# WIPRO LIMITED AND SUBSIDIARIES

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS UNDER IFRS

AS OF AND FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2013

# WIPRO LIMITED AND SUBSIDIARIES
# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
## (₹ in millions, except share and per share data, unless otherwise stated)

| | Notes | As of March 31, 2013 | As of September 30, 2013 | As of September 30, 2013 Convenience translation into US$ in millions (Unaudited) |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Goodwill | 6 | 54,756 | 62,751 | 1,003 |
| Intangible assets | 6 | 1,714 | 1,879 | 30 |
| Property, plant and equipment | 5 | 50,525 | 52,377 | 837 |
| Derivative assets | 13 | 51 | 236 | 4 |
| Non-current tax assets | | 10,308 | 11,061 | 177 |
| Deferred tax assets | | 4,235 | 4,776 | 76 |
| Other non-current assets | 10 | 10,738 | 11,731 | 187 |
| **Total non-current assets** | | 132,327 | 144,811 | 2,313 |
| Inventories | 8 | 3,263 | 3,296 | 53 |
| Trade receivables | | 76,635 | 78,087 | 1,248 |
| Other current assets | 10 | 31,069 | 36,162 | 578 |
| Unbilled revenues | | 31,988 | 40,714 | 651 |
| Available for sale investments | 7 | 69,171 | 72,582 | 1,160 |
| Current tax assets | | 7,408 | 9,619 | 154 |
| Derivative assets | 13 | 3,031 | 3,210 | 51 |
| Cash and cash equivalents | 9 | 84,838 | 83,897 | 1,341 |
| **Total current assets** | | 307,403 | 327,567 | 5,234 |
| **TOTAL ASSETS** | | 439,730 | 472,378 | 7,547 |
| **EQUITY** | | | | |
| Share capital | | 4,926 | 4,930 | 79 |
| Share premium | | 11,760 | 12,340 | 197 |
| Retained earnings | | 259,178 | 280,566 | 4,483 |
| Share based payment reserve | | 1,316 | 988 | 16 |
| Other components of equity | | 7,174 | 8,292 | 132 |
| Shares held by controlled trust | | (542) | (542) | (9) |
| Equity attributable to the equity holders of the company | | 283,812 | 306,574 | 4,900 |
| Non-controlling Interest | | 1,171 | 1,186 | 19 |
| **Total equity** | | 284,983 | 307,760 | 4,919 |
| **LIABILITIES** | | | | |
| Long - term loans and borrowings | 11 | 854 | 10,963 | 175 |
| Deferred tax liabilities | | 846 | 983 | 16 |
| Derivative liabilities | 13 | 118 | 1,902 | 30 |
| Non-current tax liability | | 4,790 | 4,512 | 72 |
| Other non-current liabilities | 12 | 3,390 | 2,907 | 46 |
| Provisions | 12 | 9 | 3 | - |
| **Total non-current liabilities** | | 10,007 | 21,270 | 339 |
| Loans and borrowings and bank overdrafts | 11 | 62,962 | 45,451 | 726 |
| Trade payables and accrued expenses | | 48,067 | 50,853 | 812 |
| Unearned revenues | | 10,347 | 11,532 | 184 |
| Current tax liabilities | | 10,226 | 13,157 | 210 |
| Derivative liabilities | 13 | 975 | 6,843 | 109 |
| Other current liabilities | 12 | 10,989 | 14,384 | 230 |
| Provisions | 12 | 1,174 | 1,128 | 18 |
| **Total current liabilities** | | 144,740 | 143,348 | 2,290 |
| **TOTAL LIABILITIES** | | 154,747 | 164,618 | 2,629 |
| **TOTAL EQUITY AND LIABILITIES** | | 439,730 | 472,378 | 7,547 |

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

*for* **B S R & Co. LLP**
*Chartered Accountants*
Firm's Registration No:101248W

**Supreet Sachdev**
*Partner*
Membership No. 205385

Bangalore
October 22, 2013

For and on behalf of the Board of Directors

**Azim Premji**
*Chairman*

**N Vaghul**
*Director*

**B C Prabhakar**
*Director*

**Suresh C Senapaty**
*Executive Director & Chief Financial Officer*

**T K Kurien**
*Executive Director & Chief Executive Officer*

**V Ramachandran**
*Company Secretary*

# WIPRO LIMITED AND SUBSIDIARIES
# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME
## (₹ in millions, except share and per share data, unless otherwise stated)

| | | Three months ended September 30, | | | Six months ended September 30, | | |
|---|---|---|---|---|---|---|---|
| | Notes | 2012 | 2013 | 2013 Convenience translation into US $ in millions (Unaudited) Refer note 2 (iv) | 2012 | 2013 | 2013 Convenience translation into US $ in millions (Unaudited) Refer note 2 (iv) |
| **Continuing Operations** | | | | | | | |
| Gross revenues…… | 16 | 92,203 | 107,727 | 1,721 | 183,030 | 205,021 | 3,276 |
| Cost of revenues…… | 17 | (63,958) | (74,207) | (1,186) | (127,654) | (141,424) | (2,260) |
| **Gross profit……** | | **28,245** | **33,520** | **536** | **55,376** | **63,597** | **1,016** |
| Selling and marketing expenses…… | 17 | (5,960) | (7,605) | (122) | (11,732) | (14,465) | (231) |
| General and administrative expenses…… | 17 | (5,098) | (5,686) | (91) | (10,657) | (11,253) | (180) |
| Foreign exchange gains/(losses), net…… | | 160 | 2,193 | 35 | 1,816 | 2,245 | 36 |
| **Results from operating activities……** | | **17,347** | **22,422** | **358** | **34,803** | **40,124** | **641** |
| Finance expenses…… | 18 | (535) | (656) | (10) | (1,826) | (1,151) | (18) |
| Finance and other income…… | 19 | 2,930 | 3,412 | 55 | 5,343 | 6,774 | 108 |
| **Profit before tax……** | | **19,742** | **25,178** | **401** | **38,320** | **45,747** | **731** |
| Income tax expense…… | 15 | (4,637) | (5,754) | (92) | (8,467) | (10,005) | (160) |
| **Profit for the period from continuing operations……** | | **15,105** | **19,424** | **311** | **29,853** | **35,742** | **571** |
| **Discontinued operations** | | | | | | | |
| Profit after tax for the period from discontinued operations….. | 4 | 1,065 | - | - | 2,215 | - | - |
| **Profit for the period……** | | **16,170** | **19,424** | **311** | **32,068** | **35,742** | **571** |
| **Profit attributable to:** | | | | | | | |
| Equity holders of the company…… | | 16,106 | 19,321 | 309 | 31,907 | 35,555 | 568 |
| Non-controlling interest…… | | 64 | 103 | 2 | 161 | 187 | 3 |
| | | **16,170** | **19,424** | **311** | **32,068** | **35,742** | **571** |
| **Profit from continuing operations attributable to:** | | | | | | | |
| Equity holders of the company…… | | 15,044 | 19,321 | 309 | 29,700 | 35,555 | 568 |
| Non-controlling interest…… | | 61 | 103 | 2 | 153 | 187 | 3 |
| | | **15,105** | **19,424** | **311** | **29,853** | **35,742** | **571** |
| **Earnings per equity share:** | 20 | | | | | | |
| Basic…… | | 6.57 | 7.87 | 0.13 | 13.01 | 14.48 | 0.23 |
| Diluted…… | | 6.55 | 7.85 | 0.13 | 12.98 | 14.44 | 0.23 |
| **From continuing operations** | | | | | | | |
| Basic…… | | 6.13 | 7.87 | 0.13 | 12.11 | 14.48 | 0.23 |
| Diluted…… | | 6.12 | 7.85 | 0.13 | 12.08 | 14.44 | 0.23 |
| Weighted average number of equity shares used in computing earnings per equity share: | | | | | | | |
| Basic…… | | 2,453,173,688 | 2,454,919,674 | 2,454,919,674 | 2,452,384,099 | 2,454,939,900 | 2,454,939,900 |
| Diluted…… | | 2,458,188,698 | 2,461,759,416 | 2,461,759,416 | 2,457,689,075 | 2,461,551,636 | 2,461,551,636 |

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

*for* **B S R & Co. LLP**
*Chartered Accountants*
Firm's Registration No:101248W

**Azim Premji**
*Chairman*

**N Vaghul**
*Director*

**B C Prabhakar**
*Director*

**Supreet Sachdev**
*Partner*
Membership No. 205385

**Suresh C Senapaty**
*Executive Director & Chief Financial Officer*

**T K Kurien**
*Executive Director & Chief Executive Officer*

**V Ramachandran**
*Company Secretary*

Bangalore
October 22, 2013

# WIPRO LIMITED AND SUBSIDIARIES
# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
## (₹ in millions, except share and per share data, unless otherwise stated)

| | Notes | Three months ended September 30, | | | Six months ended September 30, | | |
|---|---|---|---|---|---|---|---|
| | | 2012 | 2013 | 2013 Convenience Translation into US $ in millions (Unaudited) Refer note 2(iv) | 2012 | 2013 | 2013 Convenience Translation into US $ in millions (Unaudited) Refer note 2(iv) |
| Profit for the period | | 16,170 | 19,424 | 311 | 32,068 | 35,742 | 571 |
| **Items that will not be reclassified to profit or loss** | | | | | | | |
| Defined benefit plan actuarial gains/(losses) | | - | 174 | 3 | - | 105 | 2 |
| | | **-** | **174** | **3** | **-** | **105** | **2** |
| **Items that may be reclassified subsequently to profit or loss** | | | | | | | |
| Foreign currency translation differences | 14 | (2,106) | 2,627 | 42 | 2,188 | 6,679 | 107 |
| Net change in fair value of cash flow hedges | 13,15 | 3,524 | (1,755) | (28) | 1,777 | (5,320) | (85) |
| Net change in fair value of available for sale investments | 7, 15 | 145 | (309) | (5) | 291 | (181) | (3) |
| | | **1,563** | **563** | **9** | **4,256** | **1,178** | **19** |
| **Total other comprehensive income, net of taxes** | | **1,563** | **737** | **12** | 4,256 | 1,283 | 21 |
| **Total comprehensive income for the period** | | **17,733** | **20,161** | **322** | **36,324** | **37,025** | **592** |
| Attributable to: | | | | | | | |
| Equity holders of the company | | 17,728 | 19,983 | 319 | 36,141 | 36,667 | 586 |
| Non-controlling interest | | 5 | 178 | 3 | 183 | 358 | 6 |
| | | **17,733** | **20,161** | **322** | **36,324** | **37,025** | 592 |

