

**WIPRO AUSTRALIA PTY LIMITED**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED  
MARCH 31, 2015**

**WIPRO AUSTRALIA PTY LIMITED**

**BALANCE SHEET**

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

As at March 31, 2015      As at March 31, 2014

<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
Share capital	3	<b>1</b>	524,422,133
Reserves and surplus	4	<b>(122,550,993)</b>	(163,154,340)
		<b>(122,550,992)</b>	361,267,793
<b>2. Share application money pending allotment</b>			
		-	-
<b>3. Non-current liabilities</b>			
Other long term liabilities	5	<b>250,339,425</b>	291,735,150
		<b>250,339,425</b>	291,735,150
<b>4. Current liabilities</b>			
Short term borrowings	6	<b>66,009,374</b>	1,370,480,348
Trade payables	7	<b>35,385,538</b>	51,557,164
Other current liabilities	8	<b>83,598,307</b>	249,841,974
Short term provisions	9	<b>1,172,530</b>	1,366,418
		<b>186,165,749</b>	1,673,245,904
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>313,954,182</b>	2,326,248,847
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
Non-current investments	10	<b>249</b>	1,741,032,462
Deferred tax assets		<b>1,043,206</b>	1,215,709
Long term loans and advances	11	<b>250,339,425</b>	291,735,150
Other non-current assets	12	<b>7,135,723</b>	21,152,799
		<b>258,518,603</b>	2,055,136,120
<b>2. Current assets</b>			
Trade receivables	13	<b>2,509,834</b>	589,663
Cash and bank balances	14	<b>48,167,577</b>	22,159,053
Short term loans and advances	15	<b>3,184,606</b>	248,364,011
Other current assets	16	<b>1,573,562</b>	-
		<b>55,435,579</b>	271,112,727
<b>TOTAL ASSETS</b>		<b>313,954,182</b>	2,326,248,847

The accompanying notes form an integral part of the Balance Sheet

As per our report attached

for **D.Prasanna & Co.**

Chartered Accountants

Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-

**D.Prasanna Kumar**

Proprietor

Membership No. 211367

sd/-

**Director**

Manoj nagpaul

**WIPRO AUSTRALIA PTY LIMITED**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT**  
**(Amount in ₹ except share and per share data, unless otherwise stated)**

	Notes	Year ended March 31,	
		2015	2014
<b>REVENUE</b>			
Revenue from operations (gross)	17	<b>35,310,490</b>	13,631,530
Less: Excise duty		-	-
Revenue from operations (net)		<b>35,310,490</b>	13,631,530
Other income	18	<b>10,520,273</b>	22,717,286
<b>Total Revenue</b>		<b>45,830,763</b>	36,348,816
<b>EXPENSES</b>			
Finance costs	19	<b>23,086,713</b>	34,226,051
Other expenses	20	<b>54,967,872</b>	58,869,911
<b>Total Expenses</b>		<b>78,054,585</b>	93,095,962
<b>Profit before tax</b>		<b>(32,223,822)</b>	(56,747,146)
<b>Tax expense</b>			
Current tax		-	-
<b>Net Profit</b>		<b>(32,223,822)</b>	(56,747,146)
<b>Earnings per equity share</b>			
(Equity shares of par value AUD 1 each)			
Basic		<b>(7)</b>	(10)
Diluted		<b>(7)</b>	(10)
*Refer Note 22			

The accompanying notes form an integral part of the Statement of profit & loss account

As per our report attached  
for **D.Prasanna & Co.**  
Chartered Accountants  
Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-  
**D.Prasanna Kumar**  
Proprietor  
Membership No. 211367

