

Independent Auditor's Report and Financial Statements

WIPRO SHANGHAI LIMITED

31 March 2016

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## **Independent Auditor's Report**

### **To the Board of Directors of Wipro (Shanghai) Limited**

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

1. We have audited the accompanying financial statements of **Wipro (Shanghai) Limited** ("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 Shanghai Limited**  
**Balance Sheet as at 31 March 2016**  
(All amounts are in ₹ unless otherwise stated)

1

	Notes	31 March 2016	31 March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	89,507,584	89,507,584
Reserves and surplus	4	156,953,203	188,842,372
		<b>246,460,786</b>	<b>278,349,956</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	-	7,020,751
		<b>-</b>	<b>7,020,751</b>
<b>Current liabilities</b>			
Trade payables	6	181,324,141	110,143,160
Other current liabilities	7	257,348,807	265,668,034
Short-term provisions	5	34,273,809	2,215,000
		<b>472,946,757</b>	<b>378,026,194</b>
<b>Total</b>		<b>719,407,543</b>	<b>663,396,901</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	8	96,264,245	37,572,594
Capital work in progress		4,629,826	777,422
Long-term loans and advances	9	3,044,902	-
		<b>103,938,973</b>	<b>38,350,016</b>
<b>Current assets</b>			
Trade receivables	10	350,592,619	184,557,955
Cash and cash equivalents	11	153,860,929	276,243,683
Short-term loans and advances	9	77,011,990	22,089,945
Other current assets	12	34,003,031	142,155,301
		<b>615,468,570</b>	<b>625,046,884</b>
<b>Total</b>		<b>719,407,543</b>	<b>663,396,901</b>
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 Shanghai Limited

Sd/-  
**Manoj Nagpaul**  
Director

Sd/-  
**Jibin Arjunan**  
Director

Place: Bangalore  
Date: 3 June 2016

Place: Bangalore  
Date: 3 June 2016

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

(All amounts are in ₹ unless otherwise stated)

	Notes	31 March 2016	31 March 2015
<b>Revenue</b>			
Revenue from operations	13	1,055,582,037	906,572,203
Other income	14	23,449,180	68,676,240
<b>Total revenue</b>		<b>1,079,031,217</b>	<b>975,248,443</b>
<b>Expenses</b>			
Employee benefits expense	15	831,040,046	660,480,529
Finance cost	16	10,100	8,999
Depreciation expense	8	29,748,165	22,479,007
Other expenses	17	255,009,777	209,900,122
<b>Total expenses</b>		<b>1,115,808,088</b>	<b>892,868,657</b>
<b>Profit/(loss) before tax</b>		<b>(36,776,871)</b>	<b>82,379,786</b>
<b>Tax expense</b>			
Current tax expense		-	13,175,940
<b>Profit/(loss) after tax</b>		<b>(36,776,871)</b>	<b>69,203,846</b>
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 Shanghai Limited

Sd/-  
Manoj Nagpaul  
Director

Sd/-  
Jibin Arjunan  
Director

Place: Bangalore  
Date: 3 June 2016

Place: Bangalore  
Date: 3 June 2016

## Cash Flow Statement for the year ended March 2016

(All amounts are in ₹ unless otherwise stated)

