

## **Independent Auditor's Report**

**To the Board of Directors of Wipro Technologies Austria GmbH**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of **Wipro Technologies Austria GmbH** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Other matter**

8. The comparative financial information for the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these standalone financial statements, is based on the previously issued statutory financial statements for the year ended 31 March 2015 prepared in accordance with Accounting Standards issued by the ICAI which were audited by the predecessor auditor whose report dated 31 May 2015 expressed an unmodified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Further, the Company had prepared a separate set of financial statements for the year ended 31 March 2016 in accordance with Accounting Standards issued by the ICAI, on which we issued auditor's report to the Board of Directors of the Company dated 3 June 2016. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.
9. This report is intended solely for the information of the Company's and its ultimate holding company's board of directors and members as a body and is not intended to be and should not be used by anyone other than specified parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, the company's and ultimate holding company's board of directors and members as a body, for our audit work, for this report, or for the opinions we have formed.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Sd/-**  
per **Sanjay Banthia**  
Partner  
Membership No.: 061068

Place: Bengaluru

Date: 2 June 2017

**Wipro Technologies Austria GmbH**  
**Balance Sheet as at 31 March 2017**

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

	Note	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	3	-	-	215,434
Financial assets				
Investments	4	20,780,741	20,780,741	-
		<b>20,780,741</b>	<b>20,780,741</b>	<b>215,434</b>
<b>Current assets</b>				
Financial assets				
Trade receivables	5	60,276,419	73,373,089	108,950,991
Cash and cash equivalents	6	27,752,424	12,190,566	174,175,177
Other financial assets	7	25,273,151	94,776,817	121,563,017
Unbilled revenue		-	28,359,164	56,889,708
Other current assets	8	12,521,326	133,290	5,120,084
		<b>125,823,320</b>	<b>208,832,926</b>	<b>466,698,977</b>
<b>TOTAL ASSETS</b>		<b>146,604,061</b>	<b>229,613,667</b>	<b>466,914,411</b>
<b>EQUITY</b>				
Share capital	9	1,844,877,214	1,844,877,214	1,844,877,214
Other equity		(1,970,560,468)	(2,065,344,356)	(2,019,532,420)
		<b>(125,683,254)</b>	<b>(220,467,142)</b>	<b>(174,655,206)</b>
<b>Current liabilities</b>				
Financial liabilities				
Trade payables	10	261,431,693	427,582,705	585,625,698
Borrowings	11	-	5,821,878	-
Other current liabilities	12	3,531,180	5,711,759	45,979,292
Provisions	13	7,324,442	10,964,467	9,964,627
		<b>272,287,315</b>	<b>450,080,809</b>	<b>641,569,617</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>146,604,061</b>	<b>229,613,667</b>	<b>466,914,411</b>

Summary of significant accounting policies 2

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-  
Director  
Elke Kueng

Place:  
Date: 02 June 2017

Sd/-  
Director  
Sukanta Kundu

Place:  
Date: 02 June 2017

**Wipro Technologies Austria GmbH****Statement of Profit and Loss for the year ended 31 March 2017**

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

	Note	Year ended 31 March 2017	Year ended 31 March 2016
<b>REVENUE</b>			
Revenue from operations	14	391,890,359	422,464,020
Other income	15	2,426,982	11,143,852
		<b>394,317,341</b>	<b>433,607,872</b>
<b>EXPENSES</b>			
Cost of materials consumed	16	115,606,290	151,416,001
Employee benefits expense	17	34,916,366	38,142,800
Finance cost	18	964	27,809
Depreciation and amortization expense	3	-	16,653
Other expense	19	163,872,394	270,509,853
		<b>314,396,014</b>	<b>460,113,116</b>
<b>Profit / (loss) before tax</b>		<b>79,921,327</b>	<b>(26,505,244)</b>
<b>Tax expense</b>			
Current tax		-	131,991
<b>Profit / (loss) for the period</b>		<b>79,921,327</b>	<b>(26,637,235)</b>
<b>Total Comprehensive Income for the period</b>		<b>79,921,327</b>	<b>(26,637,235)</b>
<b>Other Comprehensive Income</b>			
Exchange differences on foreign currency translation		14,862,561	(19,174,701)
<b>Total Other Comprehensive Income for the period, net of tax</b>		<b>94,783,888</b>	<b>(45,811,936)</b>
<b>Earnings per share [par value of EUR 1 each]</b>			
Basic an diluted (₹)	20	2.46	(0.82)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-  
Director  
Elke KuengPlace:  
Date: 02 June 2017Sd/-  
Director  
Sukanta KunduPlace:  
Date: 02 June 2017

