

WIPRO HOLDINGS HUNGARY KORLATOLT FELEL.SSEG TARSASAG
STANDALONE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2015

**WIPRO HOLDINGS HUNGARY KORLATOLT FELEL.SSEG TARSASAG
BALANCE SHEET AS AT MARCH 31, 2015**

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

		As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	3	1,706,123,355	1,706,092,785
Reserves and surplus	4	27,520,209,812	24,366,289,944
		29,226,333,167	26,072,382,729
2. Share application money pending allotment			
		-	-
3. Non-current liabilities			
		-	-
4. Current liabilities			
Trade payables	5	838,581	1,623,021
Other current liabilities	6	9,910,375	12,124,128
Short term provisions	7	108,612,783	131,104,946
		119,361,739	144,852,095
TOTAL EQUITY AND LIABILITIES		29,345,694,906	26,217,234,824
II ASSETS			
1. Non-current assets			
Long term loans and advances	8	27,859,530,179	25,967,615,687
		27,859,530,179	25,967,615,687
2. Current assets			
Cash and bank balances	9	118,569,639	122,797,363
Short term loans and advances	10	1,367,595,088	126,821,774
		1,486,164,727	249,619,137
TOTAL ASSETS		29,345,694,906	26,217,234,824

The accompanying notes form an integral part of the Balance sheet

As per our report attached
for **Appaji & Co.**
Chartered Accountants
Firm Registration number : 014147S

sd/-
CA.K .Appaji
Partner
Membership No. 214156

For and on behalf of the Board of Directors

sd/- sd/-
Director Director
Vikram Bhargava Dr. Andor Gellert

**WIPRO HOLDINGS HUNGARY KORLATOLT FELEL.SSEG TARSASAG
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015**

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

	Notes	Year ended March 31,	
		2015	2014
REVENUE			
Revenue from operations (net)		696,867,088	649,440,975
Other income	11	810,220,746	277,944,162
Total Revenue		1,507,087,834	927,385,137
EXPENSES			
Other expenses	12	7,496,938	7,637,447
Total Expenses		7,496,938	7,637,447
Profit before tax		1,499,590,896	919,747,690
Tax expense			
Current tax		17,234,254	16,045,088
Net Profit		1,482,356,642	903,702,601
Earnings per equity share			
(Equity shares of par value USD 1 each)			
Basic		53.90	126.20
Diluted		53.90	126.20

The accompanying notes form an integral part of the Statement of Profit and Loss

As per our report attached
for Appaji & Co.
Chartered Accountants
Firm Registration number : 014147S

For and on behalf of the Board of Directors

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CA.K .Appaji
Partner
Membership No. 214156

sd/- sd/-
Director Director
Vikram Bhargava Dr. Andor Gellert

WIPRO HOLDINGS HUNGARY KORLATOLT FELEL.SSEG TARSASAG
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015
(Amount in Rupees)

Particulars	Year ended March 31st	
	2015	2014
A. Cashflows from operating activities:		
Profit/ (Loss) before tax	1,499,590,896	919,747,690
Adjustments:		
Increase in Foreign Currency Translation Reserve	-	1,930,512,500
Working capital changes:		
Increase/ (decrease) in trade payables	(784,440)	1,368,683
Increase/ (decrease) in other current liabilities	(2,213,753)	755,265
Increase/ (decrease) in long-term loans & advances	(1,891,914,493)	(4,763,333,252)
Increase/ (decrease) in short-term loans & advances	(1,240,773,314)	(359,170)
Net cash generated from/ (used in) operations	(1,636,095,104)	(1,911,308,284)
Direct taxes (paid)/ refund, net	(39,726,417)	(11,243,602)
Net cash generated from/ (used in) operating activities	(1,675,821,521)	(1,922,551,886)
B. Cashflows from investing activities:		
Cash from Investing Activities	-	-
Net cash generated from/ (used in) investing activities	-	-
C. Cashflows from financing activities:		
Proceeds from Issue of Share Capital	1,671,593,797	1,705,962,500
Dividends paid (including distribution tax)	-	-
Net cash used in financing activities	1,671,593,797	1,705,962,500
Net (decrease)/ increase in cash and cash equivalents during the period	(4,227,724)	(216,589,386)
Cash and cash equivalents at the beginning of the period	122,797,363	339,386,749
Cash and cash equivalents at the end of the period	118,569,639	122,797,363
Components of cash and cash equivalents		
Balances with banks in current account	118,569,639	23,407,659
Balances with banks in deposit accounts	-	99,389,703
Total Cash and cash equivalents (Refer Note 9)	118,569,639	122,797,363

The accompanying notes form an integral part of the Cashflow Statement

As per our report attached
for Appaji & Co.

Chartered Accountants

Firm Registration number : 014147S

sd/-

CA.K .Appaji

Partner

Membership No. 214156

For and on behalf of the Board of Directors

sd/-

Director

Vikram Bhargava

sd/-

Director

Dr. Andor Gellert

WIPRO HOLDINGS HUNGARY KORLATOLT FELEL.SSEG TARSASAG
NOTES TO THE FINANCIAL STATEMENTS
(Amount in Rupees, except share and per share data, unless otherwise stated)

1. **Background :**

Wipro Holdings Hungary (“the Company”) is a fully owned subsidiary of Wipro Cyprus Private Limited. The Company was incorporated in Hungary is engaged in lending activity to its group companies. The functional currency of the Company 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:**

a. **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.

b. **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. .

c. **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.

d. **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.

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.

The Company is a foreign subsidiary of Wipro Limited and has been treated as integral operating unit for translation. The monetary assets are revaluated at the closing rate on the

balance sheet date.

e. **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. .

f. **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. .

g. **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.

h. **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.