sd/-  
**Director**  
Manoj nagpaul

**WIPRO AUSTRALIA PTY LIMITED**  
**CASH FLOW STATEMENT**

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

	For the year ended March 31,	
	2015	2014
<b>A. Cash flows from operating activities:</b>		
Profit / (Loss) before tax	(32,223,822)	(56,747,147)
<i>Adjustments:</i>		
Provision for diminution in value of non-current investments	9,625,583	-
Unrealised exchange differences - net	72,999,671	25,129,952
Interest paid on borrowings	23,086,713	34,226,051
Interest income	(10,520,273)	(22,717,286)
<b>Working capital changes :</b>		
Trade and other receivable	(3,493,733)	(221,298)
Loans and advances	(166,243,667)	(532,061,587)
Trade and other payables	(16,365,514)	572,263,159
<b>Net cash generated by / (used in) operating activities</b>	<b>(123,135,042)</b>	<b>19,871,845</b>
<b>B. Cash flows from investing activities:</b>		
Sale of investments	1,731,406,630	-
Interest income received	24,537,349	1,564,487
<b>Net cash generated by / (used in) investing activities</b>	<b>1,755,943,979</b>	<b>1,564,487</b>
<b>C. Cash flows from financing activities:</b>		
Buy back of shares	(524,422,132)	-
Repayment of borrowings / loans	(1,345,866,699)	(1,208,389,209)
Interest paid on borrowings	(23,086,713)	(34,226,051)
Proceeds of borrowings / loans given	286,575,130	1,203,774,548
<b>Net cash generated by / (used in) financing activities</b>	<b>(1,606,800,414)</b>	<b>(38,840,712)</b>
Net (decrease) / increase in cash and cash equivalents during the period	26,008,524	(17,404,381)
Cash and cash equivalents at the beginning of the period	22,159,053	39,563,434
<b>Cash and cash equivalents at the end of the period</b>	<b>48,167,577</b>	<b>22,159,053</b>
(Refer note 14)		

The accompanying notes form an integral part of the Cashflow statement

As per our report attached

for **D.Prasanna & Co.**

Chartered Accountants

Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-

**D.Prasanna Kumar**

Proprietor

Membership No. 211367

sd/-

**Director**

Manoj nagpaul

**WIPRO AUSTRALIA PTY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(Amount in ₹ except share and per share data, unless otherwise stated)**

**1. Company overview**

Wipro Australia Pty Limited (“the Company”) is majorly owned subsidiary of Wipro Cyprus Ltd. The Company was incorporated in Australia on 27<sup>th</sup> September 2006 to carry out business of software development. The functional currency of the Company is AUD and the reporting currency for these financial statements is INR. These financial statements have been prepared and audited to attach with the accounts of the holding company, to comply with the provisions of Indian Companies Act, 2013.

**2. Significant accounting policies**

i. Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured on a fair value basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of Act (to the extent notified and applicable), Accounting Standards ('AS') issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

ii. Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

iii. Revenue recognition

Services:

The company recognizes revenue when significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depend on the nature of the services rendered:

A. Time and material contracts

Revenues and costs relating to time and material contracts are recognized as the related services are rendered.

B. Fixed-price contracts

Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. When total cost estimated exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

'Unbilled revenues' included in other current assets represent cost and earnings in excess of billings as at the balance sheet date. 'Unearned revenues' included in other current liabilities represent billing in excess of revenue recognized.

Revenue from customer training, support and other services is recognized as the related services are performed.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license.

C. Maintenance Contracts

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of services or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to actual output achieved till date as a percentage of total contractual output. Any residual services utilized by the customer is recognized as revenue on completion of the terms.

**Products:**

Revenue from sale of products is recognized when the significant risks and rewards of ownership has been transferred in accordance with the sale contract. Revenue from product sales is shown gross of excise duty and net of sales tax separately charged and applicable discounts.

**Other income**

Agency commission is accrued when shipment of consignment is dispatched by the principal.

Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

Dividend income is recognized when the company's right to receive dividend is established.

iv. Investments

Long term investments are stated at cost less other than temporary diminution in the value of such investments, if any. Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

v. Foreign currency transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates prevailing on the date of transaction.

**Foreign currency transaction**

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognized in the statement of profit and loss.

**Translation of financial statements**

The Company is a foreign subsidiary of Wipro Limited and has been treated as a non integral operating unit for translation. For the purpose of accounts during the period, all income and expenses items are converted at the average rate of exchange applicable for the period. All assets and liabilities are translated at the closing rate on the balance sheet date. The equity share capital, reserves and investment in subsidiaries are carried forward at the rate of exchange prevailing on the transaction date. All resulting exchange difference arising out of year-end conversion has been transferred to Translation Reserve in Reserve and Surplus.

vi. Income tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements by each entity in the Company.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment/ substantial enactment date.

