

**WIPRO PROMAX ANALYTICS
SOLUTIONS LLC**

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
MARCH 31, 2015**

WIPRO PROMAX ANALYTICS SOLUTIONS LLC

BALANCE SHEET

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

As at March 31, As at March 31,
2015 2014

I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	3	1,683,150	1,683,150
Reserves and surplus	4	(102,798,535)	(59,796,068)
		(101,115,385)	(58,112,918)
2. Share application money pending allotment			
		-	-
3. Non-current liabilities			
Long term provisions	5	3,642,396	3,351,783
		3,642,396	3,351,783
4. Current liabilities			
Short term borrowings	6	129,254,123	121,111,829
Trade payables	7	62,146,060	4,772,001
Other current liabilities	8	137,863,143	36,841,877
Short term provisions	9	4,971,102	1,996,945
		334,234,428	164,722,652
TOTAL EQUITY AND LIABILITIES		236,761,439	109,961,517
II ASSETS			
1. Non-current assets			
Fixed assets			
Tangible assets	10	3,583,026	1,062,930
Deferred tax assets		1,941,687	1,860,440
		5,524,713	2,923,370
2. Current assets			
Trade receivables	11	34,428,896	19,709,758
Cash and bank balances	12	90,513,434	63,391,623
Short term loans and advances	13	93,934,322	21,918,331
Other current assets	14	12,360,074	2,018,435
		231,236,726	107,038,147
TOTAL ASSETS		236,761,439	109,961,517

The accompanying notes form an integral part of the Balance Sheet

As per our report attached
for **D.Prasanna & Co.**
Chartered Accountants
Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-
D.Prasanna Kumar
Proprietor
Membership No. 211367

sd/-
Director
Manoj Nagpaul

sd/-
Director
Vikram Bhargava

WIPRO PROMAX ANALYTICS SOLUTIONS LLC
STATEMENT OF PROFIT AND LOSS ACCOUNT
(Amount in ₹ except share and per share data, unless otherwise stated)

	Notes	Year ended March 31,	
		2015	2014
REVENUE			
Revenue from operations (gross)	15	183,611,283	127,464,137
Less: Excise duty		-	-
Revenue from operations (net)		183,611,283	127,464,137
Other income	16	230,158	120,664
Total Revenue		183,841,441	127,584,801
EXPENSES			
Employee benefits expense	17	167,488,303	136,631,333
Finance costs	18	3,150,917	2,066,857
Depreciation and amortisation expense	10	1,592,068	1,486,567
Other expenses	18	51,177,768	28,033,374
Total Expenses		223,409,056	168,218,131
Profit before tax		(39,567,615)	(40,633,330)
Tax expense			
Current tax		-	-
Net Profit		(39,567,615)	(40,633,330)
Earnings per equity share			
(Equity shares of par value USD 1 each)			
Basic		(395,676.15)	(406,333.30)
Diluted		(395,676.15)	(406,333.30)
*Refer Note 21			

