EdgeVerve Systems Limited

Independent Auditors' Report

To the Members of EdgeVerve Systems Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of EdgeVerve Systems Limited ('the Company'), which comprise theBalance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 in accordance with the Standards on Auditing 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 the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 2016 and its loss and its cash flows for the year ended on that date.

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-A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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 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;

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 B"; and

(g) 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, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigations as on 31 March 2016 which would impact its financial position;

ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 2.8 to the standalone financial statements;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Supreet Sachdev
Partner
Membership number : 205385

Place : Bangalore
Date : April 12, 2016

Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of EdgeVerve Systems Limited ('the Company') on the standalone financial statements for the year ended March 31, 2016, we report that:

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

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable properties. Thus, paragraph 3(i)(c) of the Order is not applicable.

(ii) The Company is a service company, primarily engaged in the business of sale of software licenses and related software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(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 Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii)(a) to (c) of the Order is not applicable.

(iv) The Company has not advanced any loan, including any loan represented by book debt to any of its Directors or to any other person in whom the director is interested or not given any guarantee or not provided any security in connection with any loan taken by him or such person. The Company has not made investment through more than two layers of investment companies. Also the Company has not given loan, guarantee or provide security in connection with a loan, whether directly or indirectly to any person or other body corporate. Thus paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, service tax, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of income tax, service tax and value added tax which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its debenture holders. The Company does not have any outstanding dues from any financial institution or banks during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Supreet Sachdev
Partner
Membership number: 205385

Place: Bangalore
Date: April 12, 2016

Annexure – B to the Independent Auditors' Report

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 EdgeVerve Systems Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 (the "Guidance Note") 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 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

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 and the Standards on Auditing, issued by ICAI and 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 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 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 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 judgment, 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 Company's internal financial controls system over financial reporting.

Annexure – B to the Independent Auditors' Report (Continued)

Meaning of Internal Financial Controls Over Financial Reporting

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

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

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 31 March 2016, 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 issued by the ICAI.

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Supreet Sachdev
Partner
Membership number : 205385

Place : Bangalore
Date : April 12, 2016

Balance Sheet

in ₹

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2.1	13,11,84,00,000	4,61,84,00,000
Reserves and surplus	2.2	(1,60,35,00,819)	(70,50,27,449)
		11,51,48,99,181	3,91,33,72,551
NON-CURRENT LIABILITIES			
Deferred tax liabilities (net)	2.3	–	–
Long-term borrowings	2.4	25,49,00,00,000	–
Other long-term liabilities	2.5	–	6,48,29,041
		25,49,00,00,000	6,48,29,041
CURRENT LIABILITIES			
Trade payables	2.6		
Total outstanding dues of micro enterprises and small enterprises		–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises		25,78,870	17,40,90,152
Other current liabilities	2.7	2,83,05,54,950	30,64,48,079
Short-term provisions	2.8	20,82,66,535	1,79,20,086
Short-term borrowings	2.9	–	18,04,77,444
		3,04,14,00,355	67,89,35,761
		40,04,62,99,536	4,65,71,37,353
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible assets	2.10	39,23,76,019	8,84,53,646
Intangible assets	2.10	31,12,90,47,060	3,71,19,79,532
Capital work-in-progress		6,39,379	–
		31,52,20,62,458	3,80,04,33,178
Deferred tax assets (net)	2.3	4,09,00,000	–
Long-term loans and advances	2.11	99,15,89,522	9,10,17,773
Other non-current assets	2.12	73,01,641	–
		32,56,18,53,621	3,89,14,50,951
CURRENT ASSETS			
Current investments	2.13	31,68,81,609	–
Trade receivables	2.14	3,51,61,12,683	4,43,35,436
Cash and cash equivalents	2.15	27,17,04,961	9,79,90,059
Short-term loans and advances	2.16	3,37,97,46,662	62,33,60,907
		7,48,44,45,915	76,56,86,402
		40,04,62,99,536	4,65,71,37,353
SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

for EdgeVerve Systems Limited

Supreet Sachdev
Partner
Membership number : 205385

Sandeep Dadlani
Chairman

Arun Krishnan
Director

Sanjay Purohit
Director

Srinivasan Rajam
Director

Roopa Kudva
Director

Jonathan Heller
Director

Prem Pereira
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Place : Bangalore
Date : April 12, 2016

Statement of Profit and Loss

in ₹

Particulars	Note	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Income from software products, platforms and services	2.18	15,32,96,17,831	1,47,73,43,061
Other income	2.19	5,85,66,175	6,72,846
Total revenue		15,38,81,84,006	1,47,80,15,907
Expenses			
Employee benefit expenses	2.20	7,02,21,60,082	62,94,34,139
Cost of technical sub-contractors	2.20	1,02,52,04,543	47,20,95,211
Travel expenses	2.20	75,46,58,373	4,45,98,350
Cost of software packages and others	2.20	1,60,58,44,547	29,94,33,987
Communication expenses	2.20	3,72,64,539	1,75,06,436
Professional charges		62,38,75,363	7,53,53,508
Depreciation and amortisation expense		3,21,97,14,802	44,71,50,933
Finance cost		62,31,99,596	–
Other expenses	2.20	1,06,92,88,531	19,74,70,792
Total expenses		15,98,12,10,376	2,18,30,43,356
LOSS BEFORE TAX		(59,30,26,370)	(70,50,27,449)
Tax expense:			
Current tax	2.21	34,63,47,000	–
Deferred tax	2.21	(4,09,00,000)	–
LOSS FOR THE YEAR		(89,84,73,370)	(70,50,27,449)
LOSS PER EQUITY SHARE			
Equity shares of par value ₹10/- each			
Basic		(1.30)	(3.39)
Diluted		(1.30)	(3.39)
Number of shares used in computing earnings per share	2.31		
Basic		69,17,58,033	20,78,96,740
Diluted		69,17,58,033	20,78,96,740
SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for B S R & Co. LLP
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Supreet Sachdev
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Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Place : Bangalore
Date : April 12, 2016

