

**CELLENT GMBH**

**STANDALONE FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEAR ENDED MARCH 31, 2017**

**CELLENT GMBH**  
**BALANCE SHEET AS AT MARCH 31, 2017**  
(Amount in INR, except share and per share data, unless otherwise stated)

	Notes	As on March 31,	
		2017	2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	40,971,180	51,145,834
Financial assets			
Investments	2	1,028,343,725	1,028,343,725
Non-current tax assets		4,229,384	27,479,573
<b>Total non-current assets</b>		<b>1,073,544,289</b>	<b>1,106,969,132</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	3	393,541,081	1,043,738,132
Cash and cash equivalents	4	219,419,850	250,972,779
Other financial assets	5	4,819,457	5,157,734
Unbilled revenues	6	622,405,998	40,784,933
Other current assets	7	42,962,912	24,233,597
<b>Total current assets</b>		<b>1,283,149,298</b>	<b>1,364,887,175</b>
<b>TOTAL ASSETS</b>		<b>2,356,693,587</b>	<b>2,471,856,307</b>
<b>EQUITY</b>			
Share capital	8	388,696,307	388,696,307
Other equity	9	1,106,093,988	1,049,736,027
<b>Total equity</b>		<b>1,494,790,295</b>	<b>1,438,432,334</b>
<b>Non Current liabilities</b>			
Provisions	10	25,857,854	28,142,849
		<b>25,857,854</b>	<b>28,142,849</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	11	722,428,204	901,917,527
Borrowings	12	-	1,101,431
Unearned revenues	13	3,680,884	-
Other current liabilities	14	109,936,350	102,262,166
<b>Total current liabilities</b>		<b>836,045,439</b>	<b>1,005,281,124</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,356,693,587</b>	<b>2,471,856,307</b>

The accompanying notes form an integral part of these financial statements

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/-  
**CA K Appaji**  
Partner  
Membership No. 214156  
Date:

Sd/-  
**Director**

**CELLENT GMBH**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**  
(Amount in INR, except share and per share data, unless otherwise stated)

	Notes	<u>For the year ended March 31,</u>	
		2017	2016
<b>REVENUE</b>			
Revenue from operations	15	4,854,102,317	1,129,529,840
Other income	16	50,186,457	5,234,265
<b>Total Revenue</b>		<b>4,904,288,774</b>	<b>1,134,764,106</b>
<b>EXPENSES</b>			
Employee benefits expense	17	2,682,294,478	649,683,629
Finance costs	18	9,422,489	2,288,756
Depreciation and amortization expense	1	17,380,931	948,429
Other expense	19	2,076,478,866	522,654,086
<b>Total Expenses</b>		<b>4,785,576,764</b>	<b>1,175,574,900</b>
Profit before tax		118,712,010	(40,810,794)
Tax expense			
Current tax		18,298,441	-
<b>Profit after tax</b>		<b>100,413,569</b>	<b>(40,810,794)</b>
Other comprehensive income, net of taxes			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation difference		(39,037,198)	18,005,821
Items that will not be reclassified subsequently to profit or loss		-	-
Total other comprehensive income for the period, net of taxes		(39,037,198)	18,005,821
<b>Total Comprehensive income for the period</b>		<b>61,376,371</b>	<b>(22,804,973)</b>
<b>Profit for the period attributable to</b>			
Equity holders of the Company		61,376,371	(22,804,973)
Non controlling interest		-	-
<b>Earnings per equity share [Refer note 21 ]</b>			
(Equity shares of par value Eur. 1/- each)			
Basic		18.63	(7.57)
Diluted		18.63	(7.57)

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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/-

**CA K Appaji**

*Partner*

Membership No. 214156

Date:

Sd/-

**Director**

## A. EQUITY SHARE CAPITAL

Balance as of April 1, 2016	Changes during the Period	Balance as of March 31, 2017
388,696,307	-	388,696,307

Balance as of April 1, 2015	Changes during the Period	Balance as of March 31, 2016
388,696,307	-	388,696,307

## B. OTHER EQUITY

Particulars	Other Components of Equity			
	Retained Earnings	Reserves-At Time of Acquisition	Foreign currency translation reserve	Total other equity
<b>Balance as at April 1, 2016</b>	(40,810,794)	1,072,541,000	18,005,821	1,049,736,027
<b>Total Comprehensive income for the period</b>	-	-	-	-
Profit for the period	100,413,569	-	-	100,413,569
Other comprehensive income for the period	-	-	-	-
<b>Total Comprehensive income for the period</b>	<b>59,602,775</b>	<b>1,072,541,000</b>	<b>18,005,821</b>	<b>1,150,149,595</b>
Movement during the year	-	(5,018,410)	(39,037,198)	(44,055,607)
<b>Balance as at March 31, 2017</b>	<b>59,602,775</b>	<b>1,067,522,590</b>	<b>(21,031,377)</b>	<b>1,106,093,988</b>

