

WIPRO LIMITED AND SUBSIDIARIES

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS UNDER IFRS**

**AS OF AND FOR THE THREE AND NINE MONTHS ENDED
DECEMBER 31, 2016**

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

	Notes	As of March 31,		As of December 31,
		2016	2016	2016
				Convenience translation into US dollar in millions (unaudited) Refer Note 2(iv)
ASSETS				
Goodwill	5	101,991	130,749	1,925
Intangible assets	5	15,841	19,927	293
Property, plant and equipment	4	64,952	70,362	1,036
Derivative assets	13,14	260	44	1
Investments	7	4,907	10,568	156
Non-current tax assets		11,751	11,938	176
Deferred tax assets		4,286	3,495	51
Other non-current assets	10	15,828	16,072	237
Total non-current assets		219,816	263,155	3,875
Inventories	8	5,390	5,617	83
Trade receivables		100,976	107,375	1,580
Other current assets	10	32,894	28,919	426
Unbilled revenues		48,273	46,026	678
Investments	7	204,244	271,613	3,999
Current tax assets		7,812	9,913	146
Derivative assets	13,14	5,549	7,110	105
Cash and cash equivalents	9	99,049	59,940	883
Total current assets		504,187	536,513	7,900
TOTAL ASSETS		724,003	799,668	11,775
EQUITY				
Share capital		4,941	4,861	72
Share premium		14,642	458	7
Retained earnings		425,106	474,079	6,980
Share based payment reserve		2,229	3,120	46
Other components of equity		18,242	23,343	344
Equity attributable to the equity holders of the Company		465,160	505,861	7,449
Non-controlling interest		2,224	2,463	36
Total equity		467,384	508,324	7,485
LIABILITIES				
Long - term loans and borrowings	11	17,361	20,018	295
Deferred tax liabilities		5,108	7,919	117
Derivative liabilities	13,14	119	3	-
Non-current tax liabilities		8,231	9,501	140
Other non-current liabilities	12	7,225	6,325	93
Provisions	12	14	17	-
Total non-current liabilities		38,058	43,783	645
Loans, borrowings and bank overdrafts	11	107,860	136,310	2,007
Trade payables and accrued expenses		68,187	69,376	1,021
Unearned revenues		18,076	18,418	271
Current tax liabilities		7,015	7,601	112
Derivative liabilities	13,14	2,340	1,929	28
Other current liabilities	12	13,821	12,737	188
Provisions	12	1,262	1,190	18
Total current liabilities		218,561	247,561	3,645
TOTAL LIABILITIES		256,619	291,344	4,290
TOTAL EQUITY AND LIABILITIES		724,003	799,668	11,775

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/W- 100022

Azim H Premji
Chairman &
Managing Director

N Vaghul
Director

Abidali Neemuchwal
Chief Executive Officer
& Executive Director

Jamil Khatri
Partner
Membership No. 102527

Jatin Pravinchandra Dalal
Chief Financial Officer

M Sanaulla Khan
Company Secretary

Mumbai
January 25, 2017

Bangalore
January 25, 2017

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

Notes	Three months ended December 31,			Nine months ended December 31,			
	2015	2016	2016 Convenience translation into US dollar in millions (unaudited) Refer Note 2(iv)	2015	2016	2016 Convenience translation into US dollar in millions (unaudited) Refer Note 2(iv)	
Gross revenues	17	128,605	136,878	2,015	376,116	410,527	6,044
Cost of revenues	18	(90,270)	(96,576)	(1,422)	(260,881)	(290,773)	(4,281)
Gross profit		38,335	40,302	593	115,235	119,754	1,763
Selling and marketing expenses	18	(8,362)	(9,226)	(136)	(25,114)	(28,981)	(427)
General and administrative expenses	18	(7,050)	(8,610)	(127)	(20,830)	(24,754)	(364)
Foreign exchange gains/(losses), net		911	767	11	2,774	3,032	45
Results from operating activities		23,834	23,233	341	72,065	69,051	1,017
Finance expenses	19	(1,423)	(1,366)	(20)	(4,298)	(4,130)	(61)
Finance and other income	20	6,292	5,719	84	17,945	16,024	236
Profit before tax		28,703	27,586	405	85,712	80,945	1,192
Income tax expense	16	(6,245)	(6,440)	(95)	(18,718)	(18,471)	(272)
Profit for the period		22,458	21,146	310	66,994	62,474	920
Attributable to:							
Equity holders of the Company		22,369	21,094	309	66,695	62,284	917
Non-controlling interest		89	52	1	299	190	3
Profit for the period		22,458	21,146	310	66,994	62,474	920
Earnings per equity share:	21						
Attributable to equity share holders of the Company							
Basic		9.10	8.73	0.13	27.15	25.61	0.38
Diluted		9.08	8.70	0.13	27.10	25.54	0.38
Weighted average number of equity shares used in computing earnings per equity share							
Basic		2,457,022,905	2,417,470,626	2,417,470,626	2,456,551,992	2,431,967,685	2,431,967,685
Diluted		2,462,220,926	2,423,740,144	2,423,740,144	2,461,282,411	2,438,741,410	2,438,741,410

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

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Chief Financial Officer

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Company Secretary

Mumbai
January 25, 2017

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

Notes	Three months ended December 31,			Nine months ended December 31,		
	2015	2016	2016	2015	2016	2016
			Convenience translation into US dollar in millions (unaudited) Refer Note 2(iv)			Convenience translation into US dollar in millions (unaudited) Refer Note 2(iv)
Profit for the period	22,458	21,146	310	66,994	62,474	920
Items that will not be reclassified to profit or loss						
Defined benefit plan actuarial gains/(losses)	(25)	10	-	(749)	90	1
Net change in fair value of financial instruments through OCI	-	-	-	130	-	-
	(25)	10	-	(619)	90	1
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation differences	15	147	698	10	3,674	838
Net change in fair value of cash flow hedges	13,16	716	476	7	(1,631)	3,091
Net change in fair value of financial instruments through OCI	7,16	(258)	(146)	(2)	(21)	1,051
	605	1,028	15	2,022	4,980	73
Total other comprehensive income, net of taxes	580	1,038	15	1,403	5,070	74
Total comprehensive income for the period	23,038	22,184	325	68,397	67,544	994
Attributable to:						
Equity holders of the Company	22,939	22,084	324	68,008	67,305	990
Non-controlling interest	99	100	1	389	239	4
	23,038	22,184	325	68,397	67,544	994

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WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT 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			Shares held by controlled trust	Equity attributable to the equity holders of the Company	Non-controlling interest	Total equity
						Foreign currency translation reserve	Cash flow hedging reserve	Other reserves				
As at April 1, 2015.....	2,469,043,038	4,937	14,031	372,248	1,312	11,249	3,550	655	-	407,982	1,646	409,628
Adjustment on adoption of IFRS 9 (net of tax).....	-	-	-	(782)	-	-	-	(31)	-	(813)	-	(813)
Adjusted balances as at April 1, 2015.....	2,469,043,038	4,937	14,031	371,466	1,312	11,249	3,550	624	-	407,169	1,646	408,815
Total comprehensive income for the period												
Profit for the period.....	-	-	-	66,695	-	-	-	-	-	66,695	299	66,994
Other comprehensive income.....	-	-	-	-	-	3,584	(1,631)	(640)	-	1,313	90	1,403
Total comprehensive income for the period	-	-	-	66,695	-	3,584	(1,631)	(640)	-	68,008	389	68,397
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	1,359,190	4	501	-	(501)	-	-	-	-	4	-	4
Dividends.....	-	-	-	(20,701)	-	-	-	-	-	(20,701)	-	(20,701)
Compensation cost related to employee share based payment transactions.....	-	-	-	57	1,139	-	-	-	-	1,196	-	1,196
	1,359,190	4	501	(20,644)	638	-	-	-	-	(19,501)	-	(19,501)
As at December 31, 2015.....	2,470,402,228	4,941	14,532	417,517	1,950	14,833	1,919	(16)	-	455,676	2,035	457,711
Convenience translation into US \$ in million (Unaudited) Refer note 2(iv)		75	220	6,308	29	224	29	-	-	6,884	31	6,915

WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT 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			Equity attributable to the equity holders of the Company	Non-controlling interest	Total equity
						Foreign currency translation reserve	Cash flow hedging reserve	Other reserves			
As at April 1, 2016.....	2,470,713,290	4,941	14,642	425,735	2,229	16,116	1,910	505	466,078	2,224	468,302
Adjustment on adoption of IFRS 9 (net of tax)	-	-	-	(629)	-	-	-	(289)	(918)	-	(918)
Adjusted balances as at April 1, 2016	2,470,713,290	4,941	14,642	425,106	2,229	16,116	1,910	216	465,160	2,224	467,384
Total comprehensive income for the period											
Profit for the period.....	-	-	-	62,284	-	-	-	-	62,284	190	62,474
Other comprehensive income.....	-	-	-	-	-	789	3,091	1,141	5,021	49	5,070
Total comprehensive income for the period	-	-	-	62,284	-	789	3,091	1,141	67,305	239	67,544
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	161,870	^	70	-	(70)	-	-	-	-	-	-
Issue of shares by controlled trust on exercise of options*	-	-	-	349	(349)	-	-	-	-	-	-
Buyback of equity shares #.....	(40,000,000)	(80)	(14,254)	(10,746)	-	-	-	80	(25,000)	-	(25,000)
Dividends.....	-	-	-	(2,911)	-	-	-	-	(2,911)	-	(2,911)
Compensation cost related to employee share based payment transactions.....	-	-	-	(3)	1,310	-	-	-	1,307	-	1,307
	(39,838,130)	(80)	(14,184)	(13,311)	891	-	-	80	(26,604)	-	(26,604)
As at December 31, 2016.....	2,430,875,160	4,861	458	474,079	3,120	16,905	5,001	1,437	505,861	2,463	508,324
Convenience translation into US \$ in million (Unaudited) Refer note 2(iv)		72	7	6,980	46	249	74	21	7,449	36	7,485

* Includes 14,829,824 and 13,822,356 treasury shares held by the controlled trust as of March 31, 2016 and December 31, 2016, respectively. During the period 1,007,468 shares have been issued by the controlled trust on exercise of options.

Refer note 27

^Value is less than 1

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

	Nine months ended December 31,		
	2015	2016	2016 Translation into US\$ in millions (Unaudited) Refer note 2(iv)
Cash flows from operating activities:			
Profit for the period.....	66,994	62,474	920
Adjustments:			
(Gain)/ loss on sale of property, plant and equipment and intangible assets, net..	(10)	125	2
Depreciation and amortization.....	10,661	14,926	220
Exchange loss, net.....	3,130	3,039	45
Gain on sale of investments, net.....	(2,152)	(1,379)	(20)
Share based compensation expense.....	1,149	1,272	19
Income tax expense.....	18,718	18,471	272
Dividend and interest (income)/expenses, net.....	(14,510)	(13,309)	(196)
Other non cash items.....	-	(1,068)	(16)
Changes in operating assets and liabilities; net of effects from acquisitions			
Trade receivables.....	(7,916)	(3,775)	(56)
Unbilled revenue.....	(3,161)	3,321	49
Inventories.....	(1,246)	(227)	(3)
Other assets.....	2,086	5,276	78
Trade payables, accrued expenses, other liabilities and provisions.....	3,589	(2,080)	(31)
Unearned revenue.....	2,573	(820)	(12)
Cash generated from operating activities before taxes.....	79,905	86,246	1,271
Income taxes paid, net.....	(20,027)	(19,059)	(281)
Net cash generated from operating activities.....	59,878	67,187	990
Cash flows from investing activities:			
Purchase of property, plant and equipment.....	(8,677)	(16,708)	(246)
Proceeds from sale of property, plant and equipment.....	501	832	12
Purchase of investments.....	(727,251)	(554,806)	(8,169)
Proceeds from sale of investments.....	606,882	486,395	7,161
Impact of investment hedging activities, net.....	395	-	-
Payment for business acquisitions, net of cash acquired.....	(4,032)	(32,213)	(474)
Interest received.....	12,581	13,130	193
Dividend received.....	65	195	3
Net cash used in investing activities.....	(119,536)	(103,175)	(1,520)
Cash flows from financing activities:			
Proceeds from issuance of equity shares/shares pending allotment.....	4	^	^
Repayment of loans and borrowings.....	(89,569)	(85,017)	(1,252)
Proceeds from loans and borrowings.....	100,828	110,688	1,630
Payment for contingent consideration in respect of business combination..	-	(83)	(1)
Payment for buy back of shares.....	-	(25,000)	(368)
Interest paid on loans and borrowings.....	(1,030)	(1,394)	(21)
Payment of cash dividend (including dividend tax thereon).....	(20,701)	(2,911)	(43)
Net cash used in financing activities.....	(10,468)	(3,717)	(55)
Net (decrease) in cash and cash equivalents during the period....	(70,126)	(39,705)	(585)
Effect of exchange rate changes on cash and cash equivalents.....	455	825	12
Cash and cash equivalents at the beginning of the period.....	158,713	98,392	1,449
Cash and cash equivalents at the end of the period (Note 9).....	89,042	59,512	876

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WIPRO LIMITED AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(₹ in millions, except share and per share data, unless otherwise stated)

1. The Company overview

Wipro Limited (“Wipro” or the “Parent Company”), together with its subsidiaries (collectively, “the Company” or the “Group”) is a global information technology (IT), consulting and business process services (BPS) company.

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 January 25, 2017.

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 understand 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, 2016. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with 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.

(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. Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss;
- c. The defined benefit asset/ (liability) is recognised at the present value of the defined benefit obligation less fair value of plan assets; and
- d. Contingent consideration.

(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 nine months ended December 31, 2016, have been translated into United States dollars at the certified foreign exchange rate of \$ 1 = ₹ 67.92 (March 31, 2016: \$ 1 = ₹ 66.25), as published by the Federal Reserve Board of Governors on December 31, 2016. 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 IFRS 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 labor 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.
- 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 higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net 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.
- 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 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 combinations:** 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 and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

- f) **Expected credit losses on financial assets:** On application of IFRS 9, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
- g) **Measurement of fair value of non-marketable equity investments:** These instruments are initially recorded at cost and subsequently measured at fair value. Fair value of investments is determined using the market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates, and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees' revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data.
- h) **Other estimates:** The share based 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, 2016 for a discussion of the Company's other critical accounting policies.

The Company has early adopted IFRS 9 effective April 1, 2016, with retrospective application. Accordingly, the policy for financial instruments as presented in the Company's Annual Report is amended as under:

Financial instruments:

- a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

A. Cash and cash equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the consolidated statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

B. Investments

Financial instruments measured at amortised cost:

Debt instruments that meet the following criteria are measured at amortized cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Financial instruments measured at fair value through other comprehensive income (FVTOCI):

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Interest income is recognized in the statement of income for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is reclassified to statement of income.

Financial instruments measured at fair value through profit or loss (FVTPL):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in statement of income. The gain or loss on disposal is recognized in statement of income.

Interest income is recognized in statement of income for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognized when the Group's right to receive dividend is established.

Investments in equity instruments designated to be classified as FVTOCI:

The Company carries certain equity instruments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognized in other comprehensive income and the gain or loss is not reclassified to statement of income on disposal of these investments. Dividends from these investments are recognized in statement of income when the Company's right to receive dividends is established.

C. Other financial assets:

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

D. Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

b) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

A. Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income and reported within foreign exchange gains/(losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of income.

B. Hedges of net investment in foreign operations

The Company designates derivative financial instruments as hedges of net investments in foreign operations. The Company has also designated a foreign currency denominated borrowing as a hedge of net investment in foreign operations. Changes in the fair value of the derivative hedging instruments and gains/losses on translation or settlement of foreign currency denominated borrowings designated as a hedge of net investment in foreign operations are recognized in other comprehensive income and presented within equity in the FCTR to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income and reported within foreign exchange gains/(losses), net within results from operating activities.

C. Others

Changes in fair value of foreign currency derivative instruments neither designated as cash flow hedges nor hedges of net investment in foreign operations are recognized in the statement of income and reported within foreign exchange gains, net within results from operating activities.

Changes in fair value and gains/(losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

New Accounting standards adopted by the Company:

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended March 31, 2016, except for IFRS 9 as described below:

IFRS 9 – Financial instruments

The Company has elected to early adopt IFRS 9, Financial Instruments effective April 1, 2016 with retrospective application.

IFRS 9 introduces a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. IFRS 9 also includes new guidance regarding the application of hedge accounting to better reflect an entity's risk management activities especially with regard to managing non-financial risks.

