

**WIPRO CYPRUS PRIVATE LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 March 2017

# **WIPRO CYPRUS PRIVATE LIMITED**

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## **REPORT AND FINANCIAL STATEMENTS** Year ended 31 March 2017

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# WIPRO CYPRUS PRIVATE LIMITED

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## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Milorad Vujnovic  
Ashish Chawla

**Company Secretary:**

CCY Services Limited

**Independent Auditors:**

MGI GREGORIOU & CO LTD  
CERTIFIED PUBLIC ACCOUNTANTS - CY  
7 Florinis Street  
GREC TOWER  
6th Floor  
1304 Nicosia, Cyprus

**Registered office:**

10 Diomidous Street  
Alphamega Akropolis Building, 3rd floor, office 401  
P.C.2024, Nicosia  
Cyprus

**Bankers:**

HSBC Plc  
CITI Bank

**Registration number:**

175425

# WIPRO CYPRUS PRIVATE LIMITED

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## MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 March 2017.

### **Principal activity and nature of operations of the Company**

The principal activity of the Company is to act as financing and holding company.

### **Dividends**

The Board of Directors does not recommend the payment of a dividend.

### **Share capital**

There were no changes in the share capital of the Company during the year under review.

### **Board of Directors**

The sole member of the Company's Board of Directors as at 31 March 2017 and at the date of this report is presented on page 1.

In accordance with the Company's Articles of Association the sole Director presently member of the Board continues in office.

### **Independent Auditors**

The Independent Auditors, MGI GREGORIOU & CO LTD, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

*Sd/-*

CCY Services Limited  
Secretary

Nicosia, 31 May 2017

# **Independent Auditor's Report**

## **To the Members of Wipro Cyprus Private Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of parent company Wipro Cyprus Private Limited (the "Company"), which are presented in pages 6 to 26 and comprise the statement of financial position as at 31 March 2017, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 March 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report, additional information to the statement of profit & loss and other comprehensive income but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Independent Auditor's Report (continued)**

### **To the Members of Wipro Cyprus Private Limited**

The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Independent Auditor's Report (continued)**

### **To the Members of Wipro Cyprus Private Limited**

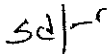
#### **Report on Other Legal Requirements**

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 to 2016, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion, and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the management report, has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In our opinion, and in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the management report.

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 to 2016 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Loria Gregoriou  
Certified Public Accountant and Registered Auditor  
for and on behalf of  
**MGI GREGORIOU & CO LTD**  
**CERTIFIED PUBLIC ACCOUNTANTS - CY**

Nicosia, 31 May 2017

## WIPRO CYPRUS PRIVATE LIMITED

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### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME Year ended 31 March 2017

	Note	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
Dividend income		<b>366,048,019</b>	1,320,656,132
Loan interest income		<b>103,602,471</b>	107,285,804
Other operating income	5	<b>194,978,852</b>	19,608,715
Administration and other expenses	6	<b>(888,253,608)</b>	(123,204,654)
<b>Operating (loss)/profit</b>	7	<b>(223,624,266)</b>	1,324,345,997
Finance income	8	<b>445,601,665</b>	2,924,569
Finance costs	8	<b>(118,212,028)</b>	(154,349,104)
<b>Profit before tax</b>		<b>103,765,371</b>	1,172,921,462
Tax	9	<b>(180,643,955)</b>	(491,122,017)
<b>Net (loss)/profit for the year</b>		<b>(76,878,584)</b>	681,799,445
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(76,878,584)</b>	<b>681,799,445</b>

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The notes on pages 10 to 26 form an integral part of these financial statements.



