

## **Independent Auditor's Report**

**To the Board of Directors of Wipro do Brasil Tecnologia Ltda**

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

1. We have audited the accompanying financial statements of **Wipro do Brasil Tecnologia Ltda** ("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 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 01 June 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 DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)****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 January 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	83,486,537	89,201,220	247,525,062
Capital work-in-progress		-	1,261,537	-
Financial assets				
Investments	4	25,561,849	25,561,849	25,407,201
Other financial assets	5	5,896,036	-	-
Deferred tax assets		-	-	4,602,486
Non-current tax assets		33,610,461	37,489,602	46,208,985
Other non-current assets	6	3,713,255	283,693	1,719,844
		<b>152,268,138</b>	<b>153,797,901</b>	<b>325,463,578</b>
<b>Current assets</b>				
Inventories		15,941,338	-	-
Financial assets				
Trade receivables	7	936,353,661	1,248,677,722	993,581,698
Cash and cash equivalents	8	292,469,351	127,138,152	293,016,065
Unbilled revenues		696,525,660	215,165,013	91,195,021
Other financial assets	5	2,684,075	5,470,868	99,835
Other current assets	6	45,713,348	33,130,808	75,224,882
		<b>1,989,687,433</b>	<b>1,629,582,563</b>	<b>1,453,117,501</b>
		<b>2,141,955,571</b>	<b>1,783,380,464</b>	<b>1,778,581,079</b>
<b>EQUITY</b>				
Share capital	9	711,504,061	711,504,061	711,504,061
Other equity		336,073,466	50,542,689	75,559,655
<b>Total equity</b>		<b>1,047,577,527</b>	<b>762,046,750</b>	<b>787,063,716</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	10	1,381,087	8,562,355	19,357,877
Provisions	11	49,050,949	36,924,946	25,470,783
		<b>50,432,036</b>	<b>45,487,301</b>	<b>44,828,660</b>
<b>Current liabilities</b>				
Financial liabilities				
Trade payables	12	289,501,040	348,054,449	506,653,278
Other financial liabilities	13	183,925,783	216,014,071	150,790,737
Other current liabilities	14	335,028,301	257,147,596	222,034,649
Provisions	11	235,490,884	154,630,297	67,210,039
		<b>1,043,946,008</b>	<b>975,846,413</b>	<b>946,688,703</b>
		<b>2,141,955,571</b>	<b>1,783,380,464</b>	<b>1,778,581,079</b>
Summary of significant accounting policies	2			

The accompanying notes are integral part of the financial statements.

**For and on behalf of the Board of Directors of WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**

Sd/-

Wilson Jose Andersen Ballao  
Director

Date:

Place: 2 June 2017

**WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT for the year ended 31 March 2017**

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

	Note	Year ended 31 March 2017	15 months ended 31 March 2016
<b>REVENUE</b>			
Revenue from operations	15	3,962,224,891	3,765,981,546
Other income	16	17,797,885	169,448,226
		<b>3,980,022,776</b>	<b>3,935,429,772</b>
<b>EXPENSES</b>			
Purchases of stock-in-trade		64,857,582	834,284
Changes in inventories of finished goods, work in progress and stock-in-trade		(15,941,338)	-
Employee benefits expense	17	2,599,340,620	2,251,665,403
Finance costs	18	2,986,699	4,118,910
Depreciation and amortisation expense	3	67,736,903	162,376,593
Other expenses	19	965,873,588	1,204,459,180
		<b>3,684,854,054</b>	<b>3,623,454,370</b>
<b>Profit before tax</b>		<b>295,168,722</b>	<b>311,975,402</b>
<b>Tax expense</b>			
Current tax		100,370,148	134,037,035
Deferred tax		-	-
<b>Profit for the period</b>		<b>194,798,574</b>	<b>177,938,367</b>
<b>Other comprehensive Income</b>			
<b>Items that will not be reclassified to statement of profit or loss</b>			
Exchange difference on foreign currency translation		90,732,203	(202,955,333)
<b>Total other comprehensive Income for the period, net of tax</b>		<b>285,530,777</b>	<b>(25,016,966)</b>
<b>Total comprehensive income for the period</b>		<b>480,329,351</b>	<b>152,921,401</b>
<b>Earnings per equity share</b>			
(Equity shares of par value BRL 1 each)			
Basic	20	7.59	6.93
Diluted		7.59	6.93
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

