

WIPRO TRAVEL SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

(Amount in Rs)

	Notes	As on March 31,	
		2015	2014
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share capital	3.1	661,710	661,710
Reserves and surplus	3.2	94,336,904	81,394,236
		94,998,614	82,055,946
Non- current liabilities			
Long-term provisions	3.3	-	1,047,527
		-	1,047,527
Current Liabilities			
Trade payables	3.4	282,993,326	211,811,607
Other current liabilities	3.5	80,835,090	20,089,040
Short term provisions	3.6	-	446,220
		363,828,417	232,346,867
TOTAL EQUITY AND LIABILITIES		458,827,030	315,450,340
<u>ASSETS</u>			
Non-current assets			
Fixed assets	3.27	-	-
Deferred tax assets (net)	3.18	50,467	540,960
Long term loans and advances	3.7	40,555,421	30,898,946
		40,605,888	31,439,906
Current assets			
Trade receivables	3.8	307,821,767	241,508,115
Cash and cash equivalents	3.9	58,409,723	11,693,857
Short-term loans and advances	3.10	26,630,329	13,783,914
Other Current Assets	3.11	25,359,323	17,024,547
		418,221,142	284,010,434
TOTAL ASSETS		458,827,030	315,450,340
Significant accounting policies	2		
Notes to accounts	3		

The notes referred to above form an integral part of the balance sheet

As per our report of even date attached

for Appaji & co

Chartered Accountants

Firm Registration number : 014147S

For and on behalf of the Board of

sd/-

Appaji K

Partner

Membership No. 214156

sd/-

Dipak Kumar Bohra

Director

sd/-

Srinivasan G

Director

WIPRO TRAVEL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rs)

	Notes	For the year ended March 31,	
		2015	2014
REVENUE			
Revenue from operations	3.12	78,719,207	57,469,577
Other income	3.13	(635,823)	582,397
Total revenue		78,083,385	58,051,974
EXPENSES			
Employee benefits expense	3.14	29,445,754	25,216,624
Depreciation expense	3.27	-	-
Finance cost	3.15	22,350	131,311
Other expense	3.16	29,456,570	14,804,566
Total expense		58,924,674	40,152,501
Profit before tax		19,158,711	17,899,474
Tax expense			
Current tax		5,725,550	5,496,517
Deferred tax		490,493	308,443
		6,216,043	5,804,960
Net profit		12,942,667	12,094,514
Earnings per equity share	3.19		
(Equity shares of par value Rs 10/- each)			
Basic		195.59	182.78
Diluted		195.59	182.78
Significant accounting policies	2		
Notes to accounts	3		

The notes referred to above form an integral part of the statement of profit and loss

As per our report of even date attached

for Appaji & co

Chartered Accountants

Firm Registration number : 014147S

For and on behalf of the Board of Directors

sd/-

Appaji K

Partner

Membership No. 214156

sd/-

Dipak Kumar Bohra

Director

sd/-

Srinivasan G

Director

WIPRO TRAVEL SERVICES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	(Amount in Rs)	
	Year ended March 31,	
	2015	2014
Cash flows from operating activities:		
Profit before tax	19,158,711	17,899,474
<i>Adjustments:</i>		
Depreciation and amortisation	-	-
Adjustment towards increase in deferred tax.		
Working capital changes :		
Trade receivables and loans and advances	(87,494,843)	(51,407,201)
Liabilities and provisions	130,434,023	45,331,573
Net cash generated from operations	62,097,890	11,823,846
Direct taxes (paid)/refund, net	(15,382,024)	(5,855,974)
Net cash generated by / (used in) operating activities	46,715,866	5,967,872
 Cash flows from investing activities:		
Net cash used in investing activities	-	-
 Cash flows from financing activities:		
Net cash used in financing activities	-	-
 Net (decrease) / increase in cash and cash equivalents during the year	46,715,866	5,967,872
Cash and cash equivalents at the beginning of the year	11,693,857	5,725,986
Cash and cash equivalents at the end of the year (Note refer 3.10)	58,409,723	11,693,857

As per our report of even date attached
for Appaji & co
Chartered Accountants
Firm Registration number : 014147S

sd/-
Appaji K
Partner
Membership No. 214156

For and on behalf of the Board of
Directors

sd/- sd/-
Dipak Kumar I Srinivasan G
Director Director

WIPRO TRAVEL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Company overview