Application of the new measurement and presentation requirements of IFRS 9 did not have a significant impact on equity. The Company continues to measure at fair value all financial assets earlier measured at fair value. All existing hedge relationships that were earlier designated as effective hedging relationships continue to qualify for hedge accounting under IFRS 9. As IFRS 9 does not change the general principles of how an entity accounts for effective hedges, there is no significant impact as a result of applying IFRS 9. The effect of change in measurement of financial instruments on the Company's financial position has been applied retrospectively. The retrospective application did not have a significant impact on the financial position as at March 31, 2015 and 2016.

The total impact on the Company's retained earnings and other reserves due to classification and measurement of financial instruments is as follows:

	Retained Earnings	Other Reserves
Reported opening balance as at April 1, 2015	<u>₹ 372,248</u>	<u>₹ 655</u>
Impact on adoption of IFRS 9		
Reclassification of investments from available for sale investments (AFS) to FVTPL (refer note a)	55	(55)
Expected credit losses on financial assets (refer note d)	(1,243)	-
Deferred tax impact on the above	<u>406</u>	<u>24</u>
Total impact on adoption of IFRS 9	<u>(782)</u>	<u>(31)</u>
Adjusted balance as at April 1, 2015	₹ 371,466	₹ 624
Reported balance as at March 31, 2016	425,735	505
Impact of adoption of IFRS 9 for the year ended March 31, 2016		
Reclassification of investments from AFS to FVTPL (refer note a)	375	(375)
Expected credit losses on financial assets (refer note d)	(161)	-
Deferred tax impact on the above	<u>(61)</u>	<u>117</u>
Adjustment on adoption of IFRS 9 for the year ended March 31, 2016	<u>153</u>	<u>(258)</u>
Cumulative impact on adoption of IFRS 9 as at March 31, 2016	<u>(629)</u>	<u>(289)</u>
Adjusted balance as at March 31, 2016	<u>₹ 425,106</u>	<u>₹ 216</u>

(a) Reclassification of investments from AFS to FVTPL

Certain investments in liquid and short-term mutual funds and equity linked debentures were reclassified from available for sale to financial assets measured at FVTPL. Related fair value gains were transferred from other comprehensive income to retained earnings on April 1, 2015. During the year ended March 31, 2016, fair value gains related to these investments amounting to ₹ 258 was recognized in statement of income, net of related deferred tax expense of ₹ 117. This reclassification did not have any impact on the carrying value of the said assets as at April 1, 2015.

(b) Reclassification of investments from AFS to FVTOCI

The Company on initial application of IFRS 9 has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading. Such investments and investment in certificate of deposits were reclassified from available for sale to financial assets measured at FVTOCI. The fair value movements on these investments continue to be recorded through other comprehensive income. This reclassification did not have any impact on the carrying value of the said assets as at April 1, 2015.

(c) Reclassification of loans and deposits to financial instruments at amortised cost

Certain inter corporate and term deposits along with related interest accruals were reclassified from loans and receivables reported as part of other assets to financial assets measured at amortised cost. This reclassification did not have any impact on the carrying value of the said assets as at April 1, 2015.

(d) Impairment of financial assets

The Company has applied the simplified approach to providing for expected credit losses on trade receivables as described by IFRS 9, which requires the use of lifetime expected credit loss provision for all trade receivables. These provisions are based on assessment of risk of default and expected timing of collection. A cumulative impairment provision of ₹ 918 (net of deferred tax) has been recorded as an adjustment to retained earnings as at April 1, 2015.

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

New accounting standards not yet adopted:

A number of new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after April 1, 2016, and have not been applied in preparing these condensed consolidated interim financial statements. New standards, amendments to standards and interpretations that could have a potential impact on the consolidated financial statements of the Company are:

IFRS 15 – Revenue from Contracts with Customers

IFRS 15 supersedes all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations). According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 establishes a five step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligation; changes in contract asset and liability account balances between periods and key judgments and estimates. The standard permits the use of either the retrospective or cumulative effect transition method. In September 2015, the IASB issued an amendment to IFRS 15 deferring the adoption of the standard to periods beginning on or after January 1, 2018. The Company is currently assessing the impact of adopting IFRS 15 on the Company's Consolidated Financial Statements.

IFRS 16 - Leases

On January 13, 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Accounting for transactions where the Company is a lessee is expected to be impacted on application of this standard. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers. The Company is currently assessing the impact of adopting IFRS 16 on the Company's Consolidated Financial Statements.

4. Property, plant and equipment

	Land	Buildings	Plant and machinery*	Furniture fixtures and equipment	Vehicles	Total
Gross carrying value:						
As at April 1, 2015.....	₹ 3,685	₹ 24,515	₹ 79,594	₹ 12,698	₹ 830	₹ 121,322
Translation adjustment.....	12	187	1,412	70	(6)	1,675
Additions	-	962	10,604	878	9	12,453
Additions through business combination.....	-	14	-	41	-	55
Disposal / adjustments.....	-	(36)	(1,570)	(699)	(44)	(2,349)
As at December 31, 2015.....	<u>₹ 3,697</u>	<u>₹ 25,642</u>	<u>₹ 90,040</u>	<u>₹ 12,988</u>	<u>₹ 789</u>	<u>₹ 133,156</u>
Accumulated depreciation/impairment:						
As at April 1, 2015.....	₹ -	₹ 4,513	₹ 56,629	₹ 10,636	₹ 809	₹ 72,587
Translation adjustment.....	-	67	923	51	(2)	1,039
Depreciation.....	-	737	8,099	842	15	9,693
Disposal / adjustments.....	-	(57)	(1,154)	(581)	(36)	(1,828)
As at December 31, 2015.....	<u>₹ -</u>	<u>₹ 5,260</u>	<u>₹ 64,497</u>	<u>₹ 10,948</u>	<u>₹ 786</u>	<u>₹ 81,491</u>
Capital work-in-progress						<u>₹ 5,695</u>
Net carrying value including Capital work-in-progress as at December 31, 2015.....						<u>₹ 57,360</u>
Gross carrying value:						
As at April 1, 2015.....	₹ 3,685	₹ 24,515	₹ 79,594	₹ 12,698	₹ 830	₹ 121,322
Translation adjustment.....	10	209	1,720	79	(1)	2,017
Additions	-	1,799	15,424	1,791	62	19,076
Additions through business combination.....	-	105	4,462	162	34	4,763
Disposal / adjustments.....	-	(539)	(1,620)	(615)	(336)	(3,110)
As at March 31, 2016.....	<u>₹ 3,695</u>	<u>₹ 26,089</u>	<u>₹ 99,580</u>	<u>₹ 14,115</u>	<u>₹ 589</u>	<u>₹ 144,068</u>
Accumulated depreciation/impairment:						
As at April 1, 2015.....	₹ -	₹ 4,513	₹ 56,629	₹ 10,636	₹ 809	₹ 72,587
Translation adjustment.....	-	73	1,113	80	-	1,266
Depreciation.....	-	861	11,381	1,094	19	13,355
Disposal / adjustments.....	-	(103)	(962)	(492)	(324)	(1,881)
As at March 31, 2016.....	<u>₹ -</u>	<u>₹ 5,344</u>	<u>₹ 68,161</u>	<u>₹ 11,318</u>	<u>₹ 504</u>	<u>₹ 85,327</u>
Capital work-in-progress						<u>₹ 6,211</u>
Net carrying value including Capital work-in-progress as at March 31, 2016.....						<u>₹ 64,952</u>
Gross carrying value:						
As at April 1, 2016.....	₹ 3,695	₹ 26,089	₹ 99,580	₹ 14,115	₹ 589	₹ 144,068
Translation adjustment.....	2	175	567	(6)	5	743
Additions	-	905	12,627	1,552	21	15,105
Additions through business combination.....	-	88	423	60	-	571
Disposal / adjustments.....	-	(18)	(5,263)	(520)	(78)	(5,879)
As at December 31, 2016.....	<u>₹ 3,697</u>	<u>₹ 27,239</u>	<u>₹ 107,934</u>	<u>₹ 15,201</u>	<u>₹ 537</u>	<u>₹ 154,608</u>
Accumulated depreciation/impairment:						
As at April 1, 2016.....	₹ -	₹ 5,344	₹ 68,161	₹ 11,318	₹ 504	₹ 85,327
Translation adjustment.....	-	42	332	(3)	3	374
Depreciation.....	-	718	11,089	900	22	12,729
Disposal / adjustments.....	-	(3)	(4,402)	(453)	(64)	(4,922)
As at December 31, 2016.....	<u>₹ -</u>	<u>₹ 6,101</u>	<u>₹ 75,180</u>	<u>₹ 11,762</u>	<u>₹ 465</u>	<u>₹ 93,508</u>
Capital work-in-progress						<u>₹ 9,262</u>
Net carrying value including Capital work-in-progress as at December 31, 2016.....						<u>₹ 70,362</u>

*Including computer equipment and software.