	31 March 2016	31 March 2015
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	(36,776,871)	82,379,786
Exchange difference, net	(2,313,960)	2,767,208
Depreciation	29,748,165	22,479,007
Interest income	(5,583,309)	(10,231,603)
Interest on borrowings	10,100	8,999
(Gain) on sale of fixed assets	-	(316,825)
<b>Operating profit before working capital changes</b>	<b>(14,915,875)</b>	<b>97,086,572</b>
Trade receivables and unbilled revenue	(52,127,998)	(124,433,327)
Loans and advances and other assets	(57,733,250)	512,699,726
Liabilities and provisions	85,584,044	(388,246,757)
<b>Net cash generated from operations</b>	<b>(39,193,079)</b>	<b>97,106,214</b>
Income taxes paid	-	(13,175,940)
<b>Net cash (used in) / generated by operating activities</b>	<b>(A) (39,193,079)</b>	<b>83,930,274</b>
<b>Cash flows from investing activities</b>		
Acquisition of plant and equipment	(93,523,560)	(4,907,155)
Interest on fixed deposit	5,785,620	9,979,676
Proceeds from sale of fixed assets	-	354,650
<b>Net cash generated from investing activities</b>	<b>(B) (87,737,940)</b>	<b>5,427,171</b>
<b>Cash flows from financing activities</b>		
Interest paid on borrowings	(10,100)	(8,999)
<b>Net cash used in financing activities</b>	<b>(C) (10,100)</b>	<b>(8,999)</b>
<b>Net increase/ (decrease) in cash and cash equivalents during the year</b>	<b>(A+B+C) (126,941,119)</b>	<b>89,348,446</b>
Effect of exchange rate changes on cash balance	4,558,365	(5,505,438)
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>276,243,683</b>	<b>192,400,675</b>
<b>Cash and cash equivalents as at the end of the year (refer Note 11)</b>	<b>153,860,929</b>	<b>276,243,683</b>

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

For and on behalf of the Board of Directors of Wipro Shanghai Limited

Sd/-  
Manoj Nagpaul  
Director

Sd/-  
Jibin Arjunan  
Director

Place:Bangalore  
Date: 3 June 2016

Place:Bangalore  
Date: 3 June 2016

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

(All amounts are in ₹ unless otherwise stated)

**1 Background**

Wipro (Shanghai) Limited ("The Company") is a subsidiary of Wipro Limited, incorporated and domiciled in China. The Company is provider of IT Services, including Business Process Services (BPS), globally. The ultimate holding company of the entity is Wipro Limited, 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 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 recognized in the year in which the estimates are revised and in any future year affected.

**(c) Revenue recognition**

The Company derives revenue primarily from software development, maintenance of software/hardware and related services, business process services, sale of IT and other products.

**Services:**

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered.

**A Time and material contracts**

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

**B Fixed-price contracts**

Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates. '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'.

**C Maintenance Contracts**

Revenue from maintenance contracts is recognized rateably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.



**2 Summary of significant accounting policies**

**(c) Revenue recognition (Cont'd)**

**D Others**

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term.

Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period

**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.

**(d) Tangible assets**

Tangible assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Costs include expenditure directly attributable to the acquisition of the asset. Borrowing costs directly attributable to the construction or production of qualifying assets are capitalized as part of the cost.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of tangible assets. Subsequent expenditure relating to tangible assets is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Cost of tangible assets not ready for use before the balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long-term loans and advances.

**(e) Lease**

Leases of assets, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leases assets at inception and the present value of 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. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term.

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

**(f) Depreciation and amortization**

The Company has provided for depreciation using straight line method over the useful life of the assets as estimated by the management. Useful life as given represents the period over which management expects to use these assets.

Class of Asset	Estimated useful life
Computer including telecom equipment and software (included under plant & machinery)	2-7 years
Furniture and Fixtures	5-6 years
Electrical Installations (included under plant and machinery)	5 years
Office equipment's	5-6 years

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

(All amounts are in ₹ unless otherwise stated)

**2 Summary of significant accounting policies****(g) Foreign currency transactions****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 Company is a non-integral unit of Holding Company. The functional currency of the Company is CNY 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, expense 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.

**(h) 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.

At each Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

(All amounts are in ₹ unless otherwise stated)

(i) **Cash flow statement**

Cash flows are reported using 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 operating, investing and financing activities of the Company are segregated.

(j) **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.

**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.

(k) **Provisions and contingent liabilities**

Provisions are recognized 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.