Wipro Travel Services Limited ("the Company") is a subsidiary of Wipro Limited ("the holding company"). The Company is engaged in the business of booking air travel tickets for group companies (Wipro Limited and its subsidiary and associate companies). These financial

Significant accounting policies

Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under sec 133 of 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 issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

Use of estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimates are revised and in any future period affected

Revenue recognition

The Company recognises commission income on travel tickets booked on a net basis when the services have been rendered. The company has service level agreement with the holding company. Accordingly, the Company acts as an agent for booking tickets without being the primary obligor. Discount given to the customer is presented as reduction of revenue.

Income from incentives is recognized when the right to receive such incentives is established and Accrued in the books accordingly

Fixed assets and depreciation

The company has provided for depreciation using straight line method over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 except in the case of following assets which are depreciated based on useful lives estimated by the Management:

Class of asset	Estimated useful life
Buildings	30-60 years
Computers including telecom equipment and software (included under plant and machinery)	2-7 years
Furniture and fixtures	5-6 years
Electrical installations (included under plant and machinery)	5 years
Vehicles	4 years

Assets under finance lease are amortised over their estimated useful life or the lease term, whichever is lower.

For these class of assets, based on internal technical assessment the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as Prescribed under part C of Schedule II of the Companies Act, 2013.

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/substantive 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 realized.

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

Earnings per share

The basic and diluted earnings per share is computed by dividing the net profit attributable to equity share holders for the year, by the weighted average number of equity shares outstanding for the year.

Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of 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.

The Company recognizes provision for onerous contracts based on the estimate of excess of unavoidable costs of meeting obligations under the contracts over the expected economic benefits

Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset 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 recognised in the profit and loss account. If at the balance sheet date there is an indication that 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.

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.

Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term.

3 Notes to accounts

3.1 Share capital

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Authorised capital		
10,000,000 (2014: 10,000,000) equity shares of Rs. 10	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, subscribed and paid-up capital		
66,171 (2014: 66,171) equity shares of Rs. 10 each.	661,710	661,710
	661,710	661,710

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each share holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity share holders 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 equity shares held by the shareholders.

Details of shareholders having more than 5% of the total equity shares of the Company

Name of Shareholder	As of March 31, 2014	
	No of Shares	% held
Wipro Limited (holding company)	66,165	99.99
	66,165	99.99

Reconciliation of number of shares

Name of Shareholder
Opening number of equity shares
Equity shares issued during the year
Closing number of equity shares outstanding

3.2 Reserves and surplus

	(Amount in Rs)	
	As of March 31,	
	2015	2014
General reserve		
Balance brought forward from previous year	19,159,182	19,159,182
Add: Transferred from Profit and Loss account	-	-
	19,159,182	19,159,182
Surplus from statement of profit and loss		
Balance brought forward from previous year	62,235,054	50,140,541
Add: Profit for the year	12,942,667	12,094,513
Closing balance	75,177,722	62,235,054
Summary of reserves and surplus		
Balance brought forward from previous year	81,394,236	69,299,723
Movement during the year	12,942,667	12,094,513
	94,336,904	81,394,236

3.3 Long-term provisions

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Employee benefit obligations	-	1,047,527
	-	1,047,527

3.4 Trade payables

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Sundry creditors - due to micro and small enterprises *	-	-
Sundry creditors - due to other than micro and small en	282,993,326	211,811,607
	282,993,326	211,811,607

*The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Accordingly disclosure regarding:

- a) Amount due and outstanding to suppliers as at the end of accounting year;
- b) Interest paid during the year;
- c) Interest payable at the end of the accounting year;
- d) Interest accrued and unpaid at the end of the accounting year, has not been provided.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act and believe that the impact of interest if any, will not be material.

