

Independent Auditor's Report

To the Board of Directors of Wipro Solutions Canada Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Wipro Solutions Canada Limited** (“the Company”), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing issued by ICAI. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31 March 2017, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other matter

8. The comparative financial information for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued financial statements for the year ended 31 March 2016 and 31 March 2015 respectively prepared in accordance with Accounting Standards issued by the ICAI which were audited by the predecessor auditor whose reports dated 31 May 2016, and 06 August 2015 respectively expressed unmodified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.
9. This report is intended solely for the information of the Company's and its ultimate holding company's board of directors and members as a body and is not intended to be and should not be used by anyone other than specified parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, the company's and ultimate holding company's board of directors and members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

Place: Bengaluru

Date: 2 June 2017

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)**Balance Sheet as at 31 March 2017**

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

	Notes	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	1,514,747,742	1,882,824,103	1,455,921,130
Capital work-in-progress		-	1,882,513	43,378,497
Financial assets				
Non-current tax assets		19,276,099	113,118,907	-
Other non-current assets	6	299,484,784	244,129,674	341,272,488
		1,833,508,625	2,241,955,197	1,840,572,115
Current assets				
Financial assets				
Trade receivables	4	1,189,112,342	1,335,097,971	729,394,405
Cash and cash equivalents	7	949,652,301	1,175,048,224	649,909,955
Unbilled revenues		474,757,269	566,983,058	588,317,853
Other financial assets	5	33,344,441	-	312,894,186
Other current assets	6	832,941,916	1,014,427,567	434,662,818
		3,479,808,269	4,091,556,820	2,715,179,217
		5,313,316,894	6,333,512,017	4,555,751,332
EQUITY				
Share capital	8	1,777,885,036	1,777,885,036	1,777,885,036
Other equity		(6,583,732,691)	(7,552,905,670)	(8,141,727,713)
		(4,805,847,655)	(5,775,020,634)	(6,363,842,677)
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	9	3,699,467,805	452,144,591	594,412,630
Deferred tax liabilities		85,363,388	128,396,394	122,873,686
Provisions	12	30,526,339	-	-
		3,815,357,532	580,540,985	717,286,316
Current liabilities				
Financial liabilities				
Borrowings	9	4,014,862,948	9,349,090,336	8,921,957,099
Trade payables	13	1,241,521,701	985,767,576	643,069,718
Other financial liabilities	10	524,209,186	613,414,123	581,689,260
Unearned revenues		478,724,691	511,660,926	7,340,668
Current tax liabilities		-	-	8,547,824
Other current liabilities	11	35,092,490	25,409,633	546,301
Provisions	12	9,396,001	42,649,072	39,156,823
		6,303,807,017	11,527,991,666	10,202,307,693
		5,313,316,894	6,333,512,017	4,555,751,332

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 Solutions Canada Limited (formerly Wipro Technologies Canada Ltd)

Sd/-
Ashish Chawla
DirectorSd/-
Chris Saive
DirectorPlace:
Date: 2 June 2017Place:
Date: 2 June 2017

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)
Statement of Profit and Loss for the year ended 31 March 2017

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

	Note	Year ended 31 March 2017	Year ended 31 March 2016
Revenue from operations			
Revenue from operations	14	9,037,673,135	8,589,119,710
Other income	15	4,325,794	28,600,837
		9,041,998,929	8,617,720,547
EXPENSES			
Employee benefits expense	16	2,082,258,976	2,557,142,600
Finance costs	17	209,680,767	196,540,817
Depreciation and amortisation expense	3	804,912,892	679,320,800
Other expenses	18	4,770,080,784	4,142,150,413
		7,866,933,419	7,575,154,630
Profit before tax		1,175,065,510	1,042,565,917
Tax expense			
Current tax		483,416,947	190,164,023
Tax expense		483,416,947	190,164,023
Profit for the period		691,648,563	852,401,894
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss (Net of tax)			
Gain/loss on defined benefit plans		14,966,067	-
Exchange difference on foreign currency translation		262,558,350	(263,579,851)
Total Other Comprehensive Income for the period, net of tax		277,524,417	(263,579,851)
Total comprehensive income for the period		969,172,980	588,822,043
Earnings per equity share			
(Equity shares of par value of CAD 2 each)			
Basic		21.61	26.64
Diluted		21.61	26.64
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 Solutions Canada Limited (formerly Wipro Technologies Canada Ltd)