Deferred tax assets on timing differences are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets are reassessed for the appropriateness of their respective carrying amounts at each balance sheet date.

vii. Earnings per share

The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issued.

viii. Cash flow statement

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

ix. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**Note 3 Share Capital**

(i) The details of share capital are given below:-

**Authorised capital**

Equity shares [Par value of of 1 AUD per share]	<b>881,838</b>	881,838
	<b>881,838</b>	881,838

**Issued, subscribed and fully paid-up capital**

Equity shares of 1 AUD per share	<b>1</b>	524,422,133
	<b>1</b>	524,422,133

(ii) The following is the reconciliation of number of shares as at March 31, 2015.

Number of common stock outstanding as at beginning of the year	<b>9,025,000</b>	9,025,000
Number of stocks bought back	<b>9,024,999</b>	-
Number of common stock outstanding as at the end of the year	<b>1</b>	9,025,000

(iii) Following is the shareholding pattern

	<b>As of March 31,</b>			
	<b>2015</b>		<b>2014</b>	
Name of Shareholders	No. of Shares	% of Holding	No. of Shares	% of Holding
Wipro Limited	-	-	25,000	0.28%
Wipro Cyprus Ltd	<b>1</b>	<b>100%</b>	9,000,000	99.72%
	<b>1</b>	<b>100%</b>	9,025,000	100%

	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>Note 4 Reserves and Surplus</b>		
<b>Translation reserve</b>		
Balance brought forward from previous year	(50,377,233)	(75,484,667)
Movement during the period	72,827,168	25,107,434
	<b>22,449,935</b>	<b>(50,377,233)</b>
<b>General reserve</b>		
Balance brought forward from previous year	5,151,136	5,151,136
	<b>5,151,136</b>	<b>5,151,136</b>
<b>Surplus from statement of profit and loss</b>		
Balance brought forward from previous year	(117,928,242)	(61,181,095)
Add: Profit for the year	(32,223,822)	(56,747,147)
Closing balance	<b>(150,152,064)</b>	<b>(117,928,242)</b>
<b>Summary of reserves and surplus</b>		
Balance brought forward from previous year	(163,154,340)	(131,514,627)
Movement during the year	40,603,346	(31,639,713)
	<b>(122,550,993)</b>	<b>(163,154,340)</b>
<b>Note 5 Other Long term liabilities</b>		
Deposits and other advances received	250,339,425	291,735,150
	<b>250,339,425</b>	<b>291,735,150</b>
<b>Note 6 Short term borrowings</b>		
<b>Unsecured:</b>		
Loan from Subsidiary	66,009,374	1,370,480,348
	<b>66,009,374</b>	<b>1,370,480,348</b>
<b>Note 7 Trade payables</b>		
Payable to ultimate holding company	33,352,734	51,557,131
Accrued expenses	2,032,804	33
	<b>35,385,538</b>	<b>51,557,164</b>
<b>Note 8 Other current liabilities</b>		
Statutory liabilities	123,627	249,841,974
Balances due to related parties	83,474,680	-
	<b>83,598,307</b>	<b>249,841,974</b>
<b>Note 9 Short term provisions</b>		
Provision for tax	1,172,530	1,366,418
	<b>1,172,530</b>	<b>1,366,418</b>
<b>Note 10 Non-current investments</b>		
- Wipro Promax Analytics Solutions Holdings Pty Ltd	9,808,593	1,741,032,462
	<b>9,808,593</b>	<b>1,741,032,462</b>
Less: Provision for diminution in value of non-current investments	(9,808,344)	-
	<b>249</b>	<b>1,741,032,462</b>
<b>Note 11 Long term loans and advances</b>		
(Unsecured, considered good unless otherwise stated)		
Other deposits	250,339,425	291,735,150
	<b>250,339,425</b>	<b>291,735,150</b>