## Wipro Technologies Austria GmbH

### Cash Flow Statement for the year ended 31st March 2017

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

	Year ended 31 March 2017	Year ended 31 March 2016
<b>Cash flows from operating activities:</b>		
Profit after tax	79,921,327	(26,505,244)
Income tax expense	-	131,991
Depreciation and amortization	-	16,653
Unrealised foreign exchange loss / (gain)	14,770,091	(848,154)
Interest cost	964	27,809
Dividend / interest income	(23,957)	(39,500)
Gain on sale of fixed assets	-	121,233
<b>Working capital changes</b>		
Trade receivable and unbilled revenues	37,303,464	69,742,863
Other financial assets and other current assets	52,514,315	45,198,223
Trade payable and provisions	(163,061,863)	(207,335,638)
Other financial liabilities and other current liabilities	(1,824,704)	(43,870,581)
<b>Net cash generated from operations</b>	<b>19,599,637</b>	<b>(163,360,345)</b>
Direct taxes (paid)/ refund	-	(131,991)
<b>Net cash generated by operating activities</b>	<b>(A) 19,599,637</b>	<b>(163,492,336)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of property, plant and equipment	-	96,645
Investment made	-	(20,780,741)
Dividend / interest income received	23,957	39,500
<b>Net cash generated by / (used in) investing activities</b>	<b>(B) 23,957</b>	<b>(20,644,596)</b>
<b>Cash flows from financing activities:</b>		
Interest paid on borrowings	(964)	(27,809)
Repayment of borrowings, net	(5,685,304)	-
Proceeds from borrowings, net	-	5,821,878
<b>Net cash generated by / (used in) financing activities</b>	<b>(C) (5,686,268)</b>	<b>5,794,069</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>13,937,326</b>	<b>(178,342,863)</b>
Effect of exchange rate on cash and cash equivalent on restatement	(3,654,348)	16,358,252
Effect of exchange rate on cash and cash equivalent on translation	5,278,880	-
Cash and cash equivalents at the beginning of the period	12,190,566	174,175,177
<b>Cash and cash equivalents at the end of the period</b>	<b>27,752,424</b>	<b>12,190,566</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks		
- in current accounts	27,674,026	12,068,852
Cash on hand	78,398	121,714
	<b>27,752,424</b>	<b>12,190,566</b>

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-  
Director  
Elke Kueng

Place:  
Date: 02 June 2017

Sd/-  
Director  
Sukanta Kundu

Place:  
Date: 02 June 2017

**Wipro Technologies Austria GmbH**  
**Statement of Changes in Equity for the year ended 31 March 2017**

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

**Equity share capital**

Balance as at 01 April 2015	Changes in equity share capital during the year	Balance as at 31 March 2016
1,844,877,214	-	1,844,877,214

Balance as at 01 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017
1,844,877,214	-	1,844,877,214

**Other equity**

Particulars	Retained Earnings	Foreign currency translation reserve	Total
<b>Balance as at 1 April 2015</b>	(2,085,801,502)	66,269,082	(2,019,532,420)
Profit for the period	(26,637,235)	-	(26,637,235)
Exchange differences on translation of financial statements	-	(19,174,701)	(19,174,701)
<b>Balance as at 31 March 2016</b>	<b>(2,112,438,737)</b>	<b>47,094,381</b>	<b>(2,065,344,356)</b>
Profit for the period	79,921,327	-	79,921,327
Exchange differences on translation of financial statements	-	14,862,561	14,862,561
<b>Balance as at 31 March 2017</b>	<b>(2,032,517,410)</b>	<b>61,956,942</b>	<b>(1,970,560,468)</b>