5. Goodwill and intangible assets

The movement in goodwill balance is given below:

	Year ended March 31, 2016	Nine months ended December 31, 2016
Balance at the beginning of the period.....	₹ 68,078	₹ 101,991
Translation adjustment.....	3,421	795
Acquisition through business combination, net/adjustments.....	<u>30,492</u>	<u>27,963</u>
Balance at the end of the period.....	₹ <u>101,991</u>	₹ <u>130,749</u>

	Intangible assets		
	Customer related	Marketing related	Total
Gross carrying value:			
As at April 1, 2015.....	₹ 10,617	₹ 905	₹ 11,522
Translation adjustment.....	(55)	70	15
Acquisition through business combination.....	<u>597</u>	<u>741</u>	<u>1,338</u>
As at December 31, 2015.....	<u>₹ 11,159</u>	<u>₹ 1,716</u>	<u>₹ 12,875</u>
Accumulated amortization and impairment:			
As at April 1, 2015.....	₹ 2,936	₹ 655	₹ 3,591
Translation adjustment.....	-	42	42
Amortization.....	<u>836</u>	<u>132</u>	<u>968</u>
As at December 31, 2015.....	<u>₹ 3,772</u>	<u>₹ 829</u>	<u>₹ 4,601</u>
Net carrying value as at December 31, 2015.....	₹ 7,387	₹ 887	₹ 8,274
Gross carrying value:			
As at April 1, 2015.....	₹ 10,617	₹ 905	₹ 11,522
Translation adjustment.....	292	120	412
Disposal/ adjustment	-	189	189
Acquisition through business combination.....	<u>7,451</u>	<u>1,373</u>	<u>8,824</u>
As at March 31, 2016.....	<u>₹ 18,360</u>	<u>₹ 2,587</u>	<u>₹ 20,947</u>
Accumulated amortization and impairment:			
As at April 1, 2015.....	₹ 2,936	₹ 655	₹ 3,591
Translation adjustment.....	-	70	70
Amortization and impairment	<u>1,228</u>	<u>217</u>	<u>1,445</u>
As at March 31, 2016.....	<u>₹ 4,164</u>	<u>₹ 942</u>	<u>₹ 5,106</u>
Net carrying value as at March 31, 2016.....	₹ 14,196	₹ 1,645	₹ 15,841
Gross carrying value:			
As at April 1, 2016.....	₹ 18,360	₹ 2,587	₹ 20,947
Acquisition through business combination, net/adjustments.....	2,261	4,006	6,267
Translation adjustment.....	<u>(37)</u>	<u>(67)</u>	<u>(104)</u>
As at December 31, 2016.....	<u>₹ 20,584</u>	<u>₹ 6,526</u>	<u>₹ 27,110</u>
Accumulated amortization and impairment:			
As at April 1, 2016.....	₹ 4,164	₹ 942	₹ 5,106
Translation adjustment.....	^	(21)	(21)
Amortization.....	<u>1,640</u>	<u>458</u>	<u>2,098</u>
As at December 31, 2016.....	<u>₹ 5,804</u>	<u>₹ 1,379</u>	<u>₹ 7,183</u>
Net carrying value as at December 31, 2016.....	₹ 14,780	₹ 5,147	₹ 19,927

^ value is less than 1

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

6. Business combination

Designit AS

On August 6, 2015, the Company obtained control of Designit AS (“Designit”) by acquiring 100% of its share capital. Designit is a Denmark based global strategic design firm specializing in designing transformative product-service experiences. The acquisition strengthens the Company’s digital offerings, combining engineering and transformative technology with human centered-design methods.

The acquisition was executed through a share purchase agreement for a consideration of ₹ 6,501 (EUR 93 million) which includes a deferred earn-out component of ₹ 2,108 (EUR 30 million), which is linked to achievement of revenues and earnings over a period of 3 years ending June 30, 2018. The fair value of the earn-out liability was estimated by applying the discounted cash flow approach considering discount rate of 13% and probability adjusted revenue and earnings estimates. This earn-out liability was fair valued at ₹ 1,287 million and recorded as part of purchase price allocation.

The following table presents the allocation of purchase price:

Description	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets.....	₹ 586	₹ -	₹ 586
Customer related intangibles	-	597	597
Brand.....	-	638	638
Non-compete agreement.....	-	103	103
Deferred tax liabilities on intangible assets.....	-	(290)	(290)
Total	₹ 586	₹ 1,048	1,634
Goodwill			4,046
Total purchase price			₹ 5,680

Net assets acquired include ₹ 359 of cash and cash equivalents and trade receivables valued at ₹ 392.

The goodwill of ₹ 4,046 comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is not deductible for income tax purposes.

During the year ended March 31, 2016, the Company concluded the fair value adjustments of the assets acquired and liabilities assumed on acquisition.

During the quarter ended December 31, 2016, an amount of ₹ 83 million has been paid to the sellers representing earn-out payments for the first earn-out period.

Additionally, during the quarter ended December 31, 2016, as a result of changes in estimates of revenue and earnings over the remaining earn-out period, the fair value of earn-out liability was revalued at ₹ 293 million. The revision of estimates has also resulted in reduction in the carrying value of intangibles recognised on acquisition. Accordingly, a net gain of ₹ 1,032 million has been recorded in the condensed consolidated interim statement of income.

Cellent AG

On January 5, 2016, the Company obtained control of Cellent AG (“Cellent”) by acquiring 100% of its share capital. Cellent is an IT consulting and software services company offering IT solutions and services to customers in Germany, Switzerland and Austria. This acquisition provides Wipro with scale and customer relationships, in the Manufacturing and Automotive domains in Germany, Switzerland and Austria region.

The acquisition was executed through a share purchase agreement for a consideration of ₹ 5,686 (EUR 78.8 million), net of ₹ 114 received during the quarter ended September 30, 2016 on conclusion of working capital adjustments which has resulted in reduction of goodwill.

The following table presents the allocation of purchase price:

Description	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets.....	₹ 846	₹ -	₹ 846
Customer related intangibles	-	1,001	1,001
Brand.....	-	317	317
Deferred tax liabilities on intangible assets.....	-	(391)	(391)
Total	₹ 846	₹ 927	1,773
Goodwill			3,913
Total purchase price			₹ 5,686

Net assets acquired include ₹ 367 of cash and cash equivalents and trade receivables valued at ₹ 1,437.

The goodwill of ₹ 3,913 comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is not deductible for income tax purposes.

During the quarter ended September 30, 2016, the Company concluded the fair value adjustments of the assets acquired and liabilities assumed on acquisition.

Healthplan Services

On February 29, 2016, the Company obtained full control of HPH Holdings Corp. (“Healthplan Services”). HealthPlan Services offers market-leading technology platforms and a fully integrated Business Process as a Service (BPaaS) solution to Health Insurance companies (Payers) in the individual, group and ancillary markets. HealthPlan Services provides U.S. Payers with a diversified portfolio of health insurance products delivered through its proprietary technology platform.

The acquisition was consummated for a consideration of ₹ 31,069 (USD 454.1 million) which includes a deferred earn-out component of ₹ 1,115 (USD 16.3 million), which is linked to achievement of revenues and earnings over a period of 3 years ending March 31, 2019. The fair value of the earn-out liability was estimated by applying the discounted cash flow approach considering discount rate of 14.1% and probability adjusted revenue and earnings estimates. This earn-out liability was fair valued at ₹ 536 million (USD 7.8 million) and recorded as part of preliminary purchase price allocation.