Cash Flow Statement

in ₹

Particulars	Note	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(59,30,26,370)	(70,50,27,449)
Adjustments to reconcile loss before tax to cash generated by operating activities			
Depreciation and amortisation expense		3,21,97,14,802	44,71,50,933
Interest income		(1,01,38,588)	(10,66,740)
Dividend income		(1,55,65,273)	(18,776)
Finance cost		62,31,99,596	25,01,236
Provisions made during the year		5,64,86,796	–
Effect of exchange differences on translation of foreign currency cash and cash equivalents		1,22,52,219	–
Changes in assets and liabilities			
Trade receivables		(3,47,17,77,247)	(4,43,35,436)
Loans and advances and other assets		67,37,20,204	(65,48,86,792)
Liabilities and provisions		2,42,18,73,339	49,19,59,664
		2,91,67,39,478	(46,37,23,360)
Income taxes paid		(1,24,39,51,691)	–
NET CASH USED IN OPERATING ACTIVITIES		1,67,27,87,787	(46,37,23,360)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment towards capital expenditure		(39,14,56,205)	(2,70,90,999)
Investment in mutual fund units		(4,22,55,65,273)	1,50,00,000
Disposal of mutual fund units		3,90,86,83,663	(1,50,00,000)
Interest and dividend received		2,51,94,188	8,28,210
NET CASH USED IN INVESTING ACTIVITIES		(68,31,43,627)	(2,62,62,789)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from parent		94,50,00,000	30,00,00,000
Loan repayment to parent		(1,12,54,77,444)	(12,00,00,000)
Finance cost		(62,31,99,596)	(20,23,792)
Proceeds from issuance of share capital		–	41,00,00,000
NET CASH PROVIDED BY FINANCING ACTIVITIES		(80,36,77,040)	58,79,76,208
Effect of exchange differences on translation of foreign currency cash and cash equivalents		(1,22,52,219)	–
NET INCREASE IN CASH AND CASH EQUIVALENTS		17,37,14,901	9,79,90,059
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		9,79,90,059	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		27,17,04,961	9,79,90,059
SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's registration number: 101248W/W-100022

Supreet Sachdev
Partner
Membership number: 205385

for EdgeVerve Systems Limited

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Director

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Director

Prem Pereira
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Place: Bangalore
Date: April 12, 2016

Significant accounting policies

Company overview

EdgeVerve Systems Limited ('the Company') is a wholly-owned subsidiary of Infosys Limited. The Company defines, develops and operates innovative cloud-hosted business platforms and software products as part of the Edge Suite of products or Finacle product which can be deployed either on premises or on cloud environments depending on its products. The Company provides implementation, integration and support services to help its customers realize benefits from software solutions.

With effect from August 1, 2015, 'Finacle' and 'Edge services' business of Infosys Limited was transferred to the Company. The purchase consideration for the transfer was discharged by way of issue and allotment of equity shares and non-convertible unsecured debentures"

1 Significant accounting policies

1.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent applicable). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Revenue recognition

Revenue is primarily derived from the licensing of software products and related services. Arrangements with customers for related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price and fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings is classified as unearned revenue. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

Annual Technical Services revenue and revenue from fixed-price maintenance contracts are recognized ratably over the period in which services are rendered. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts, which require significant implementation services, where revenue for the entire arrangement is recognized over the implementation period based upon the percentage-of-completion method. Revenue from client training, support and other services arising due to the sale of software products is recognized as the related services are performed.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discount / incentive amount to each of the underlying revenue transactions that result in progress by the customer towards earning the discount / incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

1.4 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.5 Tangible assets and capital work-in-progress

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Costs, directly attributable to the acquisition are capitalized until such assets are ready for use as intended by the management. Capital work-in-progress comprises of the cost of assets that are not yet ready for their intended use at the reporting date and advances paid towards acquisition of assets.

1.6 Intangible assets and amortization

Identifiable assets acquired and liabilities assumed in a business transfer are measured initially at their fair value on the date of the transfer. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Goodwill is recorded when consideration in money or money's worth has been paid for. When a business is acquired for a price (payable in cash or in shares or otherwise) which is in excess of the value of the net assets of the business taken over, the excess is termed as goodwill. Amortisation methods and useful life are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The cost which can be capitalised include the cost of materials, direct labour, overhead cost that are directly attributable to preparing the asset for intended use.

1.7 Depreciation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged.

1.8 Impairment

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.9 Retirement benefits to employees

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. 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 with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the EdgeVerve Systems Limited Employees Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by the law. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, 'Employee Benefits'. The Company's overall expected long-term rate-of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

Superannuation

Certain employees of EdgeVerve are also participants in the EdgeVerve Systems Limited Employees Superannuation Fund Trust ('the Plan') which is a defined contribution plan. The Company has no obligations to the Plan beyond its monthly contributions.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a Government administered provident fund. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

1.10 Foreign currency transactions

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

1.11 Income taxes

Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The Company offsets, on a year-on-year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets in situation where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business loss, are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

1.12 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.13 Investments

Trade investments are the investments made to promote the trade or business of the Company. Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.14 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.15 Cash flow statement

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

1.16 Leases

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

1.17 Borrowing Costs

Borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2 Notes on accounts for the year ended March 31, 2016

Amounts in the financial statements are presented in ₹, except for per share data and as otherwise stated. All exact amounts are stated with the suffix "/-".

2.1 Share Capital

in ₹, except as otherwise stated

Particulars	As at March 31,	
	2016	2015
Authorized		
Equity shares, ₹10/- par value		
4,10,00,00,000 (47,00,00,000) equity shares	41,00,00,00,000	4,70,00,00,000
Issued/ subscribed / paid-up		
Equity shares, ₹10/- par value	13,11,84,00,000	4,61,84,00,000
1,31,18,40,000 (46,18,40,000) equity shares*		
	13,11,84,00,000	4,61,84,00,000

* *The Company has allotted 850,000,000 fully-paid-up equity shares of face value ₹10/- each during the current year and had allotted 420,840,000 fully-paid-up equity shares of face value ₹10/- each during the previous year pursuant to a Business Transfer Agreement entered into with the holding company, Infosys Limited for consideration other than cash.*

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts. However, no such preferential amounts exist as at the date of Balance Sheet.