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-  
 Director  
 Elke Kueng

Sd/-  
 Director  
 Sukanta Kundu

Place:  
 Date: 02 June 2017

Place:  
 Date: 02 June 2017

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

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

### 1 Background

Wipro Technologies Austria GmbH {formerly New Logic Technologies GmbH} ("the Company") is a subsidiary of Wipro Limited, incorporated and domiciled in Austria. The Company is engaged in the business of designing microprocessors, related technology, software, and sell design development systems (soft IP), to enhance the performance, cost-effectiveness and power-efficiency of IC applications mainly focused on the wireless & communication industry. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

### 2 Basis of preparation of financial statements and summary of significant accounting policies

#### a) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). 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 31 March, 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. The date of transition to Ind AS is 1 April, 2015.

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.

These financial statements have been prepared on a historical cost convention and on accrual basis. Accounting policies have been applied consistently to all periods presented in these financial statements.

The accompanying financial statements have been prepared on going concern basis considering the Company's current assets exceeds its current liabilities [excluding the impact of balances dues to related party (net)]

#### b) Use of estimates and judgment

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

#### c) Foreign currency

##### Functional currency

The functional currency of the Company is EURO. These financial statements are presented in Indian Rupees.

##### Transaction

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. Monetary foreign currency assets and liabilities at period-end are translated at the exchange rate prevailing at the date of Balance Sheet. The exchange difference between the rate at which foreign currency transactions are accounted and the rate at which they are re-measured/ realized is recognized in the Statement of Profit and Loss.

##### Translation

The functional currency of the Company is EUR and the reporting currency for these financial statements is INR. 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 'Other Equity' and 'Effect of exchange rate changes on cash and cash equivalents' included in 'cash flow statement', respectively.

#### d) Non-derivative financial instruments

Non-derivative financial instruments consist of:

i) financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;

ii) financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies and other explanatory information

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

Non-derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

#### **i) Cash and cash equivalents:**

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

#### **ii) Other financial assets**

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

#### **iii) Trade and other payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

### **e) Equity**

#### **i) Share capital**

Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

#### **ii) Retained earnings**

Retained earnings comprises of the Company's undistributed earnings after taxes.

#### **iii) Other comprehensive income**

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

#### **iv) Foreign currency translation reserve**

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the Foreign Currency Translation Reserve (FCTR).

### **f) Property, plant and equipment**

#### *Recognition and measurement*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

#### *Depreciation*

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

<b>Category</b>	<b>Useful life</b>
Plant and machinery	2 to 7 years
Furniture and fixture	5 to 6 years
Office equipments	5 to 6 years

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies and other explanatory information

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

#### 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 using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur.

##### *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) Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation 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.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

#### i) Revenue

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.

##### i) *Time and material contracts*

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

##### ii) *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'.

##### iii) *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.

##### iv) *Other income*

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

## **Wipro Technologies Austria GmbH**

### **Summary of significant accounting policies and other explanatory information**

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

#### **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) Income tax**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

#### **l) Earnings per share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

#### **m) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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**Wipro Technologies Austria GmbH****Summary of significant accounting policies and other explanatory information**