# WIPRO CYPRUS PRIVATE LIMITED

## STATEMENT OF FINANCIAL POSITION 31 March 2017

	Note	31/03/2017 INR	31/03/2016 INR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	10	<b>32,324,484,573</b>	33,208,677,968
Available-for-sale financial assets	11	<b>65,664</b>	65,664
Receivables	13	<b>1,759,940</b>	230,032,936
Non-current loans receivable	12	-	3,199,857,569
		<b><u>32,326,310,177</u></b>	<u>36,638,634,137</u>
<b>Current assets</b>			
Receivables	13	<b>866,182,281</b>	243,377,112
Loans receivable	12	<b>2,283,713,134</b>	414,278,690
Refundable taxes	19	<b>3,418,514</b>	-
Cash at bank and in hand	14	<b>1,062,552,633</b>	1,427,203,479
		<b><u>4,215,866,562</u></b>	<u>2,084,859,281</u>
<b>Total assets</b>		<b><u>36,542,176,739</u></b>	<u>38,723,493,418</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	15	<b>10,357,999</b>	10,357,999
Share premium		<b>23,937,324,865</b>	23,937,324,865
Redeemable shares	16	<b>3,055,815</b>	3,055,815
Other reserves		<b>17,495,844,534</b>	17,495,844,534
Accumulated losses		<b>(12,583,328,185)</b>	(12,506,449,601)
<b>Total equity</b>		<b><u>28,863,255,028</u></b>	<u>28,940,133,612</u>
<b>Non-current liabilities</b>			
Borrowings	17	-	1,958,459,113
		-	1,958,459,113
<b>Current liabilities</b>			
Trade and other payables	18	<b>2,086,073,261</b>	1,556,348,896
Borrowings	17	<b>5,592,848,450</b>	6,267,737,904
Current tax liabilities	19	-	813,893
		<b><u>7,678,921,711</u></b>	<u>7,824,900,693</u>
<b>Total liabilities</b>		<b><u>7,678,921,711</u></b>	<u>9,783,359,806</u>
<b>Total equity and liabilities</b>		<b><u>36,542,176,739</u></b>	<u>38,723,493,418</u>

On 31 May 2017 the Board of Directors of Wipro Cyprus Private Limited authorised these financial statements for issue.

.....  
Milorad Vujnovic  
Director

.....  
Ashish Chawla  
Director

The notes on pages 10 to 26 form an integral part of these financial statements.

# WIPRO CYPRUS PRIVATE LIMITED

## STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2017

Note	Share capital INR	Redeemable shares INR	Share premium INR	Other distributable reserve INR	Advances from shareholders INR	Accumulated losses INR	Total INR
<b>Balance at 1 April 2015</b>	<b>10,357,999</b>	-	<b>18,885,002,531</b>	<b>16,268,322,358</b>	<b>4,679,587,826</b>	<b>(13,188,249,046)</b>	<b>26,655,021,668</b>
Net profit for the year	-	-	-	-	-	681,799,445	681,799,445
Issue of share capital	-	3,055,815	5,052,322,334	-	(3,452,065,650)	-	1,603,312,499
<b>Balance at 31 March 2016</b>	<b>10,357,999</b>	<b>3,055,815</b>	<b>23,937,324,865</b>	<b>16,268,322,358</b>	<b>1,227,522,176</b>	<b>(12,506,449,601)</b>	<b>28,940,133,612</b>
Net loss for the year	-	-	-	-	-	(76,878,584)	(76,878,584)
<b>Balance at 31 March 2017</b>	<b>10,357,999</b>	<b>3,055,815</b>	<b>23,937,324,865</b>	<b>16,268,322,358</b>	<b>1,227,522,176</b>	<b>(12,583,328,185)</b>	<b>28,863,255,028</b>

The notes on pages 10 to 26 form an integral part of these financial statements.

# WIPRO CYPRUS PRIVATE LIMITED

## CASH FLOW STATEMENT

Year ended 31 March 2017

	01/04/2016- 31/03/2017	01/04/2015- 31/03/2016
Note	INR	INR
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	103,765,371	1,172,921,462
Adjustments for:		
Unrealised exchange (profit)/loss	(443,410,272)	46,826,000
Impairment charge - investments in subsidiaries	803,031,835	80,748,570
Dividend income	(366,048,019)	(1,320,656,132)
Interest income	(105,793,864)	(110,210,373)
Interest expense	117,241,905	62,200,018
	<u>108,786,956</u>	(68,170,455)
<b>Changes in working capital:</b>		
(Increase)/decrease in receivables	(394,532,173)	464,211,458
Increase in trade and other payables	529,724,365	603,319,822
<b>Cash generated from operations</b>	243,979,148	999,360,825
Interest received	103,602,471	107,285,804
Dividends received	366,048,019	1,320,656,132
Tax paid	(184,876,362)	(498,131,765)
<b>Net cash generated from operating activities</b>	<u>528,753,276</u>	1,929,170,996
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for purchase of available-for-sale financial assets	-	(8,515)
Payment for purchase of investments in subsidiaries	(33,999,013)	(8,686,405,135)
Loans repayments received	1,330,423,125	113,967,588
Proceeds from sale of investments in subsidiary undertakings	115,160,573	-
Interest received	2,191,393	2,924,569
<b>Net cash generated from/(used in) investing activities</b>	<u>1,413,776,078</u>	(8,569,521,493)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	-	1,603,312,499
Repayments of borrowings	(2,633,348,567)	-
Proceeds from borrowings	-	5,557,397,101
Unrealised exchange profit	443,410,272	(46,826,000)
Interest paid	(117,241,905)	(62,200,018)
<b>Net cash (used in)/generated from financing activities</b>	<u>(2,307,180,200)</u>	7,051,683,582
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(364,650,846)</u>	411,333,085
Cash and cash equivalents at beginning of the year	1,427,203,479	1,015,870,394
<b>Cash and cash equivalents at end of the year</b>	<u>1,062,552,633</u>	<u>1,427,203,479</u>

The notes on pages 10 to 26 form an integral part of these financial statements.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 1. Incorporation and principal activities

#### Country of incorporation

The Company Wipro Cyprus Private Limited (the "Company") was incorporated in Cyprus on 27th of April 2006 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 10 Diomidous Street, Alphamega Akropolis Building, 3rd floor, office 401, P.C.2024, Nicosia, Cyprus.