Sd/-
Ashish Chawla
Director

Sd/-
Chris Saive
Director

Place:
Date: 2 June 2017

Place:
Date: 2 June 2017

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)**Statement of Cash Flows for the year ended 31st March 2017**

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

	Year ended 31 March 2017	Year ended 31 March 2016
A. Cash flows from operating activities:		
Profit/(Loss) for the year	691,648,563	852,401,894
Adjustments:		
Depreciation and amortization	804,912,892	679,320,800
Unrealised exchange differences - net	(49,682,111)	59,023,883
Interest on borrowings	209,680,767	196,540,817
Provision for tax	483,416,947	190,164,023
Dividend / interest - net	(4,325,794)	(14,677,676)
Working capital changes:		
Financial assets and other assets	177,394,679	(629,541,567)
Financial liabilities, unearned revenues and other liabilities	293,090,016	630,578,745
Net cash generated from operations	2,606,135,959	1,963,810,919
Direct taxes (paid)/refund received	(429,167,319)	(309,082,771)
Net cash generated from operating activities	A 2,176,968,642	1,654,728,148
B. Cash flows from investing activities:		
Acquisition of fixed assets (incl. CWIP)	(517,627,528)	(989,178,794)
Dividend / interest income received	4,325,794	14,677,676
Net cash (used in) investing activities	B (513,301,734)	(974,501,118)
C. Cash flows from financing activities:		
Interest paid on borrowings	(209,680,767)	(196,540,817)
Proceeds from / (repayment of) borrowings / loans	(1,675,507,025)	41,681,342
Net cash (used in) financing activities	C (1,885,187,792)	(154,859,475)
Net (decrease) / increase in cash and cash equivalents during the period (A+B+C)	(221,520,885)	525,367,555
Amount transferred consequent to amalgamation	-	-
Effect of exchange rate changes on cash (translation)	(3,875,038)	(229,286)
Cash and cash equivalents at the beginning of the period	1,175,048,224	649,909,955
Cash and cash equivalents at the end of the period	949,652,301	1,175,048,224
Components of cash and cash equivalents (note 8)		
Balances with banks		
In current accounts	842,713,316	483,367,700
In deposit accounts	106,938,985	691,680,524
	949,652,301	1,175,048,224

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

For and on behalf of the Board of Directors of Wipro Solutions Canada Limited (formerly Wipro Technologies Canada Ltd)

Sd/-
Ashish Chawla
Director

Sd/-
Chris Saive
Director

Place:
Date: 2 June 2017

Place:
Date: 2 June 2017

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)**Statement of Changes in Equity as on 31 March 2017**

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

Equity share capital

Balance as at 01 April 2015	Changes in equity share capital during the year	Balance as at 31 March 2016
1,777,885,036	-	1,777,885,036

Balance as at 01 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017
1,777,885,036	-	1,777,885,036

Other equity

Particulars	Retained Earnings	Foreign currency translation reserve	Other comprehensive income	Total
Balance as at 01 April 2015	(262,401,410)	(46,697,694)	-	(309,099,104)
Impact of merger under Ind AS 103	(8,466,286,053)	633,657,444	-	(7,832,628,609)
Restated balance as at 01 April 2015	(8,728,687,463)	586,959,750	-	(8,141,727,713)
Profit for the period	852,401,894	-	-	852,401,894
Exchange difference on foreign currency translation	-	(263,579,851)	-	(263,579,851)
Balance as at 31 March 2016	(7,876,285,569)	323,379,899	-	(7,552,905,670)
Profit for the period	691,648,563	-	-	691,648,563
Other comprehensive income for the period	-	-	14,966,067	14,966,067
Exchange difference on foreign currency translation	-	262,558,350	-	262,558,350
Balance as at 31 March 2017	(7,184,637,007)	585,938,249	14,966,067	(6,583,732,691)

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors of Wipro Solutions Canada Limited (formerly Wipro Technologies Canada Ltd)

Sd/-
Ashish Chawla
Director

Place:
Date: 2 June 2017

Sd/-
Chris Saive
Director

Place:
Date: 2 June 2017

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

1 Background

Wipro Technologies Canada Ltd ("the Company") is a subsidiary of Wipro Information Technology Netherlands BV incorporated in Ontario, Canada on 17 August 2012. It is engaged in the business of designing microprocessors, related technology, software, and sell design development systems (soft IP), to enhance the performance, cost-effectiveness and power-efficiency of Integrated Circuit applications mainly focused on the wireless & communication industry.