The details of shareholder holding more than 5% shares as at March 31, 2016 and March 31, 2015 is set out below:

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of shares	% held	No. of shares	% held
Infosys Limited (Equity shares of ₹10/- fully paid-up held by holding company)	1,31,18,40,000	100	46,18,39,994	100

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015 is set out below:

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning of the year	46,18,40,000	4,61,84,00,000	–	–
Add: Shares issued	85,00,00,000	8,50,00,00,000	46,18,40,000	4,61,84,00,000
Number of shares at the end of the year	1,31,18,40,000	13,11,84,00,000	46,18,40,000	4,61,84,00,000

2.2 Reserves and surplus

in ₹

Particulars	As at March 31,	
	2016	2015
Deficit (Debit balance in Statement of Profit and Loss)		
Opening balance	(70,50,27,449)	–
Add: Net loss for the year	(89,84,73,370)	(70,50,27,449)
Total	(1,60,35,00,819)	(70,50,27,449)

2.3 Deferred taxes

in ₹

Particulars	As at March 31,	
	2016	2015
Deferred tax assets		
Compensated absences	5,26,00,000	–
Other assets	41,00,000	99,00,000
	5,67,00,000	99,00,000
Deferred tax liabilities		
Fixed assets	1,58,00,000	99,00,000
	1,58,00,000	99,00,000
Deferred tax assets after setoff	4,09,00,000	–
Deferred tax liabilities after set off	–	–

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.4 Long-term borrowings

in ₹

Particulars	As at March 31,	
	2016	2015
Non-convertible debentures*	25,49,00,00,000	–
	25,49,00,00,000	–
Includes dues to holding company (Refer to Note 2.25)	25,49,00,00,000	
*Unsecured		

During the year ended March 31, 2016, the Company has not created any Debenture Redemption Reserve required under Section 71 of Companies Act, 2013, as the Company did not make any profits during the year ended March 31, 2016.

The interest rate for the debentures as of March 31, 2016 is 10 years Government Bond rate plus 1% premium to be reset annually. Currently the interest rate is 8.75%. The interest payment term would be as may be decided mutually between the parties.

The term of redemption of the debentures would be any date as may be decided mutually between the parties but will not exceed 10 years.

2.5 Other long-term liabilities

in ₹

Particulars	As at March 31,	
	2016	2015
Gratuity obligation	–	6,48,29,041
	–	6,48,29,041

2.6 Trade payables

in ₹

Particulars	As at March 31,	
	2016	2015
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises*	25,78,870	17,40,90,152
	25,78,870	17,40,90,152
**Includes dues to holding company (Refer to Note 2.25)*	2,99,435	14,31,79,110

As at March 31, 2016, there is no amount outstanding to micro and small enterprises (nil as at March 31, 2015). There are no interests also due or outstanding on the same.

2.7 Other current liabilities

in ₹

Particulars	As at March 31,	
	2016	2015
Accrued salaries and benefits		
Salaries and benefits	98,90,365	2,36,428
Bonus and incentives	29,24,17,538	7,01,94,777
Other liabilities		
Provision for expenses [(1)]	1,42,04,10,061	4,78,13,638
Withholding and other taxes payable	29,97,15,397	4,43,70,882
Other payables [(2)]	35,23,99,326	14,38,32,354
Unearned revenue	45,57,22,263	–
	2,83,05,54,950	30,64,48,079
[(1)] Includes dues to holding company (Refer to Note 2.25)	20,30,66,973	–
[(2)] Includes dues to holding company / fellow subsidiaries (Refer to Note 2.25)	8,88,11,712	14,33,23,922

2.8 Short-term provisions

in ₹

Particulars	As at March 31,	
	2016	2015
Provision for employee benefits		
Compensated absences	15,20,26,877	1,79,20,086
Provision for		
Post-sales client support and warranties	5,62,39,658	–
	20,82,66,535	1,79,20,086

2.9 Short- term borrowings

in ₹

Particulars	As at March 31,	
	2016	2015
Loans from related party		
Unsecured Loan	–	18,04,77,444
	–	18,04,77,444

The loan from Infosys Limited, the holding company, was taken during year ended March 31, 2016 at an interest rate of 8.67% p.a. This loan has been repaid during the year ended March 31, 2016.

2.10 Fixed assets

Following are the changes in the carrying value of fixed assets for the year ended March 31, 2016:

in ₹, except as otherwise stated

Particulars	Tangible assets				Intangible assets					Grand Total
	Plant and equipment	Furniture	Computer equipment [1]	Total	Goodwill [1]	Customer contracts [1]	Trade name [1]	Technology [1]	Total	
Original cost										
As at April 1, 2015	–	–	12,70,47,979	12,70,47,979	2,80,39,08,132	3,00,60,000	–	1,28,65,68,000	4,12,05,36,132	4,24,75,84,111
Additions during the year	1,28,61,743	16,51,665	57,07,12,816	58,52,26,224	20,16,21,78,480	85,33,00,000	1,25,95,00,000	8,08,05,00,000	30,35,54,78,480	30,94,07,04,704
Deletions during the year	–	–	–	–	–	–	–	–	–	–
As at March 31, 2016	1,28,61,743	16,51,665	69,77,60,796	71,22,74,204	22,96,60,86,612	88,33,60,000	1,25,95,00,000	9,36,70,68,000	34,47,60,14,612	35,18,82,88,815
Depreciation and amortization										
As at April 1, 2015	–	–	3,85,94,333	3,85,94,333	30,06,93,084	1,12,82,795		9,65,80,721	40,85,56,600	44,71,50,933
For the year	8,31,781	64,608	28,04,07,463	28,13,03,852	1,74,47,03,537	47,03,72,836	5,59,77,778	66,73,56,800	2,93,84,10,951	3,21,97,14,802
Deletions during the year	–	–	–	–	–	–	–	–	–	–
As at March 31, 2016	8,31,781	64,608	31,90,01,796	31,98,98,185	2,04,53,96,621	48,16,55,631	5,59,77,778	76,39,37,521	3,34,69,67,551	3,66,68,65,736
Net book value										
As at March 31, 2016	1,20,29,962	15,87,057	37,87,59,000	39,23,76,019	20,92,06,89,991	40,17,04,369	1,20,35,22,222	8,60,31,30,479	31,12,90,47,060	31,52,14,23,079