The following table presents the provisional allocation of purchase price:

Description	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets.....	₹ 368	₹ 1,604	₹ 1,972
Technology platform.....	1,087	1,904	2,991
Customer related intangibles	-	5,853	5,853
Non-compete agreement.....	-	315	315
Deferred tax liabilities on intangible assets.....	-	(3,066)	(3,066)
Total	₹ 1,455	₹ 6,610	8,065
Goodwill			22,425
Total purchase price			₹ 30,490

Net assets acquired include ₹ 47 of cash and cash equivalents and trade receivables valued at ₹ 2,449.

The goodwill of ₹ 22,425 comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is not deductible for income tax purposes.

The purchase consideration has been allocated on a provisional basis based on management’s estimates. The Company is in the process of making a final determination of the fair value of assets and liabilities. Finalization of the purchase price allocation may result in certain adjustments to the above allocation.

Appirio Inc.

On November 23, 2016, the Company obtained full control of Appirio Inc (“Appirio”). Appirio is a global services company that helps customers create next-generation worker and customer experiences using latest cloud technology services. This acquisition will strengthen Wipro’s cloud application service offerings. The acquisition was consummated for a consideration of ₹ 32,414 (USD 475.7 million).

The following table presents the provisional allocation of purchase price:

Description	Pre-acquisition carrying amount	Fair value adjustments	Purchase price allocated
Net assets.....	₹ 532	(24)	₹ 508
Technology platform.....	436	(89)	347
Customer related intangibles	-	2,323	2,323
Brand.....	180	2,968	3,148
Alliance relationship.	-	858	858
Deferred tax liabilities on intangible assets.....	-	(2,791)	(2,791)
Total	₹ 1,148	₹ 3,245	4,393
Goodwill			28,021
Total purchase price			₹ 32,414

Net assets acquired include ₹ 88 of cash and cash equivalents and trade receivables valued at ₹ 2,363.

The goodwill of ₹ 28,021 comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is not deductible for income tax purposes.

The purchase consideration has been allocated on a provisional basis based on management’s estimates. The Company is in the process of making a final determination of the fair value of assets and liabilities. Finalization of the purchase price allocation may result in certain adjustments to the above allocation.

The pro-forma effects of this acquisition on the Company’s results were not material.

7. Investments

Financial instruments consist of the following:

	As at	
	March 31, 2016	December 31, 2016
Financial instruments at FVTPL		
Investments in liquid and short-term mutual funds ⁽¹⁾	₹ 10,578	₹ 90,155
Others	816	504
Financial instruments at FVTOCI		
Equity instruments	4,907	5,482
Commercial paper, Certificate of deposits and bonds	121,676	121,475
Financial instruments at amortised cost		
Inter corporate and term deposits ^{(2) (3)}	71,174	64,565
	₹ 209,151	₹ 282,181
Current	204,244	271,613
Non-current	4,907	10,568

⁽¹⁾ Investments in liquid and short-term mutual funds include investments amounting to ₹ 115 (March 31, 2016: ₹ 109) pledged as margin money deposits for entering into currency future contracts.

⁽²⁾ These deposits earn a fixed rate of interest.

⁽³⁾ Term deposits include deposits in lien with banks amounting to ₹ 465 (March 31, 2016: ₹ 300).

8. Inventories

Inventories consist of the following:

	As at	
	March 31, 2016	December 31, 2016
Stores and spare parts.....	₹ 871	₹ 863
Raw materials and components.....	2	1
Traded goods.....	4,517	4,753
	<u>₹ 5,390</u>	<u>₹ 5,617</u>

9. Cash and cash equivalents

Cash and cash equivalents as of March 31, 2016 and December 31, 2016 consists of cash and balances on deposit with banks. Cash and cash equivalents consists of the following:

	As at	
	March 31, 2016	December 31, 2016
Cash and bank balances.....	₹ 63,518	₹ 29,624
Demand deposits with banks ⁽¹⁾⁽²⁾	35,531	30,316
	<u>₹ 99,049</u>	<u>₹ 59,940</u>

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

⁽²⁾ Demand deposits with banks include deposits in lien with banks amounting to ₹ Nil (March 31, 2016: ₹ 3).

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

	As at	
	December 31, 2015	December 31, 2016
Cash and cash equivalents.....	₹ 89,973	₹ 59,940
Bank overdrafts.....	(931)	(428)
	<u>₹ 89,042</u>	<u>₹ 59,512</u>

10. Other assets

	As at	
	March 31, 2016	December 31, 2016
<i>Current</i>		
Prepaid expenses and deposits.....	₹ 14,518	12,846
Due from officers and employees.....	3,780	3,004
Finance lease receivables.....	2,034	1,708
Advance to suppliers.....	1,507	1,460
Deferred contract costs.....	3,720	4,427
Interest receivable.....	2,488	2,128
Balance with excise, customs and other authorities.....	1,814	1,842
Others.....	3,033	1,504
	<u>₹ 32,894</u>	<u>₹ 28,919</u>
<i>Non-current</i>		
Prepaid expenses including rentals for leasehold land and deposits.....	₹ 8,534	₹ 9,566
Finance lease receivables.....	2,964	2,858
Deferred contract costs.....	3,807	3,417
Others.....	523	231
	<u>₹ 15,828</u>	<u>₹ 16,072</u>
Total.....	<u>₹ 48,722</u>	<u>₹ 44,991</u>

11. Loans and borrowings

A summary of loans and borrowings is as follows:

	As at	
	March 31, 2016	December 31, 2016
Borrowings from banks.....	₹ 105,661	₹ 136,113
External commercial borrowings.....	9,938	10,190
Obligations under finance leases.....	8,963	8,971
Term loans.....	659	1,054
Total loans and borrowings.....	₹ 125,221	₹ 156,328

12. Other liabilities and provisions

	As at	
	March 31, 2016	December 31, 2016
Other liabilities:		
Current:		
Statutory and other liabilities.....	₹ 3,871	₹ 3,374
Employee benefit obligations.....	5,494	5,468
Advance from customers.....	2,283	2,291
Others.....	2,173	1,604
	<u>₹ 13,821</u>	<u>₹ 12,737</u>
Non-current:		
Employee benefit obligations.....	₹ 4,618	₹ 4,744
Others.....	2,607	1,581
	<u>₹ 7,225</u>	<u>₹ 6,325</u>
Total.....	₹ 21,046	₹ 19,062

	As at	
	March 31, 2016	December 31, 2016
Provisions:		
Current:		
Provision for warranty.....	₹ 388	₹ 359
Others.....	874	831
	<u>₹ 1,262</u>	<u>₹ 1,190</u>
Non-current:		
Provision for warranty.....	₹ 14	₹ 17
Total.....	₹ 1,276	₹ 1,207

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 parties in these derivative instruments are primarily banks 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, 2016	December 31, 2016
<u>Designated derivative instruments</u>		
Sell	\$ 922	\$ 1,005
	£ 248	£ 265
	€ 278	€ 243
	AUD 139	AUD 122
	SAR 19	SAR -
	AED 7	AED -
Interest rate swaps	\$ 150	\$ -
<u>Non designated derivative instruments</u>		
Sell	\$ 1,298	\$ 949
	£ 55	£ 87
	€ 87	€ 83
	AUD 35	AUD 39
	¥ 490	¥ -
	SGD 3	SGD 3
	ZAR 110	ZAR 305
	CAD 11	CAD 27
	CHF 10	CHF -
	SAR 58	SAR 49
	AED 7	AED 69
	PLN -	PLN 31
Buy	\$ 822	\$ 800

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 December 31,	
	2015	2016
Balance as at the beginning of the period.....	₹ 4,268	₹ 2,367
Deferred cancellation gain/(loss), net.....	6	(4)
Changes in fair value of effective portion of derivatives.....	482	7,848
Net (gain)/loss reclassified to statement of income on occurrence of hedged transactions.....	(2,429)	(4,456)
Gain/(loss) on cash flow hedging derivatives, net.....	₹ (1,941)	₹ 3,388
Balance as at the end of the period.....	₹ 2,327	₹ 5,755
Deferred tax asset/(liability) thereon.....	₹ (408)	₹ (754)
Balance as at the end of the period, net of deferred tax.....	₹ 1,919	₹ 5,001

As at March 31, 2016, December 31, 2015 and 2016, 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. Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances and eligible current and non-current assets, long and short-term loans and borrowings, finance lease payables, bank overdrafts, trade payable, eligible current liabilities and non-current liabilities. The fair value of financial assets and liabilities approximate their carrying amount largely due to the short-term nature of such assets and liabilities.