#### Principal activity and nature of operations of the Company

The principal activity of the Company is to act as financing and holding company.

### 2. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

#### Going concern basis

The Company incurred a loss of INR76,878,584 for the year ended 31 March 2017, and, as at that date its current liabilities exceeded its current assets by INR3,463,055,149. The Company is dependent upon the continuing financial support of its shareholder without which there would be significant doubt about its ability to continue as a going concern as well as its ability to realise its assets and discharge its liabilities in the ordinary course of business. In this respect, Wipro Holdings UK has confirmed its intend to re-consider the extension of the loan (INR 3,555,389,584 outstanding as on 31st Mar 2017) provide by them to Wipro Cyprus Pvt Ltd beyond a period of 12 months from the end of the financial year 2017 if requested by Wipro Cyprus Pvt Ltd.

#### Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113.

The Company is not required by the Cyprus Companies Law, Cap.113, to prepare consolidated financial statements because the ultimate parent company publishes consolidated financial statements in accordance with Generally Accepted Accounting Principles in India and the Company does not intend to issue consolidated financial statements for the year ended 31 March 2017.

Since the 7th Directive of the European Union permits the preparation of consolidated financial statements in accordance with the Directive or in a manner equivalent to the Directive, and since the Cyprus Companies Law, Cap. 113, provides the aforementioned exemption, the provisions of International Financial Reporting Standard 10 'Consolidated Financial Statements' that require the preparation of consolidated financial statements in accordance with IFRS do not apply.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of and available-for-sale financial assets.

#### Adoption of new and revised IFRSs

As from 1 April 2016, the Company adopted all the following IFRSs and International Accounting Standards (IAS), which are relevant to its operations. The adoption of these Standards did not have a material effect on the financial statements.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

#### Adoption of new and revised IFRSs (continued)

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

At the date of approval of these financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

#### (i) Adopted by the European Union

##### New standards

- IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2018).
- IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018).

#### (ii) Not adopted by the European Union

##### New standards

- IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019).

##### Amendments

- Amendments to IFRS2: Classification and Measurement of Share-based Payment Transactions (effective for annual periods beginning on or after 1 January 2018).
- Amendments to IFRS 4: Applying IFRS 9 "Financial Instruments" with IFRS 4 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2018).
- Clarifications to IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018).
- IAS 7 (Amendments) "Disclosure Initiative" (effective for annual periods beginning on or after 1 January 2017).
- IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods beginning on or after 1 January 2017).
- Annual Improvements to IFRSs 2014–2016 Cycle (issued on 8 December 2016) (effective for annual periods beginning on or after 1 January 2017)
- Annual Improvements to IFRSs 2014–2016 Cycle (issued on 8 December 2016) (effective for annual periods beginning on or after 1 January 2018)
- Amendments to IAS 40: "Transfers of Investment Property" (effective for annual periods beginning on or after 1 January 2018).

##### New IFRICs

- IFRIC Interpretation 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods beginning on or after 1 January 2018).

The Board of Directors expects that the adoption of these standards or interpretations in future periods will not have a material effect on the financial statements of the Company.

#### Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

#### Revenue recognition

Revenues earned by the Company are recognised on the following bases:

- **Income from investments in securities**

Dividend from investments in securities is recognised when the right to receive payment is established. Withheld taxes are transferred to profit or loss. Interest from investments in securities is recognised on an accruals basis.

Profits or losses from the sale of investments in securities represent the difference between the net proceeds and the carrying amount of the investments sold and is transferred to profit or loss.

The difference between the fair value of investments at fair value through profit or loss as at 31 March 2017 and the mid cost price represents unrealised gains and losses and is included in profit or loss in the period in which it arises. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in equity. When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in profit or loss as fair value gains or losses on investments, taking into account any amounts charged or credited to profit or loss in previous periods.

- **Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

- **Dividend income**

Dividend income is recognised when the right to receive payment is established.

#### Debtors and provisions for bad debts

Bad debts are written off to profit or loss and a specific provision is made, where it is considered necessary. No general provision for bad debts is made. Trade debtors are stated after deducting the specific provision for bad and doubtful debts, if any.