Following are the changes in the carrying value of fixed assets for the period ended March 31, 2015:

in ₹, except as otherwise stated

Particulars	Tangible assets		Intangible assets				Grand Total
	Computer equipment [1]	Total	Goodwill [1]	Customer contracts [1]	Technology [1]	Total	
Original cost							
As at February 14, 2014	–	–	–	–	–	–	–
Additions during the period	12,70,47,979	12,70,47,979	2,80,39,08,132	3,00,60,000	1,28,65,68,000	4,12,05,36,132	4,24,75,84,111
Deletions during the period	–	–	–	–	–	–	–
As at March 31, 2015	12,70,47,979	12,70,47,979	2,80,39,08,132	3,00,60,000	1,28,65,68,000	4,12,05,36,132	4,24,75,84,111
Depreciation and amortization							
As at February 14, 2014	–	–	–	–	–	–	–
For the period	3,85,94,333	3,85,94,333	30,06,93,084	1,12,82,795	9,65,80,721	40,85,56,600	44,71,50,933
Deletions during the period	–	–	–	–	–	–	–
As at March 31, 2015	3,85,94,333	3,85,94,333	30,06,93,084	1,12,82,795	9,65,80,721	40,85,56,600	44,71,50,933
Net book value							
As at March 31, 2015	8,84,53,646	8,84,53,646	2,50,32,15,048	1,87,77,205	1,18,99,87,279	3,71,19,79,532	3,80,04,33,178

[1] *Refer to Note 2.34 for details of assets acquired pursuant to Business Transfer Agreements*

The estimated useful life of the categories of assets presented above is as under:

Computer equipment	3-5 years
Goodwill	7 - 10 years
Customer contracts	15 months -2 years
Trade name	15 years (2)
Technology	10 years

(2) *Based on an independent valuation, the Management believes that the estimated useful life of the asset is 15 years.*

2.11 Long-term loans and advances

in ₹

Particulars	As at March 31,	
	2016	2015
Unsecured, considered good		
Capital advances	1,36,032	–
Other deposits	–	1,25,000
Other loans and advances		
TDS receivable (net of provision for tax)	98,84,97,464	9,08,92,773
Loans and advances to employees		
Housing and other loans	29,56,026	–
	99,15,89,522	9,10,17,773

2.12 Other non-current assets

in ₹

Particulars	As at March 31,	
	2016	2015
Others		
Advance to gratuity trust (Refer to Note 2.28)	73,01,641	–
	73,01,641	–

2.13 Current investments

in ₹

Particulars	As at March 31,	
	2016	2015
Other current investments		
Unquoted		
Liquid mutual fund units	31,68,81,609	–
	31,68,81,609	–
Aggregate amount of unquoted invesments	31,68,81,609	–

2.13.1 Details of investments in liquid mutual fund units

The balances held in liquid mutual fund units as at March 31, 2016 are as follows:

in ₹

Particulars	Units	Amount
Reliance liquid fund – Treasury Plan-Direct Plan Daily dividend option	2,07,283	31,68,81,609
	2,07,283	31,68,81,609

2.14 Trade receivables

in ₹

Particulars	As at March 31,	
	2016	2015
Debts outstanding for a period exceeding six months from the date they became due for payment	–	–
Other debts		
Unsecured		
Considered good	3,51,61,12,683	4,43,35,436
Considered doubtful	–	–
	3,51,61,12,683	4,43,35,436
	3,51,61,12,683	4,43,35,436

2.15 Cash and cash equivalents

in ₹

Particulars	As at March 31,	
	2016	2015
Balances with bank		
In current and deposit accounts	27,17,04,961	9,79,90,059
	27,17,04,961	9,79,90,059
Deposit accounts with more than 12 months maturity	2,04,82,000	20,00,000
Balance with banks held as margin money deposit against guarantees	2,79,09,695	41,50,000

Cash and cash equivalents as of March 31, 2016 and March 31, 2015 include restricted bank balances of ₹2,79,09,695 and ₹41,50,000, respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

The deposits maintained by the Company with bank comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

The details of balances with banks are as follows:

in ₹

Particulars	As at March 31,	
	2016	2015
In current account		
ICICI Bank, India	46,78,664	6,69,83,973
ICICI Bank-EEFC (U.S. Dollar account)	35,65,774	2,56,25,953
State Bank of India	5,50,827	12,30,133
	87,95,266	9,38,40,059
In deposit account		
ICICI Bank	26,29,09,695	41,50,000
	26,29,09,695	41,50,000
Total cash and cash equivalents	27,17,04,961	9,79,90,059

2.16 Short-term loans and advances

in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Others		
Advances		
Prepaid expenses	1,53,20,100	7,13,420
For supply of goods and rendering of services	36,61,36,017	5,14,19,175
Withholding and other taxes receivable	10,64,97,238	3,19,27,831
Loans and advances to employees	2,47,138	–
Less: Provision for doubtful loans	(2,47,138)	–
Others	10,41,72,112	8,72,46,336
	59,21,25,467	17,13,06,762
Restricted deposits *(Refer to Note 2.32)*	17,18,95,031	1,98,75,468
Unbilled revenues	2,51,48,11,621	43,13,49,127
Interest accrued but not due	7,66,984	2,57,311
Loans and advances to employees		
Housing and other loans	4,09,03,590	–
Salary advances	5,91,18,969	5,72,239
Electricity and other deposits	1,25,000	–
	3,37,97,46,662	62,33,60,907

2.17 Leases

The lease rentals charged during the year on cancellable and non-cancellable leases is as follows:

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Lease rentals recognized during the period	36,48,01,328	4,18,71,067

in ₹

The Company is obligated under non-cancellable leases for office premises. Future minimum lease payments are as follows:

	As at March 31, 2016	As at March 31, 2015
Not later than one year	6,75,47,835	–
Later than one year but not later than five years	9,58,80,398	–
Later than five years	–	–
Total	16,34,28,233	–

The existing operating lease arrangements extend for a lock-in period of 36 months from the dates of inception.