Particulars	Other Components of Equity			
	Retained Earnings	Reserves-At Time of Acquisition	Foreign currency translation reserve	Total other equity
<b>Balance as at April 1, 2015</b>	-	-	-	-
<b>Total Comprehensive income for the period</b>	-	-	-	-
Profit for the period	(40,810,794)	-	-	(40,810,794)
Other comprehensive income for the period	-	-	-	-
<b>Total Comprehensive income for the period</b>	<b>(40,810,794)</b>	<b>-</b>	<b>-</b>	<b>(40,810,794)</b>
Movement during the year	-	1,072,541,000	18,005,821	1,090,546,821
<b>Balance as at March 31, 2016</b>	<b>(40,810,794)</b>	<b>1,072,541,000</b>	<b>18,005,821</b>	<b>1,049,736,027</b>

The accompanying notes form an integral part of these financial statements

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/-

CA K Appaji

Partner

Membership No. 214156

Date:

Sd/-

Director

**CELLENT GMBH**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**  
**(Amount in INR, except share and per share data, unless otherwise stated)**

	<b>Year ended March 31, 2017</b>	<b>Year ended March 31, 2016</b>
<b>A. Cash flows from operating activities:</b>		
Profit for the period	<b>100,413,569</b>	(40,810,794)
<i>Adjustments:</i>		
Depreciation and amortization	<b>17,380,931</b>	948,429
Exchange differences - net	<b>(40,281,333)</b>	11,026,006
Interest cost	<b>9,422,489</b>	2,288,756
Income tax	<b>18,298,441</b>	-
Interest income	<b>(27,223,162)</b>	(338,898)
<i>Working capital changes :</i>		
Trade receivables and unbilled revenue	<b>68,575,986</b>	21,105,204
Financials assets and other current assets	<b>(18,391,038)</b>	63,508,834
Trade payables and financial liabilities	<b>(170,419,252)</b>	94,974,579
<b>Net cash generated from operations</b>	<b>(42,223,368)</b>	152,702,116
Direct taxes (paid)/ refund	<b>4,951,748</b>	-
<b>Net cash generated by operating activities</b>	<b>(37,271,621)</b>	152,702,116
<b>B. Cash flows from investing activities:</b>		
Acquisition of fixed assets including capital advances	<b>(10,980,552)</b>	(4,034,352)
Interest income received	<b>27,223,162</b>	338,898
<b>Net cash generated by / (used in) investing activities</b>	<b>16,242,610</b>	(3,695,454)
<b>C. Cash flows from financing activities:</b>		
Interest paid on borrowings	<b>(9,422,489)</b>	(2,288,756)
Repayment of borrowings / loans	<b>(1,101,431)</b>	-
<b>Net cash generated by / (used in) financing activities</b>	<b>(10,523,920)</b>	(2,288,756)
Net (decrease) / increase in cash and cash equivalents during the period	<b>(31,552,931)</b>	146,717,905
Cash and cash equivalents at the beginning of the period	<b>250,972,780</b>	104,254,875
<b>Cash and cash equivalents at the end of the period</b>	<b>219,419,850</b>	250,972,780

The accompanying notes form an integral part of these financial statements

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/-  
**CA K Appaji**  
*Partner*  
 Membership No. 214156  
 Date:

Sd/-  
**Director**

## **CELLENT GMBH**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**

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

#### **Note 1 Background**

CELLENT GmbH, formerly CELLENT AG, (“The Company”) is incorporated and domiciled in Germany and is a 100% subsidiary of Wipro Cyprus Private Limited. The Company is an IT consulting and software services company offering IT solutions and services to customers in Germany, Switzerland and Austria. The Company's ultimate holding company, Wipro Limited (“Wipro”) is incorporated and domiciled in India. The effective date of acquisition by Wipro Group was January 01, 2016. Year ended March 31, 2016 represents period from January 01, 2016 to March 31, 2016.

#### **Note 2 Summary of significant accounting policies**

##### **(a) Basis of preparation of financial statement**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (“the Companies Act”), as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016..