#### Finance income

Interest income is recognised on a time-proportion basis using the effective method.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

#### Foreign currencies

The financial statements are presented in the currency of the primary economic environment in which the entity operates, the INR (INR) (its functional currency).

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income and then in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income and then in equity.

The assets and liabilities of the Company's foreign operations (including comparatives) are expressed in INR using exchange rates prevailing on the reporting date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Company's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed off.

#### Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

#### Dividends

Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

#### Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

#### Loans granted

Loans originated by the Company by providing money directly to the borrower are categorised as loans and are carried at amortised cost. The amortised cost is the amount at which the loan granted is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. All loans are recognised when cash is advanced to the borrower.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets

##### *(1) Classification*

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

- Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which there is no intention of trading the receivable. They are included in current assets, except for maturities greater than twelve months after the reporting date. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

- Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets, unless management intends to dispose of the investment within twelve months of the reporting date.

##### *(2) Recognition and measurement*

Regular way purchases and sales of financial assets are recognised on trade-date which is the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in profit or loss in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit or loss when the Company's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis, making maximum use of market inputs and relying as little as possible on entity specific inputs. Equity investments for which fair values cannot be measured reliably are recognised at cost less impairment.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss, while translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.



# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Financial assets (continued)

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as gains and losses on available-for-sale financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Company's right to receive payments is established.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets the cumulative loss which is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in profit or loss.

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available for sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available for sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

##### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank.

##### Borrowings

Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

#### **Derecognition of financial assets and liabilities**

##### Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 2. Significant accounting policies (continued)

#### Derecognition of financial assets and liabilities (continued)

##### Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

#### Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

#### Share capital

Ordinary shares are classified as equity. The difference between the fair value of the consideration received by the Company and the nominal value of the share capital being issued is taken to the share premium account.

### 3. Financial risk management

#### Financial risk factors

The Company is exposed to market price risk, interest rate risk, credit risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

##### 3.1 Market price risk

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Company's available-for-sale financial assets and financial assets at fair value through profit or loss are susceptible to market price risk arising from uncertainties about future prices of the investments. The Company's market price risk is managed through diversification of the investment portfolio.

##### 3.2 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

##### 3.3 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities - primarily trade receivables and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

# WIPRO CYPRUS PRIVATE LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 3. Financial risk management (continued)

#### 3.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Indian Rupee (INR), USD and the Euro. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

#### 3.5 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

### 4. Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- **Income taxes**

Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

- **Impairment of investments in subsidiaries**

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries/associates would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 4. Critical accounting estimates and judgements (continued)

#### • Impairment of loans receivable

The Company periodically evaluates the recoverability of loans receivable whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable. If facts and circumstances indicate that loans receivable may be impaired, the estimated future discounted cash flows associated with these loans would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

#### • Impairment of available-for-sale financial assets

The Company follows the guidance of IAS 39 in determining when an investment is other-than-temporarily impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

### 5. Other operating income

	01/04/2016- 31/03/2017	01/04/2015- 31/03/2016
	INR	INR
Bad debts recovered	114,436,198	19,608,715
Reversal of impairment of investments in subsidiaries	80,542,654	-
	<u>194,978,852</u>	<u>19,608,715</u>

The bad debts recovered amount relates to receivable from Wipro Information Technologies Egypt SAE of INR 19,721,492 and the receivable from Wipro Australia PTY Ltd of INR 94,714,706 were provided as bad debts in the prior years.

The reversal of impairment amount relates to the investment in Wipro Technologies Argentina Ltd that were impaired in prior year.

### 6. Administration and other expenses

	01/04/2016- 31/03/2017	01/04/2015- 31/03/2016
	INR	INR
Impairment charge - investments in subsidiaries	883,574,489	80,748,570
Auditors' remuneration	421,697	318,910
Legal fees	3,980,362	6,878,476
Bad debts written off	277,060	35,230,281
Sundry expenses	-	28,417
	<u>888,253,608</u>	<u>123,204,654</u>

Impairment charge relates to the amount of investment in Cellent GmbH INR 883,574,489 that was impaired during the year.

Provisions for bad and doubtful debts comprise receivable balance of Wipro Technologies Spain SL of the amount INR 277,060 that were considered not recoverable.