2.18 Income from software products, platforms and services

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Income from software products, platforms and services	15,32,96,17,831	1,47,73,43,061
	15,32,96,17,831	1,47,73,43,061

2.19 Other income

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Interest on deposits with bank	1,01,38,588	10,66,740
Dividend from mutual funds	1,55,65,273	18,776
Miscellaneous income	(26,58,458)	24,34,025
Gains / (losses) on foreign currency, net	3,55,20,772	(28,46,695)
	5,85,66,175	6,72,846

2.20 Expenses

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Employee benefit expenses		
Salaries and bonus including overseas staff expenses	6,55,57,09,073	55,74,28,786
Contribution to provident and other funds	40,14,14,261	6,55,05,292
Staff welfare	6,50,36,748	65,00,061
	7,02,21,60,082	62,94,34,139
Cost of technical sub-contractors		
Technical sub-contractors – holding company / fellow subsidiaries	81,07,67,865	46,42,28,258
Technical sub-contractors – others	21,44,36,678	78,66,953
	1,02,52,04,543	47,20,95,211

Particulars	Year ended	Period from February 14, 2014
	March 31, 2016	to March 31, 2015
Travel expenses		
Overseas travel expenses	66,77,68,767	3,67,61,517
Travelling and conveyance	8,68,89,606	78,36,833
	75,46,58,373	4,45,98,350
Cost of software packages and others		
For own use	19,84,52,648	29,14,47,468
Third party items bought for service delivery to clients	1,40,73,91,899	79,86,519
	1,60,58,44,547	29,94,33,987
Communication expenses		
Telephone and communication charges	3,72,64,539	1,75,06,436
	3,72,64,539	1,75,06,436
Other expenses		
Office maintenance	16,33,30,046	2,29,52,567
Power and fuel	28,42,264	–
Brand building	6,48,01,838	–
Rent	36,48,01,328	4,18,71,067
Insurance	12,22,005	–
Rates and taxes, excluding taxes on income	3,20,16,092	2,87,44,805
Computer maintenance	3,59,30,881	6,44,10,043
Consumables	1,34,69,009	6,53,906
Commission charges	21,89,92,891	–
Commission to non-whole time directors	20,52,500	6,00,000
Provision for bad and doubtful advances	2,47,138	–
Provision for post sale customer support	5,62,39,658	–
Auditor's remuneration		
Statutory audit fees	34,03,000	5,00,000
Bank charges and commission	14,73,695	2,10,487
Others	10,84,66,186	3,75,27,917
	1,06,92,88,531	19,74,70,792

2.21 Tax expense

in ₹

Particulars	Year ended	Period from February 14, 2014
	March 31, 2016	to March 31, 2015
Current tax		
Income tax expense:	34,63,47,000	–
Deferred taxes	(4,09,00,000)	–
	30,54,47,000	–

2.22 Contingent liabilities and commitments (to the extent not provided for)

in ₹

Particulars	As at March 31,	
	2016	2015
Commitments	–	–
Estimated amount of unexecuted capital contracts	12,29,11,242	55,10,826
(net of advances and deposits)	–	–
There were no contingent liabilities as at March 31, 2016 and March 31, 2015	–	–

2.23 Imports (valued on the cost, insurance and freight basis)

in ₹

Particulars	Year ended	Period from February 14, 2014
	March 31, 2016	to March 31, 2015
Capital goods	15,69,76,733	1,34,73,500
	15,69,76,733	1,34,73,500

2.24 Activity in foreign currency

in ₹

Particulars	Year ended	Period from February 14, 2014
	March 31, 2016	to March 31, 2015
Earnings in foreign currency		
Income from software products, platforms and services	11,13,47,91,750	1,46,47,09,803
	11,13,47,91,750	1,46,47,09,803
Expenditure in foreign currency		
Overseas travel expenses (including visa charges)	20,58,00,693	72,44,204
Professional charges	13,02,76,455	39,51,454
Technical sub-contractors – subsidiaries	61,72,814	–
Overseas salaries and incentives	3,63,23,319	–
Other expenditure incurred overseas for software development	1,22,18,71,810	14,64,30,238
	1,60,04,45,091	15,76,25,896
	9,53,43,46,659	1,30,70,83,907

2.25 Related party transactions

List of related parties:

Name of holding company	Country	Holding as at March 31,	
		2016	2015
Infosys Limited	India	100%	100%

Name of fellow subsidiaries	Country
Infosys BPO Limited (Infosys BPO)	India
Infosys Technologies (China) Co. Limited (Infosys China)	China
Infosys Technologies S. de R. L. de C. V. (Infosys Mexico)	Mexico
Infosys Technologies (Sweden) AB (Infosys Sweden)	Sweden
Infosys Technologies (Shanghai) Company Limited (Infosys Shanghai)	China
Infosys Tecnologia do Brasil Ltda. (Infosys Brasil)	Brazil
Infosys Public Services, Inc. (Infosys Public Services)	U.S.
Infosys Americas Inc. (Infosys Americas)	U.S.
Infosys (Czech Republic) Limited s.r.o. *(formerly Infosys BPO s. r. o)* (1)	Czech Republic
Infosys BPO (Poland) Sp. z o.o. (1)	Poland
Infosys BPO S. de R. L. de C. V (1)(17)	Mexico
Infosys McCamish Systems LLC (1)	U.S.
Portland Group Pty. Limited (1)	Australia
Portland Procurement Services Pty Ltd(5)	Australia
Infosys BPO Americas LLC (1)(16)	U.S.
Infosys Technologies (Australia) Pty. Limited (Infosys Australia) (2)	Australia
Infosys Consulting Holding AG (Infosys Lodestone) *(formerly Lodestone Holding AG)*	Switzerland
Lodestone Management Consultants Inc. (3)	U.S.
Infosys Management Consulting Pty Limited *(formerly Lodestone Management Consultants Pty. Limited)* (3)	Australia
Infosys Consulting AG *(formerly Lodestone Management Consultants AG)* (3)	Switzerland
Lodestone Augmentis AG (2)(6)	Switzerland
Lodestone GmbH *(formerly Hafner Bauer & Ödman GmbH)* (2)(3)	Switzerland
Lodestone Management Consultants (Belgium) S. A. (4)	Belgium
Infosys Consulting GmbH *(formerly Lodestone Management Consultants GmbH)* (3)	Germany
Infosys Consulting Pte Ltd. *(formerly Lodestone Management Consultants Pte Ltd.)* (3)	Singapore
Infosys Consulting SAS *(formerly Lodestone Management Consultants SAS)* (3)	France
Infosys Consulting s.r.o. *(formerly Lodestone Management Consultants s.r.o.)* (3)	Czech Republic
Lodestone Management Consultants GmbH (3)	Austria
Lodestone Management Consultants Co., Ltd. (3)	China
Infy Consulting Company Limited *(formerly Lodestone Management Consultants Ltd.)* (3)	U.K.
Infosys Consulting B.V. *(formerly Lodestone Management Consultants B.V.)* (3)	Netherlands
Infosys Consulting Ltda. *(formerly Lodestone Management Consultants Ltda.)* (4)	Brazil
Infosys Consulting Sp. Z o.o. *(formerly Lodestone Management Consultants Sp. z o.o.)* (3)	Poland
Lodestone Management Consultants Portugal, Unipessoal, Lda. (3)	Portugal
S.C. Infosys Consulting S.R.L.*(formerly SC Lodestone Management Consultants S.R.L.)* (3)	Romania
Infosys Consulting S.R.L. *(formerly Lodestone Management Consultants S.R.L.)* (3)	Argentina
Infosys Canada Public Services Ltd.(8)	Canada
Infosys Nova Holdings LLC (Infosys Nova) (9)	U.S.
Panaya Inc. (Panaya) (10)	U.S.
Panaya Ltd. (11)	Israel
Panaya Gmbh (11)	Germany
Panaya Pty Ltd. (11)	Australia
Panaya Japan Co. Ltd. (11)	Japan
Skava Systems Pvt. Ltd. (Skava Systems) (12)	India
Kallidus Inc. (Kallidus) (13)	U.S.
Noah Consulting LLC (Noah) (14)	U.S.
Noah Information Management Consulting Inc. (Noah Canada) (15)	Canada