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

**3 Property, plant and equipment**

Particulars	Plant and machinery	Furniture and fixtures	Office equipments	Total
<b>Gross block</b>				
<b>Balance as at 1 April 2015</b>	414,129,794	12,240,379	10,388,865	436,759,038
Additions	-	-	-	-
Disposals	(443,687,700)	(12,609,166)	(11,145,943)	(467,442,809)
Effects of translation	30,207,975	916,190	757,077	31,881,242
<b>Balance as at 31 March 2016</b>	<b>650,069</b>	<b>547,402</b>	<b>-</b>	<b>1,197,471</b>
Additions	-	-	-	-
Disposals	(204,394)	-	-	(204,394)
Effects of translation	(40,697)	(44,445)	-	(85,142)
<b>Balance as at 31 March 2017</b>	<b>404,978</b>	<b>502,957</b>	<b>-</b>	<b>907,935</b>
<b>Accumulated depreciation</b>				
<b>Balance as at 1 April 2015</b>	414,001,512	12,171,930	10,370,162	436,543,604
Additions	16,653	-	-	16,653
Disposals	(443,572,683)	(12,526,381)	(11,125,877)	(467,224,941)
Effects of translation	30,204,587	901,853	755,715	31,862,155
<b>Balance as at 31 March 2016</b>	<b>650,069</b>	<b>547,402</b>	<b>-</b>	<b>1,197,471</b>
Additions	-	-	-	-
Disposals	(204,394)	-	-	(204,394)
Effects of translation	(40,697)	(44,445)	-	(85,142)
<b>Balance as at 31 March 2017</b>	<b>404,978</b>	<b>502,957</b>	<b>-</b>	<b>907,935</b>
<b>Net Book Value</b>				
<b>As at 01 April 2015</b>	<b>128,282</b>	<b>68,449</b>	<b>18,703</b>	<b>215,434</b>
<b>As at 31 March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*(This space has been intentionally left blank)*

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies for the year ended 31 March 2017

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

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>4 Investments</b>			
<i>Investment in Equity shares</i>			
New Logic Technologies SARL	20,780,741	649,239,124	415,890
Opening Balance	20,780,741	415,890	415,890
Add: Additions	-	648,823,234	-
	20,780,741	649,239,124	415,890
Less: Provision for diminution in value of non-current investments	-	628,458,383	415,890
	<b>20,780,741</b>	<b>20,780,741</b>	<b>-</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>5 Trade receivables</b>			
Other receivables	60,276,419	73,373,089	108,950,991
	60,276,419	73,373,089	108,950,991
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>6 Cash and cash equivalents</b>			
Balances with banks			
- on current accounts	27,674,026	12,068,852	174,150,402
Cash on hand	78,398	121,714	24,775
	<b>27,752,424</b>	<b>12,190,566</b>	<b>174,175,177</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>7 Other financial assets</b>			
<b>Unsecured</b>			
Balances due from related parties	25,273,151	94,776,817	614,664,773
	25,273,151	94,776,817	614,664,773
Provision for doubtful loans and advances	-	-	(493,101,756)
	<b>25,273,151</b>	<b>94,776,817</b>	<b>121,563,017</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>7 Unbilled Revenue</b>			
Unbilled revenue	-	28,359,164	56,889,709
	-	<b>28,359,164</b>	<b>56,889,709</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>8 Other current assets</b>			
Advance to suppliers	12,519,230	129,771	5,044,315
Prepaid expenses	-	3,519	75,769
Employee travel and other advances	2,096	-	-
	<b>12,521,326</b>	<b>133,290</b>	<b>5,120,084</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>9 Share capital</b>			
<b>Authorised share capital</b>			
32,473,971 (31 March 2016: 32,473,971 ; 1 April 2015: 32,473,971) - Equity shares of 1 Euro each	1,844,877,214	1,844,877,214	1,844,877,214
	<b>1,844,877,214</b>	<b>1,844,877,214</b>	<b>1,844,877,214</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Issued, subscribed and paid-up capital</b>			
32,473,971 (31 March 2016: 32,473,971 ; 1 April 2015: 32,473,971) - Equity shares of 1 Euro each	1,844,877,214	1,844,877,214	1,844,877,214
	<b>1,844,877,214</b>	<b>1,844,877,214</b>	<b>1,844,877,214</b>

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies for the year ended 31 March 2017

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

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(a) There have been no movement in number of shares and amount outstanding during the year.