Effective 1 July 2015, through an order of the Ministry of Government Services, Ontario, Canada of an even date, the Company amalgamated with its wholly owned subsidiary – Wipro Solutions Canada Limited. The amalgamated company is re-named as 'Wipro Solutions Canada Limited'. The amalgamation involved transfer of net assets and cancellation of shares issued by the subsidiary. The amalgamation was accounted for using pooling of interest method in accordance with Ind AS 103 – Business Combinations. Consequently, the financial statements of the Company for the year ended 31 March 2016 and as at 01 April 2015 have been restated as if the amalgamation had occurred prior to 01 April 2015.

2 Summary of significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

These financial statements have been prepared on a historical cost convention and on accrual basis. Accounting policies have been applied consistently to all periods presented in these financial statements.

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

b) Use of estimates and judgment

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

c) Foreign currency

Functional currency

The functional currency of the Company is the Canadian Dollars. These financial statements are presented in Indian Rupees.

Transaction

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities at period-end are translated at the exchange rate prevailing at the date of Balance Sheet. The exchange difference between the rate at which foreign currency transactions are accounted and the rate at which they are re-measured/ realized is recognized in the statement of profit and loss.

Translation

The functional currency of the Company is CAD and the reporting currency for these financial statements is INR. The translation of financial statements from the local currency to the reporting currency of the Company is performed for balance sheet accounts using the exchange rate in effect at the Balance sheet date and for revenue, expenses and cash flow items using a monthly average exchange rate for the respective periods and the resulted differences is presented as 'foreign currency translation reserve' included in 'Reserve and surplus' and 'Effect of exchange rate changes on cash and cash equivalents' included in 'cash flow statement', respectively.

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

d) Non-derivative Financial instruments

Non derivative financial instruments consist of:

i) financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;

ii) financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

i) Cash and cash equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

ii) Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

iii) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) Equity

i) Share capital

Every holder of the equity shares, as reflected in the records of the Company as of the date of the shareholder meeting shall have one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

ii) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

iii) Other comprehensive income

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

iv) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

f) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Building	30 to 40 years
Plant & machinery	2 to 7 years
Furniture & fixture	5 to 6 years
Vehicle	4 years
Office equipment	5 years

g) Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

h) Revenue

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

Services:

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.

Other income:

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

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

i) Finance and other income

Finance and other income comprises interest income on deposits, dividend income and gains / (losses) etc. Interest income is recognized using the effective interest method.

j) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

k) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

j) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)
Summary of significant accounting policies and other explanatory information

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

3 Property, plant and equipment

Particulars	Building	Plant & machinery	Furniture & fixture	Vehicle	Office equipment	Total
Gross block						
Balance as at 01 April 2015	74,241,764	1,708,376,995	84,332,501	-	21,216,983	1,888,168,243
Additions during the year	34,511,722	983,729,448	2,958,580	6,436,134	4,292,294	1,031,928,178
Disposals during the year	(1,902,468)	(963,873)	(29,640)	-	-	(2,895,981)
Translation adjustment	4,195,761	102,669,528	3,867,571	169,517	1,066,675	111,969,052
Balance as at 31 March 2016	111,046,779	2,793,812,098	91,129,012	6,605,651	26,575,952	3,029,169,492
Additions during the year	-	515,125,464	338,742	1,062,529	3,103,617	519,630,352
Disposals during the year	(2,536,607)	(2,035,075)	(56,755)	-	(9,046)	(4,637,483)
Translation adjustment	(2,583,134)	(157,400,335)	(3,843,344)	(391,066)	(16,472,504)	(180,690,383)
Balance as at 31 March 2017	105,927,038	3,149,502,152	87,567,655	7,277,114	13,198,019	3,363,471,978
Accumulated depreciation						
Balance as at 01 April 2015	14,283,473	386,131,604	14,959,761	-	16,872,275	432,247,113
Charge for the year	24,136,140	628,505,225	23,453,599	67,493	3,158,343	679,320,800
Disposals/Adjustment	(1,553,721)	(915,050)	(8,573)	-	-	(2,477,344)
Translation adjustment	1,236,772	33,884,851	1,289,888	1,778	841,531	37,254,820
Balance as at 31 March 2016	38,102,664	1,047,606,630	39,694,675	69,271	20,872,149	1,146,345,389
Charge for the year	26,824,293	750,846,093	23,220,330	1,719,723	2,302,453	804,912,892
Disposals/Adjustment	(2,534,102)	(1,922,945)	(54,506)	-	(920)	(4,512,473)
Translation adjustment	(152,370)	(79,316,941)	(2,323,599)	(87,742)	(16,140,920)	(98,021,572)
Balance as at 31 March 2017	62,240,485	1,717,212,837	60,536,900	1,701,252	7,032,762	1,848,724,236
Net block						
Balance as at 01 April 2015	59,958,291	1,322,245,391	69,372,740	-	4,344,708	1,455,921,130
Balance as at 31 March 2016	72,944,115	1,746,205,468	51,434,337	6,536,380	5,703,803	1,882,824,103
Balance as at 31 March 2017	43,686,553	1,432,289,315	27,030,755	5,575,862	6,165,257	1,514,747,742