**For and on behalf of the Board of Directors of WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**

Sd/-  
Wilson Jose Andersen Ballao  
Director

Date:  
Place: 2 June 2017

**WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)****Cash Flow Statement for the year ended March 2017**

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

	Year ended 31 March 2017	15 months ended 31 March 2016
<b>Cash flows from operating activities</b>		
<b>Profit after taxes</b>	194,798,574	177,938,367
Adjustments for;		
Income tax expense	100,370,148	134,037,035
Depreciation and amortisation	67,736,903	162,376,593
Exchange differences, net	80,237,541	(159,447,622)
Finance costs	2,986,699	4,118,910
Interest income	(17,797,885)	(28,015,893)
Provision for doubtful debts	-	2,454,761
Profit on sale of property, plant and equipment	-	(2,505,074)
<b>Operating profit before working capital changes</b>	<b>428,331,980</b>	<b>290,957,077</b>
Trade receivables and unbilled revenue	6,412,514	(381,520,777)
Other financial and current assets	(14,281,156)	38,159,192
Trade payables and provisions	(29,899,658)	(59,724,408)
Other financial and current liabilities	(3,465,158)	106,036,959
Inventories	(15,745,680)	-
<b>Net cash generated from operations</b>	<b>371,352,842</b>	<b>(6,091,957)</b>
Income taxes paid, net	(92,098,430)	(119,279,015)
<b>Net cash generated by operating activities</b>	<b>(A) 279,254,412</b>	<b>(125,370,972)</b>
<b>Cash flows from investing activities</b>		
Interest income received	17,797,885	28,015,893
Acquisition of fixed assets (including Capital work in progress)	(52,783,016)	(75,854,449)
Proceeds from sale of fixed assets	2,580,790	29,382,872
<b>Net cash (used in) investing activities</b>	<b>(B) (32,404,341)</b>	<b>(18,455,684)</b>
<b>Cash flows from financing activities</b>		
Repayment of principal unde lease arrangements	(15,451,956)	(14,768,746)
Interest paid on borrowings	(2,986,699)	(4,118,910)
<b>Net cash generated from financing activities</b>	<b>(C) (18,438,655)</b>	<b>(18,887,656)</b>
Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)	228,411,416	(162,714,312)
Effect of exchange rate on cash and cash equivalent on restatement	(63,016,421)	(3,163,601)
Cash and cash equivalents at the beginning of the period	127,138,152	293,016,065
<b>Cash and cash equivalents at the end of the period</b>	<b>292,533,147</b>	<b>127,138,152</b>
<b>Components of cash and cash equivalents</b>		
<b>Balances with banks</b>		
In current accounts	46,919,824	6,916,900
In deposit accounts	245,549,527	120,221,252
	<b>292,469,351</b>	<b>127,138,152</b>

For and on behalf of the Board of Directors of WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

Sd/-  
Wilson Jose Andersen Ballao  
DirectorDate:  
Place: 2 June 2017

**WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)****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 at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
711,504,061	-	711,504,061

**Other equity**

Particulars	Retained earnings	Other comprehensive income	Total
<b>Balance as at 01 April 2015</b>	<b>156,922,576</b>	<b>(81,362,921)</b>	<b>75,559,655</b>
Profit for the period	177,938,367	-	177,938,367
Exchange difference on foreign currency translation	-	(202,955,333)	(202,955,333)
<b>Balance as at 31 March 2016</b>	<b>334,860,943</b>	<b>(284,318,254)</b>	<b>50,542,689</b>
Profit for the period	194,798,574	-	194,798,574
Exchange difference on foreign currency translation	-	90,732,203	90,732,203
<b>Balance as at 31 March 2017</b>	<b>529,659,517</b>	<b>(193,586,051)</b>	<b>336,073,466</b>

The accompanying notes are integral part of the financial statements.