Investments in liquid and short-term mutual funds, which are classified as FVTPL are measured using the net asset values at the reporting date multiplied by the quantity held.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Particulars	As at March 31, 2016				As at December 31, 2016			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
<i>Derivative instruments:</i>								
Cash flow hedges	₹ 3,072	₹ -	₹ 3,072	₹ -	₹ 5,787	₹ -	₹ 5,787	₹ -
Others	2,737	-	2,179	558	1,367	-	809	558
<i>Investments:</i>								
Investment in liquid and short-term mutual funds	10,578	10,578	-	-	90,155	90,155	-	-
Other investments	816	-	816	-	504	-	504	-
Investment in equity instruments	4,907	-	-	4,907	5,482	-	-	5,482
Commercial paper, Certificate of deposits and bonds	121,676	1,094	120,582	-	121,475	-	121,475	-
Liabilities								
<i>Derivative instruments:</i>								
Cash flow hedges	(706)	-	(706)	-	(28)	-	(28)	-
Others	(1,753)	-	(1,753)	-	(1,904)	-	(1,904)	-
<i>Contingent consideration</i>	(2,251)	-	-	(2,251)	(1,095)	-	-	(1,095)

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above table.

Derivative instruments (assets and liabilities): The Company enters into derivative financial instruments with various counter-parties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forward contracts and foreign exchange option contracts. The most frequently applied valuation techniques include forward pricing, swap models and Black Scholes models (for option valuation), using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying. As at December 31, 2016, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

Investment in commercial papers, certificate of deposits and bonds: Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at the reporting date.

Details of assets and liabilities considered under Level 3 classification:

	Investments in equity instruments	Derivative Assets – Others	Liabilities – Contingent consideration
Opening balance as on April 1, 2015	₹ 3,867	₹ 524	₹ (110)
Additions/adjustments	1,016	-	(1,908)
Gain/loss recognized in statement of income	-	34	-
Gain/loss recognized in foreign currency translation reserve	-	-	(95)
Gain/loss recognized in other comprehensive income	24	-	-
Finance expense recognized in statement of income	-	-	(138)
Balance as on March 31, 2016	₹ 4,907	₹ 558	₹ (2,251)
Additions	542	-	-
Payouts	-	-	83
Gain/loss recognized in statement of income	-	-	994
Gain/loss recognized in foreign currency translation reserve	33	-	86
Finance expense recognized in statement of income	-	-	(7)
Closing balance as on December 31, 2016	₹ 5,482	₹ 558	₹ (1,095)

Description of significant unobservable inputs to valuation:

Item	Valuation technique	Significant unobservable inputs	Movement by	Increase (₹)	Decrease (₹)
Unquoted equity investments	Discounted cash flow model Market multiple approach	Long term growth rate	0.5%	57	(53)
		Discount rate	0.5%	(95)	103
		Revenue multiple	0.5x	182	(187)
Derivative assets	Option pricing model	Volatility of comparable companies	2.5%	31	(32)
		Time to liquidation event	1 year	60	(69)
Contingent consideration	Probability weighted method	Estimated revenue achievement	1%	36	(36)
		Estimated earnings achievement	1%	37	(37)

15. Foreign currency translation reserve

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

	As at	
	December 31, 2015	December 31, 2016
Balance at the beginning of the period.....	₹ 11,249	₹ 16,116
Translation difference related to foreign operations, net.....	4,174	719
Change in effective portion of hedges of net investment in foreign operations.....	(590)	70
Total change during the period.....	₹ 3,584	₹ 789
Balance at the end of the period.....	₹ 14,833	₹ 16,905

16. Income taxes

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

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Income tax expense as per the statement of income...	₹ 6,245	₹ 6,440	₹ 18,718	₹ 18,471
Income tax included in other comprehensive income on:				
Unrealized gain on investment securities.....	(43)	(102)	(47)	527
Gain / (loss) on cash flow hedging derivatives....	165	(58)	(310)	297
Defined benefit plan actuarial gains / (losses)	(7)	3	(211)	26
Total income taxes.....	₹ 6,360	₹ 6,283	₹ 18,150	₹ 19,321

Income tax expense consists of the following:

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Current taxes				
Domestic.....	₹ 4,742	₹ 4,959	₹ 14,897	₹ 14,730
Foreign.....	1,323	540	3,867	3,475
	₹ 6,065	₹ 5,499	₹ 18,764	₹ 18,205
Deferred taxes				
Domestic.....	₹ (35)	₹ 501	₹ (257)	₹ 165
Foreign.....	215	440	211	101
	₹ 180	₹ 941	₹ (46)	₹ 266
Total income tax expense.....	₹ 6,245	₹ 6,440	₹ 18,718	₹ 18,471

Income tax expense is net of reversal of provisions recorded in earlier periods, which are no longer required, amounting to ₹ 314 and ₹ 517 for the three months ended December 31, 2015 and 2016 respectively and ₹ 939 and ₹ 929 for the nine months ended December 31, 2015 and 2016 respectively.

17. Revenues

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Rendering of services.....	₹ 121,764	₹ 130,724	₹ 355,098	₹ 389,659
Sale of products.....	6,841	6,154	21,018	20,868
Total revenues	₹ 128,605	₹ 136,878	₹ 376,116	₹ 410,527

18. Expenses by nature

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Employee compensation.....	₹ 61,465	₹ 66,052	₹ 181,786	₹ 199,334
Sub-contracting/technical fees.....	17,410	21,224	47,851	61,503
Cost of hardware and software.....	7,065	6,058	20,630	20,115
Travel	6,461	5,090	18,102	15,655
Facility expenses.....	4,316	4,785	12,441	14,499
Depreciation and amortization.....	3,764	5,412	10,661	14,926
Communication.....	1,262	1,408	3,821	3,968
Legal and professional fees.....	931	1,124	2,854	3,638
Rates, taxes and insurance.....	680	473	1,976	1,683
Advertisement.....	610	654	1,661	2,172
Provision for doubtful debt.....	485	874	1,228	2,338
Miscellaneous expenses.....	1,233	1,258	3,814	4,677
Total cost of revenues, selling and marketing and general and administrative expenses.....	₹ 105,682	₹ 114,412	₹ 306,825	₹ 344,508

19. Finance expense

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Interest expense.....	₹ 360	₹ 381	₹ 1,001	₹ 1,336
Exchange fluctuation on foreign currency borrowings, net.....	1,063	985	3,297	2,794
Total.....	₹ 1,423	₹ 1,366	₹ 4,298	₹ 4,130

20. Finance and other income

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Interest income.....	₹ 5,315	₹ 4,192	₹ 15,446	₹ 13,119
Dividend income.....	11	118	65	195
Unrealized gains/losses on financial instruments measured at fair value through profit or loss.....	65	842	282	1,331
Gain on sale of investments.....	901	567	2,152	1,379
Total	₹ 6,292	₹ 5,719	₹ 17,945	₹ 16,024

21. 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.

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Profit attributable to equity holders of the Company.....	₹ 22,369	₹ 21,094	₹ 66,695	₹ 62,284
Weighted average number of equity shares outstanding.....	2,457,022,905	2,417,470,626	2,456,551,992	2,431,967,685
Basic earnings per share.....	₹ 9.10	₹ 8.73	₹ 27.15	₹ 25.61

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 December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Profit attributable to equity holders of the Company.....	₹ 22,369	₹ 21,094	₹ 66,695	₹ 62,284
Weighted average number of equity shares outstanding.....	2,457,022,905	2,417,470,626	2,456,551,992	2,431,967,685
Effect of dilutive equivalent share options.....	<u>5,198,021</u>	<u>6,269,518</u>	<u>4,730,419</u>	<u>6,773,725</u>
Weighted average number of equity shares for diluted earnings per share...	<u>2,462,220,926</u>	<u>2,423,740,144</u>	<u>2,461,282,411</u>	<u>2,438,741,410</u>
Basic earnings per share.....	₹ 9.08	₹ 8.70	₹ 27.10	₹ 25.54

22. Employee benefits

a) Employee costs include:

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Salaries and bonus.....	₹ 59,536	₹ 63,890	₹ 176,388	₹ 192,900
Employee benefit plans				
Gratuity.....	229	266	693	798
Contribution to provident and other funds....	1,333	1,455	3,556	4,364
Share based compensation.....	<u>367</u>	<u>441</u>	<u>1,149</u>	<u>1,272</u>
	₹ 61,465	₹ 66,052	₹ 181,786	₹ 199,334

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

	Three months ended December 31,		Nine months ended December 31,	
	2015	2016	2015	2016
Cost of revenues.....	₹ 52,133	₹ 55,741	₹ 153,968	₹ 167,953
Selling and marketing expenses.....	5,745	6,451	17,520	20,037
General and administrative expenses.....	<u>3,587</u>	<u>3,860</u>	<u>10,298</u>	<u>11,344</u>
	₹ 61,465	₹ 66,052	₹ 181,786	₹ 199,334

The Company has granted 2,294,000 and 2,398,000 options under Restricted Stock Unit ("RSU") option plan during the three and nine months ended December 31, 2016 respectively (20,000 and 2,850,400 for the three and nine months ended December 31, 2015) and 2,184,000 and 2,379,500 options under American Depositary Shares ("ADS") option plan during the three and nine months ended December 31, 2016 respectively (200,000 and 1,697,700 for the three and nine months ended December 31, 2015).