The accompanying notes form an integral part of the Statement of Profit and Loss

As per our report attached

for **D.Prasanna & Co.**

Chartered Accountants

Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-

D.Prasanna Kumar

Proprietor

Membership No. 211367

sd/-

Director

Manoj Nagpaul

sd/-

Director

Vikram Bhargava

WIPRO PROMAX ANALYTICS SOLUTIONS LLC

CASH FLOW STATEMENT

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

	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
A. Cash flows from operating activities:		
Profit / (Loss) before tax	(39,567,615)	(40,633,330)
<i>Adjustments:</i>		
Depreciation and amortization	1,592,068	1,486,567
Provision for Doubtful Debts	-	2,247,411
Unrealised exchange differences - net	(3,536,024)	(16,238,599)
<i>Working capital changes :</i>		
Trade and other receivable	(25,060,777)	23,857,484
Loans and advances	(68,751,221)	(22,874,479)
Trade and other payables	158,395,325	(25,600,053)
Net cash generated from / (used in) operations	23,071,757	(77,755,000)
Direct taxes paid / (refund)	-	
Net cash generated by / (used in) operating activities	23,071,757	(77,755,000)
B. Cash flows from investing activities:		
Acquisition of property, fixed assets plant and equipment (including advances)	(4,092,239)	(803,091)
Proceeds from sale of fixed assets	-	-
Net cash generated by / (used in) investing activities	(4,092,239)	(803,091)
C. Cash flows from financing activities:		
Proceeds of borrowings / loans	8,142,294	121,111,829
Net cash generated by / (used in) financing activities	8,142,294	121,111,829
Net (decrease) / increase in cash and cash equivalents during the period	27,121,810	42,553,738
Effect of translation of cash balance	-	-
Cash and cash equivalents at the beginning of the period	63,391,623	20,837,886
Cash and cash equivalents at the end of the period	90,513,434	63,391,623

The accompanying notes form an integral part of the Cashflow Statement

As per our report attached
for **D.Prasanna & Co.**

Chartered Accountants

Firm Registration number : 009619S

For and on behalf of the Board of Directors

sd/-

D.Prasanna Kumar

Proprietor

Membership No. 211367

sd/-

Director

Manoj Nagpaul

sd/-

Director

Vikram Bhargava

WIPRO PROMAX ANALYTICS SOLUTIONS LLC
NOTES TO THE FINANCIAL STATEMENTS
(Amount in INR except share and per share data, unless otherwise stated)

1. Company overview

WIPRO PROMAX ANALYTICS SOLUTIONS LLC (“the Company”) is a subsidiary of Wipro (“The holding Company”). Wipro Limited, a company incorporated in India, is the ultimate holding company of the Company. The Company is incorporated in United States and is engaged in IT services. The functional currency of the Company is USD 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 Indian Companies Act, 2013.

2. Significant accounting policies

i. Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured on a fair value basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of Act (to the extent notified and applicable), Accounting Standards (‘AS’) issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

ii. Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

iii. Fixed assets and work-in-progress

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

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

Freehold land is not depreciated.

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

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

iv. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources 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.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

v. Foreign currency transactions

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.

Foreign currency transaction

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognized in the statement of profit and loss.

Translation of financial statements

The Company is a foreign subsidiary of Wipro Limited and has been treated as a non integral operating unit for translation. For the purpose of accounts during the period, all income and expenses items are converted at the average rate of exchange applicable for the period. All assets and liabilities are translated at the closing rate on the balance sheet date. The equity share capital, reserves and investment in subsidiaries are carried forward at the rate of exchange prevailing on the transaction date. All resulting exchange difference arising out of year-end conversion has been transferred to Translation Reserve in Reserve and Surplus.

vi. Income Tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements by each entity in the Company.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment/ substantial enactment date.

Deferred tax assets on timing differences are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

vii. Earnings per share

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

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issued.

As at March31, 2015	As at March 31, 2014
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Note 3 Share Capital

(i) The details of share capital are given below:-

Authorised capital

100 (2014: 100) equity shares [Par value of of USD 300 per	1,683,150	1,683,150
	1,683,150	1,683,150

Issued, subscribed and fully paid-up capital

100 (2014: 100) equity shares of USD 300 per share	1,683,150	1,683,150
	1,683,150	1,683,150

(ii) The following is the reconciliation of number of shares as at March 31, 2015.