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2017

### 7. Operating (loss)/profit

	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
Operating (loss)/profit is stated after charging the following items:		
Auditors' remuneration	421,697	318,910
Trade receivables - impairment charge for bad and doubtful debts	<u>277,060</u>	<u>35,230,281</u>

### 8. Finance income/cost

	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
Interest income	2,191,393	2,924,569
Exchange profit	<u>443,410,272</u>	-
<b>Finance income</b>	<u>445,601,665</u>	<u>2,924,569</u>
Net foreign exchange losses	-	(88,437,356)
Interest expense	(117,241,905)	(62,200,018)
Sundry finance expenses	<u>(970,123)</u>	<u>(3,711,730)</u>
<b>Finance costs</b>	<u>(118,212,028)</u>	<u>(154,349,104)</u>
<b>Net finance income/(cost)</b>	<u>327,389,637</u>	<u>(151,424,535)</u>

### 9. Tax

	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
Corporation tax - current year	1,741,071	5,540,736
Overseas tax	<u>178,902,884</u>	<u>485,581,281</u>
<b>Charge for the year</b>	<u>180,643,955</u>	<u>491,122,017</u>

The corporation tax rate is 12.5%.

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 10. Investments in subsidiaries

	2017 INR	2016 INR
Balance at 1 April	33,208,677,968	24,603,021,403
Additions	33,999,013	8,686,405,135
Capital reduction (Cellent GmbH)	(115,160,573)	-
Impairment charge	(883,574,489)	(80,748,570)
Reversal of impairment charge (Wipro Argentina)	80,542,654	-
<b>Balance at 31 March</b>	<b>32,324,484,573</b>	<b>33,208,677,968</b>

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	31/03/2017 Holding %	31/03/2016 Holding %	31/03/2017 INR	31/03/2016 INR
Wipro Information Technology Netherlands BV	Netherlands	Development, implementation and support of IS systems for retail industry	100	100	4,599,526,105	4,599,526,105
Wipro Technologies SRL	Romania	Information and technology services	97.28	97.28	168,983,446	168,983,446
Wipro Holdings Hungary korlatolt felelossegu tarsasag	Hungary	Investment company	100	100	20,321,673,629	20,321,673,629
Wipro Technologies S.A DE C.V	Mexico	Information and technology services	91	91	40,935,836	40,935,836
Wipro BPO Philippines Ltd. Inc	Philippines	Information technology and BDO services	99.99	99.99	180,047,211	180,047,211
Wipro Arabia CO. Ltd	Saudi Arabia	Software application development, implementation and maintainance services, systems intergration and data storage services	66.67	66.67	238,802,757	238,802,757
Wipro Information Technology Egypt SAE	Egypt	Information technology	99.99	99.99	1	1
Wipro Poland SP Zoo	Poland	IT services and other business process outsourcing services	99	99	684,029	684,029
Wipro Technologies Argentina SA	Argentina	Information technology	95	95	157,186,471	76,643,816

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

<b>10. Investments in subsidiaries (continued)</b>						
Wipro Technologies South Africa Proprietary Ltd	South Africa	IT services and other business process outsourcing services	69.42	69.42	22,096,079	22,096,079
Wipro IT Services Poland Sp Zoo	Poland	Software Development and Maintenance	100	100	27,610,650	27,610,650
Wipro Gulf LLC	Sultanate of Oman	IT services and other business process outsourcing services	99.9	99.9	348,085,233	348,085,233
Wipro Australia Pty Ltd	Australia	Information technology	100	100	454	454
Wipro Shangai Ltd	China	Information technology	87.88	87.88	79,532,500	79,532,500
PT WT Indonesia	Indonesia	Information technology	99.6	99.6	11,193,795	11,193,795
Wipro Doha LLC	Qatar	Information technology	49	49	1,644,930	1,644,930
Wipro Thailand Co Ltd	Thailand	Information technology	99.9	99.9	153,824,005	153,824,005
Wipro Bahrain Ltd WLL	Bahrain	Information technology	100	100	6,249,685	6,249,685
Wipro Technologies Australia Pty Ltd (Formerly Wipro Promax Analytics Solutions Pty Ltd)	Australia	Information technology	100	100	1,130,733,240	1,130,733,240
Cellent GmbH	Germany	Information technology	100	100	4,801,675,504	5,800,410,567
Wipro Corporate Technologies Ghana Ltd	Ghana	Information technology	100		33,941,285	-
Wipro IT Services Ukraine LLC	Ukraine	Information technology	99.99		2,428	-
Rainbow Software LLC	Iraq	Information technology	99.99		55,300	-
					<b>32,324,484,573</b>	<b>33,208,677,968</b>

The investments in subsidiaries are presented at cost in the accounts.

### 11. Available-for-sale financial assets

	2017 INR	2016 INR
Balance at 1 April	65,664	57,149
Additions	-	8,515
<b>Balance at 31 March</b>	<b>65,664</b>	<b>65,664</b>

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 11. Available-for-sale financial assets (continued)

The above represents minority interest as at 31 March 2017 in the following companies: 0.01% of Wipro Technologies Russia Ltd, 1% of Wipro Technologies Nigeria Ltd and 0.035% of Wipro Technologies Peru S.A.C. 0.35%.