The accompanying notes form an integral part of these condensed consolidated interim financial statements

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*Company Secretary*

Bangalore
October 22, 2013

**WIPRO LIMITED AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**
**(₹ in millions, except share and per share data, unless otherwise stated)**

| Particulars | No. of Shares | Share Capital | Share premium | Retained earnings | Share based payment reserve | Other components of equity: Foreign currency translation reserve | Other components of equity: Cash flow hedging reserve | Other components of equity: Other reserves | Shares held by controlled trust * | Equity attributable to the equity holders of the company | Non-controlling Interest | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| As at April 1, 2012………………………….………………… | 2,458,756,228 | 4,917 | 30,457 | 241,912 | 1,976 | 7,908 | (1,358) | 44 | (542) | 285,314 | 849 | 286,163 |
| Total comprehensive income for the period | | | | | | | | | | | | |
| Profit for the period……………………………………………… | - | - | - | 31,907 | - | - | - | - | - | 31,907 | 161 | 32,068 |
| Other comprehensive income…………………………………… | - | - | - | - | - | 2,166 | 1,777 | 291 | - | 4,234 | 22 | 4,256 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **31,907** | **-** | **2,166** | **1,777** | **291** | **-** | **36,141** | **183** | **36,324** |
| **Transaction with owners of the company, recognized directly in equity** | | | | | | | | | | | | |
| **Contributions by and distributions to owners of the Company** | | | | | | | | | | | | |
| Cash dividend paid (Including dividend tax thereon)……….. | - | - | - | (11,375) | - | - | - | - | - | (11,375) | - | (11,375) |
| Issue of equity shares on exercise of options …………………… | 3,238,884 | 6 | 987 | - | (987) | - | - | - | - | 6 | - | 6 |
| Compensation cost related to employee share based payment transactions.…………………………………………. | - | - | - | - | 154 | - | - | - | - | 154 | - | 154 |
| **Total transactions with owners of the company** | **3,238,884** | **6** | **987** | **(11,375)** | **(833)** | **-** | **-** | **-** | **-** | **(11,215)** | **-** | **(11,215)** |
| **As at September 30, 2012..………………………………………** | **2,461,995,112** | **4,923** | **31,444** | **262,444** | **1,143** | **10,074** | **419** | **335** | **(542)** | **310,240** | **1,032** | **311,272** |

# WIPRO LIMITED AND SUBSIDIARIES
## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
### (₹ in millions, except share and per share data, unless otherwise stated)

| Particulars | No. of Shares | Share Capital | Share premium | Retained earnings | Share based payment reserve | Other components of equity: Foreign currency translation reserve | Other components of equity: Cash flow hedging reserve | Other components of equity: Other reserves | Shares held by controlled trust * | Equity attributable to the equity holders of the company | Non-controlling Interest | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| As at April 1, 2013 | 2,462,934,730 | 4,926 | 11,760 | 259,178 | 1,316 | 5,470 | 1,489 | 215 | (542) | 283,812 | 1,171 | 284,983 |
| Change in accounting policy adoption of Revised IAS 19 | - | - | - | (6) | - | - | - | 6 | - | - | - | - |
| Total comprehensive income for the period | | | | | | | | | | | | |
| Profit for the period | - | - | - | 35,555 | - | - | - | - | - | 35,555 | 187 | 35,742 |
| Other comprehensive income | - | - | - | - | - | 6,508 | (5,320) | (76) | - | 1,112 | 171 | 1,283 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **35,555** | **-** | **6,508** | **(5,320)** | **(76)** | **-** | **36,667** | **358** | **37,025** |
| **Transaction with owners of the company, recognized directly in equity** | | | | | | | | | | | | |
| **Contributions by and distributions to owners of the Company** | | | | | | | | | | | | |
| Issue of equity shares on exercise of options | 2,153,515 | 4 | 580 | - | (580) | - | - | - | - | 4 | - | 4 |
| Dividends | - | - | - | (14,331) | - | - | - | - | - | (14,331) | (343) | (14,674) |
| Compensation cost related to employee share based payment transactions | - | - | - | (37) | 252 | - | - | - | - | 215 | - | 215 |
| Effect of demerger of diversified business | - | - | - | 207 | - | - | - | - | - | 207 | - | 207 |
| | **2,153,515** | **4** | **580** | **(14,161)** | **(328)** | **-** | **-** | **-** | **-** | **(13,905)** | **(343)** | **(14,248)** |
| **As at September 30, 2013** | **2,465,088,245** | **4,930** | **12,340** | **280,566** | **988** | **11,978** | **(3,831)** | **145** | **(542)** | **306,574** | **1,186** | **307,760** |
| **Convenience translation into US $ in million (Unaudited) Refer note 2(iv)** | | **79** | **197** | **4,483** | **16** | **191** | **(61)** | **2** | **(9)** | **4,900** | **19** | **4,919** |

* Represents 14,841,271 and 16,640,212 treasury shares as of September 30, 2012 and 2013, respectively.

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

*for* **B S R & Co. LLP**
*Chartered Accountants*
Firm's Registration No:101248W

**Azim Premji**
*Chairman*

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*Partner*
Membership No. 205385

**Suresh C Senapaty**
*Executive Director & Chief Financial Officer*

**T K Kurien**
*Executive Director & Chief Executive Officer*

**V Ramachandran**
*Company Secretary*

Bangalore
October 22, 2013

# WIPRO LIMITED AND SUBSIDIARIES
# CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
## (₹ in millions, except share and per share data, unless otherwise stated)

| | Six months ended September 30, | | |
|---|---|---|---|
| | 2012 | 2013 | 2013 Convenience Translation into US$ in millions (Unaudited) Refer note 2(iv) |
| **Cash flows from operating activities:** | | | |
| Profit for the period | 32,068 | 35,742 | 571 |
| **Adjustments:** | | | |
| Gain on sale of property, plant and equipment and intangible assets, net | (56) | (48) | (1) |
| Depreciation and amortization | 5,499 | 5,117 | 82 |
| Exchange (gain) / loss, net | (311) | 906 | 14 |
| Impact of hedging activities, net | (86) | - | - |
| Gain on sale of investments, net | (930) | (474) | (8) |
| Share based compensation expense | 154 | 215 | 3 |
| Income tax expense | 9,124 | 10,005 | 160 |
| Share of losses of equity accounted investees | 138 | - | - |
| Dividend and interest (income)/expenses, net | (4,385) | (5,827) | (94) |
| **Changes in operating assets and liabilities:** | | | |
| Trade receivables | (3,072) | (1,452) | (23) |
| Unbilled revenue | (1,172) | (8,726) | (139) |
| Inventories | (1,337) | (33) | (1) |
| Other assets | (815) | (6,998) | (112) |
| Trade payables, accrued expenses and other liabilities and provision | 2,969 | 9,153 | 146 |
| Unearned revenue | 962 | 1,185 | 19 |
| **Cash generated from operating activities before taxes** | 38,750 | 38,765 | 619 |
| Income taxes paid, net | (8,133) | (9,481) | (153) |
| **Net cash generated from operating activities** | **30,617** | **29,284** | **468** |
| **Cash flows from investing activities:** | | | |
| Purchase of property, plant and equipment | (5,295) | (4,495) | (72) |
| Proceeds from sale of property, plant and equipment | 128 | 262 | 4 |
| Purchase of available for sale investments | (242,206) | (226,558) | (3,620) |
| Proceeds from sale of available for sale investments | 219,028 | 223,475 | 3,571 |
| Investment in inter-corporate deposits | (7,460) | (1,905) | (31) |
| Refund of inter-corporate deposits | 4,460 | 4,460 | 71 |
| Investment in associate | (130) | - | - |
| Impact of net investment hedging activities, net | - | (4,560) | (73) |
| Cash payment pursuant to demerger | - | (3,250) | (52) |
| Payment for business acquisitions including deposit in escrow, net of cash acquired | (2,271) | - | - |
| Interest received | 3,361 | 4,731 | 76 |
| Dividend received | 477 | 110 | 2 |
| **Net cash used in investing activities** | **(29,908)** | **(7,730)** | **(124)** |
| **Cash flows from financing activities:** | | | |
| Proceeds from issuance of equity shares/shares pending allotment | 6 | 4 | - |
| Repayment of loans and borrowings | (44,032) | (67,904) | (1,085) |
| Proceeds from loans and borrowings | 43,136 | 59,868 | 957 |
| Interest paid on loans and borrowings | (547) | (502) | (8) |
| Payment of cash dividend (including dividend tax thereon) | (11,375) | (14,594) | (233) |
| **Net cash used in financing activities** | **(12,812)** | **(23,128)** | **(370)** |
| Net decrease in cash and cash equivalents during the period | (12,103) | (1,574) | (25) |
| Effect of exchange rate changes on cash and cash equivalents | 739 | 1,188 | 19 |
| Cash and cash equivalents at the beginning of the period | 77,202 | 84,120 | 1,344 |
| Cash and cash equivalents at the end of the period (Note 9) | **65,838** | **83,734** | **1,338** |

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

*for* **B S R & Co. LLP**
*Chartered Accountants*
Firm's Registration No:101248W

**Azim Premji**
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**Suresh C Senapaty**
*Executive Director*
*& Chief Financial Officer*

**T K Kurien**
*Executive Director*
*& Chief Executive Officer*

**V Ramachandran**
*Company Secretary*

Bangalore
October 22, 2013

## 1. The Company overview:

Wipro Limited ("Wipro" or the "Parent Company"), together with its subsidiaries (collectively, "the Company" or the "Group") is a leading India based provider of IT Services, including Business Process Outsourcing ("BPO") services and IT products, globally.

Wipro is a public limited company incorporated and domiciled in India. The address of its registered office is Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore - 560 035, Karnataka, India. Wipro has its primary listing with Bombay Stock Exchange and National Stock Exchange in India. The Company's American Depository Shares representing equity shares are also listed on the New York Stock Exchange. These condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on October 22, 2013.

## 2. Basis of preparation of financial statements

### (i) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual consolidated financial statements as at and for the year ended March 31, 2013. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with the IFRS.

### (ii) Basis of preparation

These condensed consolidated interim financial statements are prepared in accordance with *International Accounting Standard (IAS) 34, "Interim Financial Reporting"*.

The condensed consolidated interim financial statements correspond to the classification provisions contained in *IAS 1(revised), "Presentation of Financial Statements"*. For clarity, various items are aggregated in the statements of income and statements of financial position. These items are disaggregated separately in the Notes, where applicable. The accounting policies have been consistently applied to all periods presented in these condensed consolidated interim financial statements.