Up to the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP (“Previous GAAP”), which included Standards notified under the Companies (Accounting Standards) Rules, 2006.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

The Company “Cellent AG” was converted to “Cellent GmbH” as on March 31, 2017.

##### **(b) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the date of reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.

##### **(c) Revenue recognition**

The Company derives revenue primarily from software development, maintenance of software/hardware and related services, business process services, sale of IT and other products.

## **Services:**

The Company recognizes revenue when the 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 depends 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. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates 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' represent cost and earnings in excess of billings as at the end of the reporting period.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers'.

### **C Maintenance Contracts**

Revenue from maintenance contracts is recognized rateably 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 service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

### **D Others**

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs. Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term. Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period.

## E **Products:**

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

## **Other income**

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

## **(d) Fixed assets**

Tangible assets are stated at historical cost less accumulated depreciation and impairment loss, if any. 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.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of tangible assets. Subsequent expenditure relating to tangible assets is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Cost of tangible assets not ready for use before the balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long-term loans and advances.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives, as determined by the management.

## **(e) Foreign currency transactions**

### **Translation**

The functional currency of the Company is EURO and the reporting currency for these financial statements is currency of the ultimate parent. The translation of financial statements from the local currency to the reporting currency of the Company is performed for balance sheet accounts using the exchange rate in effect at the Balance sheet date and for revenue, expenses and cash flow items using a monthly average exchange rate for the respective periods and the resulted differences is presented as 'foreign currency translation reserve' included in 'Reserve and surplus' and 'Effect of exchange rate changes on cash and cash equivalents' including in 'cash flow statement', respectively.

## **(f) Impairment of Financial Assets**

Loss allowances for trade receivables measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument Lifetime expected credit loss is computed based on a provision matrix which takes in to the account historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

## **(g) Employee benefits**

### **Compensated absences**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation carried out by independent actuary using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss account.

### **Pension and social contribution**

Pension and social contribution plan, a defined contribution scheme, the Company makes monthly contributions based on a specified percentage of each covered employee's salary.

## **(h) Taxes**

### **Income tax**

The current charge for income taxes is calculated in accordance with the relevant tax regulations.

### **Deferred tax**

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 of the Company.

Deferred taxes are recognised in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of timing difference is determined using first in first out method.

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/substantive 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 realized. 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 realized.

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

date.  
The Company offsets, on a year on year basis, the current and non-current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

### **(i) Depreciation and amortization**

The Company has provided for depreciation using straight line method over the useful life of the assets as estimated by the management. Useful life as given represents the period over which management expects to use these assets.

<b>Class of Asset</b>	<b>Estimated useful life</b>
Leasehold Buildings	9 - 11 years
Computers including servers and softwares (included under plant and machinery)	2 - 7 years
Office equipment including furnitures and fixtures	5 - 23 years

Intangible assets are amortized over their estimated useful life on a straight line basis.

### **(j) 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.

### **(k) Earnings per share**

#### **Basic**

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

#### **Diluted**

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of equity 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 equity shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issued.

### **(l) Provisions and contingent liabilities**

Provisions are recognized 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.

Provision for onerous contracts is recognized when the expected benefits to be derived from the contract are lower than the unavoidable cost of meeting the future obligations under the contract.

### **Transition to Ind AS**

These financial statements are prepared in accordance with Ind AS. For the year ended March 31, 2016, the Company prepared its financial statements in accordance with Indian GAAP (i.e. Previous GAAP). The adoption of Ind AS did not have any impact on equity as of Jan 01, 2016 and March 31, 2016. Further there was no impact on the comprehensive income for the year ended March 31, 2016.

## 1. Tangible assets

Particular	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK
	As of April 1, 2016	Additions	Effect of Transalation*	Disposals / adjustments	As of March 31, 2017	As of April 1, 2016	Depreciation for the year	Effect of Transalation*	Disposals / adjustments	As of March 31, 2017	As of March 31, 2017
<b>Tangible fixed assets</b>											
Leasehold Buildings	7,333,447	-	(595,423)	-	6,738,024	-	1,688,379	(99,819)	-	1,588,560	5,149,464
Plant & machinery	11,436,684	370,177	(930,786)	-	10,876,076	242,330	6,269,787	(370,676)	-	6,141,441	4,734,634
Office equipments	33,324,132	10,610,375	(3,275,644)	-	40,658,863	706,099	9,422,765	(557,083)	-	9,571,781	31,087,082
	<b>52,094,263</b>	<b>10,980,552</b>	<b>(4,801,852)</b>	<b>-</b>	<b>58,272,963</b>	<b>948,429</b>	<b>17,380,931</b>	<b>(1,027,578)</b>	<b>-</b>	<b>17,301,782</b>	<b>40,971,180</b>
Previous year - 2016	45,812,918	4,034,352	2,246,993	-	52,094,264	-	948,429	-	-	948,429	51,145,834