Number of common stock outstanding as at beginning of the	100	100
Number of common stock issued during the year	-	-
Number of common stock outstanding as at the end of the	100	100

(iii) Details of share holding pattern by related parties

	As of March 31,			
	2015		2014	
Name of shareholders	No.of Share	% of holding	No.of Share	% of holding
Wipro LLC	<u>100</u>	100%	<u>100</u>	100%
	<u>100</u>		<u>100</u>	

	As at March31, 2015	As at March 31, 2014
Note 4 Reserves and Surplus		
Translation reserve		
Balance brought forward from previous year	(14,619,691)	1,444,764
Movement during the period	(3,434,852)	(16,064,455)
	(18,054,543)	(14,619,691)
Surplus from statement of profit and loss		
Balance brought forward from previous year	(45,176,377)	(4,543,047)
Add: Profit for the year	(39,567,615)	(40,633,330)
Closing balance	(84,743,992)	(45,176,377)
Summary of reserves and surplus		
Balance brought forward from previous year	(59,796,068)	(3,098,283)
Movement during the year	(43,002,467)	(56,697,785)
	(102,798,535)	(59,796,068)
Note 5 Long term Provisions		
Employee benefit obligation	3,642,396	3,351,783
	3,642,396	3,351,783
Note 6 Short term borrowings		
Unsecured:		
Loan from Group Company	129,254,123	121,111,829
	129,254,123	121,111,829
Note 7 Trade payables		
Trade Payables	778,156	34,664
Payable to ultimate holding company	56,432,612	-
Accrued expenses	4,935,293	4,737,337
	62,146,060	4,772,001
Note 8 Other current liabilities		
Advances due to ultimate holding Company	-	31,313,033
Salary Payable	6,985,908	-
Unearned revenue	3,817,945	-
Statutory liabilities	1,536,538	127,255
Balances due to related parties	125,522,752	5,401,589
	137,863,143	36,841,877
Note 9 Short term provisions		
Employee benefit obligations	4,929,106	1,956,699
Provision for tax	41,997	40,246
	4,971,102	1,996,945
Note 11 Trade Receivable		
Unsecured:		
Over six months from the date they were due for payment		
Considered good	26	-
Considered doubtful	3,420,351	3,202,622
	3,420,378	3,202,622
Less: Provision for doubtful receivables	(3,420,351)	(3,202,622)
	26	-
Other receivables		
Considered good	34,428,870	19,709,758
	34,428,870	19,709,758
Less: Provision for doubtful receivables	-	-
	34,428,870	19,709,758
	34,428,896	19,709,758

Note 12 Cash and bank balances**Cash and cash equivalents**

Balances with banks

In current accounts

90,513,434 63,391,623

90,513,434 63,391,623

Note 13 Short-term loans and advances*(Unsecured, considered good unless otherwise stated)*

Employee travel & other advances

(305,951) 114,970

Balance with Group Companies

94,120,282 21,803,361

Others

119,990 -

93,934,322 21,918,331

Note 14 Other current assets**Unsecured and considered good:**

Unbilled revenue

12,360,074 2,018,435

12,360,074 2,018,435

	Year ended March 31,	
	2015	2014
Note 15 Revenue from Operations		
Sale of services	183,611,283	127,464,137
Revenue from operations (gross)	183,611,283	127,464,137
Note 16 Other Income		
Other exchange differences, net	230,158	120,664
	230,158	120,664
Note 17 Employee benefits expense		
Salaries and wages	164,852,957	136,503,047
Contribution to provident and other funds	2,531,384	-
Staff welfare expenses	103,961	128,286
	167,488,303	136,631,333
Note 18 Finance costs		
Interest Cost	3,150,917	1,004,350
Exchange difference on borrowings	-	202,778
Bank charges and others	-	859,729
	3,150,917	2,066,857
Note 19 Other expenses		
Sub contracting / technical fees / third party application	28,801,239	127,940
Travel	16,435,320	15,746,836
Repairs and Maintenance	1,317,459	
Repairs to machinery	-	268,510
Rent	-	2,162,030
Provision/write off of bad debts	76,143	-
Communication	1,648,423	2,077,244
Advertisement and sales promotion	-	1,281,510
Legal and professional charges	179,291	298,691
Insurance	-	478,448
Rates and taxes	611	871,476
Auditors' remuneration		
Audit fees	-	10,000
Miscellaneous expenses	2,719,282	4,710,689
	51,177,768	28,033,374