All amounts included in the condensed consolidated interim financial statements are reported in millions of Indian rupees (₹ in millions) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

When an operation is classified as a discontinued operation the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative period. The Company has retrospectively applied the discontinued operation presentation from the start of the comparative period.

During the six months ended September 30, 2013, the Company has applied IAS 19 (as revised in June 2011) Employee Benefits and the related consequential amendments. IAS 19R has been applied retrospectively in accordance with transitional provisions. As a result, all actuarial gains or losses are immediately recognized in other comprehensive income and permanently excluded from profit or loss. Further, the profit or loss will no longer include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. The adoption of Revised IAS 19 did not have a material impact on the consolidated financial statements. Also, the comparative information has not been restated as the effect of the change in the accounting policy is not material on the consolidated interim financial statements.

**(iii) Basis of measurement**

The condensed consolidated interim financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant IFRS:

a. Derivative financial instruments;
b. Available-for-sale financial assets; and
c. The defined benefit asset is recognised as plan assets, unrecognized past service cost, less the present value of the defined benefit obligation.

**(iv) Convenience translation (unaudited)**

The accompanying condensed consolidated interim financial statements have been prepared and reported in Indian rupees, the national currency of India. Solely for the convenience of the readers, the condensed consolidated interim financial statements as of and for the three and six months ended September 30, 2013, have been translated into United States dollars at the certified foreign exchange rate of $ 1 = ₹62.58, as published by Federal Reserve Board of Governors on September 30, 2013. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate.

**(v) Use of estimates and judgment**

The preparation of the condensed consolidated interim financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements is included in the following notes:

a) **Revenue recognition**: The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. To date, the Company has not incurred a material loss on any fixed-price and fixed-timeframe contract.

b) **Goodwill**: Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c) **Income taxes:** The major tax jurisdictions for the Company are India and the United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. Though, the Company considers all these issues in estimating income taxes, there could be an unfavorable resolution of such issues.

d) **Deferred taxes**: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

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

f) **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the uncollectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management initiatives. If market conditions and actual demands are less favorable than the Company's estimates, additional inventory provisions may be required. In all cases inventory is carried at the lower of historical cost and net realizable value. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

## 3. Significant accounting policies

Please refer to the Company's Annual Report for the year ended March 31, 2013 for a discussion of the Company's other critical accounting policies.

**New Accounting standards adopted by the Company:**

The Company has, with effect from April 01, 2013, adopted the following new accounting standards and amendments to accounting standards, including any consequential amendments to other accounting standard.

*Amendment to IAS 1 "Presentation of Financial Statements"* that will improve and align the presentation of items of other comprehensive income (OCI) in financial statements prepared in accordance with International Financial Reporting Standards (IFRSs). Consequent to the adoption of Amendments to IAS 1, the Company has modified the presentation of items of other comprehensive income in the consolidated statement of comprehensive income, to present separately items that may be reclassified subsequently to profit or loss from those that will not be. The adoption of amendment to IAS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Company.

Amendments to IFRS 7 – *Financial Instruments Disclosures* *

IFRS 10 - *Consolidated Financial Statements (2011)**

IFRS 12 - *Disclosure of Interests in Other Entities* *

IFRS 13 – *Fair Value Measurement* *

IAS 19 – *Employee Benefits (2011)* *

* the adoption of these accounting standards including consequential amendments did not have any material impact on the consolidated financial statements of the Company.

**New Accounting standards not yet adopted by the Company:**

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after 1 April 2013, and have not been applied in preparing these consolidated financial statements. These are:

In November 2009, the IASB issued the chapter of *IFRS 9 "Financial Instruments relating to the classification and measurement of financial assets"*. The new standard represents the first phase of a three-phase project to replace *IAS 39 "Financial Instruments: Recognition and Measurement"* (IAS 39) with IFRS 9 Financial Instruments (IFRS 9). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial assets. In October 2010, the IASB added the requirement relating to classification and measurement of financial liabilities to IFRS 9. Under the amendment, an entity measuring its financial liability at fair value, can present the amount of fair value change attributable to entity's own credit risk in other comprehensive income. Further the IASB also decided to carry-forward unchanged from IAS 39 requirements relating to de-recognition of financial assets and financial liabilities. IFRS 9 is effective for fiscal years beginning on or after January 1, 2015. Earlier application is permitted. The Company is evaluating the impact these amendments will have on the Company's consolidated financial statements.

In December, 2011, the IASB issued an amendment to *IAS 32 "Offsetting financial assets and financial liabilities"*. The purpose of the amendment is to clarify some of the requirements for offsetting financial assets and financial liabilities on the statements of financial position. This includes clarifying the meaning of "currently has a legally enforceable right to set-off" and also the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendment is effective retrospectively for fiscal years beginning on or after January 1, 2014. Earlier application is permitted. The Company is evaluating the impact these amendments will have on the Company's consolidated financial statements.

**4. Demerger of diversified business and discontinued operations**

During the financial year 2012-13, the Company had initiated and completed the demerger of its consumer care and lighting, infrastructure engineering and other non-IT business segment (collectively, "the Diversified Business"). The scheme was effective March 31, 2013 after the sanction of the Honorable High Court and filing of the certified copy of the scheme with the Registrar of Companies.

Following the Effective Date, the Diversified Business is classified and presented in the consolidated financial statements as discontinued operation in accordance with IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations. The Demerger is considered as business under common control and hence is outside the scope of application of IFRS 3 and IFRIC 17. Accordingly, assets and liabilities of the Diversified Business as on the Effective Date are at their carrying values.

In connection with the demerger, all subsidiaries which pertained to the Diversified Business were transferred to the Resulting Company. Certain of these subsidiaries in turn possessed subsidiaries which do not pertain to the Diversified Business and instead are considered a portion of the IT Services business segment. The Company has entered into a share purchase agreement with the Resulting Company to affect the transfer of the IT Services related subsidiaries back to Wipro. The transfer of the above subsidiaries will be complete on conclusion of the regulatory process. In the interim, the board of directors of the Resulting Company has authorized Wipro to retain all operating and management control for such subsidiaries, including the power to govern the operating and financial policies, the appointing of a majority of the board of directors, and appointment of key management personnel, and accordingly, the results of such subsidiaries are included with the results of the Company in the consolidated financial statements. Also refer note 24.

The results of the Diversified Business are as follows:

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Revenues…………………………………………….. | ₹ 14,194 | ₹ - | ₹ 28,199 | ₹ - |
| Expenses (net) ………………………………………. | (12,954) | - | (25,694) | - |
| Finance and other income/(expense), net……………… | 302 | - | 505 | - |
| Share of profits/(losses) of equity accounted investee…. | (35) | - | (138) | - |
| Profit before tax……………………………………… | 1,507 | - | 2,872 | - |
| Income tax expense………………………………….. | (442) | - | (657) | - |
| **Profit for the period from discontinued operations…** | **₹ 1,065** | **₹ -** | **₹ 2,215** | **₹ -** |
| | | | | |
| **Profit from discontinued operations attributable to:** | | | | |
| Equity holders of the company………………………… | ₹ 1,062 | ₹ - | ₹ 2,207 | ₹ - |
| Non-controlling interest……………………………….. | 3 | - | 8 | - |
| | **₹ 1,065** | **₹ -** | **₹ 2,215** | **₹ -** |
| | | | | |
| **Earnings per equity share:** | | | | |
| Basic………………………………………………… | 0.43 | - | 0.90 | - |
| Diluted ……………………………………………… | 0.43 | - | 0.90 | - |
| | | | | |
| Weighted average number of equity shares used in computing earnings per equity share: | | | | |
| Basic………………………………………………… | 2,453,173,688 | - | 2,452,384,099 | - |
| Diluted ……………………………………………… | 2,458,188,698 | - | 2,457,689,075 | - |

**Cash flows from/ (used in) discontinued operations**

| | Six months ended September 30, | |
|---|---|---|
| | 2012 | 2013 |
| Net cash flows from operating activities………………... | ₹ 3,366 | ₹ - |
| Net cash flows used in investing activities……………… | (1,989) | - |
| Net cash flows used in financing activities……… | (651) | - |
| **Effect on net cash flows for the period..……………...** | **₹ 726** | **₹ -** |