For and on behalf of the Board of Directors of WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

Sd/-  
Wilson Jose Andersen Ballao  
Director

Date:  
Place: 2 June 2017

# WIPRO DO BRASIL TECNOLOGIA Ltda (Formerly Enabler Brasil Ltda)

## Summary of significant accounting policies and other explanatory information

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

### 1 Background

Wipro Do Brasil Tecnologia Ltda is a subsidiary of Wipro Information Technology Netherlands BV and Wipro Portugal SA, incorporated and domiciled in Brasil. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The functional currency of the Company is BRL and the reporting currency for these financial statements is INR. These financial statements have been prepared and audited to attach with the accounts of the holding company, to comply with the provisions of the Companies Act, 2013.

### 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.

#### 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 Brazilian Real. 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 BRL 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.

## **WIPRO DO BRASIL TECNOLOGIA Ltda (Formerly Enabler Brasil Ltda)**

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

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

#### **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.

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 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.

## WIPRO DO BRASIL TECNOLOGIA Ltda (Formerly Enabler Brasil Ltda)

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

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

#### 2.f) Property, plant and equipment (cont'd)

##### *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:

Category	Estimated useful life
Buildings	28 - 40 years
Furniture and Fixtures	5 - 6 years
Plant and machinery	5 years
Vehicles	4 Years
Office equipment	5 - 6 years

#### 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

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

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

## **WIPRO DO BRASIL TECNOLOGIA Ltda (Formerly Enabler Brasil Ltda)**

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

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

#### **2.i) Revenue (cont'd)**

##### *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 recognized 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.

#### **j) 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.

#### **k) Inventory**

Inventories are valued at lower of cost and net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

## **WIPRO DO BRASIL TECNOLOGIA Ltda (Formerly Enabler Brasil Ltda)**

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

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

#### **i) Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### **i) Arrangements where the Company is the lessee**

Leases of property, plant and equipment, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at lower of the fair value of the leased property and the present value of the minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognized in the statement of profit and loss on a straight-line basis over the lease term.

##### **ii) Arrangements where the Company is the lessor**

In certain arrangements, the Company recognizes revenue from the sale of products given under finance leases. The Company records gross finance receivables, unearned income and the estimated residual value of the leased equipment on consummation of such leases. Unearned income represents the excess of the gross finance lease receivable plus the estimated residual value over the sales price of the equipment. The Company recognizes unearned income as finance income over the lease term using the effective interest method.

#### **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.

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## WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

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

(Amount in ₹, unless otherwise stated)