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)**Summary of significant accounting policies and other explanatory information**

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

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
4 Trade Receivable			
<i>Unsecured</i>			
Considered good	1,181,738,531	1,326,388,182	728,430,499
Considered doubtful	6,202,519	600,244	8,567,572
	1,187,941,050	1,326,988,426	736,998,071
With Group Companies - Considered good	7,373,811	8,709,789	963,906
Less: Provision for doubtful receivables	(6,202,519)	(600,244)	(8,567,572)
	1,189,112,342	1,335,097,971	729,394,405
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
5 Other Financial Assets			
Current			
Loan to Wipro Technologies Peru S.A.C.	23,513,708	-	-
Employee travel & other advances	2,956,387	-	-
Balance with Group Companies	-	-	3,670,918
Others	6,874,346	-	309,223,268
	33,344,441	-	312,894,186
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
6 Other Assets			
Non-current			
Prepaid expenses	299,484,784	244,129,674	341,272,488
	299,484,784	244,129,674	341,272,488
Current			
Employee travel & other advances	45,107	2,259,856	-
Balance with Group Companies	-	-	-
Balances with excise, customs and other authorities	43,327,421	30,627,714	78,258,217
Prepaid expenses	789,569,388	981,539,997	356,404,601
	832,941,916	1,014,427,567	434,662,818
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
7 Cash and cash equivalent			
Balances with banks			
In current accounts	842,713,316	483,367,700	513,601,551
In deposit accounts	106,938,985	691,680,524	136,308,404
	949,652,301	1,175,048,224	649,909,955

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
8 Share Capital			
Authorised capital			
32,000,100 (2016 and 2015: 32,000,100) common shares	1,777,885,036	1,777,885,036	1,777,885,036
	1,777,885,036	1,777,885,036	1,777,885,036
Issued, subscribed and fully paid-up capital			
32,000,100 (2016 and 2015: 32,000,100) common shares	1,777,885,036	1,777,885,036	1,777,885,036
	1,777,885,036	1,777,885,036	1,777,885,036
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
a) Reconciliation of number of shares as at 31 March 2017			
Number of shares outstanding as at beginning of the year	32,000,100	32,000,100	-
Number of shares issued during the year	-	-	32,000,100
Number of shares outstanding as at the end of the year	32,000,100	32,000,100	32,000,100
	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
b) Details of shares held by related parties			
Name of shareholders			
M/s Wipro Information Technology Netherlands BV			
No of Shares	32,000,100	32,000,100	32,000,100
% of the holding	100%	100%	100%
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
9 Borrowings			
Non Current			
<i>Secured</i>			
Obligation under finance lease	247,495,420	452,144,591	594,412,630
	247,495,420	452,144,591	594,412,630
<i>Unsecured</i>			
Term loan:			
Others, repayable on demand	3,451,972,385	-	-
	3,451,972,385	-	-
	3,699,467,805	452,144,591	594,412,630
Current			
<i>Unsecured</i>			
Loan repayable on demand	2,200,625,391	7,429,161,188	7,354,770,001
Loan from related parties	1,814,237,557	1,919,929,148	1,567,187,098
	4,014,862,948	9,349,090,336	8,921,957,099

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)**Summary of significant accounting policies and other explanatory information**