## 5. Property, plant and equipment

| | Land | Buildings | Plant and machinery* | Furniture fixtures and equipment | Vehicles | Total |
|---|---|---|---|---|---|---|
| **Gross carrying value:** | | | | | | |
| As at April 1, 2012………………………………… | ₹ 4,243 | ₹ 25,326 | ₹ 65,575 | ₹ 12,510 | ₹ 2,082 | ₹ 109,736 |
| Translation adjustment………………………….. | 9 | 143 | 672 | 53 | 2 | 879 |
| Additions ……………………………………….. | 150 | 240 | 3,605 | 349 | 34 | 4,378 |
| Acquisition through business combination........... | - | 3 | 15 | 4 | - | 22 |
| Disposal / adjustments.………………………… | - | ( 68) | (609) | (155) | (240) | (1,072) |
| As at September 30, 2012……………………… | ₹ 4,402 | ₹ 25,644 | ₹ 69,258 | ₹ 12,761 | ₹ 1,878 | ₹ 113,943 |
| **Accumulated depreciation/impairment:** | | | | | | |
| As at April 1, 2012…………………………….. | ₹ - | ₹ 3,259 | ₹ 42,797 | ₹ 8,266 | ₹ 1,885 | ₹ 56,207 |
| Translation adjustment………………………….. | - | 51 | 414 | 37 | 5 | 507 |
| Depreciation…………………………………….. | - | 371 | 3,924 | 824 | 84 | 5,203 |
| Disposal / adjustments.…………………………. | - | (64) | (593) | (124) | (220) | (1001) |
| As at September 30, 2012……………………… | ₹ - | ₹ 3,617 | ₹ 46,542 | ₹ 9,003 | ₹ 1,754 | ₹ 60,916 |
| Capital work-in-progress……………………….. | | | | | | ₹ 6,362 |
| **Net carrying value as at September 30, 2012 #** | | | | | | **₹ 59,389** |
| **Gross carrying value:** | | | | | | |
| As at April 1, 2012………………………………. | ₹ 4,243 | ₹ 25,326 | ₹ 65,575 | ₹ 12,510 | ₹ 2,082 | ₹ 109,736 |
| Translation adjustment…………………………… | 15 | 267 | 1,235 | 70 | 9 | 1,596 |
| Additions ………………………………………… | 159 | 396 | 5,960 | 910 | 52 | 7,477 |
| Acquisition through business combination………. | | 2 | 200 | 7 | - | 209 |
| Disposal / adjustments.…………………………... | (4) | (109) | (1,624) | (716) | (417) | (2,870) |
| Effect of demerger of diversified business……… | (423) | (3,095) | (9,548) | (1,101) | (296) | (14,463) |
| As at March 31, 2013…………………………… | ₹ 3,990 | ₹ 22,787 | ₹ 61,798 | ₹ 11,680 | ₹ 1,430 | ₹ 101,685 |
| **Accumulated depreciation/impairment:** | | | | | | |
| As at April 1, 2012…………………………….. | ₹ - | ₹ 3,259 | ₹ 42,797 | ₹ 8,266 | ₹ 1,885 | ₹ 56,207 |
| Translation adjustment…………………………… | - | 89 | 786 | 23 | 9 | 907 |
| Depreciation……………………………………. | - | 745 | 7,651 | 1,647 | 143 | 10,186 |
| Disposal / adjustments.………………………….. | - | (69) | (1,503) | (645) | (391) | (2,608) |
| Effect of demerger of diversified business…….. | - | (987) | (5,641) | (717) | (251) | (7,596) |
| As at March 31, 2013…………………………… | ₹ - | ₹ 3,037 | ₹ 44,090 | ₹ 8,574 | ₹ 1,395 | ₹ 57,096 |
| Capital work-in-progress ** | | | | | | ₹ 5,936 |
| **Net carrying value as at March 31, 2013……..** | | | | | | **₹ 50,525** |
| **Gross carrying value:** | | | | | | |
| As at April 1, 2013………………………………. | ₹ 3,990 | ₹ 22,787 | ₹ 61,798 | ₹ 11,680 | ₹ 1,430 | ₹ 101,685 |
| Translation adjustment…………………………… | 29 | 470 | 2,957 | 296 | 3 | 3,755 |
| Additions ………………………………………… | 2 | 148 | 4,427 | 419 | 9 | 5,005 |
| Disposal / adjustments.…………………………... | (96) | (37) | (317) | (187) | (305) | (942) |
| As at September 30, 2013………………………. | ₹ 3,925 | ₹ 23,368 | ₹ 68,865 | ₹ 12,208 | ₹ 1,137 | ₹ 109,503 |
| **Accumulated depreciation/impairment:** | | | | | | |
| As at April 1, 2013…………………………….. | ₹ - | ₹ 3,037 | ₹ 44,090 | ₹ 8,574 | ₹ 1,395 | ₹ 57,096 |
| Translation adjustment…………………………… | - | 165 | 1,885 | 202 | 2 | 2,254 |
| Depreciation……………………………………. | - | 355 | 3,542 | 880 | 27 | 4,804 |
| Disposal / adjustments.………………………….. | - | (37) | (167) | (216) | (307) | (727) |
| As at September 30, 2013………………………. | ₹ - | ₹ 3,520 | ₹ 49,350 | ₹ 9,440 | ₹ 1,117 | ₹ 63,427 |
| Capital work-in-progress | | | | | | ₹ 6,301 |
| **Net carrying value as at September 30, 2013…** | | | | | | **₹ 52,377** |

* Including computer equipment and software.
** Net of ₹ 2,855 pertaining to discontinued operations.
# Includes carrying values of continuing and discontinued operations as of September 30, 2012.

## 6. Goodwill and intangible assets

The movement in goodwill balance is given below:

| | Year ended March 31, 2013 | Six months ended September 30, 2013 |
|---|---|---|
| Balance at the beginning of the period…………… | ₹ 67,937 | ₹ 54,756 |
| Translation adjustment…………………………… | 3,810 | 7,995 |
| Acquisition through business combination, net….. | 1,669 | - |
| Effect of demerger of diversified business………. | (18,660) | - |
| **Balance at the end of the period………………..** | **₹ 54,756** | **₹ 62,751** |

| | Intangible assets | | |
|---|---|---|---|
| | Customer related | Marketing related | Total |
| **Gross carrying value:** | | | |
| As at April 1, 2012…………………………………. | ₹ 2,930 | ₹ 3,663 | ₹ 6,593 |
| Translation adjustment……………………........... | 21 | 2 | 23 |
| Acquisition through business combination............... | 156 | 541 | 697 |
| As at September 30, 2012……………………… | ₹ 3,107 | ₹ 4,206 | ₹ 7,313 |
| **Accumulated amortization and impairment:** | | | |
| As at April 1, 2012…………………………………. | ₹ 1,162 | ₹ 1,202 | ₹ 2,364 |
| Translation adjustment……………………………… | - | (17) | (17) |
| Amortization…………………………………………. | 222 | 51 | 273 |
| As at September 30, 2012…………………………… | ₹ 1,384 | ₹ 1,236 | ₹ 2,620 |
| **Net carrying value as at September 30, 2012……..** | **₹ 1,723** | **₹ 2,970** | **₹ 4,693** |
| **Gross carrying value:** | | | |
| As at April 1, 2012………………………………….. | ₹ 2,930 | ₹ 3,663 | ₹ 6,593 |
| Translation adjustment……………………............ | 31 | 55 | 86 |
| Acquisition through business combination………….. | 497 | 663 | 1,160 |
| Effect of demerger of diversified business………… | (455) | (3,563) | (4,018) |
| As at March 31, 2013……………………………….. | ₹ 3,003 | ₹ 818 | ₹ 3,821 |
| **Accumulated amortization and impairment:** | | | |
| As at April 1, 2012…………………………………. | ₹ 1,162 | ₹ 1,202 | ₹ 2,364 |
| Translation adjustment……………………………… | - | 125 | 125 |
| Amortization………………………………………… | 470 | 53 | 523 |
| Effect of demerger of diversified business………… | - | (905) | (905) |
| As at March 31, 2013………………………………. | ₹ 1,632 | ₹ 475 | ₹ 2,107 |
| **Net carrying value as at March 31, 2013……..** | **₹ 1,371** | **₹ 343** | **₹ 1,714** |
| **Gross carrying value:** | | | |
| As at April 1, 2013………………………………….. | ₹ 3,003 | ₹ 818 | ₹ 3,821 |
| Translation adjustment……………………............ | 152 | 65 | 217 |
| Acquisition through business combination………….. | 102 | - | 102 |
| As at September 30, 2013………………………… | ₹ 3,257 | ₹ 883 | ₹ 4,140 |
| **Accumulated amortization and impairment:** | | | |
| As at April 1, 2013…………………………………. | ₹ 1,632 | ₹ 475 | ₹ 2,107 |
| Translation adjustment……………………………… | - | 93 | 93 |
| Amortization………………………………………… | 229 | 34 | 263 |
| Effect of demerger of diversified business………… | (202) | - | (202) |
| As at September 30, 2013………………………… | ₹ 1,659 | ₹ 602 | ₹ 2,261 |
| **Net carrying value as at September 30, 2013……** | **₹ 1,598** | **₹ 281** | **₹ 1,879** |

Amortization expense on intangible assets is included in selling and marketing expenses in the condensed consolidated interim statement of income.

## 7. Available for sale investments

Available for sale investments consists of the following:

| | As at March 31, 2013 | | | | As at September 30, 2013 | | | |
|---|---|---|---|---|---|---|---|---|
| | Cost* | Gross gain recognized directly in equity | Gross loss recognized directly in equity | Fair Value | Cost* | Gross gain recognized directly in equity | Gross loss recognized directly in equity | Fair Value |
| Investment in liquid and short-term mutual funds and others……………………….. | ₹ 37,478 | ₹ 295 | ₹ - | ₹ 37,773 | ₹ 66,208 | ₹ 450 | ₹ (401) | ₹ 66,257 |
| Certificate of deposits……… | 31,419 | - | (21) | 31,398 | 6,311 | 14 | - | 6,325 |
| **Total** | **₹ 68,897** | **₹ 295** | **₹ (21)** | **₹ 69,171** | **₹ 72,519** | **₹ 464** | **₹ (401)** | **₹ 72,582** |

*Available for sale investments include investments amounting to ₹ 507 (March 31, 2013: ₹ 544) pledged as margin money deposit for entering into currency future contracts.

## 8. Inventories

Inventories consist of the following:

| | As at | |
|---|---|---|
| | March 31, 2013 | September 30, 2013 |
| Stores and spare parts……………………………………… | ₹ 1,234 | ₹ 1,066 |
| Raw materials and components.……………………………. | 648 | 512 |
| Work in progress…………………………………………… | 43 | 63 |
| Finished goods……………………………………………… | 1,338 | 1,655 |
| | **₹ 3,263** | **₹ 3,296** |

## 9. Cash and cash equivalents

Cash and cash equivalents as of March 31, 2013 and September 30, 2013 consist of cash and balances on deposit with banks. Cash and cash equivalents consist of the following:

| | As at | |
|---|---|---|
| | March 31, 2013 | September 30, 2013 |
| Cash and bank balances…………………………………... | ₹ 35,683 | ₹ 20,787 |
| Demand deposits with banks (1)………………………… | 49,155 | 63,110 |
| | **₹ 84,838** | **₹ 83,897** |

(1)These deposits can be withdrawn by the Company at any time without prior notice and without any penalty on the principal.

Cash and cash equivalent consists of the following for the purpose of the cash flow statement:

| | As at September 30 | |
|---|---|---|
| | 2012 | 2013 |
| Cash and cash equivalents……………………………….. | ₹ 66,574 | ₹ 83,897 |
| Bank overdrafts…………………………………........... | (736) | (163) |
| | **₹ 65,838** | **₹ 83,734** |

## 10. Other assets

| | As at | |
|---|---|---|
| | March 31, 2013 | September 30, 2013 |
| *Current* | | |
| Interest bearing deposits with corporate [1] | ₹ 9,460 | ₹ 6,905 |
| Prepaid expenses | 6,100 | 7,386 |
| Due from officers and employees | 1,666 | 2,453 |
| Finance lease receivables | 2,484 | 2,911 |
| Advance to suppliers | 1,975 | 2,194 |
| Deferred contract costs | 2,422 | 2,931 |
| Interest receivable | 2,235 | 3,306 |
| Deposits | 894 | 1,319 |
| Balance with excise and customs | 1,415 | 1,835 |
| Non-convertible debenture | 42 | - |
| Others [2] | 2,376 | 4,922 |
| | **₹ 31,069** | **₹ 36,162** |
| *Non current* | | |
| Prepaid expenses including rentals for leasehold land | ₹ 4,195 | ₹ 4,401 |
| Finance lease receivables | 5,418 | 5,495 |
| Deferred contract costs | - | 1,396 |
| Deposits | 422 | 86 |
| Others | 703 | 353 |
| | **₹ 10,738** | **₹ 11,731** |
| **Total** | **₹ 41,807** | **₹ 47,893** |

[1] Such deposits earn a fixed rate of interest and will be liquidated within 12 months

[2] Others include ₹ 2,314 (March 31, 2013: ₹ 1,111) due from Wipro Enterprises Limited and its subsidiaries.