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**Wipro Shanghai Limited**  
**Summary of significant accounting policies and other explanatory information**

(All amounts are in ₹ unless otherwise stated)

**3 Share capital**

	<u>31 March 2016</u>	<u>31 March 2015</u>
Equity contribution*	89,507,584	89,507,584
	<u>89,507,584</u>	<u>89,507,584</u>

\* As per local laws of People's Republic of China, the company does not have share capital. Hence the investment by Wipro Limited, the Holding company, is disclosed as equity contribution.

**4 Reserves and surplus**

	<u>31 March 2016</u>	<u>31 March 2015</u>
<b>Translation reserve</b>		
Balance at the beginning of the year	5,941,071	(4,664,332)
Add: Movement during the period	4,887,703	10,605,403
<b>Balance at the end of the year</b>	<u>10,828,774</u>	<u>5,941,071</u>
<b>General reserve</b>		
Balance at the beginning of the year	182,901,301	113,697,455
Add: Amount transferred from surplus balance in the statement of profit and loss	(36,776,871)	69,203,846
<b>Balance at the end of the year</b>	<u>146,124,430</u>	<u>182,901,301</u>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	-	-
Profit/ (Loss) for the year	(36,776,871)	69,203,846
Less: Amount transferred to general reserve	(36,776,871)	69,203,846
<b>Balance at the end of the year</b>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>156,953,203</u>	<u>188,842,372</u>

**5 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>
Employee benefit obligation	-	14,202,744	2,714,732	2,215,000
Provision for tax [net of advance tax]	-	20,071,065	4,306,019	-
	<u>-</u>	<u>34,273,809</u>	<u>7,020,751</u>	<u>2,215,000</u>

**6 Trade payables**

	<u>31 March 2016</u>	<u>31 March 2015</u>
Dues to others*	84,341,345	33,406,757
Accrued expenses	96,982,796	76,736,403
	<u>181,324,141</u>	<u>110,143,160</u>

\* Includes payable to related parties (refer note 19)

**7 Other current liabilities**

	<u>31 March 2016</u>	<u>31 March 2015</u>
Unearned revenue	91,750,770	56,300,108
Duties and taxes payable	-	14,853,503
Balances due to related parties	165,598,037	194,514,423
	<u>257,348,807</u>	<u>265,668,034</u>

## Summary of significant accounting policies and other explanatory information

(All amounts are in ₹ unless otherwise stated)

## 8 Tangible assets

Particulars	Plant & Machinery	Furniture & Fixture	Office equipment's	Total
<b>Gross block</b>				
<b>Balance as at 31 March 2014</b>	75,805,653	104,183,094	75,750,364	255,739,111
Additions during the year	4,328,039	-	579,116	4,907,155
Disposals during the year	585,390	-	-	585,390
Translation adjustment	3,554,496	4,781,353	3,486,653	11,822,502
<b>Balance as at 31 March 2015</b>	<b>83,102,798</b>	<b>108,964,447</b>	<b>79,816,133</b>	<b>271,883,378</b>
Additions during the year	65,960,374	21,514,221	2,196,562	89,671,156
Disposals/ adjustments*	1,837,301	(150,156)	-	1,687,145
Translation adjustment	1,213,823	1,800,050	1,360,415	4,374,288
<b>Balance as at 31 March 2016</b>	<b>148,439,694</b>	<b>132,428,874</b>	<b>83,373,110</b>	<b>364,241,678</b>
<b>Accumulated depreciation</b>				
<b>Balance as at 31 March 2014</b>	64,811,571	84,622,650	53,177,528	202,611,749
Charge for the year	4,273,344	8,177,608	10,028,056	22,479,008
Disposals/ adjustments*	547,565	-	-	547,565
Translation adjustment	3,053,169	4,058,237	2,656,188	9,767,594
<b>Balance as at 31 March 2015</b>	<b>71,590,518</b>	<b>96,858,495</b>	<b>65,861,771</b>	<b>234,310,784</b>
Charge for the year	10,351,700	9,478,097	8,874,411	28,704,208
Translation adjustment	1,189,797	1,628,906	1,099,782	3,918,485
Disposals/ adjustments*	1,043,956	-	-	1,043,956
<b>Balance as at 31 March 2016</b>	<b>84,175,971</b>	<b>107,965,498</b>	<b>75,835,964</b>	<b>267,977,433</b>
<b>Net block</b>				
<b>Balance as at 31 March 2015</b>	<b>11,512,280</b>	<b>12,105,952</b>	<b>13,954,362</b>	<b>37,572,594</b>
<b>Balance as at 31 March 2016</b>	<b>64,263,723</b>	<b>24,463,376</b>	<b>7,537,146</b>	<b>96,264,245</b>