The available-for-sale financial assets are presented at cost in the accounts. Based on management representations the cost of these investments represents their fair value as at 31 March 2017.

### 12. Non-current loans receivable

	31/03/2017	31/03/2016
	INR	INR
Loans to own subsidiaries (Note 20.3)	510,866,586	515,463,336
Loans to related companies (Note 20.3)	<u>1,772,846,548</u>	<u>3,098,672,923</u>
	2,283,713,134	3,614,136,259
Less current portion	<u>(2,283,713,134)</u>	<u>(414,278,690)</u>
Non-current portion	<u>-</u>	<u>3,199,857,569</u>

The exposure of the Company to credit risk in relation to loans receivable is reported in note 3 of the financial statements.

The fair values of non-current receivables approximate to their carrying amounts as presented above.

### 13. Receivables

	31/03/2017	31/03/2016
	INR	INR
Receivables from own subsidiaries (Note 20.2)	271,466,740	239,775,538
Receivables from related companies (Note 20.2)	594,708,503	231,819,820
Other receivables	1,759,940	1,759,940
Refundable VAT	<u>7,038</u>	<u>54,750</u>
	867,942,221	473,410,048
Less non-current receivables	<u>(1,759,940)</u>	<u>(230,032,936)</u>
<b>Current portion</b>	<u><b>866,182,281</b></u>	<u><b>243,377,112</b></u>

The Company has not recognized a loss for the impairment of its trade receivables during the year ended 31 March 2017 (2016: INR35,230,281).

The exposure of the Company to credit risk and impairment losses in relation to receivables is reported in note 3 of the financial statements.

### 14. Cash at bank and in hand

Cash balances are analysed as follows

	31/03/2017	31/03/2016
	INR	INR
Cash in transit	2,149,141	186,116,709
Cash at bank	<u>1,060,403,492</u>	<u>1,241,086,770</u>
	<u><b>1,062,552,633</b></u>	<u><b>1,427,203,479</b></u>



# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 15. Share capital

	2017 Number of shares	2017 EUR	2016 Number of shares	2016 EUR
<b>Authorised</b>				
Ordinary shares of €1 each	163,612	163,612	163,612	163,612
Non-classified shares of €1 each	291,388	291,388	291,388	291,388
	<u>455,000</u>	<u>455,000</u>	<u>455,000</u>	<u>455,000</u>
		INR		INR
<b>Issued and fully paid</b>				
Balance at 1 April	163,612	10,357,999	163,612	10,357,999
Balance at 31 March	<u>163,612</u>	<u>10,357,999</u>	<u>163,612</u>	<u>10,357,999</u>

Authorised capital

There were no changes in the authorised share capital of the Company during the year under review.

Issued capital

There were no changes in the share capital of the Company during the year under review.

### 16. Redeemable shares

#### Redeemable shares

	2017 Number of shares	2017 EUR	2016 Number of shares	2016 EUR
<b>Authorised</b>				
Redeemable shares of €1 each	45,000	45,000	45,000	45,000
		INR		INR
<b>Issued and fully paid</b>				
Balance at 1 April	45,000	3,055,815	-	-
Issue of shares	-	-	45,000	3,055,815
Balance at 31 March	<u>45,000</u>	<u>3,055,815</u>	<u>45,000</u>	<u>3,055,815</u>
Balance at 31 March		<u>3,055,815</u>		<u>3,055,815</u>

### 17. Borrowings

	31/03/2017 INR	31/03/2016 INR
<b>Current borrowings</b>		
Loans from shareholders (Note 20.5)	5,592,848,450	6,267,737,904
<b>Non-current borrowings</b>		
Loans from shareholders (Note 20.5)	-	1,958,459,113
<b>Total</b>	<u>5,592,848,450</u>	<u>8,226,197,017</u>

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 18. Trade and other payables

	31/03/2017	31/03/2016
	INR	INR
Accruals	1,459,085	799,944
Payables to own subsidiaries (Note 20.4)	1,913,049,555	887,357,182
Payables to related companies (Note 20.4)	<u>171,564,621</u>	<u>668,191,770</u>
	<u>2,086,073,261</u>	<u>1,556,348,896</u>

### 19. (Refundable) taxes/current tax liabilities

	31/03/2017	31/03/2016
	INR	INR
Corporation tax	<u>(3,418,514)</u>	<u>813,893</u>
	<u>(3,418,514)</u>	<u>813,893</u>

### 20. Related party transactions

The Company is controlled by Wipro Ltd, incorporated in India, which owns 99.99% of the Company's shares.