	<u>As at March 31,</u> <u>2015</u>	<u>As at March 31,</u> <u>2014</u>
<b>Note 12 Other non-current assets</b>		
<b>Unsecured, considered good:</b>		
Others	7,135,723	21,152,799
	<u>7,135,723</u>	<u>21,152,799</u>
<b>Note 13 Trade Receivable</b>		
<b>Unsecured:</b>		
<b>Over six months from the date they were due for payment</b>		
Considered good	2,509,834	-
Considered doubtful	2,351,808	2,725,619
	<u>4,861,642</u>	<u>2,725,619</u>
Less: Provision for doubtful receivables	<u>(2,351,808)</u>	<u>(2,725,619)</u>
	2,509,834	-
<b>Other receivables</b>		
Considered good	-	589,663
	-	589,663
	<u>2,509,834</u>	<u>589,663</u>
<b>Note 14 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
In current accounts	48,167,577	22,159,053
	<u>48,167,577</u>	<u>22,159,053</u>
<b>Note 15 Short-term loans and advances</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balances with excise, customs and other authorities	3,184,606	1,013,947
Other deposits	-	247,350,064
	<u>3,184,606</u>	<u>248,364,011</u>
<b>Note 16 Other current assets</b>		
<b>Unsecured and considered good:</b>		
Unbilled revenue	1,573,562	-
	<u>1,573,562</u>	<u>-</u>

	Year ended March 31,	
	2015	2014
<b>Note 17 Revenue from Operations</b>		
Sale of services	35,310,490	13,631,530
Revenue from operations (gross)	<b>35,310,490</b>	<b>13,631,530</b>
<b>Note 18 Other Income</b>		
Interest on bank deposits and others	10,520,273	22,717,286
	<b>10,520,273</b>	<b>22,717,286</b>
<b>Note 19 Finance costs</b>		
Interest Cost	23,086,713	34,226,051
	<b>23,086,713</b>	<b>34,226,051</b>
<b>Note 20 Other expenses</b>		
Sub contracting / technical fees / third party application	30,188,022	12,334,920
Provision for diminution in value of non-current investments	9,625,583	-
Repairs and Maintenance	1,034,282	-
Rent	-	3,616,403
Provision/write off of bad debts	14,541	137,008
Legal and professional charges	11,490,637	(210,566)
Rates and taxes	148,844	84,058
Exchange differences, net	2,352,526	38,067,663
Miscellaneous expenses	113,436	4,840,425
	<b>54,967,872</b>	<b>58,869,911</b>

## 21. Related party transactions

Name	Relation
<b>List of related parties and relationships:</b>	
Wipro Cyprus Limited	Holding company
Wipro UK Limited	Fellow Subsidiary
Wipro Limited	Ultimate Holding Company

### The Company had the following transactions with related parties during

	Year ended March 31,	
	2015	2014
<b>Subcontracting services</b>		
Wipro Limited	30,188,022	12,334,920
	<b>30,188,022</b>	<b>12,334,920</b>

### The following is the listing of receivables and payables to related parties

	As at March 31,	
	2015	2014
<b>Payables:</b>		
Wipro Limited	(63,783,068)	(51,557,131)
Wipro Cyprus Ltd	(113,693,026)	-
Wipro UK Limited	(3,469,704)	-
Wipro Promax Holdings Pty Ltd	-	(166,705,800)
	<b>(180,945,799)</b>	<b>(218,262,931)</b>

## 22. Earnings per share

	As at March 31,	
	2015	2014
<b>Computation of EPS</b>		
Profit / (Loss) for the year as per profit and loss account	(32,223,822)	(56,747,147)
Weighted average number of equity shares used for computing basic and diluted EPS	4,500,137	5,671,507
Earnings per share basic and diluted (face value: each)	(7)	(10)

The company is going to merged with ,the process is under way

## 23. Segment reporting

The Company neither has more than one business segment nor more than one geographic segment; hence segment reporting is not required to be disclosed.

## 24. Micro, Small and Medium Enterprises, Development Act, 2006

The Company is a foreign company and is not governed by the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Hence, the disclosures under the Act are not applicable to the Company.

## 25. Others

Hitherto the applicability of revised Schedule III from the current year, the Company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of the financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of Balance Sheet.

As per our report attached  
for **D.Prasanna & Co.**

Chartered Accountants

Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-

**D.Prasanna Kumar**

Proprietor

Membership No. 211367

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**Director**

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