\* Includes regrouping/reclassification within the block of assets.

*(This space has been intentionally left blank)*

## Summary of significant accounting policies and other explanatory information

(All amounts are in ₹ unless otherwise stated)

## 9 Loans and advances

*(Unsecured)*

	31 March 2016		31 March 2015	
	Long-term	Short-term	Long-term	Short-term
<b>Considered good</b>				
Capital advances	3,044,902	-	-	-
Employee travel and other advances	-	1,907,441	-	7,920,847
Advance to suppliers	-	41,739,797	-	-
Duties and taxes recoverable	-	12,451,164	-	-
Prepaid expenses	-	4,141,012	-	2,559,772
Security deposits	-	16,772,577	-	11,609,326
	<b>3,044,902</b>	<b>77,011,990</b>	<b>-</b>	<b>22,089,945</b>

## 10 Trade Receivables

*(Unsecured, considered good)*

	31 March 2016	31 March 2015
Debts outstanding for a period exceeding six months from the due date		
Considered good	90,582,328	21,653,340
Other receivables		
Considered good	260,010,291	162,904,615
	<b>350,592,619</b>	<b>184,557,955</b>

\* Includes receivable from related parties (refer note 19)

## 11 Cash and cash equivalents

	31 March 2016	31 March 2015
Balances with banks		
- In current accounts	10,330,215	4,079,288
- In deposit accounts	143,530,714	272,164,395
	<b>153,860,929</b>	<b>276,243,683</b>

## 12 Other current assets

	31 March 2016	31 March 2015
Unbilled revenue	33,991,136	141,903,374
Accrued interest	11,895	251,927
	<b>34,003,031</b>	<b>142,155,301</b>

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## Summary of significant accounting policies and other explanatory information

(All amounts are in ₹ unless otherwise stated)

<b>13 Revenue from operations</b>		<b>31 March 2016</b>	<b>31 March 2015</b>
Sale of services		1,055,582,037	906,572,203
		<b>1,055,582,037</b>	<b>906,572,203</b>
<b>14 Other income</b>		<b>31 March 2016</b>	<b>31 March 2015</b>
Interest income		5,583,309	10,231,603
Miscellaneous income		9,605,982	58,444,637
Other exchange difference, net		8,259,889	-
		<b>23,449,180</b>	<b>68,676,240</b>
<b>15 Employee benefit expense</b>		<b>31 March 2016</b>	<b>31 March 2015</b>
Salaries and wages		795,345,760	630,128,728
Staff welfare expenses		35,694,286	30,351,801
		<b>831,040,046</b>	<b>660,480,529</b>
<b>16 Finance cost</b>		<b>31 March 2016</b>	<b>31 March 2015</b>
Interest cost		10,100	8,999
		<b>10,100</b>	<b>8,999</b>
<b>17 Other expenses</b>		<b>31 March 2016</b>	<b>31 March 2015</b>
Sub contracting/ technical fee/ third party application		49,631,431	57,618,276
Travelling		44,389,583	16,610,442
Repairs and maintenance		19,458,388	16,952,851
Rent ( refer note 18)		44,812,748	43,478,196
Power and fuel		8,217,366	6,750,650
Communication		39,912,601	27,571,793
Advertisement and sales promotion		172,846	-
Legal and professional		12,824,635	11,143,893
Staff recruitment		20,482,967	12,292,239
Printing and Stationery		2,071,612	1,518,020
Business meeting		1,544,400	961,779
Insurance		7,281,207	6,751,478
Rates & taxes		308,430	2,753,201
Other exchange differences ,net		-	5,459,816
Miscellaneous expenses		3,901,563	37,488
		<b>255,009,777</b>	<b>209,900,122</b>