The following transactions were carried out with related parties:

#### 20.1 Dividend income from subsidiaries

	01/04/2016- 31/03/2017	01/04/2015- 31/03/2016
	INR	INR
Wipro Technologies S.R.L.	154,104,613	167,743,490
Wipro BPO Philippines Ltd Inc.	-	1,109,693,419
Wipro Bahrain Ltd WLL	-	43,219,223
Wipro Gulf LLC	169,744,400	-
Wipro Technologies South Africa Ltd	<u>42,199,006</u>	<u>-</u>
	<u>366,048,019</u>	<u>1,320,656,132</u>

#### 20.2 Receivables from related parties (Note 13)

Name	Nature of transactions	31/03/2017	31/03/2016
		INR	INR
Wipro Technologies Spain S.L.	Finance	-	1,707,952
less: Wipro Technologies Spain S.L. provision	Finance	-	(1,182,199)
Wipro Holdings Hungary korlatolt felelossegu tarsasag	Finance	-	9,880,544
Wipro BPO Philippines	Finance	-	2,650
Wipro IT Services Poland Sp Zoo	Finance	229,330,580	228,272,996
Wipro Infotech Egypt SAE	Finance	-	7,735,826
Less: Wipro Infotech Egypt SAE provision		-	(7,370,999)
Wipro Australia Pty Ltd	Finance	-	50,986,849
less: Wipro Australia Pty Ltd provision	Finance	-	(50,986,849)
Wipro Technologies GMBH	Finance	218,721,329	228,633,561
Wipro Doha LLC	Finance	1,030,797	728,768
Wipro Technologies Peru	Finance	-	2,538,459
Wipro Technologies Ltd Russia	Finance	595,203	647,800
Wipro IT Services Ukraine LLC	Finance	1,387,498	-
Wipro Technologies South Africa Ltd	Finance	39,717,865	-
Designit Denmark A.s	Finance	<u>375,391,971</u>	<u>-</u>
		<u>866,175,243</u>	<u>471,595,358</u>

# WIPRO CYPRUS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

### 20. Related party transactions (continued)

#### 20.3 Loans to related undertakings (Note 12)

	31/03/2017	31/03/2016
	INR	INR
Wipro Technologies Argentina	103,956,248	103,994,504
Wipro Infotech Egypt SAE	102,743,570	121,152,293
less: Wipro Infotech Egypt SAE provision	(102,743,570)	(115,438,676)
Wipro Information Technology Netherlands BV	-	405,755,215
Wipro Corporate Technologies Ghana Ltd	1,110,835	837,234
Wipro LLC	129,707,559	1,457,335,000
Wipro IT Kazakhstan LLP	30,191,367	20,065,441
PT WT Indonesia	361,032,838	359,922,686
Wipro Technologies Canada Ltd	132,476,806	140,528,754
Wipro Technologies Australia Pty Ltd (Formerly Wipro Promax Analytics Solutions Pty Ltd)	1,060,803,470	1,062,907,231
Wipro Technology Chile	57,523,673	57,076,577
Wipro Australia PTY Ltd	-	44,223,444
less: provision Wipro Australia PTY Ltd	-	(44,223,444)
Wipro Information Technologies Netherlands BV	406,910,338	-
	<u>2,283,713,134</u>	<u>3,614,136,259</u>

#### 20.4 Payables to related parties (Note 18)

Name	Nature of transactions	31/03/2017	31/03/2016
		INR	INR
Wipro Information Technology Netherlands BV	Finance	628,347,264	27,435,254
Wipro Arabia Ltd	Finance	957,552,275	802,656,462
Wipro Portugal SA	Finance	78,916,733	310,455,724
Wipro Europe SARL	Finance	-	15,504,861
New Logic Technologies GmbH	Finance	25,273,168	82,538,580
Wipro Outsourcing Services (Ireland)	Finance	12,596,593	174,621,079
Wipro France SAS	Finance	44,507,555	16,956,348
Wipro Retail UK	Finance	10,270,572	68,115,178
Wipro Technologies SRL Romania	Finance	327,150,016	57,265,466
		<u>2,084,614,176</u>	<u>1,555,548,952</u>

#### 20.5 Shareholder's loan (Note 17)

	31/03/2017	31/03/2016
	INR	INR
Wipro Limited	2,037,458,866	2,070,797,072
Wipro Holding UK	3,555,389,584	6,155,399,945
	<u>5,592,848,450</u>	<u>8,226,197,017</u>

### 21. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2017.

# **WIPRO CYPRUS PRIVATE LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2017

### **22. Commitments**

The Company had no capital or other commitments as at 31 March 2017.

