

Financial Statements and Independent Auditor's Report

WIPRO SA BROAD-BASED OWNERSHIP SCHEME SPV (RF) (PTY)
LIMITED

31 March 2016

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Independent Auditor's Report

To the Board of Directors of Wipro SA Broad-Based Ownership Scheme SPV (RF)(Pty) Ltd

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Wipro SA Broad Based Ownership Scheme SPV (RF) (Pty) Ltd** ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement 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 Accounting Standards 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 of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

Other matter

8. 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.
9. The audit of the financial statements of the Company as at and for the year ending 31 March 2015 was carried out by other auditors, whose report dated 31 May 2015 expressed an unqualified opinion on those statements.

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

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

Place: Bengaluru

Date: 3 June 2016

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited

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Balance Sheet as at 31 March 2016

(All amounts are in ₹ unless otherwise stated)

	Notes	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	773,973,684	773,973,684
Reserves and surplus	4	(3,217,557)	(2,890,607)
		<u>770,756,127</u>	<u>771,083,077</u>
Non-current liabilities			
Long-term borrowings	5	899,484	-
		<u>899,484</u>	<u>-</u>
Current liabilities			
Trade payable	6	60,850	28,306
Other current liabilities	7	79,897	1,609,954
Short-term provisions	8	2,457,060	2,796,428
		<u>2,597,807</u>	<u>4,434,688</u>
Total		<u>774,253,418</u>	<u>775,517,765</u>
ASSETS			
Non-current assets			
Non-current investments	9	773,973,684	773,973,684
		<u>773,973,684</u>	<u>773,973,684</u>
Current assets			
Cash and cash equivalents	10	239,513	1,543,533
Short-term loans and advances	11	40,221	548
		<u>279,734</u>	<u>1,544,081</u>
Total		<u>774,253,418</u>	<u>775,517,765</u>
Summary of significant accounting policies	2		

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

For and on behalf of the Board of Directors of Wipro SA Broad Based Ownership Scheme SPV (RF) (PTY) Limited

Sd/-
Director

Place: Bangalore
Date: 3 June 2016

Sd/-
Director

Place: Bangalore
Date: 3 June 2016

Statement of Profit and Loss for the year ended 31 March 2016

(All amounts in are in ₹ unless otherwise stated)

	Notes	31 March 2016	31 March 2015
Revenue			
Other income	12	14,087	10,863,119
Total revenue		14,087	10,863,119
Expenses			
Finance cost	13	21,251	29,742
Other expenses	14	716,546	30,617
Total expenses		737,797	60,359
Profit / (loss) before tax		(723,710)	10,802,760
Tax expense			
Current tax expense		-	3,024,773
Profit/ (loss) after tax		(723,710)	7,777,987
Earnings per share			
-Basic and diluted	15	(723,710)	7,777,987
Summary of significant accounting policies	2		

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

For and on behalf of the Board of Directors of Wipro SA Broad Based Ownership Scheme SPV (RF) (PTY) Limited

Sd/-
Director

Sd/-
Director

Place: Bangalore
Date: 3 June 2016

Place: Bangalore
Date: 3 June 2016

Cash Flow Statement for the year ended March 2016

(All amounts in are in ₹ unless otherwise stated)

	31 March 2016	31 March 2015
Cash flows from operating activities		
Profit/(loss) before tax	(723,710)	10,802,760
Dividend income	-	(10,851,671)
Exchange differences, net	-	-
Operating profit before working capital changes	(723,710)	(48,911)
Loans and advances	(42,435)	(592)
Liabilities and provisions	(1,386,774)	1,713,733
Net cash (used in) / generated from operations	(2,152,918)	1,664,230
Income taxes paid	-	-
Net cash (used in) / generated by operating activities	(A) (2,152,918)	1,664,230
Cash flows from investing activities		
Dividend received	-	10,851,671
Net cash generated from investing activities	(B) -	10,851,671
Cash flows from financing activities		
Dividend paid	-	(10,851,671)
Proceeds from borrowings	960,485	-
Net cash used in financing activities	(C) 960,485	(10,851,671)
Net increase/ (decrease) in cash and cash equivalents during the year	(A+B+C) (1,192,433)	1,664,230
Effect of exchange rate changes on cash balance	(111,587)	(126,151)
Cash and cash equivalents as at the beginning of the year	1,543,533	5,454
Cash and cash equivalents as at the end of the year (refer note 10)	239,513	1,543,533

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

For and on behalf of the Board of Directors of Wipro SA Broad Based Ownership Scheme SPV (RF) (PTY) Limited

Sd/-
DirectorSd/-
DirectorPlace: Bangalore
Date: 3 June 2016Place: Bangalore
Date: 3 June 2016

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited

Summary of significant accounting policies and other explanatory information

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(All amounts in are in ₹ unless otherwise stated)

1 Background

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Ltd ("the Company") is a subsidiary of Wipro Broad-Based Ownership Scheme Trust incorporated in Cape Town, South Africa on January 17, 2014. 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 of financial statement

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared financial statements to comply in all material respect with the accounting standards issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.