## 11. Loans and borrowings

A summary of loans and borrowings is as follows:

| | As at | |
|---|---|---|
| | March 31, 2013 | September 30, 2013 |
| Short-term borrowings from bank | ₹ 42,241 | ₹ 44,348 |
| External commercial borrowing | 20,147 | 9,394 |
| Obligations under finance leases | 1,145 | 2,216 |
| Term loans and others [1] | 283 | 456 |
| **Total loans and borrowings** | **₹ 63,816** | **₹ 56,414** |

[1] Term Loans and others include ₹ 318 (March 31, 2013: Nil) due to Wipro Enterprises Limited and its subsidiaries.

## 12. Other liabilities and provisions

| | As at | |
|---|---|---|
| **Other liabilities:** | **March 31, 2013** | **September 30, 2013** |
| **Current:** | | |
| Statutory and other liabilities | ₹ 4,042 | ₹ 3,675 |
| Employee benefit obligations | 4,011 | 5,306 |
| Advance from customers | 2,405 | 2,508 |
| Others [1] | 531 | 2,895 |
| | **₹ 10,989** | **₹ 14,384** |
| **Non-current:** | | |
| Employee benefit obligations | ₹ 2,812 | ₹ 2,551 |
| Others | 578 | 356 |
| | **₹ 3,390** | **₹ 2,907** |
| **Total** | **₹ 14,379** | **₹ 17,291** |

[1] Others include ₹ 1,803 (March 31, 2013: Nil) due to Wipro Enterprises Limited and its subsidiaries

| | As at | |
|---|---|---|
| | March 31, 2013 | September 30, 2013 |
| **Provisions:** | | |
| **Current:** | | |
| Provision for warranty…………………….. | ₹ 305 | ₹ 286 |
| Others……………………………………….. | 869 | 842 |
| | **₹ 1,174** | **₹ 1,128** |
| **Non-current:** | | |
| Provision for warranty…………………….. | ₹ 9 | ₹ 3 |
| **Total……………………………………..** | **₹ 1,183** | **₹ 1,131** |

Provision for warranty represents cost associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 to 2 years. Other provisions primarily include provisions for tax related contingencies and litigations. The timing of cash outflows in respect of such provision cannot be reasonably determined.

## 13. Financial instruments

### Derivative assets and liabilities:

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities, forecasted cash flows denominated in foreign currency and net investment in foreign operations. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets / liabilities, foreign currency forecasted cash flows and net investment in foreign operations. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

| | As at | | | |
|---|---|---|---|---|
| | March 31, 2013 | | September 30, 2013 | |
| **Designated derivative instruments** | | | | |
| Sell | $ | 777 | $ | 765 |
| | £ | 61 | £ | 78 |
| | ¥ | - | ¥ | - |
| | € | 108 | € | 81 |
| | AUD | 9 | AUD | 4 |
| Interest rate swaps | $ | 30 | $ | 150 |
| **Net investment hedges in foreign operations** | | | | |
| Cross-currency swaps | ¥ | 24,511 | ¥ | - |
| Others | $ | 357 | $ | 302 |
| | € | 40 | € | 35 |
| **Non designated derivative instruments** | | | | |
| Sell | $ | 1,241 | $ | 716 |
| | £ | 73 | £ | 77 |
| | € | 47 | € | 63 |
| | AUD | 60 | AUD | 60 |
| | ¥ | - | ¥ | 815 |
| | SGD | - | SGD | 8 |
| | ZAR | - | ZAR | 169 |
| Buy | $ | 767 | $ | 664 |
| | ¥ | 1,525 | ¥ | - |
| Cross currency swaps | ¥ | 7,000 | ¥ | - |

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

| | As at September 30, 2012 | As at September 30, 2013 |
|---|---|---|
| Balance as at the beginning of the period………………………………………… | ₹ (1,605) | ₹ 1,669 |
| Net (gain)/loss reclassified into statement of income on occurrence of hedged transactions[1]……………………………………………………………………….. | (22) | - |
| Changes in fair value of effective portion of derivatives…………………………….. | 2,041 | (6,231) |
| Gain/ (losses) on cash flow hedging derivatives, net……………………………….. | ₹ 2,019 | ₹ (6,231) |
| Balance as at the end of the period………………………….................................... | ₹ 414 | ₹ (4,562) |
| Deferred tax thereon………………………………………………………………… | ₹ 5 | ₹ 731 |
| **Balance as at the end of the period, net of deferred tax.……………………………** | **₹ 419** | **₹ (3,831)** |

[1] On occurrence of hedge transactions, net (gain)/loss was included as part of revenues.

As at March 31, 2013, September 30, 2012 and 2013, there were no significant gains or losses on derivative transactions or portions thereof that have become ineffective as hedges, or associated with an underlying exposure that did not occur.

## 14. Foreign currency translation reserve

The movement in foreign currency translation reserve attributable to equity holders of the Company is summarized below:

| | As at September 30, 2012 | As at September 30, 2013 |
|---|---|---|
| Balance at the beginning of the period…………………………………. | ₹ 7,908 | ₹ 5,470 |
| Translation difference related to foreign operations…………………… | 2,817 | 10,552 |
| Change in effective portion of hedges of net investment in foreign operations…………………………………………………………….. | (651) | (4,044) |
| Total change during the period………………………………………. | ₹ 2,166 | ₹ 6,508 |
| **Balance at the end of the period……………………………………….** | **₹ 10,074** | **₹ 11,978** |

## 15. Income taxes

Income tax expense / (credit) has been allocated as follows:

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Income tax expense as per the statement of income…………………………………………….. | ₹ 4,637 | ₹ 5,754 | ₹ 8,467 | ₹ 10,005 |
| Income tax included in other comprehensive income on: | | | | |
| unrealized gain / (loss) on investment securities | 20 | (43) | 40 | (27) |
| unrealized gain / (loss) on cash flow hedging derivatives | 563 | (365) | 243 | (911) |
| Defined benefit plan actuarial gains / (losses) | - | 45 | - | 27 |
| **Total income taxes for continuing operations…………** | **₹ 5,220** | **₹ 5,391** | **₹ 8,750** | **₹ 9,094** |

Income tax expense consists of the following:

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Current taxes | | | | |
| Domestic…………………………………. | ₹ 4,201 | ₹ 4,439 | ₹ 6,999 | ₹ 7,846 |
| Foreign….……………………………….. | 1,403 | 913 | 2,739 | 1,604 |
| | ₹ 5,604 | ₹ 5,352 | ₹ 9,738 | ₹ 9,450 |
| Deferred taxes | | | | |
| Domestic………………………………… | ₹ (511) | ₹ (45) | ₹ (592) | ₹ (236) |
| Foreign….………………………………. | (14) | 447 | (22) | 791 |
| | ₹ (525) | ₹ 402 | ₹ (614) | ₹ 555 |
| **Total income tax expense………………………** | **₹ 5,079** | **₹ 5,754** | **₹ 9,124** | **₹ 10,005** |

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Total taxes of continuing operations…………. | ₹ 4,637 | ₹ 5,754 | ₹ 8,467 | ₹ 10,005 |
| Total taxes of discontinued operations………. | 442 | - | 657 | - |
| **Total income tax expense……………………** | **₹ 5,079** | **₹ 5,754** | **₹ 9.124** | **₹ 10,005** |

Income tax expense is net of reversal of provisions recorded in earlier periods, which are no longer required, amounting to ₹ (93) and ₹ 131 for the three months ended September 30, 2012 and 2013 respectively and ₹ 354 and ₹ 643 for the six months ended September 30, 2012 and 2013 respectively.

## 16. Revenues (continuing operations)

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Rendering of services……...................... | ₹ 83,284 | ₹ 98,476 | ₹ 164,567 | ₹ 187,771 |
| Sale of products…………...................... | 8,919 | 9,251 | 18,463 | 17,250 |
| Total revenues…………………………. | ₹ 92,203 | ₹ 107,727 | ₹ 183,030 | ₹ 205,021 |

## 17. Expenses by nature (continuing operations)

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Employee compensation…...…………………. | ₹ 44,527 | ₹ 52,730 | ₹ 88,059 | ₹ 101,058 |
| Raw materials, finished goods, process stocks and stores and spares consumed……………… | 7,240 | 7,038 | 15,096 | 13,718 |
| Sub-contracting/technical fees/third party application…. | 9,001 | 10,541 | 17,745 | 20,747 |
| Travel…………………………………………………… | 3,554 | 4,155 | 7,123 | 8,008 |
| Depreciation and amortization…………………………. | 2,549 | 2,616 | 5,003 | 5,117 |
| Repairs.…………………………………….............. | 1,968 | 3,274 | 4,494 | 4,982 |
| Advertisement…………………………………………. | 365 | 305 | 702 | 652 |
| Communication………………………………………… | 1,201 | 1,479 | 2,414 | 2,718 |
| Rent…………………………………………………… | 1,062 | 1,160 | 2,064 | 2,253 |
| Power and fuel……………………………………… | 724 | 760 | 1,361 | 1,434 |
| Legal and professional fees….……………………….. | 411 | 566 | 970 | 1,194 |
| Rates, taxes and insurance……………………………. | 648 | 592 | 1,160 | 1,002 |
| Carriage and freight…………………………………… | 40 | 29 | 96 | 70 |
| Provision for doubtful debt…………………………… | 150 | 325 | 379 | 598 |
| Miscellaneous expenses………………………………. | 1,576 | 1,928 | 3,377 | 3,591 |
| **Total cost of revenues, selling and marketing and general and administrative expenses** | **₹ 75,016** | **₹ 87,498** | **₹ 150,043** | **₹ 167,142** |

## 18. Finance expense (continuing operations)

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Interest expense……………………………….. | ₹ 264 | ₹ 300 | ₹ 554 | ₹ 472 |
| Exchange fluctuation on foreign currency borrowings, net………………………………… | 271 | 356 | 1,272 | 679 |
| **Total…………………………………………….** | **₹ 535** | **₹ 656** | **₹ 1,826** | **₹ 1,151** |

## 19. Finance and other income (continuing operations)

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Interest income………………………………… | ₹ 2,113 | ₹ 3,065 | ₹ 3,936 | ₹ 6,190 |
| Dividend income…………………………..……. | 129 | 60 | 477 | 110 |
| Gains/(losses) on sale of investments………….. | 688 | 287 | 930 | 474 |
| **Total…………………………………………….** | **₹ 2,930** | **₹ 3,412** | **₹ 5,343** | **₹ 6,774** |

## 20. Earnings per equity share

A reconciliation of profit for the period and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

*Basic:* Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period, excluding equity shares purchased by the Company and held as treasury shares. Equity shares held by controlled Wipro Equity Reward Trust ('WERT') and Wipro Inc Benefit Trust (WIBT) have been reduced from the equity shares outstanding for computing basic and diluted earnings per share. Earnings per share and number of shares outstanding for the three and six months ended September 30, 2012 and 2013 have been adjusted for the grant of 1 employee stock option for every 8.25 employee stock option held by each eligible employee in terms of the demerger scheme as on the Record Date.