### **23. Events after the reporting period**

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

**Independent auditor's report on pages 3 and 5**

# WIPRO CYPRUS PRIVATE LIMITED

## DETAILED INCOME STATEMENT

Year ended 31 March 2017

	01/04/2016- 31/03/2017	01/04/2015- 31/03/2016
Page	INR	INR
<b>Revenue</b>		
Dividend income		
Loan interest income	366,048,019	1,320,656,132
Bad debts recovered	103,602,471	107,285,804
Reversal of Impairment of investments in subsidiaries	114,436,198	19,608,715
	<u>80,542,654</u>	<u>-</u>
Other operating expenses	664,629,342	1,447,550,651
Impairment charge - investments in subsidiaries	(4,679,119)	(42,456,084)
	<u>(883,574,489)</u>	<u>(80,748,570)</u>
<b>Operating (loss)/profit</b>	<b>(223,624,266)</b>	<b>1,324,345,997</b>
Finance income	445,601,665	2,924,569
Finance costs	(118,212,028)	(154,349,104)
<b>Net profit for the year before tax</b>	<b><u>103,765,371</u></b>	<b><u>1,172,921,462</u></b>

## WIPRO CYPRUS PRIVATE LIMITED

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### OTHER OPERATING EXPENSES

Year ended 31 March 2017

	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
Sundry expenses	-	28,417
Auditors' remuneration	421,697	318,910
Legal fees	3,980,362	6,878,476
Bad debts written off	277,060	35,230,281
	<u>4,679,119</u>	<u>42,456,084</u>

# WIPRO CYPRUS PRIVATE LIMITED

## FINANCE INCOME/COST Year ended 31 March 2017

	01/04/2016- 31/03/2017 INR	01/04/2015- 31/03/2016 INR
<b>Finance income</b>		
Bank interest		
Unrealised foreign exchange profit	2,191,393	2,924,569
	<u>443,410,272</u>	<u>-</u>
	<u>445,601,665</u>	<u>2,924,569</u>
<b>Finance costs</b>		
<b>Interest expense</b>		
Loan interest		
Interest on taxes	116,786,106	61,314,564
	455,799	885,454
<b>Sundry finance expenses</b>		
Bank charges		
Other finance expenses	970,123	1,004,600
	-	2,707,130
<b>Net foreign exchange losses</b>		
Realised foreign exchange loss		
Unrealised foreign exchange loss	-	41,611,356
	-	46,826,000
	<u>118,212,028</u>	<u>154,349,104</u>

# WIPRO CYPRUS PRIVATE LIMITED

## COMPUTATION OF CORPORATION TAX Year ended 31 March 2017

Net profit per income statement	Page 27	INR	INR	
<u>Add:</u>			103,765,371	
Impairment charge - investments in subsidiaries		883,574,489		
Interest on taxes		455,799		
Disallowed interest		10,992,242		
Bad debts		277,060		
Margin on back to back loans		12,662,335		
Other expenses disallowed		<u>5,372,182</u>		
			<u>913,334,107</u>	
			1,017,099,478	
<u>Less:</u>				
Reversal of impairment of investments in subsidiaries		80,542,654		
Dividends received		366,048,019		
Unrealised foreign exchange profit		443,410,272		
Bad debts recovered		<u>114,436,198</u>		
			<u>(1,004,437,143)</u>	
<b>Chargeable income for the year</b>			12,662,335	
			€	
Converted into € at INR 69.510200 = €1			<u>182,165</u>	
<b>Apportionment to the relevant years of assessment</b>		2016	2017	
		€	€	
Period 01/01/2017 - 31/03/2017		-	45,541	
Period 01/04/2016 - 31/12/2016		136,624	-	
Period 01/01/2016 - 31/03/2016		<u>134,639</u>	-	
		<u>271,263</u>	<u>45,541</u>	
<b>Chargeable income</b>		<u>271,262</u>	<u>45,541</u>	
<b>Calculation of corporation tax- 2016</b>	Income	Rate	Total	Total
	€	%	€ c	INR
<b>Tax at normal rates:</b>				
Chargeable income as above	<u>271,262</u>	12.50	33,907.75	2,356,934
10% additional charge			<u>3,390.78</u>	<u>235,694</u>
<b>TAX PAYABLE</b>			<u>37,298.53</u>	<u>2,592,628</u>
<b>Calculation of corporation tax- 2017</b>	Income	Rate	Total	Total
	€	%	€ c	INR
<b>Tax at normal rates:</b>				
Chargeable income as above	<u>45,541</u>	12.50	5,692.63	395,696
10% additional charge			<u>569.26</u>	<u>39,569</u>
<b>TAX PAYABLE</b>			<u>6,261.89</u>	<u>435,265</u>