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

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
10 Other Financial Liabilities			
Current			
Salary Payable	178,086,890	335,296,977	313,553,949
Interest accrued but not due on borrowings	17,193,601	26,368,474	45,108,792
Other Liabilities	-	1,139,195	4,192,688
Current maturities of obligation under finance lease	166,457,506	185,638,873	189,111,135
Balances due to related parties	162,471,189	64,970,604	29,722,696
	524,209,186	613,414,123	581,689,260
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
11 Other Liabilities			
Current			
Statutory liabilities	35,092,490	25,409,633	-
Other Liabilities	-	-	546,301
	35,092,490	25,409,633	546,301
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
12 Provisions			
Non Current			
Employee benefit obligation	30,526,339	-	-
	30,526,339	-	-
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Current			
Employee benefit obligations	9,396,001	42,649,072	39,156,823
	9,396,001	42,649,072	39,156,823
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
13 Trade payables			
Trade payable	492,151,653	539,528,590	395,015,445
Payable to group companies	749,370,048	446,238,986	248,054,273
	1,241,521,701	985,767,576	643,069,718

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)
Summary of significant accounting policies and other explanatory information

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

	Year ended 31 March 2017	Year ended 31 March 2016
14 Revenue from operations		
Sale of services	9,037,673,135	8,589,119,710
	9,037,673,135	8,589,119,710
	Year ended 31 March 2017	Year ended 31 March 2016
15 Other income		
Interest on debt instruments and others	4,307,829	14,160,515
Others	17,965	517,161
Other exchange differences, net	-	13,923,161
	4,325,794	28,600,837
	Year ended 31 March 2017	Year ended 31 March 2016
16 Employee benefits expense		
Salaries and wages	1,959,124,875	2,231,858,572
Contribution to provident and other funds	40,927,740	134,664,902
Staff welfare expenses	82,206,361	190,619,126
	2,082,258,976	2,557,142,600
	Year ended 31 March 2017	Year ended 31 March 2016
17 Finance costs		
Interest cost	209,680,767	196,540,817
	209,680,767	196,540,817
	Year ended 31 March 2017	Year ended 31 March 2016
18 Other expenses		
Sub contracting / technical fees / third party application	3,490,838,971	3,075,548,957
Travel	25,707,288	37,860,717
Repairs and maintenance	305,378,989	260,024,981
Rent	313,863,203	354,672,647
Provision/write off of bad debts	5,923,039	584,840
Communication	276,478,339	233,949,293
Printing and stationery	101,634,812	119,646,213
Corporate overhead	154,111,479	-
Advertisement and sales promotion	3,111,251	5,411,600
Legal and professional charges	20,626,667	26,469,989
Staff recruitment	207,861	5,997,666
Other exchange differences, net	21,784,399	-
Insurance	1,979,467	3,083,592
Rates and taxes	512,364	-
Auditors' remuneration	15,000	15,000
Miscellaneous expenses	47,907,655	18,884,918
	4,770,080,784	4,142,150,413
	Year ended 31 March 2017	Year ended 31 March 2016
19 Earnings per share		
Profit / (Loss) for the year as per profit and loss account	691,648,563	852,401,894
Weighted average number of common shares used for computing basic	32,000,100	32,000,100
Earnings per share basic and diluted (face value: CAD 2 each)	21.61	26.64

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)
Summary of significant accounting policies and other explanatory information

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

20 Related party transactions

i) Parties where control exists:

Name of the related party	Nature of relationship
Wipro Limited	Ultimate Holding Company
Wipro Information Technology Netherlands BV	Holding Company
Wipro LLC	Fellow Subsidiary
Wipro Promax Holdings Pty Limited	Fellow Subsidiary
Wipro Holdings Hungary	Fellow Subsidiary
Wipro Outsourcing Services Ireland Limited	Fellow Subsidiary
Wipro Cyprus Private Limited	Fellow Subsidiary
Wipro Technologies Peru S.A.C.	Fellow Subsidiary