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Profit from continuing operation attributable to equity holders of the Company…………………………….. | ₹ 15,044 | ₹ 19,321 | ₹ 29,700 | ₹ 35,555 |
| Weighted average number of equity shares outstanding | 2,453,173,688 | 2,454,919,674 | 2,452,384,099 | 2,454,939,900 |
| Basic earnings per share………………………………. | ₹ 6.57 | ₹ 7.87 | ₹ 13.01 | ₹ 14.48 |
| Basic earnings per share from continuing operations…. | 6.13 | 7.87 | 12.11 | 14.48 |

*Diluted:* Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the period for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the Company.

The calculation is performed in respect of share options to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the period). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Profit from continuing operation attributable to equity holders of the Company.......................................................................... | ₹ 15,044 | ₹ 19,321 | ₹ 29,700 | ₹ 35,555 |
| Weighted average number of equity shares outstanding............ | 2,453,173,688 | 2,454,919,674 | 2,452,384,099 | 2,454,939,900 |
| Effect of dilutive equivalent share options……......……............ | 5,015,010 | 6,839,742 | 5,304,976 | 6,611,736 |
| Weighted average number of equity shares for diluted earnings per share…………………………………………………….. | 2,458,188,698 | 2,461,759,416 | 2,457,689,075 | 2,461,551,636 |
| Diluted earnings per share………………………………….. | ₹ 6.55 | ₹ 7.85 | ₹ 12.98 | ₹ 14.44 |
| Diluted earnings per share from continuing operations……….. | 6.12 | 7.85 | 12.08 | 14.44 |

## 21. Employee benefits (continuing operations)

a) Employee costs include:

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Salaries and bonus....................................... | ₹ 43,447 | ₹ 51,706 | ₹ 85,965 | ₹ 98,862 |
| Employee benefit plans | | | | |
| Gratuity…………………………………… | 114 | 142 | 321 | 275 |
| Contribution to provident and other funds.. | 893 | 732 | 1,683 | 1,706 |
| Share based compensation ……………….. | 73 | 150 | 90 | 215 |
| | **₹ 44,527** | **₹ 52,730** | **₹ 88.059** | **₹ 101,058** |

The employee benefit cost is recognized in the following line items in the statement of income:

| | Three months ended September 30, | | Six months ended September 30, | |
|---|---|---|---|---|
| | 2012 | 2013 | 2012 | 2013 |
| Cost of revenues..................................... | ₹ 37,478 | ₹ 44,036 | ₹ 73,891 | ₹ 84,544 |
| Selling and marketing expenses……….. | 4,271 | 5,748 | 8,375 | 10,756 |
| General and administrative expenses…... | 2,778 | 2,946 | 5,793 | 5,758 |
| | **₹ 44,527** | **₹ 52,730** | **₹ 88,059** | **₹ 101,058** |

The Company has granted nil options under RSU option plan during the three and six months ended September 30, 2012 and 2013.

The Company has adopted Revised IAS 19 with effect from April 01, 2013. The impact of adoption of Revised IAS 19 on consolidated financial statements is not material.

**22. Commitments and contingencies**

*Capital commitments:* As at March 31, 2013 and September 30, 2013, the Company had committed to spend approximately ₹ 1,259 and ₹ 1,279 respectively, under agreements to purchase property and equipment. These amounts are net of capital advances paid in respect of these purchases.

*Guarantees:* As at March 31, 2013 and September 30, 2013, performance and financial guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately ₹ 23,753 and ₹ 22,785, respectively, as part of the bank line of credit.

*Contingencies and lawsuits:* The Company had received tax demands aggregating to ₹ 37,721 (including interest of ₹ 12,170) arising primarily on account of denial of deduction under section 10A of the Income Tax Act, 1961 in respect of profit earned by the Company's undertaking in Software Technology Park at Bangalore for the years ended March 31, 2001 to March 31, 2008. The appeals filed against the said demand before the Appellate authorities have been allowed in favor of the Company by the second appellate authority for the years up to March 31, 2007. Further appeals have been filed by the Income tax authorities before the Hon'ble High Court. For the year ended March 31, 2008, based on DRP directions confirming the position of the assessing officer, the final assessment order was passed by the assessing officer. The Company has filed an appeal against the said order before the Appellate Tribunal.

In March 2013, the Company received the draft assessment order, on similar grounds as that of earlier years, with a demand of ₹ 7,159 (including interest of ₹ 848) for the financial year ended March 31, 2009. The Company has filed its objections against the said demand before the Dispute Resolution Panel, within the time limit prescribed under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of the Company for earlier years, the Company believes that the final outcome of the above disputes should be in favor of the Company and there should not be any material impact on the condensed interim financial statements.

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of its business. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

The Contingent liability in respect of disputed demands for excise duty, custom duty, sales tax and other matters amounts to ₹ 2,273 and ₹ 2,269 as of March 31, 2013 and September 30, 2013, respectively.

**23. Segment Information**

The Company is organised by business, which primarily includes IT Services (comprising of IT Services and BPO Services) and IT Products and Others. Consequent to the demerger of Consumer Care and Lighting, Infrastructure Engineering and other non-IT businesses (collectively, "the Diversified Business"), the Company has re-organised the IT Services business with the object of making industry practice its focal point for performance evaluation and internal financial reporting and decision making. Consequently, the format for reporting IT services business has been changed to industry segments (Industry practice). Industry segments primarily consist of Banking, Financial Services and Insurance (BFSI), Healthcare and Life Sciences (HLS), Retail, Consumer, Transport and Government (RCTG), Energy, Natural Resources and Utilities (ENU), Manufacturing and Hi-tech (MFG), Global Media and Telecom (GMT) and others.

The IT Services reportable segment information for the comparative period by industry class of customers is not restated to reflect the above change since the meaningful segregation of the data is impracticable and cost to develop it is excessive. However, as required under IFRS 8, the Company has presented segment information for the current period on both the old basis and new basis of segmentation.

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IFRS 8, *"Operating Segments"*. The Chairman of the Company evaluates the segments based on their revenue growth and operating income.

Information on reportable segment on the new basis of segmentation for the three months ended September 30, 2013 is as follows:

| | BFSI | HLS | RCTG | ENU | MFG | GMT | IT Services | IT Products | Reconciling items | Entity total |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 26,570 | 10,174 | 14,916 | 15,897 | 19,100 | 14,022 | 100,679 | 9,374 | (133) | 109,920 |
| Operating Income | 5,981 | 1,904 | 3,252 | 4,260 | 4,489 | 3,157 | 23,043 | 152 | (374) | 22,821 |
| Unallocated | | | | | | | (399) | - | - | (399) |
| Operating Income total | | | | | | | 22,644 | 152 | (374) | 22,422 |
| Finance expense | | | | | | | | | | (656) |
| Finance and other income | | | | | | | | | | 3,412 |
| Profit before tax | | | | | | | | | | 25,178 |
| Income tax expense | | | | | | | | | | (5,754) |
| Profit for the period | | | | | | | | | | 19,424 |
| Depreciation and Amortisation | | | | | | | | | | 2,616 |

Information on reportable segments on the old basis of segmentation in given below:

| | Three months ended September 30, 2012 | | | | | | |
|---|---|---|---|---|---|---|---|
| | IT Services and Products | | | | | | |
| | IT Services | IT Products | Total | Consumer Care and Lighting (discontinued) | Others (discontinued) | Reconciling Items | Entity Total |
| Revenues………………………………………. | 83,732 | 8,990 | 92,722 | 10,075 | 3,778 | (9) | 106,566 |
| Cost of revenues………………………………. | (55,949) | (8,079) | (64,028) | (5,513) | (3,326) | (295) | (73,162) |
| Selling and marketing expenses………………. | (5,539) | (340) | (5,879) | (2,900) | (136) | (81) | (8,996) |
| General and administrative expenses………… | (4,939) | (299) | (5,238) | (528) | (136) | 81 | (5,821) |
| Operating income of segment | 17,305 | 272 | 17,577 | 1,134 | 180 | (304) | 18,587 |
| Finance expense………………………..…….. | | | | | | | (537) |
| Finance and other income……………… ……. | | | | | | | 3,234 |
| Share of profits of equity accounted investees | | | | | | | (35) |
| Profit before tax………………………………… | | | | | | | 21,249 |
| Income tax expense……………………………. | | | | | | | (5,079) |
| Profit for the period…………………………….. | | | | | | | 16,170 |
| Depreciation and amortization expense…….. | | | 2,435 | 118 | 126 | 116 | 2,795 |
| Average capital employed……………………… | | | 161,248 | 24,031 | 11,840 | 173,183 | 370,302 |
| Return on capital employed …………………… | | | 44% | 19% | 6% | - | 20% |

| | Three months ended September 30, 2013 | | | | | | |
|---|---|---|---|---|---|---|---|
| | IT Services and Products | | | | | | |
| | IT Services | IT Products | Total | Consumer Care and Lighting (discontinued) | Others (discontinued) | Reconciling Items | Entity Total |
| Revenues………………………………………. | 100,679 | 9,374 | 110,053 | - | - | (133) | 109,920 |
| Cost of revenues………………………………. | (65,597) | (8,581) | (74,178) | - | - | (29) | (74,207) |
| Selling and marketing expenses………………. | (7,122) | (344) | (7,466) | - | - | (139) | (7,605) |
| General and administrative expenses………… | (5,316) | (297) | (5,613) | - | - | (73) | (5,686) |
| **Operating income of segment** | **22,644** | **152** | **22,796** | **-** | **-** | **(374)** | **22,422** |
| Finance expense………………………..…….. | | | | | | | (656) |
| Finance and other income…………………….. | | | | | | | 3,412 |
| Profit before tax………………………………… | | | | | | | 25,178 |
| Income tax expense……………………………. | | | | | | | (5,754) |
| **Profit for the period……………………………..** | | | | | | | **19,424** |
| Depreciation and amortization expense……….. | | | 2,493 | | | 123 | 2,616 |
| Average capital employed……………………… | | | 167,141 | | | 192,676 | 359,817 |
| Return on capital employed …………………… | | | 55% | | | | 24% |

