

## **Independent Auditor's Report**

**To the Board of Directors of Wipro Technologies VZ, CA**

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

1. We have audited the accompanying financial statements of **Wipro Technologies VZ, CA** (“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 loss (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 year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards issued by the ICAI which were audited by the predecessor auditor whose reports dated 31 May 2016 and 31 May 2015 respectively expressed 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. 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 VZ, C.A.**  
**Balance Sheet as at 31 March 2017**

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

	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	3	1,308,285	3,492,681	73,309,360
		<b>1,308,285</b>	<b>3,492,681</b>	<b>73,309,360</b>
		<b>1,308,285</b>	<b>3,492,681</b>	<b>73,309,360</b>
<b>EQUITY</b>				
Other equity		(96,246)	(170,665)	(2,664,863)
		<b>(96,246)</b>	<b>(170,665)</b>	<b>(2,664,863)</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	5	1,402,702	3,658,456	75,870,250
Trade payables	6	1,829	4,890	103,973
		<b>1,404,531</b>	<b>3,663,346</b>	<b>75,974,223</b>
		<b>1,308,285</b>	<b>3,492,681</b>	<b>73,309,360</b>

Summary of significant accounting policies. 2

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

**For and on behalf of the Board of Directors of Wipro Technologies VZ, C.A.**

Sd/-  
**Ankur Prakash**  
Director

Place:  
Date: 02 June 2017

**WIPRO TECHNOLOGIES VZ, C.A.****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>			
Other income	7	1,856	44,704
		<b>1,856</b>	<b>44,704</b>
<b>EXPENSES</b>			
Finance costs	8	43,325	89,230
Other expenses	9	156	207
		<b>43,481</b>	<b>89,437</b>
<b>Profit before tax</b>		<b>(41,625)</b>	<b>(44,733)</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
		<b>-</b>	<b>-</b>
<b>Profit for the period</b>		<b>(41,625)</b>	<b>(44,733)</b>
<b><u>Other Comprehensive Income</u></b>			
<b>Items that will be reclassified to statement of profit or loss (Net of tax)</b>			
Exchange difference on foreign currency translation		(116,044)	(2,538,931)
<b>Total Other Comprehensive Income for the period, net of tax</b>		<b>(116,044)</b>	<b>(2,538,931)</b>
<b>Total comprehensive income for the period</b>		<b>(157,669)</b>	<b>(2,583,664)</b>

Summary of significant accounting policies.

2

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

**For and on behalf of the Board of Directors of Wipro Technologies VZ, C.A.****Sd/-****Ankur Prakash**

Director

Place:

Date: 02 June 2017

**WIPRO TECHNOLOGIES VZ, C.A.****Statement of Cash Flows for the year ended 31 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>		
<b>Loss before tax</b>	(41,625)	(44,732)
Interest on borrowings	43,325	89,230
Interest income	(1,856)	(44,704)
<b>Operating profit before working capital changes</b>	<b>(156)</b>	<b>(207)</b>
Liabilities and provisions	(2,187)	(98,697)
<b>Net cash generated from operations</b>	<b>(2,344)</b>	<b>(98,904)</b>
Income taxes paid	-	-
<b>Net cash generated by operating activities</b>	<b>(A) (2,344)</b>	<b>(98,904)</b>
<b>Cash flows from investing activities</b>		
Interest income received	1,856	44,704
<b>Net cash generated from investing activities</b>	<b>(B) 1,856</b>	<b>44,704</b>
<b>Cash flows from financing activities</b>		
Interest paid on borrowings	(43,325)	(89,230)
Effect of exchange rate changes on loan balances	(2,255,754)	(72,211,794)
<b>Net cash (used in) financing activities</b>	<b>(C) (2,299,079)</b>	<b>(72,301,023)</b>
<b>Net (decrease) in cash and cash equivalents during the year</b>	<b>(A+B+C) (2,299,567)</b>	<b>(72,355,223)</b>
Effect of exchange rate on cash balance (translation)	115,170	2,538,544
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>3,492,681</b>	<b>73,309,360</b>
<b>Cash and cash equivalents as at the end of the year</b>	<b>1,308,285</b>	<b>3,492,681</b>

Summary of significant accounting policies.

2

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

For and on behalf of the Board of Directors of Wipro Technologies VZ, C.A.

Sd/-

Ankur Prakash

Director

Place:

Date: 02 June 2017

**WIPRO TECHNOLOGIES VZ, C.A.****Statement of Changes in Equity for the year ended 31 March 2017**

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

Particulars	Equity Share Capital	Other Equity		Total other equity
		Retained Earnings	Other comprehensive income	
<b>Balance as at 01 April 2015</b>	-	<b>(4,986,514)</b>	<b>2,321,651</b>	<b>(2,664,863)</b>
Profit for the period	-	(44,733)	-	(44,733)
Exchange difference on foreign currency translation	-	-	2,538,931	2,538,931
<b>Balance as at 31 March 2016</b>	-	<b>(5,031,247)</b>	<b>4,860,582</b>	<b>(170,665)</b>
Profit for the period	-	(41,625)	-	(41,625)
Exchange difference on foreign currency translation	-	-	116,044	116,044
<b>Balance as at 31 March 2017</b>	-	<b>(5,072,872)</b>	<b>4,976,626</b>	<b>(96,246)</b>

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

For and on behalf of the Board of Directors of Wipro Technologies VZ, C.A.