**Reconciliation of amount:**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Equity shares of 1 EUR each, par value</b>			
Balances as at the beginning of the year	1,844,877,214	1,844,877,214	1,844,877,214
Add: Issued and subscribed during the year	-	-	-
<b>Balance at the end of the year</b>	<b>1,844,877,214</b>	<b>1,844,877,214</b>	<b>1,844,877,214</b>

**Reconciliation of number of shares:**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Equity shares of 1 EUR each, par value</b>			
Balances as at the beginning of the year	32,473,971	32,473,971	32,473,971
Add: Issued and subscribed during the year	-	-	-
<b>Balance at the end of the year</b>	<b>32,473,971</b>	<b>32,473,971</b>	<b>32,473,971</b>

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>(b) Details of shares held by the holding company</b>			
32,473,971 (31 March 2016: 32,473,971 ; 1 April 2015: 32,473,971)	1,844,877,214	1,844,877,214	1,844,877,214
Equity shares are held by Wipro Holding Austria GmbH			
	<b>1,844,877,214</b>	<b>1,844,877,214</b>	<b>1,844,877,214</b>

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
<b>(c) Details of shareholders holding more than five percent shares:</b>			
Wipro Holding Austria GmbH - Holding Company	32,473,971	32,473,971	32,473,971
	32,473,971	32,473,971	32,473,971

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
<b>10 Trade payables</b>			
Trade payables	4,023,745	5,962,374	15,688,192
Trade payables to related parties	252,852,256	417,318,142	566,623,939
Provision for Expenses	4,555,692	4,302,189	3,313,567
	<b>261,431,693</b>	<b>427,582,705</b>	<b>585,625,698</b>

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
<b>11 Borrowings</b>			
Bank overdraft	-	5,821,878	-
	-	<b>5,821,878</b>	-

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
<b>12 Other current liabilities</b>			
Statutory liabilities	1,375,456	865,658	1,639,676
Balance due to related parties (refer note 21)	428,720	3,058,360	9,604,699
Accrued employee benefits expense	1,727,004	1,787,741	16,752,004
Unearned revenues	-	-	17,982,913
	<b>3,531,180</b>	<b>5,711,759</b>	<b>45,979,292</b>

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>13 Provisions</b>			
Provision for warranty	3,535,540	5,156,795	5,700,041
Provision for leave encashment	3,788,902	5,807,672	4,264,586
	<b>7,324,442</b>	<b>10,964,467</b>	<b>9,964,627</b>

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies and other explanatory information

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

	Year ended 31 March 2017	Year ended 31 March 2016
<b>14 Revenue from operations</b>		
Sales of products	177,851,093	263,380,657
Sale of services	214,039,266	159,083,363
	<b>391,890,359</b>	<b>422,464,020</b>
<b>15 Other income</b>		
Interest income	23,957	39,500
Exchange fluctuation differences, net	-	7,211,274
Miscellaneous income	2,403,025	3,893,078
	<b>2,426,982</b>	<b>11,143,852</b>
<b>16 Cost of materials consumed</b>		
Inventory at the beginning of the year	-	-
Add: Purchases made during the year	115,606,290	151,416,001
	115,606,290	151,416,001
Less: Inventory at the end of the year	-	-
	<b>115,606,290</b>	<b>151,416,001</b>
<b>17 Employee benefits expense</b>		
Salaries and wages	34,870,304	38,207,476
Share based compensation charge*	-	(70,201)
Staff welfare expenses	46,062	5,525
	<b>34,916,366</b>	<b>38,142,800</b>
<p>* Certain employees of the Company are covered under the share based compensation plans of the ultimate holding company. These plans are assessed, managed and administered by the ultimate holding company. The ultimate holding company recharges to the Company such compensation costs which has been disclosed as "Share based compensation charge" in the Statement of Profit and Loss as shown above. The detailed disclosure with respect to the share based compensation is appropriately provided in the consolidated financial statement of the ultimate holding company. These financial statements has to be read along with the financial statements of the ultimate holding company with respect to this disclosure.</p>		
<b>18 Finance cost</b>		
Interest cost	964	27,809
	<b>964</b>	<b>27,809</b>
<b>19 Other expenses</b>		
Sub contracting / technical fees / third party application	149,060,709	177,391,290
Travel	3,194,788	3,313,114
Repairs to building	18,240	604,669
Rent	-	8,729,521
Legal and professional charges	2,725,002	2,352,726
Insurance	3,434	117,463
Rates and taxes	2,410,118	2,777,114
Impairment of investment	-	74,552,122
Auditors' remuneration	155,720	671,834
Exchange fluctuation differences, net	6,304,383	-
	<b>163,872,394</b>	<b>270,509,853</b>
<b>20 Earnings per share (EPS)</b>		
Profit for the year as per Statement of Profit and Loss	79,921,327	(26,637,235)
Weighted average number of equity shares used for computing basic and diluted EPS	32,473,971	32,473,971
Profit per share - basic and diluted	2.46	(0.82)
Nominal value per share (In EUR)	1.00	1.00