23. Commitments and contingencies

Capital commitments: As at March 31, 2016 and December 31, 2016, the Company had committed to spend approximately ₹ 10,734 and ₹ 13,068 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, 2016 and December 31, 2016, performance and financial guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately ₹ 25,218 and ₹ 23,260 respectively, as part of the bank line of credit.

Contingencies and lawsuits: The Company is subject to legal proceedings and claims (including tax assessment orders/ penalty notices) which have arisen in the ordinary course of its business. Some of the claims involve complex issues and it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of such proceedings. However, 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 significant of such matters are discussed below.

In March 2004, the Company received a tax demand for year ended March 31, 2001 arising primarily on account of denial of deduction under section 10A of the Income Tax Act, 1961 (Act) in respect of profit earned by the Company's undertaking in Software Technology Park at Bangalore. The same issue was repeated in the successive assessments for the years ended March 31, 2002 to March 31, 2011 and the aggregate demand is ₹ 47,583 (including interest of ₹ 13,832). 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. The Hon'ble High Court has heard and disposed-off majority of the issues in favor of the Company up to years ended March 31, 2004. Department has filed a Special Leave Petition (SLP) before the Supreme Court of India for the year ended March 31, 2001 to March 31, 2004 on certain issues allowed in favor of the Company.

On similar issues for years up to March 31, 2000, the Hon'ble High Court of Karnataka has upheld the claim of the Company under section 10A of the Act. For the years ended March 31, 2008 and March 31, 2009, the appeals are pending before Income Tax Appellate Tribunal (Tribunal). For years ended March 31, 2010 and March 31, 2011, the Dispute Resolution Panel (DRP) allowed the claim of the Company under section 10A of the Act. The Income tax authorities have filed an appeal before the Tribunal.

The Company received the draft assessment order for the year ended March 31, 2012 in March 2016 with a proposed demand of ₹ 4,241 (including interest of ₹ 1,376). Based on the DRP's direction, allowing majority of the issues in favor of the company, the assessing officer has passed the final order with nil demand.

For year ended March 31, 2013 the Company received the draft assessment order in December 2016 with a proposed demand of ₹ 4,118 (including interest of ₹ 1,278), arising primarily on account of section 10AA issues with respect to exclusion from Export Turnover. Company will file an objection before DRP within the prescribed timelines.

Considering the facts and nature of disallowance and the order of the appellate authority / Hon'ble High Court of Karnataka 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 adverse impact on the financial statements.

The contingent liability in respect of disputed demands for excise duty, custom duty, sales tax and other matters amounts to ₹ 2,654 and ₹ 2,526 as of March 31, 2016 and December 31, 2016.

24. Segment information

The Company is organized by the following operating segments; IT Services and IT Products.

IT Services: The IT Services segment primarily consists of IT Service offerings to customers organized by industry verticals. Effective April 1, 2016, The Company realigned its industry verticals. The Communication Service Provider business unit was regrouped from the former Global Media and Telecom (GMT) industry vertical into a new industry vertical named “Communications”. The Media business unit from the former GMT industry vertical has been realigned with the former Retail, Consumer, Transport and Government (RCTG) industry vertical which has been renamed as “Consumer Business Unit” industry vertical. Further, the Network Equipment Provider business unit of the former GMT industry vertical has been realigned with the Manufacturing industry vertical to form the “Manufacturing and Technology” industry vertical.

The revised industry verticals are as follows: Finance Solutions (BFSI), Healthcare, Lifesciences & Services (HLS), Consumer (CBU), Energy, Natural Resources & Utilities (ENU), Manufacturing & Technology (MNT) and Communications (COMM). IT Services segment also includes Others which comprises dividend income relating to strategic investments, which are presented within “Finance and other Income” in the statement of Income. Key service offerings to customers 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 services.

Comparative information has been restated to give effect to the above changes.

IT Products: The Company is 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 the above items is reported as revenue from the sale of IT Products.

The Chairman and Managing Director 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.

Assets and liabilities used in the Company’s business are not identified to any of the operating segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Information on reportable segment for the three months ended December 31, 2015 is as follows:

	IT Services								IT Products	Reconciling Items	Company total
	BFSI	HLS	CBU	ENU	MNT	COMM	Others	Total			
Revenue	32,322	14,719	20,334	17,709	28,566	9,497	-	123,147	6,503	(134)	129,516
Segment Result	7,142	3,165	3,606	3,208	5,895	1,510	-	24,526	(541)	(102)	23,883
Unallocated								(49)	-	-	(49)
Segment Result Total								24,477	(541)	(102)	23,834
Finance expense											(1,423)
Finance and other income											6,292
Profit before tax											28,703
Income tax expense											(6,245)
Profit for the period											22,458
Depreciation and amortization											3,764

Information on reportable segment for the three months ended **December 31, 2016** is as follows:

	IT Services								IT Products	Reconciling Items	Company total
	BFSI	HLS	CBU	ENU	MNT	COMM	Others	Total			
Revenue	33,843	20,972	20,780	17,131	29,517	9,718	-	131,961	5,713	(29)	137,645
Segment Result	6,413	3,400	3,415	3,856	5,355	1,604	-	24,043	(586)	(336)	23,121
Unallocated								112	-	-	112
Segment Result Total								24,155	(586)	(336)	23,233
Finance expense											(1,366)
Finance and other income											5,719
Profit before tax											27,586
Income tax expense											(6,440)
Profit for the period											21,146
Depreciation and amortization											5,412

Information on reportable segment for the Nine months ended December 31, 2015 is as follows:

	IT Services								IT Products	Reconciling Items	Company total
	BFSI	HLS	CBU	ENU	MNT	COMM	Others	Total			
Revenue	95,595	41,453	58,544	52,949	83,675	27,132	-	359,348	20,119	(577)	378,890
Segment Result	20,971	8,942	9,926	10,067	18,098	4,311	-	72,315	(682)	(327)	71,306
Unallocated								759	-	-	759
Segment Result Total								73,074	(682)	(327)	72,065
Finance expense											(4,298)
Finance and other income											17,945
Profit before tax											85,712
Income tax expense											(18,718)
Profit for the period											66,994
Depreciation and amortization											10,661

Information on reportable segment for the Nine months ended December 31, 2016 is as follows:

	IT Services								IT Products	Reconciling Items	Company total
	BFSI	HLS	CBU	ENU	MNT	COMM	Others	Total			
Revenue	101,056	61,786	62,213	51,368	88,518	29,478	-	394,419	19,309	(169)	413,559
Segment Result	19,786	9,490	10,774	10,324	17,484	4,700	-	72,558	(1,252)	(493)	70,813
Unallocated								(1,762)	-	-	(1,762)
Segment Result Total								70,796	(1,252)	(493)	69,051
Finance expense											(4,130)
Finance and other income											16,024
Profit before tax											80,945
Income tax expense											(18,471)
Profit for the period											62,474
Depreciation and amortization											14,926

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

	Three months ended		Nine months ended	
	December 31		December 31	
	2015	2016	2015	2016
India.....	₹ 12,075	₹ 11,027	₹ 37,502	₹ 35,555
Americas.....	65,551	73,696	190,706	216,831
Europe.....	31,309	32,414	91,944	98,980
Rest of the world.....	20,581	20,508	58,738	62,193
	<u>₹ 129,516</u>	<u>₹ 137,645</u>	<u>₹ 378,890</u>	<u>₹ 413,559</u>

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 three and Nine months ended December 31, 2015 and 2016.

