
Increase/(decrease) in short-term provisions	16.91	8.67
(Increase)/decrease in trade receivable	(1,508.93)	648.67
Decrease/(increase) in other assets	1,241.08	(1,120.36)
Decrease/(increase) in other non-current assets	(18.52)	(20.91)
Cash generated from operations	477.68	405.32
Direct taxes paid (net of refunds)	(291.52)	(141.00)
Net cash flow from/(used in) operating activities (A)	186.16	264.32
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress, intangible assets under development and capital advances	(156.35)	(94.90)
Proceeds from sale of property, plant and equipment	2.03	1.71
Interest received	0.18	0.24
Net cash flow from/(used in) investing activities (B)	(154.14)	(92.95)
Cash flow from financing activities		
Share based payment reserve	6.37	11.05
Net cash used in financing activities (C)	6.37	11.05
Net increase/(decrease) in cash and cash equivalents (A + B + C)	38.38	182.42
Effect of exchange difference on cash & cash equivalents held in foreign currency	12.56	(3.27)
Cash and cash equivalents at the beginning of the year	304.72	125.57
Cash and cash equivalents at the end of the year	355.66	304.72
Components of cash and cash equivalents		
Cash on hand	0.11	0.06
With banks on current account		
- on deposit account	355.55	304.66
- others balances		
Balances per statement of cash flows	355.66	304.72
Summary of significant accounting policies (refer note 2)		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration No. 101049W/E300004
Chartered Accountants

**For and on behalf of the Board of Directors of
GlobalLogic India Limited**
CIN - U74899DL2000PLC109036

per Yogender Seth
Partner
Membership No.: 94524



Place: Gurugram
Date: September 13, 2018

Sumit Sood
Director
DIN - 01191443

Place: Noida
Date: September 13, 2018

Sanjay Kumar
Director
DIN-07977118

Place: Noida
Date: September 13, 2018



GlobalLogic India Limited
 Statement of changes in equity for the year ended March 31, 2018
 (All amounts are in millions of Indian Rupees, except per share data and as stated otherwise)

Particulars	Equity share capital		Reserves and surplus					Cash flow hedge reserve [note 8 (g)]	Total	Total equity
	Shares	Share capital [note 8 (a)]	Securities premium [note 8 (b)]	Capital reserve [note 8 (c)]	General reserve [note 8 (d)]	Retained earnings [note 8 (e)]	Share based payment reserve [note 8 (f)]			
As at April 1, 2016	180,481	1.80	12.65	5.62	26.20	2,240.15	8.67	27.44	2,320.73	2,322.52
Profit for the year	-	-	-	-	-	396.68	-	-	396.68	396.68
Share-based payments	-	-	-	-	-	-	11.05	-	11.05	11.05
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	(7.30)	-	-	(7.30)	(7.30)
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	71.01	71.01	71.01
Total comprehensive income/ (loss)	-	-	-	-	-	389.37	11.05	71.01	471.43	471.43
As at March 31, 2017	180,481	1.80	12.65	5.62	26.20	2,629.52	19.72	98.45	2,792.17	2,793.96
Profit/(loss) for the year	-	-	-	-	-	531.60	-	-	531.60	531.60
Share-based payments	-	-	-	-	-	-	6.37	-	6.37	6.37
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	(15.54)	-	-	(15.54)	(15.54)
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	(82.21)	(82.21)	(82.21)
Total comprehensive income/ (loss)	-	-	-	-	-	516.06	6.37	(82.21)	440.22	440.22
As at March 31, 2018	180,481	1.80	12.65	5.62	26.20	3,145.59	26.09	16.24	3,232.40	3,234.18

Summary of significant accounting policies (refer note 2)
 The accompanying notes are an integral part of these financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
 ICAI Firm Registration No. 101049W/E300004
 Chartered Accountants

Yogender Seth
 Partner
 Membership No. : 94524

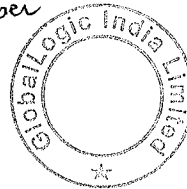
Place: Gurugram
 Date: September 13, 2018



For and on behalf of the Board of Directors of GlobalLogic India Limited
 CIN - U74899DL2000PLC109036

Sumit Sodh
 Director
 DIN - 01191443

Place: Noida
 Date: September 13, 2018



Sanjay Kumar

Sanjay Kumar
 Director
 DIN-07977118

Place: Noida
 Date: September 13, 2018

GlobalLogic India Limited

Notes to financial statements for the year ended March 31, 2018

1. Corporate information

GlobalLogic India Limited (GLIL or “the Company”) (formerly known as GlobalLogic India Private Limited) is a subsidiary of GlobalLogic Inc. (formerly known as Induslogic Inc.) United States. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company is principally engaged in providing software development and IT enabled services to its customers.