The financial statement have been prepared on accrual basis and under historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

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

b) Use of estimates

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

c) Investments

Non-current investments are stated at cost less other than temporary diminution in the value of such investments, if any. Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

d) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

e) Other income

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

Dividend income is recognized when the company's right to receive dividend is established.

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited

Summary of significant accounting policies and other explanatory information

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(All amounts in are in ₹ unless otherwise stated)

2 Summary of significant accounting policies

f) Foreign currency transactions

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. 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 Company is a non-integral unit of Ultimate Holding Company. The functional currency of the Company is ZAR 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' including in 'cash flow statement', respectively.

g) Taxes

Income tax

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

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements of the Company.

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

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

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

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

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

h) Impairment of assets

Financial assets

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. The amount of loss for receivables is measured as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the statement of profit and loss. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, the recognized impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

Other than financial assets

The Company assesses at each period end whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited
Summary of significant accounting policies and other explanatory information

(All amounts in are in ₹ unless otherwise stated)

2 Summary of significant accounting policies

i) **Earnings per share**

Basic:

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

Diluted:

The number of equity shares used in computing diluted earnings per share comprises the weighted average equity shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issued.

j) **Cash flow statement**

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

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Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited
Summary of significant accounting policies and other explanatory information
(All amounts in are in ₹ unless otherwise stated)

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3 Share capital

	<u>31 March 2016</u>	<u>31 March 2015</u>
I Authorized capital		
1 Equity share (*)	773,973,684	773,973,684
	<u>773,973,684</u>	<u>773,973,684</u>
II Issued, subscribed and paid-up capital		
1 Equity share (*)	773,973,684	773,973,684
	<u>773,973,684</u>	<u>773,973,684</u>

(*) The equity shares are issued with 'no par value' and the proceeds from issuance of equity shares are accounted as share capital.

a) Reconciliation of number of shares

Equity share capital

	<u>31 March 2016</u>		<u>31 March 2015</u>	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning and end of the year	<u>1</u>	<u>773,973,684</u>	<u>1</u>	<u>773,973,684</u>

b) Shareholding pattern

	<u>31 March 2016</u>		<u>31 March 2015</u>	
	No. of shares	% of holding	No. of shares	% of holding
Name of the Shareholder				
Wipro SA Broad Based Ownership Scheme Trust - Holding company	1	100%	1	100%
	<u>1</u>	<u>100%</u>	<u>1</u>	<u>100%</u>

4 Reserves and surplus

	<u>31 March 2016</u>	<u>31 March 2015</u>
Translation reserve		
Balance brought forward from previous year	240,939	3,793
Add: Movement during the period	396,760	237,146
Balance at the end of the year	<u>637,699</u>	<u>240,939</u>
General reserve		
Balance at the beginning of the year	(3,131,546)	(57,862)
Add: Amount transferred from the balance in statement of profit and loss	(723,710)	7,777,987
Less: Dividend paid	-	10,851,671
Balance at the end of the year	<u>(3,855,256)</u>	<u>(3,131,546)</u>
Surplus in the statement of profit and loss		
Balance brought forward from previous year	-	-
Add: Profit / (loss) for the year	(723,710)	7,777,987
Less: Amount transferred to general reserve	723,710	(7,777,987)
Balance at the end of the year	<u>-</u>	<u>-</u>
Total	<u>(3,217,557)</u>	<u>(2,890,607)</u>

Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited
Summary of significant accounting policies and other explanatory information

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(All amounts in are in ₹ unless otherwise stated)

5 Long term borrowings

	<u>31 March 2016</u>	<u>31 March 2015</u>
Unsecured term loan from related party (refer note 16)	899,484	-
	<u>899,484</u>	<u>-</u>

6 Trade payable

	<u>31 March 2016</u>	<u>31 March 2015</u>
Accrued expenses	60,850	28,306
	<u>60,850</u>	<u>28,306</u>

7 Other current liabilities

	<u>31 March 2016</u>	<u>31 March 2015</u>
Duties and taxes payable	-	1,504,869
Balances due to related parties (refer note 16)	79,897	105,085
	<u>79,897</u>	<u>1,609,954</u>