	As at March31, 2015	As at March 31, 2014
Note 3 Share Capital		
The details of share capital are given below:-		
Authorised capital		
27,503,290 (2012: 3,315) equity shares of USD 1 each.	1,706,123,355	1,706,092,785
	1,706,123,355	1,706,092,785
Issued, subscribed and fully paid-up capital		
27,503,290 (2012: 3,315) equity shares of USD 1 each.	1,706,123,355	1,706,092,785
	1,706,123,355	1,706,092,785
(i) Terms / Rights attached to Equity Shares		
The company has only one class of equity shares having a par value of \$ 1 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company, the equity shareholders will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any in proportion to the number of shares held by the shareholders.		
(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	27,503,290	3,290
Number of common stock issued during the year	500	27,500,000
Number of common stock outstanding as at the end of the year	27,503,790	27,503,290
Note 4 Reserves and Surplus		
Capital Reserve		
Balance brought forward from previous year	14,057,992,138	14,057,992,138
Add: Additions during the year	1,671,563,226	-
	15,729,555,364	14,057,992,138
Foregin Translation reserve		
Balance brought forward from previous year	7,110,844,962	5,180,332,462
Movement during the period	-	1,930,512,500
	7,110,844,962	7,110,844,962
General reserve		
Balance brought forward from previous year	3,197,452,803	2,293,750,202
Amount transferred from surplus balance in the statement of profit	1,482,356,642	903,702,601
	4,679,809,446	3,197,452,803
Surplus from statement of profit and loss		
Balance brought forward from previous year	-	-
Add: Profit for the year	1,482,356,642	903,702,601
- Amount transferred to general reserve	(1,482,356,642)	(903,702,601)
Closing balance	-	-
Summary of reserves and surplus		
Balance brought forward from previous year	24,366,289,944	21,532,074,842
Movement during the year	3,153,919,868	2,834,215,101
	27,520,209,812	24,366,289,944

	As at March 31, 2015	As at March 31, 2014
Note 5 Trade payables		
Trade Payables	-	942,399
Accrued expenses	838,581	680,621
	838,581	1,623,021
Note 6 Other current liabilities		
Current Maturities of loan term borrowings	-	-
Balances due to related parties	9,910,375	12,124,128
	9,910,375	12,124,128
Note 7 Short term provisions		
Provision for tax	108,612,783	131,104,946
	108,612,783	131,104,946
Note 8 Long term loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Loans to Group companies	27,859,530,179	25,967,615,687
	27,859,530,179	25,967,615,687
Note 9 Cash and bank balances		
Cash and cash equivalents		
Balances with banks		
In current accounts	118,569,640	23,407,659
In deposit accounts	-	99,389,703
	118,569,640	122,797,362
Note 10 Short-term loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balance with Group Companies	6,017,657	5,769,975
Loans to Group Companies	1,248,961,346	-
Balances with excise, customs and other authorities	878,289	600,233
Advance income tax	111,737,796	120,451,566
	1,367,595,088	126,821,774

	Year ended March 31,	
	2015	2014
Note 15 Revenue from Operations		
Interest on Loan	696,867,088	649,440,975
Revenue from operations	696,867,088	649,440,975
Note 11 Other Income		
Other exchange differences, net	810,220,746	277,944,162
	810,220,746	277,944,162
Note 12 Other expenses		
Rent	145,481	163,061
Legal and professional charges	5,832,614	5,612,621
Rates and taxes	34,511	
Audit fees	688,472	1,199,330
Miscellaneous expenses	795,859	652,447
	7,496,938	7,637,447

13 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.

14 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

15 Related Party Disclosures

(In Rs)

The following is the listing of receivables & payables from related party as on the balance sheet date:

Payables:

	As at 31-Mar-15	As at 31-Mar-14
Wipro Technocentre (Singapore) Pte Limited	29,831	-
Wipro Cyprus Private Limited	9,880,544	11,162,279
Wipro Limited	-	961,850
	9,910,374	12,124,128

The following is the listing of receivables from related party as on the balance sheet date:

	As at 31-Mar-15	As at 31-Mar-14
Receivables:		
Wipro SA BBES Trust	-	777,899,170
Wipro Gallagher Solution Inc	1,751,944,441	1,657,889,557
Wipro Technologies Indonesia	-	301,498,067
Wipro Poland Sp Zoo	15,860,728	-
Wipro Cyprus Private Limited	695,663,248	86,389,071
Wipro Inc.	23,234,592,383	22,141,557,140
PT WT Indonesia	59	-
Wipro do Brazil Tecnologia Ltda	-	236,544,597
Wipro Technologies GMBH	176,102,093	210,363,938
Wipro Holdings UK limited	569,157,008	544,342,991
Wipro Technologies Canada Limited	1,451,018,617	-
Wipro Information Technology Netherlands BV	509,782,402	-
WIPRO SA BROAD-BASED OWNERSHIP SCHEME SPV (RF) (PTY) LTD	704,398,732	-
Wipro Limited	5,989,471	4,777,002
	29,114,509,182	25,961,261,533

17 Earnings Per Share (EPS)

	Year ended March 31,	
	2015	2014
Profit/(Loss) for the year as per profit and loss account	1,482,356,642	903,702,601
Weighted Average number of equity shares used for computing	27,503,558	7,160,824
Profit per share basic and diluted (Par value : USD 1)	54	126

Note 18. 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 principle followed for the preparation of 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 Appaji & Co.

Chartered Accountants

Firm Registration number : 014147S

sd/-

CA.K .Appaji

Partner

Membership No. 214156

For and on behalf of the Board of Directors

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