(1) *Wholly-owned subsidiaries of Infosys BPO*
(2) *Under liquidation*
(3) *Wholly-owned subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)*
(4) *Majority-owned and controlled subsidiaries of Infosys Consulting Holding AG (formerly Lodestone Holding AG)*
(5) *Wholly-owned subsidiary of Portland Group Pty Ltd. Liquidated effective May 14, 2014*
(6) *Wholly-owned subsidiary of Infosys Consulting AG (formerly Lodestone Management Consultants AG)*
(7) *Incorporated effective February 14, 2014*
(8) *Wholly-owned subsidiary of Infosys Public Services, Inc. Incorporated effective December 19, 2014*
(9) *Incorporated effective January 23, 2015*
(10) *On March 5, 2015, Infosys acquired 100% of the voting interest in Panaya Inc.*
(11) *Wholly-owned subsidiary of Panaya Inc.*
(12) *On June 2, 2015, Infosys acquired 100% of the voting interest in Skava Systems*
(13) *On June 2, 2015, Infosys acquired 100% of the voting interest in Kallidus Inc.*
(14) *On November 16, 2015, Infosys acquired 100% of the membership interests in Noah*
(15) *Wholly-owned subsidiary of Noah*
(16) *Incorporated effective November 20, 2015*
(17) *Liquidated effective March 15, 2016*

List of other related party

Particulars	Country	Nature of relationship
EdgeVerve Systems Limited Employees Gratuity Fund Trust	India	Post-employment benefit plan of EdgeVerve
EdgeVerve Systems Limited Employees Superannuation Fund Trust	India	Post-employment benefit plan of EdgeVerve

List of key management personnel

Directors

Sanjay Purohit	(appointed on February 14, 2014)
Srinivasan Rajam	(appointed on July 8, 2014)
Sandeep Dadlani	(appointed on September 8, 2014)
Roopa Kudva	(appointed on February 10, 2015)
Jonathan Heller	(appointed on June 10, 2015)
Arun Krishnan	(appointed on October 9, 2015)
Samson David	(resigned on April 20, 2015)
Michael Reh	(resigned on March 31, 2016)

Executive Officers

Prem Pereira,	Chief Financial Officer
Sudhir Shridhar Gaonkar,	Company Secretary

The details of amounts due to or due from as at March 31, 2016 and March 31, 2015 are as follows:

in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Other receivables		
Infosys Limited	–	8,60,28,426
Infosys BPO	–	12,72,139
	–	8,73,00,565
Trade payables		
Infosys Limited	2,99,435	14,31,79,110
	2,99,435	14,31,79,110
Loan from parent		
Infosys Limited	–	18,04,77,444
	–	18,04,77,444
Long term borrowings		
Infosys Limited (Debentures)	25,49,00,00,000	–
	25,49,00,00,000	–
Other payables		
Infosys Limited	3,34,81,879	14,33,23,922
Infosys BPO	86,45,349	–
Panaya Inc.	4,66,84,484	–
	8,88,11,712	14,33,23,922
Provision for expenses		
Infosys Limited	20,30,66,973	–
	20,30,66,973	–

Note: Excludes certain balances due to / from Infosys, which are pertaining to contracts pending novation upon business transfer and held in trust by Infosys.

The details of the related party transactions entered into by the Company, for the year ended March 31, 2016 and March 31, 2015 are as follows:

Refer to Note 2.34 for acquisition of business from holding company.

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Capital transactions		
Financing transactions		
Capital infusion by parent		
Infosys Limited (Equity)	8,50,00,00,000	4,61,84,00,000
	8,50,00,00,000	4,61,84,00,000
Debenture issued to parent		
Infosys Limited	25,49,00,00,000	30,00,00,000
	25,49,00,00,000	30,00,00,000
Loans received from parent		
Infosys Limited	94,50,00,000	30,00,00,000
	94,50,00,000	30,00,00,000
Loans repaid to parent		
Infosys Limited	1,12,54,77,444	12,00,00,000
	1,12,54,77,444	12,00,00,000
Fixed asset purchase from parent		
Infosys Limited	10,72,197	24,88,589
	10,72,197	24,88,589
Others		
Cash received under business transfer	3,34,80,00,000	–
	3,34,80,00,000	–
Revenue transactions:		
Purchase of shared services including facilities and personnel		
Infosys Limited	1,43,30,01,562	25,51,52,010
Infosys BPO	83,14,437	–
Panaya	4,66,84,484	–
	1,48,80,00,483	71,93,80,268
Interest expense		
Infosys Limited	62,31,99,596	25,01,236
	62,31,99,596	25,01,236

Note: Excludes certain transactions with Infosys, which are pertaining to contracts pending novation upon business transfer and held in trust by Infosys.