## 2. Non-current investments

(Valued at cost unless stated otherwise)

	As of March 31,	
	2017	2016
<b>Non-trade – Unquoted</b>		
<b>Investment in subsidiarries</b>		
- Cellent Mittelstandsberatung GmbH	473,885,081	473,885,081
- Cellent GmbH Austria	554,458,644	554,458,644
	<b>1,028,343,725</b>	<b>1,028,343,725</b>

## 3. Trade Receivables

	As of March 31,	
	2017	2016
Considered good	393,541,081	1,043,738,132
Considered doubtful	23,629,708	30,084,086
	417,170,789	1,073,822,218
Less: Provision for doubtful receivables	(23,629,708)	(30,084,086)
	<b>393,541,081</b>	<b>1,043,738,132</b>

## 4. Cash and cash equivalents

	As of March 31,	
	2017	2016
Balances with Banks		
- In current accounts	219,419,850	250,972,779
	<b>219,419,850</b>	<b>250,972,779</b>

## 5. Other Financial Assets

(Unsecured, considered good unless otherwise stated)

	As of March 31,	
	2017	2016
Employee travel and other advances	4,819,457	5,157,734
	<u>4,819,457</u>	<u>5,157,734</u>

## 6. Unbilled Revenues

	As of March 31,	
	2017	2016
Unbilled revenue	622,405,998	40,784,933
	<u>622,405,998</u>	<u>40,784,933</u>

## 7. Other current assets

	As of March 31,	
	2017	2016
Prepaid expenses	42,962,912	24,233,597
	<u>42,962,912</u>	<u>24,233,597</u>

## 8. Other Equity

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

	As of March 31,	
	2017	2016
<b>Authorised Capital</b>		
5,390,316 (2016: 5,390,316) equity shares of Euro 1 each	388,696,307	388,696,307
<b>Issued, subscribed and paid-up capital</b>		
5,390,316 (2016: 5,390,316) equity shares of Euro 1 each [Refer note (ii) below]	388,696,307	388,696,307
	<u>388,696,307</u>	<u>388,696,307</u>

(ii) The following is the reconciliation of number of shares as at March 31, 2017.

	As of March 31,	
	2017	2016
Opening number of equity shares	5,390,316	5,390,316
Equity shares	-	-
Closing number of equity shares	<u>5,390,316</u>	<u>5,390,316</u>

**9. Other Equity:**

	<b>As of March 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Translation reserve</b>		
Balance brought forward from previous year	18,005,821	-
Movement during the period	(39,037,198)	18,005,821
	<b>(21,031,377)</b>	<b>18,005,821</b>
<b>Surplus from statement of profit and loss</b>		
Balance brought forward from previous year	(40,810,794)	-
Add: Profit / (loss) for the year	100,413,569	(40,810,794)
Closing balance	<b>59,602,775</b>	<b>(40,810,794)</b>
<b>Reserves-At Time of Acquisition</b>		
Balance brought forward from previous year	1,072,541,000	-
Movement during the period	(5,018,410)	1,072,541,000
Closing balance	<b>1,067,522,590</b>	<b>1,072,541,000</b>
<b>Summary of reserves and surplus</b>		
Balance brought forward from previous year	1,049,736,027	-
Movement during the year	56,357,961	1,049,736,027
	<b>1,106,093,988</b>	<b>1,049,736,027</b>

**10. Long term Provisions**

Employee benefit obligation	25,857,854	28,142,849
	<b>25,857,854</b>	<b>28,142,849</b>

**11. Trade payables**

	<b>As of March 31,</b>	
	<b>2017</b>	<b>2016</b>
Sundry creditors	118,405,132	312,326,965
Balance due to related parties	122,692,688	190,646,113
Provision for Expenses	481,330,385	398,944,449
	<b>722,428,204</b>	<b>901,917,527</b>

**12. Borrowings**

	<b>As of March 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Current</b>		
<b>Unsecured:</b>		
Loan repayable on demand	-	1,101,431
	<b>-</b>	<b>1,101,431</b>

