

**WIPRO INFORMATION
TECHNOLOGY NETHERLANDS BV
(FORMELY RETAIL BOX BV
FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED MARCH 31, 2015**

WIPRO INFORMATION TECHNOLOGY NETHERLANDS BV (FORMELY RETAIL BOX BV)
BALANCE SHEET AS AT MARCH 31,2015

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

	Notes	As on March 31,	
		2015	2014
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	1,653,357,605	539,544,251
Reserves and Surplus	4	839,099,251	863,920,210
		<u>2,492,456,856</u>	<u>1,403,464,461</u>
Non-current Liabilities			
Loan and Advances	5	1,100,287,548	-
Current Liabilities			
Trade payables	6	408,879	212,114,397
Other current liabilities	7	-	3,922,324
Short term provisions	8	5,248,089	25,717,412
		<u>5,656,967</u>	<u>241,754,133</u>
TOTAL EQUITY AND LIABILITIES		<u>3,598,401,371</u>	<u>1,645,218,594</u>
<u>ASSETS</u>			
Non-current assets			
Non-current investments	9	2,988,258,908	1,200,412,764
Current assets			
Trade receivables	10	400,816	94,927,046
Cash and bank balances	11	-	-
Short-term loans and advances	12	609,741,647	321,348,963
Other current assets	13	-	28,529,821
		<u>610,142,463</u>	<u>444,805,830</u>
TOTAL ASSETS		<u>3,598,401,371</u>	<u>1,645,218,594</u>

The Notes referred to above form an integral part of the Balance Sheet

"As per our report of even date 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
Bangalore

sd/-
Director

sd/-
Director

WIPRO INFORMATION TECHNOLOGY NETHERLANDS BV (FORMELY RETAIL BOX BV)
STATEMENT OF PROFIT AND LOSS

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

	Notes	For the year ended March 31,	
		2015	2014
REVENUE			
Revenue from operations	14	186,732,384	445,566,723
Other Income	15	7,874,554	2,574,618
Total Revenue		194,606,938	448,141,341
EXPENSES			
Employee benefits expense	16	6,423,620	9,153,899
Other expense	17	273,745,911	421,795,643
Total Expense		280,169,531	430,949,542
Profit before tax		(85,562,593)	17,191,799
Tax expense (including deferred tax)		(7,802,436)	3,485,459
Net Profit		(77,760,157)	13,706,340

Earnings per equity share [Refer note 19]

(Equity shares of par value Eur. 1/- each)

Basic	(4.55)	1.62
Diluted	(4.55)	1.62

The Notes referred to above form an integral part of the Profit and Loss Account

“As per our report of even date 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

Bangalore

sd/-

Director

sd/-

Director

WIPRO INFORMATION TECHNOLOGY NETHERLANDS BV (FORMELY RETAIL BOX BV)
NOTES TO THE FINANCIAL STATEMENTS
(Amount in ₹, except share and per share data, unless otherwise stated)

1. Company overview

Wipro Information Technology Netherlands BV (Formely Retail Box BV) (“The Company”) is a subsidiary of Wipro Cyprus Private Limited. The principal business of company is to engage in consultancy in matters related to Information technology in Retail space.

2. Significant accounting policies

i. Basis of preparation of financial statements

The accompanying financial statements are prepared and presented under historical cost convention on accrual basis of accounting, and comply with Accounting Standards (AS) issued by Institute of Chartered Accountants of India (ICAI) to the extent applicable.

ii. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

iii. Fixed assets and Depreciation

Fixed assets are stated at historical cost less accumulated depreciation. Costs include expenditure directly attributable to the acquisition of the asset. Borrowing costs directly attributable to the construction or production of qualifying assets are capitalized as part of the cost.

Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work-in-progress.

The Company has provided for depreciation using straight line method over the useful life of the assets.

iv. Investments

Long term investments are stated at cost less other than temporary decline 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.

v. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of an obligating 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.

vi. Revenue recognition

Revenue from software development services includes revenue from time and material and fixed price contracts. Revenue from time and material contracts are recognized as related services are performed. Revenue on fixed price contracts is recognized in accordance with percentage completion method. During the current year, the company also derived revenues from software development services to the holding company, on the basis of services rendered and billable in accordance with the terms of the existing transfer pricing arrangement with its holding company. Maintenance revenue is recognized over the period of the contract.

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.

Reimbursement of expenses from the holding company is accounted as a reduction from expenses.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates. 'Unbilled revenues' included in loans and advances represent cost and earnings in excess of billings as at the balance sheet date. 'Unearned revenues' included in current liabilities represent billing in excess of revenue recognized.

Profit on sale of investments is recorded upon transfer of title by the company and is determined as the difference between the sales price and the then carrying value of the investment.