Information on reportable segment on the new basis of segmentation for the six months ended September 30, 2013 is as follows:

| | BFSI | HLS | RCTG | ENU | MFG | GMT | IT Services | IT Products | Reconciling items | Entity total |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 50,262 | 18,941 | 28,365 | 30,125 | 36,129 | 26,220 | 190,042 | 17,540 | (316) | 207,266 |
| Operating Income | 10,771 | 3,308 | 5,800 | 7,848 | 7,874 | 5,392 | 40,993 | 283 | (648) | 40,628 |
| Unallocated | | | | | | | (504) | - | - | (504) |
| Operating Income total | | | | | | | 40,489 | 283 | (648) | 40,124 |
| Finance expense | | | | | | | | | | (1,151) |
| Finance and other income | | | | | | | | | | 6,774 |
| Profit before tax | | | | | | | | | | 45,747 |
| Income tax expense | | | | | | | | | | (10,005) |
| Profit for the period | | | | | | | | | | 35,742 |
| Depreciation and Amortisation | | | | | | | | | | 5,117 |

Information on reportable segments on the old basis of segmentation in given below:

| | Six months ended September 30, 2012 | | | | | | |
|---|---|---|---|---|---|---|---|
| | IT Services and Products | | | Consumer Care and Lighting (discontinued) | Others (discontinued) | Reconciling Items | Entity Total |
| | IT Services | IT Products | Total | | | | |
| Revenues………………………………………. | 166,875 | 18,523 | 185,398 | 19,873 | 7,665 | 160 | 213,096 |
| Cost of revenues………………………………. | (111,055) | (16,736) | (127,791) | (10,812) | (6,871) | (558) | (146,032) |
| Selling and marketing expenses………………. | (10,870) | (684) | (11,554) | (5,899) | (270) | (181) | (17,904) |
| General and administrative expenses………… | (10,202) | (620) | (10,822) | (889) | (247) | 107 | (11,851) |
| Operating income of segment | 34,748 | 483 | 35,231 | 2,273 | 277 | (472) | 37,309 |
| Finance expense………………………..…….. | | | | | | | (1,904) |
| Finance and other income……………….……. | | | | | | | 5,925 |
| Share of profits of equity accounted investees | | | | | | | (138) |
| Profit before tax………………………………. | | | | | | | 41,192 |
| Income tax expense……………………………. | | | | | | | (9,124) |
| Profit for the period…………………………….. | | | | | | | 32,068 |
| Depreciation and amortization expense……….. | | | 4,776 | 232 | 259 | 232 | 5,499 |
| Average capital employed……………….……. | | | 156,709 | 23,421 | 11,979 | 166,385 | 358,494 |
| Return on capital employed …………………… | | | 45% | 19% | 5% | - | 21% |

| | Six months ended September 30, 2013 | | | | | | |
|---|---|---|---|---|---|---|---|
| | IT Services and Products | | | Consumer Care and Lighting (discontinued) | Others (discontinued) | Reconciling Items | Entity Total |
| | IT Services | IT Products | Total | | | | |
| Revenues………………………………………. | 190,042 | 17,540 | 207,582 | - | - | (316) | 207,266 |
| Cost of revenues………………………………. | (125,466) | (15,940) | (141,406) | - | - | (18) | (141,424) |
| Selling and marketing expenses………………. | (13,504) | (693) | (14,197) | - | - | (268) | (14,465) |
| General and administrative expenses………… | (10,583) | (624) | (11,207) | - | - | (46) | (11,253) |
| **Operating income of segment** | **40,489** | **283** | **40,772** | **-** | **-** | **(648)** | **40,124** |
| Finance expense………………………..…….. | | | | | | | (1,151) |
| Finance and other income……………….……. | | | | | | | 6,774 |
| Profit before tax………………………………. | | | | | | | 45,747 |
| Income tax expense……………………………. | | | | | | | (10,005) |
| **Profit for the period……………………………..** | | | | | | | **35,742** |
| Depreciation and amortization expense……….. | | | 4,862 | | | 255 | 5,117 |
| Average capital employed *……………………… | | | 165,673 | | | 190,813 | 356,486 |
| Return on capital employed …………………… | | | 49% | | | | 23% |

* Opening capital employed is represented net off adjustment of capital employed relating to diversified business.

Reconciliation of the reportable segment revenue and profit before tax for three months ended and six months ended September 30, 2012:

| | Three months ended September 30, 2012 | Six months ended September 30, 2012 |
|---|---|---|
| **Revenues:** | | |
| Revenue as per segment reporting | ₹ 106,566 | ₹ 213,096 |
| Less: foreign exchange (gains) / losses, net included in segment revenue | (160) | (1,816) |
| Less: revenues for discontinued operations (note 4) | (14,194) | (28,199) |
| Inter-group transactions | (9) | (51) |
| **Revenues for continuing operations** | **₹ 92,203** | **₹ 183,030** |
| | | |
| **Profit before tax:** | | |
| Profit before tax as per segment reporting | ₹ 21,249 | ₹ 41,192 |
| Less: profit before tax for discontinued operations (note 4) | (1,507) | (2,872) |
| **Profit before tax for continuing operations** | **₹ 19,742** | **₹ 38,320** |

The Company has four geographic segments: India, the United States, Europe and Rest of the world. Revenues from the geographic segments based on domicile of the customer for continuing operations are as follows:

| | Three months ended September 30, 2012 | Three months ended September 30, 2013 | Six months ended September 30, 2012 | Six months ended September 30, 2013 |
|---|---|---|---|---|
| India…………………… | ₹ 11,130 | ₹ 11,301 | ₹ 22,616 | ₹ 21,996 |
| United States……………… | 43,372 | 46,241 | 86,174 | 90,907 |
| Europe…………………….. | 24,100 | 27,810 | 48,273 | 54,347 |
| Rest of the world………….. | 13,761 | 24,568 | 27,783 | 40,016 |
| | **₹ 92,363** | **₹ 109,920** | **₹ 184,846** | **₹ 207,266** |

Management believes that it is currently not practicable to provide disclosure of geographical location wise assets, since the meaningful segregation of the available information is onerous.

No client individually accounted for more than 10% of the revenues during the six months ended September 30, 2012 and 2013.

**Notes:**

a) The company has the following reportable segments:

i) IT Services industry segments primarily consisting of Banking, Financial Services and Insurance (BFSI), Healthcare and Life Sciences (HLS), Retail, Consumer, Transport and Government (RCTG), Energy, Natural Resources and Utilities (ENU), Manufacturing (MFG), Global Media and Telecom (GMT) and others. Key service offering includes software application development and maintenance, research and development services for hardware and software design, business application services, analytics, consulting , infrastructure outsourcing services and business process outsourcing services.

ii) IT Products: The IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. The Company is also a value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands. In certain total outsourcing contracts of the IT Services segment, the Company delivers hardware, software products and other related deliverables. Revenue relating to these items is reported as revenue from the sale of IT Products.

iii) Corporate activities such as treasury, legal and accounting, which do not qualify as operating segments under IFRS 8, and elimination of inter-segment transactions have been considered as ‘reconciling items’.

iv) Hitherto the Demerger of the Diversified Business (refer note 4) during the year ended March 31, 2013, the “Consumer Care and Lighting” and “Others” have been discontinued effective March 31, 2013.

b) Revenues include excise duty of ₹ 13 and ₹ 13 for the three months ended September 30, 2012 and 2013, respectively and ₹ 19 and ₹ 27 for the six months ended September 30, 2012 and 2013, respectively. For the purpose of segment reporting, the segment revenues are net of excise duty. Excise duty is reported in reconciling items.

c) For the purpose of segment reporting, the Company has included the impact of ‘foreign exchange gains / (losses), net’ in revenues (which is reported as a part of operating profit in the statement of income).

d) For evaluating performance of the individual business segments, stock compensation expense is allocated on the basis of straight line amortization. The differential impact of accelerated amortization of stock compensation expense over stock compensation expense allocated to the individual business segments is reported in reconciling items.

e) For evaluating the performance of the individual business segments, amortization of intangibles acquired through business combinations are reported in reconciling items.

f) For evaluating the performance of the individual business segments, loss on disposal of subsidiaries are reported in reconciling items.

g) The Company generally offers multi-year payment terms in certain total outsourcing contracts. These payment terms primarily relate to IT hardware, software and certain transformation services in outsourcing contracts. Corporate treasury provides internal financing to the business units offering multi-year payments terms. Accordingly, such receivables are reflected in capital employed in reconciling items. As of September 30, 2012 and 2013, capital employed in reconciling items includes ₹ 13,862 and ₹ 13,414 respectively, of such receivables on extended collection terms. The finance income on deferred consideration earned under these contracts is included in the revenue of the respective segment and is eliminated under reconciling items.

h) Operating income of segments is after recognition of stock compensation expense arising from the grant of options for continuing operations is as follows:

| **Segments** | **Three months ended September 30,** | | **Six months ended September 30,** | |
|---|---|---|---|---|
| | **2012** | **2013** | **2012** | **2013** |
| IT Services ……………………….. | ₹ 184 | ₹ 139 | ₹ 253 | ₹ 201 |
| IT Products………………………… | 11 | 6 | 16 | 10 |
| Reconciling items………………….. | (122) | 5 | (179) | 4 |
| **Total……………………………….** | **₹ 73** | **₹ 150** | **₹ 90** | **₹ 215** |