**18 Operating leases**

The company has taken on lease, office and residential facilities under non cancellable operating lease agreements that are renewable on a periodic basic at the option of both the lessor and lessee. Rental payments under such leases during the year are ₹ 44,812,748 (31 March 2015 : ₹ 43,478,196).

	<b>31 March 2016</b>	<b>31 March 2015</b>
Not later than one year	18,611,730	43,195,767
Later than one year and not later than five years	-	17,998,236
Later than five years	-	-
<b>Total</b>	<b>18,611,730</b>	<b>61,194,003</b>

## Summary of significant accounting policies and other explanatory information

(All amounts are in ₹ unless otherwise stated)

## 19 Related party disclosure

## i) Parties where control exists:

Nature of relationship	Name of the related party
Holding Company	Wipro Limited
Fellow Subsidiary	Wipro Chengdu Limited
Fellow Subsidiary	Wipro Travel Services Limited
Fellow Subsidiary	Wipro Technologies Gmbh
Fellow Subsidiary	Wipro Thailand Limited
Fellow Subsidiary	PT WT Indonesia
Fellow Subsidiary	Wipro LLC

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

Particulars	Relationship	31 March 2016	31 March 2015
<b>Purchase of services</b>			
Wipro Limited	Holding Company	17,272,097	30,278,285
Wipro Chengdu Limited	Fellow Subsidiary	1,610,905	14,106,241
Wipro Technologies Gmbh	Fellow Subsidiary	717,207	709,699
<b>Ticketing service</b>			
Wipro Travel Services Limited	Fellow Subsidiary	135,121	162,804
<b>Sale of services</b>			
Wipro Limited	Holding Company	398,246,632	249,145,535
Wipro Chengdu Limited	Fellow Subsidiary	32,386,377	20,650,866
Wipro Thailand Limited	Fellow Subsidiary	-	5,479,203
Wipro LLC	Fellow Subsidiary	22,305,063	-

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

Particulars	Relationship	31 March 2016	31 March 2015
Wipro Chengdu Limited	Fellow Subsidiary	132,296,511	92,111,699
Wipro LLC	Fellow Subsidiary	4,841,911	-
Wipro Thailand Limited	Fellow Subsidiary	-	5,650,794
PT WT Indonesia	Fellow Subsidiary	64,281	-
Wipro Limited	Holding company	(141,696,069)	(203,477,622)
Wipro Chengdu Limited	Fellow subsidiary	-	-
Wipro Travel Services Limited	Fellow Subsidiary	(135,494)	(1,358)
Wipro Technologies Gmbh	Fellow Subsidiary	(1,564,883)	(727,251)

\* The amounts are classified as trade receivables, trade payables and other current liabilities respectively.

## 20 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.



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

(All amounts are in ₹ unless otherwise stated)

- 21 In view of 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.
- 22 As per local laws of People's Republic of China, the company does not have share capital. Hence disclosure on EPS as per Accounting Standard 20 issued by the Institute of Chartered Accountants of India cannot be presented.
- 23 **Prior period comparatives**  
Previous year's figures have been reclassified to confirm to this year's classification.

**For and on behalf of the Board of Directors of Wipro Shanghai Limited**

Sd/-  
**Manoj Nagpaul**  
Director

Sd/-  
**Jibin Arjunan**  
Director

Place: Bangalore  
Date: 3 June 2016

Place: Bangalore  
Date: 3 June 2016