#### 3 Property, plant and equipment

Particulars	Building	Plant and machinery	Furniture and fixture	Vehicle *	Office equipment	Total
<b>Gross block</b>						
<b>Balance as at 01 Jan 2015</b>	-	<b>190,867,266</b>	<b>116,747,936</b>	<b>63,439,114</b>	<b>47,625,436</b>	<b>418,679,752</b>
Additions during 15 months	-	37,165,310	3,221,757	16,530,947	17,674,898	74,592,912
Disposals during 15 months	-	(2,639,840)	-	(11,001,571)	(33,064,585)	(46,705,996)
Translation adjustment	-	(491,878)	(53,767,246)	(16,840,662)	(18,811,296)	(89,911,082)
<b>Balance as at 31 Mar 2016</b>	-	<b>224,900,858</b>	<b>66,202,447</b>	<b>52,127,828</b>	<b>13,424,453</b>	<b>356,655,586</b>
Additions during the year	3,800,375	30,546,024	3,516,663	15,752,687	428,804	54,044,553
Disposals during the year	-	(223,407)	-	(11,456,322)	-	(11,679,729)
Translation adjustment	47,224	28,379,900	7,982,007	6,304,013	579,713	43,292,857
<b>Balance as at 31 March 2017</b>	<b>3,847,599</b>	<b>283,603,375</b>	<b>77,701,117</b>	<b>62,728,206</b>	<b>14,432,970</b>	<b>442,313,267</b>
<b>Accumulated depreciation</b>						
<b>Balance as at 01 Jan 2015</b>	-	<b>101,493,803</b>	<b>58,759,049</b>	<b>9,542,929</b>	<b>1,358,910</b>	<b>171,154,690</b>
Additions during 15 months	-	76,343,419	34,094,224	17,077,217	34,861,733	162,376,593
Disposals during 15 months	-	(2,011,584)	-	(4,481,997)	(13,334,617)	(19,828,198)
Translation adjustment	-	(389,744)	(35,956,020)	(441,382)	(9,461,573)	(46,248,719)
<b>Balance as at 31 Mar 2016</b>	-	<b>175,435,894</b>	<b>56,897,253</b>	<b>21,696,767</b>	<b>13,424,453</b>	<b>267,454,366</b>
Additions during the year	697,620	46,752,683	5,185,876	14,493,601	607,123	67,736,903
Disposals during the year	-	(79,204)	-	(9,019,735)	-	(9,098,939)
Translation adjustment	8,669	22,767,700	6,886,967	2,669,670	401,394	32,734,400
<b>Balance as at 31 March 2017</b>	<b>706,289</b>	<b>244,877,073</b>	<b>68,970,096</b>	<b>29,840,303</b>	<b>14,432,970</b>	<b>358,826,730</b>
<b>Net block</b>						
<b>Balance as at 01 Jan 2015</b>	-	<b>89,373,463</b>	<b>57,988,887</b>	<b>53,896,185</b>	<b>46,266,526</b>	<b>247,525,062</b>
<b>Balance as at 31 March 2016</b>	-	<b>49,464,964</b>	<b>9,305,194</b>	<b>30,431,061</b>	-	<b>89,201,220</b>
<b>Balance as at 31 March 2017</b>	<b>3,141,310</b>	<b>38,726,302</b>	<b>8,731,021</b>	<b>32,887,903</b>	-	<b>83,486,537</b>

\* Includes vehicles taken on finance lease arrangements

	<b>As at</b>
	<b>31 March 2017</b>
Gross block	<u>45,462,456</u>
Accumulated depreciation	<u>(27,169,307)</u>
Net block	<u><b>18,293,149</b></u>

## WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

### 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 1 January 2015
<b>4 Investments</b>			
<b>Unquoted investments:</b>			
<b>Non-current</b>			
Investments in equity instruments [1,015.318 (2016: 1,15,318) quotas of BRL 1 each]	25,561,849	25,561,849	25,407,201
	<b>25,561,849</b>	<b>25,561,849</b>	<b>25,407,201</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 January 2015
<b>5 Other Financial Assets</b>			
<b>Non-current</b>			
Finance lease receivables *	5,896,036	-	-
	<b>5,896,036</b>	<b>-</b>	<b>-</b>
<b>Current</b>			
Finance lease receivables *	2,357,442	-	-
Security deposits	276,220	62,562	99,835
Others	50,412	5,408,305	-
	<b>2,684,075</b>	<b>5,470,868</b>	<b>99,835</b>
* Minimum lease receivables under the finance lease arrangements are as follows			
	As at 31 March 2017	As at 31 March 2016	As at 1 January 2015
Not later than one year	2,158,983	-	-
Later than one year but not later than five years	6,362,710	-	-
Later than five years	-	-	-
	<b>8,521,693</b>	<b>-</b>	<b>-</b>
Less : Unearned finance lease income	268,215	-	-
	<b>8,253,478</b>	<b>-</b>	<b>-</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 January 2015
<b>6 Other assets</b>			
<b>Non-current</b>			
Prepaid expenses	3,713,255	283,693	1,719,844
	<b>3,713,255</b>	<b>283,693</b>	<b>1,719,844</b>
<b>Current</b>			
Employee travel and other advances	14,335,617	14,257,033	41,392,441
Prepaid expenses	31,377,732	18,873,775	13,915,103
Others	-	-	19,917,339
	<b>45,713,348</b>	<b>33,130,808</b>	<b>75,224,882</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 January 2015
<b>7 Trade receivable</b>			
<i>Unsecured</i>			
Considered good *	520,687,701	255,912,865	465,684,348
Considered doubtful	13,032,078	15,098,539	15,923,725
	533,719,779	271,011,404	481,608,073
Less: Provision for doubtful receivables	(13,032,078)	(15,098,539)	(15,923,725)
Trade receivable from related parties, considered good (refer note 21)	415,665,960	992,764,857	527,897,350
	<b>936,353,661</b>	<b>1,248,677,722</b>	<b>993,581,698</b>
	As at 31 March 2017	As at 31 March 2016	As at 1 January 2015
<b>8 Cash and cash equivalent</b>			
Balances with banks			
In current accounts	46,919,824	6,916,900	34,511,332
In deposit accounts	245,549,527	120,221,252	258,504,733
	<b>292,469,351</b>	<b>127,138,152</b>	<b>293,016,065</b>

## WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

### 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 1 January 2015
<b>9 Share Capital</b>			
(i) The details of share capital are given below:-			
<b>Authorised capital</b>			
25,662,182 (2016: 25,662,182) equity shares [Par value of BRL 1 each]	711,504,061	711,504,061	711,504,061
	<b>711,504,061</b>	<b>711,504,061</b>	<b>711,504,061</b>
<b>Issued, subscribed and fully paid-up capital</b>			
25,662,182 (2016: 25,662,182) equity shares [Par value of BRL 1 each]	711,504,061	711,504,061	711,504,061
	<b>711,504,061</b>	<b>711,504,061</b>	<b>711,504,061</b>
(ii) <b>Reconciliation of number of shares as at 31 March 2017</b>			
Opening number of equity shares	25,662,182	25,662,182	25,662,182
Add: Equity shares	-	-	-
Closing number of equity shares	<b>25,662,182</b>	<b>25,662,182</b>	<b>25,662,182</b>
(iii) <b>Details of share holding pattern by related parties</b>			
<b>Name of shareholders</b>	<b>Number of shares</b>	<b>Number of shares</b>	<b>Number of shares</b>
Wipro Information Technology Netherlands BV (formely, Retail Box BV)	24,999,399	24,999,399	24,999,399
Wipro Portugal SA (Formely Enabler Informatica SA)	662,783	662,783	662,783
	<b>25,662,182</b>	<b>25,662,182</b>	<b>25,662,182</b>

(iv) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of BRL 1 per share. Each share holder of equity shares is entitled to one vote per share.

## WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

### 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 1 January 2015
<b>10 Borrowings</b>			
<b>Non Current</b>			
<b>Secured:</b>			
Finance lease obligation *	10,152,232	23,034,178	37,802,924
Less: Current maturities of obligation disclosed under other finance liabilities	(8,771,145)	(14,471,823)	(18,445,047)
	<b>1,381,087</b>	<b>8,562,355</b>	<b>19,357,877</b>
* Include obligation against vehicles taken on finance lease. Minimum lease payments under finance lease arrangements are as follows;			
	<b>31 March 2017</b>	<b>31 March 2016</b>	<b>1 January 2015</b>
Not later than one year	9,746,520	-	-
Later than one year but not later than five years	1,262,136	-	-
Later than five years	-	-	-
	<b>11,008,656</b>	-	-
Less : Interest on finance lease	856,424	-	-
	<b>10,152,232</b>	-	-
	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>	<b>As at 1 January 2015</b>
<b>11 Provisions</b>			
<b>Non-current</b>			
Employee benefit obligation	49,050,949	36,924,946	25,470,783
	<b>49,050,949</b>	<b>36,924,946</b>	<b>25,470,783</b>
<b>Current</b>			
Employee benefit obligation	235,490,884	154,630,297	67,210,039
	<b>235,490,884</b>	<b>154,630,297</b>	<b>67,210,039</b>
<b>12 Trade payables</b>			
Trade payable	280,321,511	232,479,159	251,753,049
Trade payable to related parties (refer note 21)	9,179,529	115,575,291	254,900,229
	<b>289,501,040</b>	<b>348,054,449</b>	<b>506,653,278</b>
<b>13 Other financial liabilities</b>			
<b>Current</b>			
Salary payable	1,340,340	-	-
Current maturities of obligation under finance lease	8,771,145	14,471,823	18,445,047
Balances due to related parties (refer note 21)	173,814,298	201,542,248	132,345,690
	<b>183,925,783</b>	<b>216,014,071</b>	<b>150,790,737</b>
<b>14 Other liabilities</b>			
<b>Current</b>			
Statutory liabilities	89,786,294	76,977,730	68,224,585
Unearned revenue	245,242,007	180,169,866	153,810,064
	<b>335,028,301</b>	<b>257,147,596</b>	<b>222,034,649</b>

## WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)

### 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	15 months ended 31 March 2016
<b>15 Revenue from operations</b>		
Sale of products	48,916,244	263,505
Sale of services	3,913,308,647	3,765,718,041
	<b>3,962,224,891</b>	<b>3,765,981,546</b>
	Year ended 31 March 2017	15 months ended 31 March 2016
<b>16 Other income</b>		
Interest on deposits	17,797,885	28,015,893
Profit on sale of property, plant and equipment	-	2,505,074
Exchange differences, net	-	138,927,259
	<b>17,797,885</b>	<b>169,448,226</b>
	Year ended 31 March 2017	15 months ended 31 March 2016
<b>17 Employee benefits expense</b>		
Salaries and wages	2,550,371,035	2,207,493,396
Contribution to provident and other funds	21,137,081	10,074,961
Share based compensation *	(300,999)	960,807
Staff welfare expenses	28,133,503	33,136,239
	<b>2,599,340,620</b>	<b>2,251,665,403</b>
* 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" 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.		
	Year ended 31 March 2017	15 months ended 31 March 2016
<b>18 Finance cost</b>		
Interest on finance lease arrangements	2,986,699	4,118,910
	<b>2,986,699</b>	<b>4,118,910</b>
	Year ended 31 March 2017	15 months ended 31 March 2016
<b>19 Other expenses</b>		
Sub contracting / technical fees / third party application	249,602,196	510,679,352
Travel	195,869,479	217,630,774
Repairs and maintenance	33,330,033	37,254,386
Rent	85,576,735	83,763,276
Provision / write off of bad debts	-	2,454,761
Power and fuel	8,346,404	14,402,810
Communication	85,240,794	104,119,984
Advertisement and sales promotion	24,547,459	26,302,338
Legal and professional charges	47,599,632	42,263,516
Staff recruitment	827,619	3,900,156
Loss on sale of property, plant and equipment	-	-
Insurance	8,342,518	8,439,475
Rates and taxes	48,221,775	113,746,029
Exchange differences, net	125,638,027	-
Miscellaneous expenses	52,730,917	39,502,323
	<b>965,873,588</b>	<b>1,204,459,180</b>
	Year ended 31 March 2017	15 months ended 31 March 2016
<b>20 Earning per share (EPS)</b>		
Net profit after tax attributable to the equity shareholders	194,798,574	177,938,367
Weighted average number of equity shares - basic	25,662,182	25,662,182
Earnings per share - Basic and diluted (Par Value: BLR 1)	7.59	6.93

**WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**  
**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:**

<b>Name of the related party</b>	<b>Nature of relationship</b>
Wipro Limited	Ultimate Holding company
Wipro Infotech (A division of Wipro Limited)	Ultimate Holding company
Wipro BPO (A division of Wipro Limited)	Ultimate Holding company
Wipro Information Technology Netherlands BV (Formely Retail Box BV)	Holding company
Wipro Portugal S.A. (formely Enabler Infomatica SA)	Shareholder
Wipro Technologies SA	Fellow subsidiary
Wipro Technologies SA de CV	Fellow subsidiary
Wipro LLC (formerly known as Wipro Inc)	Fellow subsidiary
Wipro Travel Services Limited	Fellow subsidiary
Wipro Do Brasil Sistemas De Informatica LTDA	Subsidiary
Wipro Technologies Services Limited (Merged with Wipro Limited)	Fellow subsidiary
Wipro Technologies GmbH	Fellow subsidiary
Infocrossing Inc	Fellow subsidiary