**24.** List of subsidiaries as of September 30, 2013 are provided in the table below.

| **Subsidiaries** | **Subsidiaries** | **Subsidiaries** | **Country of Incorporation** |
|---|---|---|---|
| Wipro LLC (formerly Wipro Inc). | | | USA |
| | Wipro Gallagher Solutions Inc | | USA |
| | Enthink Inc. * | | USA |
| | Infocrossing Inc. | | USA |
| | Wipro Promax Analytics Solutions LLC [Promax Analytics Solutions Americas LLC] | | USA |
| | Wipro Insurance Solution LLC | | USA |
| Wipro Energy IT Services India Private Limited (formerly SAIC India Private Limited) | | | India |
| Wipro Japan KK | | | Japan |
| Wipro Shanghai Limited | | | China |
| Wipro Trademarks Holding Limited | | | India |
| Wipro Travel Services Limited | | | India |
| Wipro Holdings (Mauritius) Limited | | | Mauritius |
| | Wipro Holdings UK Limited | | U.K. |
| | | Wipro Technologies UK Limited | U.K. |
| | | Wipro Holding Austria GmbH(A) | Austria |
| | | 3D Networks (UK) Limited | U.K. |
| | | Wipro Europe Limited (A) (formerly SAIC Europe Limited) | U.K |
| Wipro Cyprus Private Limited | | | Cyprus |
| | Wipro Technologies S.A DE C. V | | Mexico |
| | Wipro BPO Philippines LTD. Inc | | Philippines |
| | Wipro Holdings Hungary Korlátolt Felelősségű Társaság | | Hungary |
| | Wipro Technologies Argentina SA | | Argentina |
| | Wipro Information Technology Egypt SAE | | Egypt |
| | Wipro Arabia Limited* | | Saudi Arabia |
| | Wipro Poland Sp Zoo | | Poland |
| | Wipro IT Services Poland Sp. z o. o | | Poland |

| Subsidiaries | Subsidiaries | Subsidiaries | Country of Incorporation |
|---|---|---|---|
| | Wipro Outsourcing Services UK Limited | | U.K. |
| | Wipro Technologies South Africa (Proprietary) Limited | | South Africa |
| | | Wipro Technologies Nigeria Limited | Nigeria |
| | Wipro Information Technology Netherlands BV (formerly Retail Box BV) | | Netherland |
| | | Wipro Portugal S.A.[(A)] (Formerly Enabler Informatica SA) | Portugal |
| | | Wipro Technologies Limited, Russia | Russia |
| | | Wipro Technology Chile SPA | Chile |
| | | Wipro Technologies Canada Limited | Canada |
| | | Wipro Information Technology Kazakhstan LLP | Kazakhstan |
| | | Wipro Technologies W.T. Sociedad Anonima | Costa Rica |
| | | Wipro Outsourcing Services (Ireland) Limited | Ireland |
| | | Wipro Technologies Norway AS | Norway |
| | | Wipro Technologies VZ, C.A. | Venezuela |
| | Wipro Technologies SRL | | Romania |
| | PT WT Indonesia[#] | | Indonesia |
| | Wipro Australia Pty Limited[#] | | Australia |
| | | Wipro Promax Holdings Pty Ltd (formerly Promax Holdings Pty Ltd) [(A)] | Australia |
| | Wipro Technocentre (Singapore) Pte Limited[#] | | Singapore |
| | Wipro (Thailand) Co Limited[#] | | Thailand |
| | Wipro Bahrain Limited WLL[#] | | Bahrain |
| | Wipro Gulf LLC (formerly SAIC Gulf LLC) | | Sultanate of Oman |
| | Wipro Technologies Spain S.L. | | Spain |
| Wipro Networks Pte Limited (formerly 3D Networks Pte Limited) | | | Singapore |
| Planet PSG Pte Limited | | | Singapore |
| | Wipro Technologies SDN BHD | | Malaysia |
| Wipro Chengdu Limited | | | China |
| Wipro Technology Services Limited | | | India |
| Wipro Airport IT Services Limited[*] | | | India |

*All the above direct subsidiaries are 100% held by the Company except that the Company holds 98% of the equity securities of Enthink Inc., 66.67% of the equity securities of Wipro Arabia Limited and 74% of the equity securities of Wipro Airport IT Services Limited.

[#] In connection with the demerger, all subsidiaries which pertained to the Diversified Business were transferred to the Resulting Company. Certain of these subsidiaries in turn possessed subsidiaries which do not pertain to the Diversified Business and instead are considered a portion of the IT Services business segment. The Company has entered into a share purchase agreement with the Resulting Company to affect the transfer of the IT Services related subsidiaries back to Wipro. The transfer of the above subsidiaries will be complete on conclusion of the regulatory process. In the interim, the board of directors of the Resulting Company has authorized Wipro to retain all operating and management control for such subsidiaries, including the power to govern the operating and financial policies, the appointing of a majority of the board of directors, and appointment of key management personnel, and accordingly, the results of such subsidiaries are included with the results of the Company in the consolidated financial statements.

(A) Step Subsidiary details of Wipro Holding Austria GmbH, Wipro Portugal S.A, Wipro Europe Limited and Wipro Promax Holdings Pty Ltd are as follows:

| **Subsidiaries** | **Subsidiaries** | **Country of Incorporation** |
|---|---|---|
| Wipro Holding Austria GmbH | Wipro Technologies Austria GmbH<br>New Logic Technologies SARL | Austria<br>France |
| Wipro Europe Limited<br>(formerly SAIC Europe Limited) | Wipro UK Limited (formerly SAIC Limited)<br>Wipro Europe (formerly Science Applications International, Europe SARL) | U.K.<br>France |
| Wipro Portugal S.A. | SAS Wipro France<br>(formerly Enabler France SAS)<br>Wipro Retail UK Limited<br>(formerly Enabler UK Limited)<br>Wipro do Brasil Technologia Ltda (formerly Enabler Brazil Ltda)<br>Wipro Technologies Gmbh (formerly Enabler & Retail Consult GmbH) | France<br><br>U.K.<br><br>Brazil<br>Germany |
| Wipro Promax Holdings Pty Ltd<br>(formerly Promax Holdings Pty Ltd) | Wipro Promax Analytics Solutions Pty Ltd<br>(formerly Promax Applications Group Pty Ltd)<br>Wipro Promax IP Pty Ltd (formerly PAG IP Pty Ltd)<br>Wipro Promax Analytics Solutions (Europe) Limited [Promax Analytics Solutions (Europe) Ltd] | Australia<br><br>Australia<br>UK |

**25.** Details of balances with banks as of September 30, 2013 are as follows:

| **Bank Name** | **In Current Account** | **In Deposit Account** | **Total** |
|---|---|---|---|
| Canara Bank ……………………………………… | ₹ - | ₹ 15,650 | ₹ 15,650 |
| Axis Bank …………………………….………. | - | 8,670 | 8,670 |
| Citi Bank…………………………………………. | 5,605 | 2,794 | 8,399 |
| Corporation Bank…………………………………… | 1 | 8,346 | 8,347 |
| HSBC Bank………………………...…………… | 4,432 | 2,148 | 6,580 |
| Indian Overseas Bank …………………………….. | 22 | 5,122 | 5,144 |
| State Bank of Travancore………………………….. | - | 5,000 | 5,000 |
| ICICI Bank…….……………………………………... | 17 | 4,175 | 4,192 |
| Yes Bank………………………......................... | - | 3,000 | 3,000 |
| Union Bank of India………………………………. | - | 2,960 | 2,960 |
| Wells Fargo Bank ……………………….…………….. | 1,982 | - | 1,982 |
| Allahabad Bank……………………………………. | - | 1,500 | 1,500 |
| Central Bank of India …………………………….. | - | 1,500 | 1,500 |
| Karur Vysya Bank ………………...……….......... | - | 750 | 750 |
| Oriental Bank of Commerce……………………….. | - | 750 | 750 |
| HDFC bank ………………………………………. | 468 | 259 | 727 |
| Ratnakar Bank ………………….......................... | - | 430 | 430 |
| Bank of America …………………………………... | 321 | - | 321 |
| Saudi British Bank ………………………………… | 282 | - | 282 |
| Standard Chartered bank……………....................... | 232 | - | 232 |
| Standard Bank………………….......................... | 199 | - | 199 |
| Others including cash and cheques on hand………... | 7,226 | 56 | 7,282 |
| **Total…………………………………………………** | **20,787** | **63,110** | **83,897** |

## 26. Available for sale investments

(a) Investments in liquid and short-term mutual funds/ marketable bonds/ other investments as of September 30, 2013:

| Fund House | As of September 30, 2013 |
|---|---|
| LIC Housing Finance Limited | ₹ 6,616 |
| IDFC Ltd | 5,627 |
| L&T Finance Ltd | 5,134 |
| Bajaj Finance | 4,360 |
| Reliance Mutual Fund | 3,622 |
| Birla Sun life Mutual Ltd | 3,223 |
| Indian Government Bonds | 3,213 |
| ICICI Prudential Mutual Fund | 2,902 |
| SBI Mutual Fund | 2,839 |
| Sundaram Finance Ltd | 2,818 |
| HDFC Ltd | 2,621 |
| NABARD | 2,440 |
| TATA Global Beverages | 2,427 |
| HDFC Mutual Fund | 2,264 |
| SIDBI | 2,066 |
| Opera Corporation | 1,535 |
| IL&FS | 1,226 |
| Religare Mutual Fund. | 1,211 |
| IDFC Mutual Fund | 1,160 |
| DWS Mutual Fund | 1,139 |
| Kotak Mutual Fund | 1,127 |
| National Housing Bank Ltd | 755 |
| Exim Bank of India | 542 |
| Mahindra & Mahindra Finance Ltd | 503 |
| Bharath Aluminum Co. Ltd | 500 |
| Kotak Mahindra Prime | 498 |
| LIC Nomura Mutual Fund | 424 |
| E.I.D. Parry | 352 |
| JP Morgan Mutual Fund | 344 |
| UTI Mutual Fund | 335 |
| TATA Mutual Fund | 316 |
| L&T Mutual Fund | 301 |
| Axeda Corporation | 283 |
| Mahindra Motor Vehicle Limited | 264 |
| IRFC | 257 |
| Tata Capital Financial Services Ltd | 254 |
| Power Finance Corporation Ltd | 204 |
| TUBE Investments | 151 |
| DSP Black Rock Mutual Fund | 139 |
| Steel Authority of India Limited | 100 |
| Others | 165 |
| **Total** | **66,257** |

(b) Investment in Certificates of Deposit as of September 30, 2013:

| Name of the Bank | As of September 30, 2013 |
|---|---|
| Bank of Baroda | ₹ 1,225 |
| Corporation Bank | 1,205 |
| Bank of India | 1,201 |
| State Bank of Travancore | 737 |
| Oriental Bank of Commerce | 736 |
| State Bank of Patiala | 491 |
| Punjab National Bank | 245 |
| Central Bank of India | 245 |
| State Bank of Hyderabad | 240 |
| **Total** | **6,325** |

The accompanying notes form an integral part of these condensed consolidated interim financial statements

| | | | |
|---|---|---|---|
| As per our report of even date attached | For and on behalf of the Board of Directors | | |
| *for* **B S R & Co. LLP** | **Azim Premji** | **N Vaghul** | **B C Prabhakar** |
| *Chartered Accountants* | *Chairman* | *Director* | *Director* |
| Firm's Registration No:101248W | | | |
| **Supreet Sachdev** | **Suresh C Senapaty** | **T K Kurien** | **V Ramachandran** |
| *Partner* | *Executive Director* | *Executive Director* | *Company Secretary* |
| Membership No. 205385 | *& Chief Financial Officer* | *& Chief Executive Officer* | |

Bangalore
October 22, 2013