Other income is recognized on accrual basis.

vii. Foreign currency transactions

For the purpose of financial statements during the year, all income and expenses items are converted at the average rate of exchange applicable for the year. All monetary assets and liabilities are translated at the closing rate on the balance sheet date and non monetary assets and liabilities are translated at transaction rate. The equity share capital is 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. The functional currency of the Company is Euro while the reporting currency is Indian Rupees

viii. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset including goodwill may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. In respect of goodwill the impairment loss will be reversed only when it was caused by specific external events and their effects have been reversed by subsequent external events.

ix. Income Tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred tax assets and liabilities are recognized 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 of 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 recognized in the period that includes the enactment/substantial enactment date.

Deferred tax assets on timing differences are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognized 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 values at each balance sheet date.

x. Earnings per share

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

xi. Cash flow statement

Cash flows are reported using the 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 regular revenue generating, investing and financing activities of the Company are segregated.

3. Share Capital

(i) The details of share capital are given below.

		As of March 31,	
		2015	2014
Authorised Capital			
22,046000(2014: 8,440000) equity shares of Euro 1 each			
		1,653,357,605	539,544,251
Issued, subscribed and paid-up capital			
22,046000(2014: 8,440000) equity shares of Euro 1 each [Refer note (ii) below]			
		1,653,357,605	539,544,251
		1,653,357,605	539,544,251

(ii) The following is the reconciliation of number of shares as at March 31, 2014.

		As of March 31,	
		2015	2014
Opening number of equity shares		8,440,000	8,440,000
Add: Equity shares		13,606,000	-
Closing number of equity shares		22,046,000	8,440,000

(iii) Details of Shareholding Pattern by Related Parties

SI No.	Name of Shareholders	As at March 31 2015		As at March 31 2014	
		No. of Share	% of holdings	No. of Share	% of holdings
1	Wipro Cyprus Private Limited	22,046,000	100	8,440,000	100

4. Reserves and Surplus:

	As of March 31,	
	2015	2014
Securities premium account		
Balance brought forward from previous year	129,052,952	129,052,952
Addition		
	129,052,952	129,052,952
Translation reserve		
Balance brought forward from previous year	191,667,125	160,538,033
Movement during the period	52,939,199	31,129,092
	244,606,325	191,667,125
General reserve		
Balance brought forward from previous year	543,200,134	529,493,794
Transferred from Profit and Loss account [Refer note 4 (a) below]	(77,760,157)	13,706,340
	465,439,977	543,200,134
Surplus from statement of profit and loss		
Balance brought forward from previous year	-	-
Add: Profit for the year	(77,760,157)	13,706,340
Less: Appropriations		
- Dividend Paid	-	-
- Amount transferred to general reserve	(77,760,157)	13,706,340
Closing balance	-	-
Summary of reserves and surplus		
Balance brought forward from previous year	863,920,210	819,084,778
Movement during the year	(24,820,959)	44,835,431
	839,099,251	863,920,210

4 (a) Additions to General Reserve include:

	For the year ended March 31,	
	2015	2014
Transfer from Profit and Loss Account	-	82,852,230
	-	82,852,230

5. Loan and Advances

	For the year ended March 31,	
	2015	2014
Payable to ultimate holding company	312,933,238	-
Payable to group companies	784,032,404	-
Provisions for taxation - Net of advances	3,321,906	9,261,330.96
	1,100,287,548	-

6. Trade payables & Accrued Expenses

	As of March 31,	
	2015	2014
Sundry creditors – Due to other than micro and small enterprises(Refer note no: 22)	-	1,244,162
Payable to ultimate holding company	400,816	210,870,235
Others	8,063	-
	408,879	212,114,397

7. Other current liabilities

	As of March 31,	
	2015	2014
Statutory liabilities		3,922,324
	-	3,922,324

8. Short term provisions

	As of March 31,	
	2015	2014
Provisions for taxation	-	21,860,999
Other Provisions	5,248,089	3,856,413
	5,248,089	25,717,412

9. Non-current investments

(Valued at cost unless stated otherwise)

	As of March 31,	
	2015	2014
Non-trade – Unquoted		
Investment in equity shares		
- Wipro Portugal SA	298,303,696	298,303,696
-Wipro Technologies Argentina SA	17,659,856	17,659,856
-Wipro (Thailand) Co Limited	41,852	41,852
-Wipro do brasil tecnologia ltda	696,491,269	696,491,269
-Wipro technologies gmbh	97,501,371	97,501,371
-Wipro Technologies Limited- Russia	16,339	16,339
-Wipro Poland Sp Zoo	6,883	6,883
-Wipro Norway AS	52,893,780	52,893,780
-Wipro Chile pty ltd	37,414,605	37,414,605
-Wipro IT Kazakhstan LLP	9,474,010.00	-
-Wipro IT Services Canada	1,778,181,493	-
-"Wipro do Brasil Sistemas de Informática Ltda"	190,641	-
"Wipro Outsourcing Services (Ireland) Ltd	83,113	83,113
	2,988,258,908	1,200,412,764