## Wipro Technologies Austria GmbH

### Summary of significant accounting policies and other explanatory information

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

#### 21 Related party disclosure

##### i) Parties where control exists:

Name of the Related Party	Nature of relationship
Wipro Technologies Holding Austria GmbH (formerly Wipro Limited)	Holding Company Ultimate Holding Company
New Logic Technologies SARL	Subsidiary Company
Wipro Germany GmbH	Group Company
Wipro Cyprus Private Limited	Group Company
Wipro Information Technology Austria GmbH	Group Company

##### ii) The following are the transactions during the year

Particulars	Relationship	Year ended 31 March 2017	Year ended 31 March 2016
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding Company	32,006,466	32,834,695
Wipro Information Technology Austria GmbH	Group Company	-	1,714,608
<b>Sub contracting / technical fees / third party application</b>			
Wipro Limited	Ultimate Holding Company	144,366,435	160,230,229
<b>Expenses on employee stock option plans (RSU)</b>			
Wipro Limited	Ultimate Holding Company	-	(70,201)
<b>Interest income</b>			
Wipro Cyprus Private Limited	Group Company	23,957	24,529

##### iii) The following are the balances receivables and payables to related parties

Name of the party	Relationship	As at 31 March 2017	As at 31 March 2016
Wipro Limited	Ultimate Holding Company	252,827,469	417,318,142
Wipro Information Technology Austria GmbH	Group Company	121,275	3,058,360
Wipro Germany GmbH	Group Company	332,232	-
New Logic Technologies SARL	Subsidiary Company	-	12,238,226
Wipro Cyprus Private Limited	Group Company	25,273,151	82,538,591

#### 22 Effective Tax Reconciliation (ETR)

Income tax expense in the Statement of Profit and Loss comprises:

	Year ended 31 March 2017	Year ended 31 March 2016
Current taxes	-	131,991
	-	<b>131,991</b>

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as below;

	Year ended 31 March 2017	Year ended 31 March 2016
Profit before income tax	79,921,327	(26,505,244)
Enacted tax rates in Austria (%)	25%	25%
Computed expected tax expense	19,980,332	-
Tax effect due to set-off of unabsorbed brought forward	(19,980,332)	-
Tax effect due to profit attained in an entity forming part of	-	131,991
Tax expense as per financials	-	<b>131,991</b>

23 The Company has incurred losses during the year and accordingly has no current tax as per local tax regulations. There are no significant temporary differences or other adjustments which give rise to deferred tax assets or liabilities. In view of the carry forward losses under tax laws, deferred tax is recognised only when there is a convincing evidence that that sufficient future taxable income will be available against which such deferred tax asset can be utilised by the entity.

## **Wipro Technologies Austria GmbH**

### **Summary of significant accounting policies and other explanatory information**

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

#### **24 Financial risk management**

##### **Interest rate risk**

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. However, the Company's borrowings are in the nature of short-term and hence there is no interest rate risk perceived.

##### **Credit risk**

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

##### **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of 31 March 2017, cash and cash equivalents are held with major banks and financial institutions.

#### **25 First time adoption**

These financial statements of Wipro Technologies Austria GmbH for the year ended 31 March 2017, have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard with 01 April 2015, as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended 31 March 2017, and the comparative information.

Owing to the nature and size of the Company's operations, there was no significant impact identified from adopting IND AS on the Balance Sheet and Statement of Profit and Loss. Accordingly, no reconciliation of differences between IND AS and Indian GAAP is being presented.

#### **26 Prior period comparatives**

Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH**

**Sd/-**  
**Elke Kueng**  
Director

Place:  
Date: 02 June 2017

**Sd/-**  
**Sukanta Kundu**  
Director

Place:  
Date: 02 June 2017