3.5 Other current liabilities

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Advances from customers	81,051,312	20,000,000
Other liabilities	-	-
Statutory liabilities	(216,222)	89,040
	80,835,090	20,089,040

3.6 Short term provisions

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Employee benefit obligations	-	446,220
	-	446,220

3.7 Long term loans and advances

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Advance income tax, net of provision for tax	40,555,421	30,898,946
Advance fringe benefit tax, net of provision for tax	-	-
	40,555,421	30,898,946

3.8 Trade receivables (unsecured)	(Amount in Rs)	
	As of March 31,	
	2015	2014
Debts outstanding for a period exceeding six months from the date they are due for payment		
Considered good	22,127,918	26,552,656
Considered doubtful	-	-
	22,127,918	26,552,656
Other debts		
Considered good	285,693,850	214,955,459
Considered doubtful	-	-
	285,693,850	214,955,459
Less: Provision for doubtful debts	-	-
	307,821,767	241,508,115
3.9 Cash and cash equivalents	(Amount in Rs)	
	As of March 31,	
	2015	2014
Balances with banks		
- in current accounts	58,409,723	11,693,857
	58,409,723	11,693,857
3.10 Short-term loans and advances	(Amount in Rs)	
	As of March 31,	
	2015	2014
(Unsecured, considered good)		
Advances to suppliers	26,630,329	13,783,914
	26,630,329	13,783,914
3.11 Other Current Assets	(Amount in Rs)	
	As of March 31,	
	2015	2014
Accrued Income	25,359,323	17,024,547
	25,359,323	17,024,547
3.12 Revenue from operations	(Amount in Rs)	
	As of March 31,	
	2015	2014
Income from incentives and commission	78,719,207	57,469,577
	78,719,207	57,469,577
3.13 Other income	(Amount in Rs)	
	As of March 31,	
	2015	2014
Exchange gain, net	(635,823)	582,397
	(635,823)	582,397

3.17 Related party relationships and transactions

Following are the related parties and nature of relationships as of March 31, 2015

Holding Company	Country
Wipro Limited	India
Fellow Subsidiaries	
Wipro Gallagher Solutions Inc	USA
Wipro Inc.	USA
Infocrossing Inc.	USA
Wipro India Private Limited	India
Wipro Shanghai Limited	China
Wipro Technologies UK Limited	United Kingdoms
Wipro Technologies S.A DEC. V	Mexico
Wipro BPO Philippines LTD. Inc	Philippines
Wipro Information Technology Egypt SAE	Egypt
Wipro Technologies OY	Finland
Wipro Arabia Limited	Saudi Arabia
Wipro Poland Sp Zoo	Poland
Wipro US Oil & Gas	USA
Wipro Technologies SRL	Romania
Wipro (Thailand) Co Limited	Thailand
Wipro Bahrain Limited WLL	Bahrain
Wipro Chengdu Limited	China
Wipro Technology Services Limited	India
Wipro Airport IT Services Limited	India
New Logic Technologies GmbH	Austria
New Logic Technologies SARL	France
Wipro Portugal S.A.	Portugal
Wipro do Brazil Technologia Ltda (formerly Enabler	Brazil
Wipro Technologies GmbH (formerly Enabler & Retail	Germany
Wipro Promax Analytical Solutions Europe Limited	United Kingdoms
Wipro Retail - Germany	Germany
Wipro Technologies South Africa Pty Limited	South Africa
Wipro Japan KK	Japan
Wipro Outsourcing Services, Ireland	Ireland
Key managerial personnel	
Mr. Azim Premji	Group Chairman
Dipak Kumar Bohra	Director
Srinivasan G	Director
Navneet Khandelwal	Director

The company has the following transactions with related parties:

(Amount in Rs)

Entity	For the year ended
	2014
Wipro Limited	1,792,412
Wipro Limited	25,448,564
Wipro Limited	3,055,786,704
Others:	
Wipro Technology Services Limited	5,566,408
Wipro Arabia Limited	1,814,371
Wipro Promax Analytical Solutions Europe Ltd	2,355,657
Wipro Retail Germany	17,273,414
Wipro Technologies South Africa Pty Limited	5,091,843
Wipro Shangai Ltd	180,272
Wipro Technologies, SRI, Romania	1,145,835

3.14 Employee benefits expense

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Salaries and wages	28,316,794	22,876,558
Contribution to provident and other funds	651,014	510,499
Stock based compensation	(486,152)	998,172
Staff welfare expenses	964,098	831,395
	29,445,754	25,216,624

3.15 Finance costs

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Bank charges	22,350	131,311
	22,350	131,311