Sd/-

Ankur Prakash

Director

Place:

Date: 02 June 2017

## **WIPRO TECHNOLOGIES VZ, C.A.**

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

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

#### **1 Background**

Wipro Technologies VZ, C.A. ("the Company") is a subsidiary of Wipro Information Technology Netherlands BV, incorporated and domiciled in Chile. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

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

##### **a) Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

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.

These financial statements have been prepared to append with the financial statements of the ultimate holding company, to comply with the provisions of Section 137 (1) of the Companies Act, 2013 ("the Act") in India.

##### **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 the Venezuelan bolívar. 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 VEF 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 'Reserve and surplus' 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

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.

## WIPRO TECHNOLOGIES VZ, C.A.

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

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

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.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

#### **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 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.

## WIPRO TECHNOLOGIES VZ, C.A.

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

(Amount in INR 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.

#### j) 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:**

##### *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.

##### **Other income:**

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

#### k) Finance and other income

Finance and other income comprises interest income on deposits, dividend income and gains / (losses) etc. Interest income is recognized using the effective interest method.

## **WIPRO TECHNOLOGIES VZ, C.A.**

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

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

#### **l) 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.

#### **m) 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.

#### **n) 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.

## WIPRO TECHNOLOGIES VZ, C.A.

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

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

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
<b>3 Cash and cash equivalent</b>			
Balances with banks			
In current accounts	1,308,285	11,445	398,760
In deposit accounts	-	3,481,236	72,910,600
	<b>1,308,285</b>	<b>3,492,681</b>	<b>73,309,360</b>
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
<b>4 Share capital</b>			
<b>Authorised capital</b>			
50,000 equity shares [Par value of VEF 1 per share]	475,240	475,240	475,240
	<b>475,240</b>	<b>475,240</b>	<b>475,240</b>
<b>Issued, subscribed and fully paid-up capital</b>			
Nil equity shares [Par value of VEF 1 per share]	-	-	-
	-	-	-
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
<b>5 Borrowings</b> <i>(Unsecured)</i>			
Current			
Loan from related parties	1,402,702	3,658,456	75,870,250
	<b>1,402,702</b>	<b>3,658,456</b>	<b>75,870,250</b>
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
<b>6 Trade payables</b>			
Trade payables	1,830	4,890	103,973
	<b>1,830</b>	<b>4,890</b>	<b>103,973</b>

## WIPRO TECHNOLOGIES VZ, C.A.

### 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>7 Other income</b>		
Interest Income on fixed deposits	1,856	44,704
	<b>1,856</b>	<b>44,704</b>
	Year ended 31 March 2017	Year ended 31 March 2016
<b>8 Finance costs</b>		
Interest expense	43,325	89,230
	<b>43,325</b>	<b>89,230</b>
	Year ended 31 March 2017	Year ended 31 March 2016
<b>9 Other expenses</b>		
Miscellaneous expenses	156	207
	<b>156</b>	<b>207</b>

## WIPRO TECHNOLOGIES VZ, C.A.

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

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

#### 10 Related party disclosure

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

Nature of relationship	Name of the related party
Fellow subsidiary	Wipro LLC (formerly known as Wipro Inc)

##### ii) The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2017	Year ended 31 March 2016
<b>Interest Cost</b>			
Wipro LLC	Fellow subsidiary	43,325	89,230

##### iii) Balances with related parties as at year end are summarised below

Particulars	Relationship	As at 31 March 2017	As at 31 March 2016
<b>Loan Payable to related party</b>			
Wipro LLC (formerly known as Wipro Inc)	Fellow subsidiary	1,402,702	3,658,457

#### 11 Income tax

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 carry forward losses under tax laws, no deferred tax asset is recognised on account of lack of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

#### 12 Financial risk management

##### Interest rate risk

The Company's borrowings are primarily from holding company and other group companies and no market borrowings/borrowings at floating interest rates, so no exposure to interest rate risks.

##### 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.

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## **WIPRO TECHNOLOGIES VZ, C.A.**

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

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

#### **13 First time adoption**

These financial statements of Wipro Technologies VZ, C.A 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 2 have been applied in preparing the standalone financial statements for the year ended 31 March 2017, and the comparative information.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss is set out below:

- i) Security deposits have been reported at their discounted values as compared to undiscounted value of under IGAAP. The resulting difference has been presented as part of other financial assets. Unwinding of the interest is recorded in the Statement of Profit and Loss under other income.

**14** Previous year's amounts have been regrouped/ reclassified wherever necessary to conform to the current year's presentation.

**For and on behalf of the Board of Directors of Wipro Technologies VZ, C.A.**

**Sd/-**  
**Ankur Prakash**  
Director

Place:  
Date: 02 June 2017