2. Summary of significant accounting policies

2.1 Basis of preparation

These standalone financial statements (‘financial statements’) have been prepared to comply in all material respects with the Indian Accounting Standards (‘Ind AS’) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs (‘MCA’).

The said financial statements for the year ended 31 March 2018 are the first Ind AS financial statements of the Company. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (‘IGAAP’) which is considered as the Previous GAAP for the purposes of Ind AS 101. For details, refer Note 2.3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied by the Company to all the periods presented in the said financial statements.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company’s accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgment or complexity, are appropriately disclosed.

All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

2.2 Basis of measurement

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss.

Fair value measurement

Fair value is the price at the measurement date at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company’s accounting policies require, measurement of certain financial/ non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

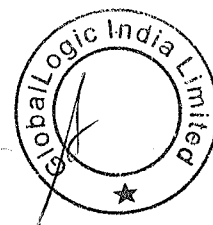
The Company is required to classify the fair valuation method of the financial/ non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair value hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair value hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.



2.3 Basis of transition to Ind AS

The adoption of Ind AS is carried out in accordance with Ind AS 101 on April 1, 2016 being the transition date. Ind AS 101 requires that all Ind AS standards that are issued and effective for the year ending March 31, 2018, be applied retrospectively and consistently for all the periods presented. However, in preparing these financial statements, the Company has applied certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognized directly in equity at the transition date.

In these financial statements, the Company has presented three balance sheets – as at March 31, 2018, March 31, 2017 and April 1, 2016. The Company has also presented two statements of profit and loss, two statements of changes in equity and two statements of cash flows for the year ended March 31, 2018 and March 31, 2017 along with the necessary and related noted.

Ind AS 101 allows first time adopters certain optional exemptions and mandatory exceptions from the retrospective application of certain requirements under Ind AS.

Exemptions/ exceptions from full retrospective application

(i) The Company has elected to apply the following optional exemption from full retrospective application of Ind AS:

- a) **Changes in decommissioning liabilities included in the cost of property, plant and equipment exemption:** The Company does not have material decommissioning, restoration and similar liabilities in the cost of property, plant and equipments and hence the exemption is not applicable.
- b) **Investments in fellow subsidiary:** Ind AS 101 permits a first time adopter to measure its investment in subsidiaries, associates and joint ventures, at the date of transition, at cost determined in accordance with Ind AS 27 or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS or previous GAAP carrying amount at the date.

The Company has elected to measure its investment in fellow subsidiary at the previous GAAP carrying amount as its deemed cost on the transition date.

- c) **Business Combination:** A first-time adopter may elect not to apply Ind AS 103 retrospectively to past business combinations (business combinations that occurred before the date of transition to Ind ASs).

The Company has elected not to apply Ind AS 103 retrospectively to Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956 and/ or Companies Act, 2013 involving IP Unity Communications Limited (transferor) and GL Software Limited (transferor) with the Company being approved by order dated May 25, 2015 of the Hon'ble High Court of Delhi, effective from the appointed date i.e. April 1, 2014.

(ii) The following mandatory exceptions from retrospective application of Ind AS have been applied by the Company:

- a) **Estimates exception:** Upon review of the estimates made under the previous GAAP, the Company has concluded that there was no necessity to revise the estimates made under Ind AS except where estimates were required by Ind AS and not required by previous GAAP.
- b) **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 facts and circumstances that exist at the date of transition to Ind AS. Accordingly, the classification and measurement of financial assets has been made on the basis of the facts and circumstances existed at the date of transition.
- c) **Derecognition of financial assets and liabilities exception:** Financial assets and liabilities derecognized in accordance with previous GAAP are not re-recognized under Ind AS. The Company has chosen not to apply the Ind AS 109 derecognition criteria to an earlier date. No arrangements were identified that had to be assessed under this exception.