3.16 Other expenses

	(Amount in Rs)	
	As of March 31,	
	2015	2014
Subcontracting charges	16,207,135	6,443,667
Rent	4,644,000	1,792,412
Communication	260,002	389,819
Rates and taxes	4,704,827	3,479,963
Auditors remuneration - Towards Statutory Audit	60,000	53,011
Auditors remuneration - Towards Other Services	-	-
Printing and stationery	21,988	38,113
Legal & Professional Charges	2,083,978	1,301,433
Conveyance-Local	342,550	491,533
Recruitment Expenses	229,537	429,828
Miscellaneous expenses	902,552	384,787
	-	-
	29,456,570	14,804,566

The following are receivables from related parties as at the balance sheet date:

(Amount in Rs)

Particulars	As of March 31,	
	2014	
<i>Trade Receivables</i>		
Wipro Limited	211,961,599	
Others		
Wipro Information Technology Egypt SAE	1,515,975	
Wipro Promax Analytical Solutions Europe Ltd	598,425	
Wipro Retail Germany	4,863,619	
Wipro Technologies South Africa Pty Limited	6,249,101	
Wipro Technologies Inc	74,197	
Wipro Shanghai Limited	31,329	
Wipro New Logic	758,024	
Wipro Thailand	48,252	
Wipro Infocrossing	264,179	
Wipro UK Limited	-	
Wipro Bahrain Limited WLL	115,185	
Wipro Chengadu Limited	31,471	
Wipro US Oil & Gas	278,046	
Wipro Technologies S.A DE C. V	188,200	
Wipro Outsourcing Services, Ireland	57,570	
Wipro Portugal S.A.	8,697	
Wipro Japan KK	76,393	
Wipro do Brazil Technologia Ltda	596,841	
Wipro Arabia Limited	318,470	
Wipro Technology Services Limited	191,922	
Wipro Gallagher Solutions Inc	60,377	
Wipro Technologies SRL, Romania	369,870	
Wipro Poland Sp. z o.o.	-	
Wipro Consumer Care	6,269,184	
Wipro Solar	63,218	
Wipro Fluid Power	5,145,550	
Wipro Water	1,346,744	
Mr. Premji & Family	25,678	
Vineet Agarwal		
Total Others	29,546,517	
Total Trade Receivables	241,508,116	

3.18 Deferred tax

Deferred tax comprises the following:

(Amount in Rs)

Particulars	As at March 31,	
	2015	2014
Opening Deferred tax asset/ (liability), net	540,960	849,403
Provision for employee benefits		484,646
Surplus of depreciation allowable under income-tax law	50,467	56,314
Closing Deferred tax asset/ (liability), net	50,467	540,960
Charged/ (Credited) to P&L	490,493	308,443

3.19 Earnings per share

The computation of equity shares used in calculating basic and diluted

Particulars	For the year ended March 31,	
	2015	2014
Weighted average equity shares outstanding	66,171	66,171
Net income considered for computing Basic and	12,942,667	12,094,514
Profit per share basic and diluted (par value: Rs. 10	195.59	182.78

The Company does not have any potentially dilutive equity shares.

3.20 Leases

The Company has taken office premises under cancelable operating lease. Total amount of lease rentals debited to profit and loss account in respect of cancelable operating leases for financial year 2014-15 amounted to Rs 4,644,000 (F.Y. 2013-14: Rs 1,792,412)

3.21 Segment reporting

The Company has only one business and geographic segment. Hence segment information is not required to be disclosed.

3.22 Contingent Liabilities

Contingent Liabilities not provided for :

Particulars
Service Tax
Bank Guarantee given to IATA towards performance of obligations

3.23 Capital Commitments

The capital commitments as at March 31, 2015 is *Nil* (March 31, 2014: *Nil*)

3.24 Derivatives

The unhedged foreign exchange exposure as at March 31, 2015 is *Nil* (March 31, 2014: *Nil*)

3.25 Earnings / Expenditure in Foreign Exchange

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.

3.26 Previous years figures have been reclassified to confirm to current year's classification.

As per our report of even date attached
for Appaji & co
Chartered Accountants
Firm Registration number : 014147S

For and on behalf of the Board of Directors

sd/-
Appaji K
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