Notes:

- Effective April 1, 2016, CODM's review of the segment results is measured after including the amortization charge for acquired intangibles to the respective segments. Such costs were classified under reconciling items till the year ended March 31, 2016. Comparative information has been restated to give effect to the same.
- "Reconciling items" includes dividend income/ gains/ losses relating to strategic investments, elimination of inter-segment transactions and other corporate activities.
- Segment result represents operating profits of the segments and dividend income relating to strategic investments, which are presented within "Finance and other income" in the statement of Income.
- Revenue from sale of traded cloud based licenses is reported as part of IT Services revenues.
- 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).
- For evaluating performance of the individual operating 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 operating segments is reported in reconciling items.
- 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. 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.

25. List of subsidiaries as of December 31, 2016 are provided in the table below.

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Wipro LLC	Wipro Gallagher Solutions, Inc.	Opus Capital Markets	USA
		Consultants LLC	USA
		Wipro Promax Analytics Solutions LLC	USA
		Infocrossing, Inc.	USA
	Wipro Insurance Solutions LLC	USA	
	Wipro Data Centre and Cloud Services, Inc.	USA	
	Wipro IT Services, Inc.	USA	

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
		HPH Holdings Corp. ^(A) Appirio, Inc. ^(A)	USA USA
Wipro Overseas IT Services Pvt. Ltd			India
Wipro Japan KK			Japan
Wipro Shanghai Limited			China
Wipro Trademarks Holding Limited			India
Wipro Travel Services Limited			India
Wipro Holdings (Mauritius) Limited	Wipro Holdings UK Limited	Wipro Information Technology Austria GmbH ^(A) Wipro Digital Aps ^(A) Wipro Europe Limited Wipro Financial Services UK Limited (formerly Wipro Promax Analytics Solutions (Europe) Limited	Mauritius U.K. Austria Denmark U.K. U.K.
Wipro Cyprus Private Limited	Wipro Doha LLC [#] Wipro Technologies S.A DE C.V Wipro BPO Philippines LTD. Inc Wipro Holdings Hungary Korlátolt Felelősségű Társaság Wipro Technologies SA Wipro Information Technology Egypt SAE Wipro Arabia Co. Limited * Wipro Poland Sp. Z.o.o Wipro IT Services Poland Sp. z o. o Wipro Technologies Australia Pty Ltd. Wipro Corporate Technologies Ghana Limited Wipro Technologies South Africa (Proprietary) Limited	Wipro Technologies Nigeria Limited	Cyprus Qatar Mexico Philippines Hungary Argentina Egypt Saudi Arabia Poland Poland Australia Ghana South Africa Nigeria
	Wipro Information Technology Netherlands BV.	Wipro Portugal S.A. ^(A) Wipro Technologies Limited, Russia Wipro Technology Chile SPA Wipro Solutions Canada Limited Wipro Information Technology Kazakhstan LLP	Netherlands Portugal Russia Chile Canada Kazakhstan

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
		Wipro Technologies W.T. Sociedad Anonima Wipro Outsourcing Services (Ireland) Limited Wipro IT Services Ukraine LLC Wipro Technologies Norway AS Wipro Technologies VZ, C.A. Wipro Technologies Peru S.A.C	Costa Rica Ireland Ukraine Norway Venezuela Peru
	Wipro Technologies SRL PT WT Indonesia Wipro Australia Pty Limited Wipro (Thailand) Co Limited Wipro Bahrain Limited WLL Wipro Gulf LLC Rainbow Software LLC Cellent AG		Romania Indonesia Australia Thailand Bahrain Sultanate of Oman Iraq Germany Germany Austria
Wipro Networks Pte Limited	Wipro (Dalian) Limited Wipro Technologies SDN BHD		Singapore China Malaysia
Wipro Chengdu Limited			China
Wipro Airport IT Services Limited*			India
Appirio India Cloud Solutions Private Limited			India

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

51% of equity securities of Wipro Doha LLC are held by a local share holder. However, the beneficial interest in these holdings is with the Company.

The Company controls 'The Wipro SA Broad Based Ownership Scheme Trust' and 'Wipro SA Broad Based Ownership Scheme SPV (RF) (PTY) LTD incorporated in South Africa.

^(A) Step Subsidiary details of Wipro Information Technology Austria GmbH, Wipro Europe Limited, Wipro Portugal S.A, Wipro Digital Aps, Cellent AG Austria, HPH Holdings Corp. and Appirio, Inc. are as follows:

Subsidiaries	Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Wipro Information Technology Austria GmbH				Austria
	Wipro Technologies Austria GmbH New Logic Technologies SARL			Austria France
Wipro Europe Limited				U.K.

Subsidiaries	Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
	Wipro UK Limited			U.K.
Wipro Portugal S.A.	Wipro Retail UK Limited Wipro do Brasil Technologia Ltda Wipro Technologies GmbH Wipro Do Brasil Sistemetas De Informatica Ltd			Portugal U.K. Brazil Germany Brazil
Wipro Digital Aps	Designit A/S	Designit Denmark A/S Designit MunchenGmbH Designit Oslo A/S Designit Sweden AB Designit T.L.V Ltd. Designit Tokyo Ltd. Denextep Spain Digital, S.L	Designit Colombia S A S Designit Peru S.A.C.	Denmark Denmark Denmark Germany Norway Sweden Israel Japan Spain Colombia Peru
Cellent AG Austria	Frontworx Informationstechnologie AG			Austria Austria
HPH Holdings Corp.	Healthplan Holdings, Inc. Healthplan Services Insurance Agency, Inc. Healthplan Services, Inc. Harrington Health Services Inc.			USA USA USA USA USA
Appirio, Inc.	Appirio K.K. Topcoder, Inc. Appirio GmbH Knowledge Infusion, LLC. Appirio Ltd. Appirio Pvt. Ltd.	Appirio Ltd (UK) Saaspoint, Inc		USA Japan USA Germany USA Ireland UK USA Singapore

26. Bank balances

Details of balances with banks as of December 31, 2016 are as follows:

Bank Name	In Current Account	In Deposit Account	Total
Citi Bank	15,460	826	16,286
HSBC	7,476	2,039	9,515
ICICI Bank	1	7,918	7,919
Indus Ind Bank	-	6,700	6,700
Kotak Mahindra Bank	14	3,000	3,014
Axis Bank	9	2,432	2,441
Wells Fargo Bank	2,330	-	2,330
Corporation Bank	-	2,300	2,300
Yes Bank	-	2,202	2,202
ANZ Bank	155	1,787	1,942
Saudi British Bank	68	634	702
Bank Of America	687	-	687
Silicon Valley Bank	565	-	565
Deutsche Bank	440	-	440
Standard Chartered Bank	371	-	371
HDFC Bank	294	25	319
Others including cash and cheques on hand	1,754	453	2,207
Total	29,624	30,316	59,940

27. Buyback of equity shares

During the quarter ended September 30, 2016, the Company has concluded the buyback of 40 million equity shares as approved by the Board of Directors on April 20, 2016. This has resulted in a total cash outflow of ₹ 25,000. In line with the requirement of the Companies Act 2013, an amount of ₹ 14,254 and ₹ 10,666 has been utilized from the share premium account and retained earnings respectively. Further, capital redemption reserves of ₹ 80 (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buy back, share capital has been reduced by ₹ 80.

28. Agreement to sell EcoEnergy division

During the quarter ended December 31, 2016, the Company signed an agreement for sale of its EcoEnergy division to Chubb Alba Control Systems Limited for a consideration of US \$ 70 million. The sale is expected to conclude during the quarter ending March 31, 2017 subject to receipt of requisite regulatory approvals and customary closing conditions.

29. Events after the reporting period

On January 25, 2017, the Board of Directors of the Company declared an interim dividend of ₹ 2 (\$ 0.03) per equity share and ADR (100% on an equity share of par value of ₹ 2).

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/W- 100022

Azim H Premji
Chairman
& *Managing Director*

N Vaghul
Director

Abidali Neemuchwala
Chief Executive Officer
& *Executive Director*

Jamil Khatri
Partner
Membership No. 102527

Jatin Pravinchandra Dalal
Chief Financial Officer

M Sanaulla Khan
Company Secretary

Mumbai
January 25, 2017

Bangalore
January 25, 2017