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

<b>Particulars</b>	<b>Year ended 31 March 2017</b>	<b>15 months ended 31 March 2016</b>
<b>Sale of services (including taxes)</b>		
Wipro Limited	1,584,829,360	1,690,887,845
Wipro BPO (A division of Wipro Limited)	115,977,560	191,256,849
Wipro Technologies SA	25,704,010	-
Wipro Technologies SA de CV	21,123,360	9,938,306
Wipro LLC (formerly known as Wipro Inc)	25,149,782	5,869,870
<b>Sub contracting / technical fees / third party application</b>		
Wipro Limited	58,527,095	138,477,632
Wipro Technologies S.A.	4,644,034	14,981,952
Wipro Technologies S.A. de C V	520,593	17,287,435
Wipro Portugal S.A. (formely Enabler Infomatics SA).	64,737,580	41,820,215
Infocrossing Inc	2,348,616	2,309,184

**iii) Balances with related parties as at year end:\***

<b>Particulars</b>	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
Wipro Technologies S.A DE C. V	199,022,343	135,741,658
Wipro Technologies SA	26,341,984	(50,497,713)
Wipro LLC (formerly known as Wipro Inc)	8,511,232	5,604,330
Wipro BPO (A division of Wipro Limited)	6,095,545	3,004,457
Wipro Travel Services Limited	261,796	(4,989,385)
Wipro Limited	(2,428,306)	593,962,596
Wipro Portugal S.A. (formely Enabler Infomatics SA).	(4,026,665)	(6,405,708)
Wipro Technologies GmbH	(916,644)	-
Infocrossing Inc	(189,153)	(772,917)

\* The balances are forming part of trade receivables, trade payable and balances due to related parties, respectively.

**22 Operating leases**

The Company has taken on lease, Office and residential facilities under cancellable and non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental expenses under such leases during the year ended 31 March 2017 is ₹ 85,576,735 and 31 March 2016 (15 months) is ₹ 83,763,276. Lease payments under the lease are as follows;

	<b>As at 31 March 2017</b>	<b>As at 31 March 2016</b>
Not later than one year	74,174,956	49,973,587
Later than one year and not later than five years	113,506,934	145,831,322

**WIPRO DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**  
**Summary of significant accounting policies and other explanatory information**

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

**23 Effective Tax Rate (ETR) reconciliation**

	Year ended 31 March 2017	15 months ended 31 March 2016
<b>Income tax expense in the Statement of Profit and Loss comprises:</b>		
Current taxes	100,370,148	134,037,035
Deferred taxes	-	-
	<b>100,370,148</b>	<b>134,037,035</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	15 months ended 31 March 2016
Profit before income tax	295,168,722	311,975,402
Enacted tax rates in Brazil (%)	34%	34%
Computed expected tax expense	100,357,365	106,071,637
Tax effect on other adjustments, net	12,783	27,965,398
Tax expense as per financials	<b>100,370,148</b>	<b>134,037,035</b>

**24 Financial risk management**

**Interest rate risk**

The Company has no lendings or borrowings with its group companies and no market borrowings at floating interest rates, so hence there is no exposure of 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.

**25 First-time adoption of Ind AS**

These standalone financial statements of Wipro Do Brasil Tecnologia Ltda for the year ended March 31, 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 April 1, 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 March 31, 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**

The Company has changed its accounting year from January to December to April to March of subsequent year, basis effective from previous financial year. Hence, the previous period financials are drawn for 15 months ended 31 March, 2016.

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 DO BRASIL TECNOLOGIA Ltda (Formely Enabler Brasil Ltda)**

Sd/-  
Wilson Jose Andersen Ballao  
Director

Date:  
Place: 2 June 2017