ii) The Company has the following related party transactions

Particulars	Relationship	Year ended 31 March 2017	Year ended 31 March 2016
Subcontracting services received			
Wipro Limited	Ultimate Holding Company	1,735,331,379	917,782,452
Wipro LLC	Fellow Subsidiary	-	5,186,595
Wipro Technologies SA	Fellow Subsidiary	-	3,834,014
Subcontracting services rendered			
Wipro Limited	Ultimate Holding Company	47,231,807	14,448,591
Wipro LLC	Fellow Subsidiary	1,524,539	3,692,353
Wipro Promax Holdings Pty Limited	Fellow Subsidiary	50,167	21,178
Interest on borrowings			
Wipro Holdings Hungary	Fellow Subsidiary	58,306,566	37,651,894
Wipro Outsourcing Services Ireland Limited	Fellow Subsidiary	49,782	185,343
Wipro Cyprus Private Limited	Fellow Subsidiary	3,540,701	3,472,738
Corporate Guarantee Commission			
Wipro Limited	Ultimate Holding Company	43,441,557	32,074,091
Loan provided during the year			
Wipro Technologies Peru S.A.C.	Fellow Subsidiary	23,344,123	-

iii) Balances with related parties as at year end are as follows

Particulars	Relationship	As at 31 March 2017	As at 31 March 2016
Payable to :			
Wipro Limited	Ultimate Holding Company	(904,465,521)	(497,986,135)
Wipro LLC	Fellow Subsidiary	-	(4,526,921)
Wipro Travel Services Limited		(10,953)	-
Loans payable to :			
Wipro Holdings Hungary	Fellow Subsidiary	(1,692,843,312)	(1,782,332,419)
Wipro Cyprus Private Limited	Fellow Subsidiary	(132,476,806)	(140,528,747)
Wipro Outsourcing Services Ireland Limited	Fellow Subsidiary	-	(7,864,846)
Loans receivable from :			
Wipro Technologies Peru S.A.C.	Fellow Subsidiary	23,513,707	-
Receivable from			
Wipro Promax Holdings Pty Limited	Fellow Subsidiary	9,079	13,245

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

21 Finance lease

The company has taken equipments from CISCO on Finance Lease, the present value of obligation is disclosed below:

	Year ended 31 March 2017	Year ended 31 March 2016
Not later than 1 year	166,443,123	185,638,893
Later than 1 year not later than 5 years	247,509,791	452,144,574
Present value of finance lease liability	413,952,915	637,783,467

22 Operating lease

The company is obligated under non-cancellable operating leases for office premises. The total rental expense under non-cancellable operating leases amounted to ₹ 313,863,203 for the year ended 31 March 2017 (31 March 2016: ₹ 258,974,624)

	Year ended 31 March 2017	Year ended 31 March 2016
Not later than 1 year	216,356,563	300,685,107
Later than 1 year not later than 5 years	392,156,705	588,602,772
Later than 5 years	-	51,487,743
	608,513,268	940,775,622

23 Effective Tax Rate (ETR) reconciliation

Income tax expense in the Statement of Profit and Loss comprises:

	Year ended 31 March 2017	Year ended 31 March 2016
Current taxes	483,416,947	190,164,023
	483,416,947	190,164,023

The reconciliation between provision of income tax and amounts computed by applying the statutory income tax rate applicable in Canada to profit before taxes is as follows:

	Year ended 31 March 2017	Year ended 31 March 2016
Profit before taxes	1,175,065,510	1,042,565,917
Enacted income tax rate	26.50%	26.50%
Computed expected tax expense	311,392,360	276,279,968
Effect of:		
Carry forward loss set off	-	(74,577,627)
Impact of depreciation	80,439,431	-
Expenses disallowed	91,585,156	-
Others, net	-	(11,538,318)
Total income tax expense	483,416,947	190,164,023

24 Financial risk management

Interest rate risk

The Company's borrowings are primarily from holding company and other group companies and no market borrowings/borrowings at floating interest rates, so no exposure to interest rate risks.

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of 31 March 2017, cash and cash equivalents are held with major banks and financial institutions.

WIPRO SOLUTIONS CANADA LIMITED (Formerly WIPRO TECHNOLOGIES CANADA LTD)

Summary of significant accounting policies and other explanatory information

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

25 First time adoption

These financial statements of Wipro Solutions Canada Limited (Formerly Wipro Technologies Canada Ltd) for the year ended 31 March 2017, have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard with 01 April 2015, as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended 31 March 2017, and the comparative information.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss is set out below:

i) Profit/loss on actuarial valuation of defined benefit plans is passed through 'Other Comprehensive Income'.

26 Prior period comparatives

Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors of Wipro Solutions Canada Limited (formerly Wipro Technologies Canada Ltd)

Sd/-
Ashish Chawla
Director

Place:
Date: 2 June 2017

Sd/-
Chris Saive
Director

Place:
Date: 2 June 2017