The details of compensation to key managerial personnel are as follows:

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Salaries and other employee benefits to whole-time directors and executive officers	1,30,47,872	3,01,03,589
Sitting fees to non-executive / independent directors	20,52,500	6,00,000
Total	1,51,00,372	3,07,03,589

2.26 Research and development expenditure

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Expenditure at Department of Scientific and Industrial Research (DSIR) approved units [(1)]		
Capital expenditure	–	–
Revenue expenditure	1,19,29,22,539	–
Other R&D Expenditure		
Capital expenditure	–	–
Revenue expenditure	1,87,58,81,108	65,94,60,236
Total R&D Expenditure		
Capital expenditure	–	–
Revenue expenditure	3,06,88,03,647	65,94,60,236

[(1)] *With effect from August 1, 2015 the business of Finacle including the R&D activities has been transferred from holding company, Infosys Limited. Hence, with effect from that date, the Company has claimed the weighted tax deduction equal to 200% of eligible R&D expenditures u/s 35(2AB) of the Income Tax Act, 1961.*

2.27 Segment reporting

The Company defines, develops and operates innovative cloud-hosted business platforms and software products as part of the Edge Suite of products or Finacle product which can be deployed either on premises or on cloud environments depending on its products. The Company provides implementation and integration services to help the customers realize benefits from its software solutions. Effective April 1, 2015, the Company reorganized its segments to support its objective of delivery innovation. This structure will help deliver services that will reflect the way technology is consumed in layers by the client's enterprise. However, the reorganization did not have any impact in the reportable segments as per AS 17 'Segment reporting'. Segment information has been presented both along industry classes and geographic segmentation of customers, industry being the primary segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Industry segments for the Company are primarily Financial Services and Insurance (FSI) comprising enterprises providing banking, finance and insurance services, Manufacturing (MFG), Energy & utilities, Communication and Services (ECS), Retail, Consumer packaged goods and Logistics (RCL) and Life Sciences and Healthcare (LSH). Geographic segmentation is based on business sourced from that geographic region and delivered from both onsite and offshore. North America comprises the United States of America, Canada and Mexico, Europe includes continental Europe (both the east and the west), Ireland and the United Kingdom, and the Rest of the World comprises all other places except those mentioned above and India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services from the Company's offshore software development centers and onsite expenses, which are categorized in relation to the associated turnover of the segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. The Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly, these expenses are separately disclosed as 'unallocated' and adjusted against the total income of the Company.

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made. Geographical information on revenue and industry revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

Industry Segments

Year ended March 31, 2016 and period from *February 14, 2014 to March 31, 2015*:

in ₹

Particulars	FSI	MFG	ECS	RCL	LSH	Total
Income from software products, platforms and services	12,61,12,72,087	15,79,88,242	1,10,79,46,891	81,19,92,925	64,04,17,686	15,32,96,17,831
	54,79,24,796	*8,57,63,598*	*33,87,50,799*	*33,09,79,019*	*17,39,24,849*	*1,47,73,43,061*
Identifiable operating expenses	4,02,51,25,754	4,13,86,336	17,04,94,304	12,03,17,671	11,05,92,962	4,46,79,17,027
	6,79,90,188	*1,32,93,666*	*1,31,03,806*	*1,71,90,007*	*9,59,302*	*11,25,36,969*
Allocated expenses	6,18,43,53,615	9,88,24,205	55,29,97,357	47,63,25,346	35,78,78,428	7,67,03,78,951
	52,64,51,835	*7,60,33,292*	*41,78,62,678*	*39,84,94,953*	*20,20,11,459*	*1,62,08,54,217*
Segmental operating income	2,40,17,92,718	1,77,77,701	38,44,55,230	21,53,49,908	17,19,46,296	3,19,13,21,853
	(4,65,17,227)	*(35,63,360)*	*(9,22,15,685)*	*(8,47,05,941)*	*(2,90,45,912)*	*(25,60,48,125)*
Unallocable expenses						3,21,97,14,802
						44,96,52,170
Other income, net						5,85,66,175
						6,72,846
Interest expense						62,31,99,596
						–
Profit before tax						(59,30,26,370)
						(70,50,27,449)
Tax expense						30,54,47,000
						–
Profit after taxes and exceptional item						(89,84,73,370)
						(70,50,27,449)

Geographic Segments

Year ended March 31, 2016 and period from *February 14, 2014 to March 31, 2015*:

in ₹

Particulars	North America	Europe	India	Rest of the World	Total
Income from software products, platforms and services	2,51,32,41,521	1,40,61,54,165	4,05,63,74,930	7,35,38,47,215	15,32,96,17,831
	79,97,16,558	*21,93,55,288*	*1,26,33,258*	*44,56,37,957*	*1,47,73,43,061*
Identifiable operating expenses	63,13,24,824	36,38,51,458	1,62,02,76,929	1,85,24,63,816	4,46,79,17,027
	7,80,25,788	*66,66,014*	*16,61,479*	*2,61,83,688*	*11,25,36,969*
Allocated expenses	1,34,73,69,767	75,07,76,640	1,94,54,21,385	3,62,68,11,159	7,67,03,78,951
	81,09,15,861	*24,01,89,260*	*1,46,78,163*	*55,50,70,933*	*1,62,08,54,217*
Segmental operating income	53,45,46,930	29,15,26,067	49,06,76,616	1,87,45,72,240	3,19,13,21,853
	(8,92,25,091)	*(2,74,99,986)*	*(37,06,384)*	*(13,56,16,664)*	*(25,60,48,125)*
Unallocable expenses					3,21,97,14,802
					44,96,52,170
Other income, net					5,85,66,175
					6,72,846
Interest expense					62,31,99,596
					–
Profit before tax					(59,30,26,370)
					(70,50,27,449)
Tax expense					30,54,47,000
					–
Profit after taxes and exceptional item					(89,84,73,370)
					(70,50,27,449)

2.28 Gratuity plan

The following table set out the status of the Gratuity Plan as required under AS 15.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation and plan assets:

in ₹

Particulars	As at March 31,	
	2016	2015
Obligations at year beginning	9,07,05,461	–
Service cost	3,72,83,982	63,48,201
Interest cost	2,28,59,538	33,01,736
Transfer of obligation	33,49,88,996	5,27,45,341
Actuarial (gain) / loss	13,76,54,616	2,83,10,183
Benefits paid	(1,43,44,311)	–
Obligations at year / period end	60,91,48,282	9,07,05,461
Change in plan assets		
Plan assets at year beginning, at fair value	2,58,76,419	–
Expected return on plan assets	3,40,99,526	8,60,938
Actuarial gain / (loss)	(56,51,862)	(84,519)
Contributions	14,75,00,000	2,51,00,000
Transfer in	42,89,70,151	–
Benefits paid	(1,43,44,311)	–
Plan assets at year / period end, at fair value	61,64,49,923	2,58,76,419
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Fair value of plan assets at the end of the year / period	61,64,49,923	2,58,76,419
Present value of the defined benefit obligations at the end of the year / period	60,91,48,282	9,07,05,461
Reimbursement asset	–	6,58,92,944
Asset recognized in the balance sheet	73,01,641	10,63,902
Assumptions		
Interest rate	7.80%	7.80%
Estimated rate of return on plan assets	9.50%	9.50%
Weighted expected rate of salary increase	10.00%	10.00%