20. Related Party Transaction

The following are the entities with which the Company has related party trans

Name of the party	Relationship with the Company
Wipro LLC	Holding Company
Wipro Promax Analytics Solutions Pty Limited	Fellow Subsidiary
Wipro Hungary	Fellow Subsidiary
Wipro Limited	Ultimate Holding Company
Wipro Travel Services Ltd	Fellow Subsidiary
Infocrossing Inc	Fellow Subsidiary

The following is the listing of transactions with related parties during the year ended March 31, 2015

Name of the party	For the year ended March 31,	
	2015	2014
Sub contracting charges- Wipro Limited	106,069	272,569
Sub contracting charges- Wipro Promax Analytics Solutions Pty Limited	28,695,170	47,229,117
Interest cost - Wipro LLC	-	1,004,350
Interest cost - Wipro Technologies Inc	3150916.887	-

The following is the listing of payables to related parties as at March 31, 2014

Name of the party	Year ended March 31,	
	2015	2014
Wipro Promax Analytics Solutions Pty Limited	111,631,579	-
Wipro LLC	129,618,861	121,111,829
Wipro Limited	65,484,540	31,313,033
Wipro Travel Services Ltd	352,538	-
Infocrossing Inc	625	-

The following is the listing of receivables to related parties as at March 31, 2014

Name of the party	Year ended March 31,	
	2015	2014
Wipro Promax Analytics Solutions Pty Limited	89,716,211	21,803,361
Wipro Limited	282,727	-

21. Earnings per Share (EPS)

Particulars	Year ended March 31,	
	2015	2014
Loss for the year as per profit and loss account	(39,567,615)	(40,633,330)
Weighted average number of equity shares used for computing basic and diluted EPS	100	100
Profit per share basic and diluted (Par value: USD 300)	(395,676)	(406,333)

Note 22 Micro, Small and Medium Enterprises, Development Act, 2006

The Company is a foreign company and is not governed by the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Hence, the disclosures under the Act are not applicable to the Company.

23. Others

Hitherto the applicability of revised Schedule III from the current year, the Company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule III does not impact recognition and measurement principle followed for the preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of Balance Sheet.

As per our report attached
for **D.Prasanna & Co.**
Chartered Accountants
Firm Registration number : 009619S

For and on behalf of the Board of Director:

sd/-
D.Prasanna Kumar
Proprietor
Membership No. 211367

sd/- sd/-
Director **Director**
Manoj Nagpaul Vikram Bhargava

10. Tangible assets

Particular	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK*	
	As of April 1, 2014	Additions	Effect of Translation *	Disposals	As of March 31, 2015	As of April 1, 2014	Depreciation for the year	Effect of Translation *	Disposals / adjustments	As of March 31, 2015	As of March 31, 2015	As of March 31, 2014
Tangible fixed assets												
Buildings **	-	-	-	-	-	-	-	-	-	-	-	-
Plant & machinery ***	3,517,896	4,010,993	244,547	-	7,773,436	2,498,259	1,579,248	144,963	-	4,222,470	3,550,966	1,019,637
Furniture & fixture	15,808	-	690	-	16,499	5,508	3,049	316	-	8,874	7,625	10,300
Office equipments	50,614	-	2,210	-	52,825	17,621	9,771	997	-	28,390	24,435	32,993
	3,584,319	4,010,993	247,447	-	7,842,759	2,521,389	1,592,068	146,276	-	4,259,733	3,583,026	1,062,930
Previous year – 2014	2,692,631	617,406	274,281	-	3,584,317	946,225	1,486,567	88,596	-	2,521,389	1,062,928	1,746,406

* Represents translation of fixed assets of non-integral operations into Indian Rupee

** Building includes lease hold improvements.

*** Plant and machinery includes computers and computer software.