10. Trade Receivables (Unsecured)

	As of March 31,	
	2015	2014
Debts outstanding for a period exceeding six months		
Considered good	-	-
Considered doubtful	-	-
	-	-
Other debts		
Considered good	400,816	94,927,046
Considered doubtful	-	-
	400,816	94,927,046
Less: Provision for doubtful debts	-	-
	400,816	94,927,046

11. Cash and bank balances

	As of March 31,	
	2015	2014
Balances with Banks		
- In current accounts	-	-
	-	-

12. Short term loans and advances

(Unsecured, considered good unless otherwise stated)

	As of March 31,	
	2015	2014
Receivable from group companies	609,741,648	318,520,498
Loan to group companies	-	2,357,742
Prepaid expenses	-	225,815
Others	-	193,426
	609,741,647	321,348,963

13. Other current assets

	As of March 31,	
	2015	2014
Unbilled revenue	-	28,529,821
	-	28,529,821

14. Revenue from operations

	Year ended March 31,	
	2015	2014
Sale of services	186,732,384	445,566,723
	186,732,384	445,566,723

15. Other income

	Year ended March 31,	
	2015	2014
Interest	7,874,554	2,562,273
Dividend	-	12,345
	7,874,554	2,574,618

16. Employee benefits expense

	Year ended March 31,	
	2015	2014
Salaries and wages	6,423,619	8,966,952
Staff welfare expenses	-	186,947
	6,423,620	9,153,899

17. Other expenses

	Year ended March 31,	
	2015	2014
Sub contracting / technical fees / third party application	168,059,111	401,009,900
Legal and Professional Charges	24,268,573	15,610,301
Rent	503,819	708,915.10
Rates & Taxes	-	518,243
Travelling	656,000	1,402,947
Interest Expense	18,206,769	-
Exchange gain loss expenses	60,601,834	-
Miscellaneous expenses	1,449,805	2,545,337
	273,745,911	421,795,643

18. Related Party Transaction:

The following are the entities with which the Company has related party transactions:

Name of the party	Relationship with the Company
Wipro Cyprus Private Limited	Holding Company
Wipro Limited	Ultimate Holding Company
Wipro Technologies Argentina SA	Subsidiary Company
Wipro Information Technology Egypt SAE	Fellow Subsidiary
Wipro Technologies GmbH.	Fellow Subsidiary
Wipro Thailand	Fellow Subsidiary

The Company had the following transactions with related parties:

	For the year ended Mar 31, 2015	For the year ended Mar 31, 2014
Wipro Cyprus Private Limited		
Interest Income	358,123	27,533
Interest Expenses	7,792,079	-
WIPRO OUTSOURCING SERVICES		
Interest Expenses	6,328,045	-
Wipro Limited		
Subcontracting Charges	168,059,111	401,009,910
Wipro Holdings Hungary		
Interest Expenses	4,108,192	-
Wipro Technology Chile SpA		
Interest income		60,503
Wipro Technologies GMBH		
Interest income	3,351,025	3,332,577
Wipro Portugal SA		
Interest Income	4,108,192	-

The following are the balances receivables and payables to related parties:

Name of the party	As at	
	31-Mar-15	31-Mar-14
Receivables:		
Wipro Technologies GMBH	563,387,062	126,957,393
Wipro Technologies Argentina SA	178,877	178,707
Wipro Cyprus Private Limited	-	191,197,284
Wipro Technology Chile SpA	-	2,357,742
WIPRO TECHNOLOGIES NORWAY AS	-	187,032
Wipro portugal SA	43,892,332	-
Wipro Chile pty ltd	29,360	-
Wipro Technologies-SA	2,662	-
Wipro IT Kazakhstan LLP	2,271	-
Payables:		
Wipro Limited	400,816	210,870,235
Wipro Cyprus Private Limited	312,933,238	-
Wipro Holdings Hungary	509,782,402	-
Wipro Outsourcing Services (Ireland) Ltd	274,249,935	-

19. Earnings per Share (EPS)

Particulars	Year ended March 31,	
	2015	2014
Profit for the year as per profit and loss account	(77,760,157)	13,706,340
Weighted average number of equity shares used for computing basic and diluted EPS	17,088,197	8,445,623
Profit per share basic and diluted (Par value: EUR 1)	-4.55	1.62

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

21. 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.

22. Corresponding figures for previous periods presented have been regrouped, where necessary, to confirm to current period classification

The Notes referred to above form an integral part of the Balance Sheet

"As per our report of even date attached"
for D.Prasanna & Co.
Chartered Accountants
Firm Registration number : 009619S

For and on behalf of the Board of Directors

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D.Prasanna Kumar
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