Net gratuity cost for the year ended March 31, 2016 and March 31, 2015 comprises of the following components :

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Gratuity cost for the period		
Service cost	3,72,83,982	63,48,201
Interest cost	2,28,59,538	33,01,736
Expected return on plan assets	(3,40,99,526)	(8,60,938)
Actuarial loss	14,33,06,478	2,83,94,701
Net gratuity cost	16,93,50,472	3,71,83,700
Actual return on plan assets	2,84,47,664	7,76,419

As at March 31, 2016 and March 31, 2015, the plan assets have been primarily invested in insurer managed funds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The Company expects to contribute ₹7,00,00,000 to the Gratuity Trust during fiscal 2017.

2.29 Provident Fund

The Company contributed ₹12,07,74,969 during the year ended March 31, 2016 (₹1,77,89,201 for the year ended March 31, 2015).

2.30 Superannuation

The Company contributed ₹4,90,96,520 during the year ended March 31, 2016 (₹88,10,583 for the year ended March 31, 2015).

2.31 Reconciliation of basic and diluted shares used in computing earnings per share

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Number of shares considered as basic weighted average shares outstanding	69,17,58,033	20,78,96,740
Add : Effect of dilutive issues of shares	–	–
Number of shares considered as weighted average shares and potential shares outstanding	69,17,58,033	20,78,96,740

2.32 Restricted deposits

Deposits with financial institutions as at March 31, 2016 include ₹17,18,95,031 (₹1,98,75,468 as on March 31, 2015) deposited with financial institution to settle employee-related obligations as and when they arise during the normal course of business.

2.33 Function-wise classification of statement of profit and loss

in ₹

Particulars	Year ended March 31, 2016	Period from February 14, 2014 to March 31, 2015
Income from software products, platforms and services	15,32,96,17,831	1,47,73,43,061
Software development expenses	9,02,99,75,093	1,38,99,80,309
GROSS PROFIT	6,29,96,42,738	8,73,62,752
Selling and marketing expenses	1,52,62,89,223	3,67,20,548
General and administration expenses	1,58,20,31,662	30,91,91,565
	3,10,83,20,885	34,59,12,113
OPERATING PROFIT / (LOSS) BEFORE DEPRECIATION	3,19,13,21,853	(25,85,49,361)
Finance cost	62,31,99,596	–
Depreciation and amortization	3,21,97,14,802	44,71,50,933
OPERATING LOSS	(65,15,92,545)	(70,57,00,294)
Other income	5,85,66,175	6,72,845
LOSS BEFORE TAX	(59,30,26,370)	(70,50,27,449)
Tax expense		
Current tax	34,63,47,000	–
Deferred tax	(4,09,00,000)	–
LOSS FOR THE YEAR	(89,84,73,370)	(70,50,27,449)

2.34 Transfer of business from Infosys Limited

On April 11, 2014, the Board of Directors of EdgeVerve authorized the Company to execute a Business Transfer Agreement and related documents with Infosys, subject to securing the requisite approval from shareholders in the Annual General Meeting.

Infosys has undertaken an enterprise valuation by an independent valuer and accordingly, the business has been transferred for a consideration of $70 million (₹420.84 crore) with effect from July 1, 2014. EdgeVerve undertook a purchase price allocation carried out by an independent valuer based on which certain intangible assets were identified. The consideration has been settled through issue of fully paid-up shares in EdgeVerve.

Net assets taken over :

in ₹

Particulars	Amount
Fixed assets	7,71,32,882
Intangible asset – capital contracts	3,00,60,000
Intangible asset – technology	1,28,65,68,000
Reimbursement asset (on account of employee benefit obligation taken over)	5,92,34,578
Employee benefit obligation – gratuity	(4,85,03,592)
Goodwill	2,80,39,08,132
Total consideration in shares	4,20,84,00,000

On April 17, 2015, the Board of Directors of EdgeVerve authorized the Company to execute a Business Transfer Agreement and related documents with Infosys, subject to securing the requisite approval from shareholders in the Annual General Meeting. Subsequently in the Annual General meeting on June 4, 2015, the shareholders have authorized the Board to enter into a Business Transfer Agreement and related documents with Infosys with effect from August 1, 2015 or such other date as may decided by the Board.

Infosys has undertaken an enterprise valuation by an independent valuer and accordingly, the Finacle and Edge Services businesses have been transferred to the Company for a consideration of ₹3,22,20,000,000 and ₹1,77,00,00,000, respectively, with effect from August 1, 2015. EdgeVerve undertook a purchase price allocation carried out by an independent valuer based on which certain intangible assets were identified. The consideration has been settled in the form of equity shares of ₹8,500,000,000 and debentures of ₹25,49,00,00,000.

Net assets taken over :

in ₹

Particulars	Amount
Fixed assets	19,45,45,429
Employee loans and advances	2,24,59,274
Gratuity asset	4,40,66,817
Intercompany receivable – working capital	3,37,34,50,000
Intangible asset – technology	8,08,05,00,000
Intangible asset – trade name	1,25,95,00,000
Intangible asset – customer contracts	85,33,00,000
Goodwill	20,16,21,78,480
Total consideration	33,99,00,00,000

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's registration number : 101248W/W-100022

Supreet Sachdev
Partner
Membership number : 205385

for EdgeVerve Systems Limited

Sandeep Dadlani
Chairman

Arun Krishnan
Director

Sanjay Purohit
Director

Srinivasan Rajam
Director

Roopa Kudva
Director

Jonathan Heller
Director

Prem Pereira
Chief Financial Officer

Sudhir Gaonkar
Company Secretary

Place : Bangalore
Place : April 12, 2016