**13. Unearned Revenues**

	As of March 31,	
	2017	2016
Unearned Revenues	3,680,884	-
	<u>3,680,884</u>	<u>-</u>

**14. Other current liabilities**

	As of March 31,	
	2017	2016
Statutory liabilities	108,585,404	98,121,004
Advances from customers	1,350,946	4,141,162
	<u>109,936,350</u>	<u>102,262,166</u>

**15. Revenue from operations**

	Year ended March 31,	
	2017	2016
Sale of services	4,854,102,317	1,129,529,840
	<u>4,854,102,317</u>	<u>1,129,529,840</u>

**16. Other income**

	Year ended March 31,	
	2017	2016
Interest income	27,223,162	338,898
Rental income	12,153,904	-
Miscellaneous income	10,809,391	4,895,368
	<u>50,186,457</u>	<u>5,234,265</u>

**17. Employee benefits expense**

	Year ended March 31,	
	2017	2016
Salaries and wages	2,249,865,739	549,262,710
Contribution to employee benefit funds	398,141,564	93,095,465
Staff welfare expenses	34,287,175	7,325,454
	<u>2,682,294,478</u>	<u>649,683,629</u>

**18. Finance costs**

	Year ended March 31,	
	2017	2016
Interest cost	9,422,489	2,288,756
	<u>9,422,489</u>	<u>2,288,756</u>

**19. Other expenses**

	Year ended March 31,	
	2017	2016
Sub contracting / technical fees / third party application	1,517,094,700	408,965,511
Travel	140,439,520	21,269,584
Repairs to building and machinery	74,188,123	10,946,778
Power and fuel	17,363,885	2,985,193
Rent	179,087,103	43,633,057
Communication	41,971,806	9,148,506
Advertisement and sales promotion	8,013,000	3,119,248
Legal and Professional Charges	12,321,540	47,076
Staff recruitment	30,405,692	3,217,919
Insurance	22,641,952	7,298,844
Rates and taxes	2,067,814	421,609
Auditors' remuneration	4,998,064	1,269,785
Miscellaneous expenses	25,885,667	10,330,975
	<u>2,076,478,866</u>	<u>522,654,086</u>

## 20. 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 Limited	Ultimate Holding Company
Cellent Mittelstandsberatung Gmbh	Subsidiary Company
Cellent GmbH Austria	Subsidiary Company
FRONTWORX Informationstechnologie GmbH	Subsidiary Company
Wipro Technologies SRL	Group Company

The following are the significant related party transactions during the year ended March 31, 2017 and 2016

	For the year ended Mar 31, 2017	For the year ended Mar 31, 2016
<b>Sale of services</b>		
Wipro Limited	130,252,302	-
Cellent Mittelstandsberatung Gmbh	206,669,846	59,339,863
<b>Purchase of services</b>		
Wipro Limited	33,369,328	-
Wipro Technologies SRL	9,685,550	-
Cellent Mittelstandsberatung Gmbh	40,351,046	19,241,789
Cellent GmbH Austria	-	124,177
FRONTWORX Informationstechnologie GmbH	32,040	13,430,111
<b>Interest income</b>		
Cellent Mittelstandsberatung Gmbh	25,236,877	783,296
Cellent GmbH Austria	146,425	0

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

Name of the party	As at	
	31-Mar-17	31-Mar-16
<b>Payable:</b>		
Cellent Mittelstandsberatung Gmbh	61,456,750	78,436,632
Cellent GmbH Austria	71,985,224	32,870,524
FRONTWORX Informationstechnologie GmbH	71,292,225	79,338,957
Wipro Technologies SRL	9,119,860	-
<b>Receivable</b>		
Wipro Limited	91,161,371	-

## 21. Earnings per Share (EPS)

Particulars	Year ended March 31,	
	2017	2016
Profit for the year as per profit and loss account	100,413,569	(40,810,794)
Weighted average number of equity shares used for computing basic and diluted EPS	5,390,316	5,390,316
Profit per share basic and diluted (Par value: EUR 1)	18.63	(7.57)

## 22. 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.

23. Corresponding figures for previous periods presented have been regrouped, where necessary, to confirm to the current period classification. Statement of profit and loss for financial year 2016 represents transactions from 1<sup>st</sup> January 2016 to 31<sup>st</sup> March 2016.

The accompanying notes form an integral part of these financial statements

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/-

**CA K Appaji**

*Partner*

Membership No. 214156

Date:

Sd/-

**Director**