8 Provisions

	<u>31 March 2016</u>		<u>31 March 2015</u>	
	<u>Long-term</u>	<u>Short-term</u>	<u>Long-term</u>	<u>Short-term</u>
Provision for tax (net of advance tax)	-	2,457,060	-	2,796,428
	<u>-</u>	<u>2,457,060</u>	<u>-</u>	<u>2,796,428</u>

9 Investments

(Valued at cost unless stated otherwise)

	<u>31 March 2016</u>		<u>31 March 2015</u>	
	<u>Non-current</u>	<u>Current</u>	<u>Non-current</u>	<u>Current</u>
Non trade-unquoted				
Investment in equity shares				
Wipro Technologies South Africa Proprietary Limited (37 equity shares of ZAR 1 each)	773,973,684	-	773,973,684	-
	<u>773,973,684</u>	<u>-</u>	<u>773,973,684</u>	<u>-</u>

10 Cash and cash equivalents

	<u>31 March 2016</u>	<u>31 March 2015</u>
Balances with banks		
In current accounts	239,513	1,543,533
	<u>239,513</u>	<u>1,543,533</u>

11 Loans and advances

(Unsecured, considered good)

	<u>31 March 2016</u>		<u>31 March 2015</u>	
Duties and taxes receivable	-	40,221	-	548
	<u>-</u>	<u>40,221</u>	<u>-</u>	<u>548</u>

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Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited
Summary of significant accounting policies and other explanatory information
 (All amounts in are in ₹ unless otherwise stated)

12 Other income

	<u>31 March 2016</u>	<u>31 March 2015</u>
Dividend income	-	10,851,671
Interest income	14,087	11,448
	<u>14,087</u>	<u>10,863,119</u>

13 Finance cost

	<u>31 March 2016</u>	<u>31 March 2015</u>
Bank charges	21,251	29,742
	<u>21,251</u>	<u>29,742</u>

14 Other expenses

	<u>31 March 2016</u>	<u>31 March 2015</u>
Legal and professional	689,989	-
Audit fees	26,557	30,617
	<u>716,546</u>	<u>30,617</u>

15 Earning per share (EPS)

	<u>31 March 2016</u>	<u>31 March 2015</u>
Net profit after tax attributable to the equity shareholders	(723,710)	7,777,987
Weighted average number of equity shares - for basic and diluted EPS	1	1
Earnings per share - Basic and diluted	(723,710)	7,777,987

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Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited
Summary of significant accounting policies and other explanatory information

10

(All amounts in are in ₹ unless otherwise stated)

16 Related party disclosure

i) Parties where control exists:

Nature of relationship	Name of the related party
Ultimate Holding Company	Wipro Limited
Holding Company	Wipro SA Broad - Based Ownership Scheme Trust
Subsidiary Company	Wipro Technologies South Africa Proprietary Limited

ii) The Company has the following related party transactions:

Nature of transactions	Relationship	31 March 2016	31 March 2015
Dividend received			
Wipro Technologies South Africa Proprietary Limited	Subsidiary Company	-	10,851,671
Loan received			
Wipro SA Broad - Based Ownership Scheme Trust	Holding Company	960,485	-
Dividend paid			
Wipro SA Broad - Based Ownership Scheme Trust	Holding Company	-	10,851,671

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

Particulars	Relationship	31 March 2016	31 March 2015
Wipro Technologies South Africa Proprietary Limited	Subsidiary company	(69,845)	(79,492)
Wipro SA Broad - Based Ownership Scheme Trust	Holding Company	(909,536)	(25,593)

* The amounts are classified as long-term borrowings and other current liabilities respectively.

17 In view of carry forward losses under tax laws, no deferred tax asset is recognized as at 31 March 2016 on account of lack of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

18 Segment reporting

The accompanying financial statements are appended to the consolidated financial statements of ultimate holding company, i.e. Wipro Limited as per the requirement of Section 137(1) of the Companies Act 2013. These standalone financial statements should to be read with the consolidated financial statements of Wipro Limited. Accordingly, pursuant to requirement of Accounting Standard (AS) 17, Segment Reporting, the Company discloses the segment information in the consolidated financial statements of ultimate holding company.

19 Prior period comparatives

Previous year's figures have been reclassified to conform to this year's classification.

For and on behalf of the Board of Directors of Wipro SA Broad-Based Ownership Scheme SPV (RF) (PTY) Limited

Sd/-
Director

Sd/-
Director

Place: Bangalore
Date: 3 June 2016

Place: Bangalore
Date: 3 June 2016