

Financial Statements and Auditor's Report

**Wipro Technologies Austria GmbH**

31 March 2018

## **Independent Auditor's Report**

**To the Members of Wipro Technologies Austria GmbH**

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

1. We have audited the accompanying standalone financial statements of Wipro Technologies Austria GmbH ('the Company'), which comprise the Balance Sheet as at 31 March 2018, 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 the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 standalone 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 standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. 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 these standalone financial statements are free from material misstatement.

6. 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, 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**

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

Bengaluru  
18 June 2018

**Wipro Technologies Austria GmbH**  
**Balance Sheet as at 31 March 2018**

(Amount in EUR, unless otherwise stated)

	Note	As at 31 March 2018	As at 31 March 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	-	-
Financial assets			
Investments	4	275,520	275,520
Non-current tax asset, net	5	3,500	1,750
		<u>279,020</u>	<u>277,270</u>
<b>Current assets</b>			
Financial assets			
Trade receivables	6	578,122	869,791
Cash and cash equivalents	7	621,321	400,468
Other financial assets	8	1,956,526	1,794,317
Unbilled revenue	9	1,247,738	-
Other current assets	10	790,836	180,683
		<u>5,194,543</u>	<u>3,245,259</u>
<b>TOTAL ASSETS</b>		<u><b>5,473,563</b></u>	<u><b>3,522,529</b></u>
<b>EQUITY</b>			
Share capital	11	32,473,971	32,473,971
Other equity		(33,720,923)	(34,312,091)
		<u>(1,246,952)</u>	<u>(1,838,120)</u>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	12	4,868,945	5,208,282
Other current liabilities	13	1,796,521	46,675
Provisions	14	55,049	105,692
		<u>6,720,515</u>	<u>5,360,649</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>5,473,563</b></u>	<u><b>3,522,529</b></u>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

**For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH**

Sd/-  
**Director**  
**Elke Kueng**

Place:  
Date: 07.06.2018

**Wipro Technologies Austria GmbH**  
**Statement of Profit and Loss for the year ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

	Note	Year ended 31 March 2018	Year ended 31 March 2017
<b>REVENUE</b>			
Revenue from operations	15	3,504,545	5,320,666
Other income	16	36,817	50,329
		<b>3,541,362</b>	<b>5,370,995</b>
<b>EXPENSES</b>			
Cost of materials consumed	17	709,686	1,569,578
Employee benefits expense	18	304,103	508,218
Finance cost	19	126	13
Other expense	20	1,936,279	2,208,101
		<b>2,950,194</b>	<b>4,285,910</b>
<b>Profit before tax</b>		<b>591,168</b>	<b>1,085,085</b>
<b>Tax expense</b>		-	-
Current tax		-	-
<b>Profit for the period</b>		<b>591,168</b>	<b>1,085,085</b>
<b>Total comprehensive income for the period</b>		<b>591,168</b>	<b>1,085,085</b>
<b>Other comprehensive income</b>		-	-
Exchange differences on foreign currency translation		-	-
<b>Total other comprehensive Income for the period, net of tax</b>		<b>591,168</b>	<b>1,085,085</b>
<b>Earnings per share [par value of EUR 1 each)</b>			
Basic an diluted (EUR)	21	0.018	0.033
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

**For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH**

Sd/-  
**Director**  
**Elke Kueng**

Place:  
Date: 07.06.2018

**Wipro Technologies Austria GmbH**  
**Cash Flow Statement for the year ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

	<b>Year ended 31 March 2018</b>	<b>Year ended 31 March 2017</b>
<b>A. Cash flow from operating activities</b>		
Profit/ (Loss) After tax	591,168	1,085,085
<b>Other Adjustments:</b>		
Depreciation and amortization	-	-
Interest Expenses, net	-	13
Provision for doubtful debts	34,500	-
Provision no longer required, written back	(21,033)	(17,378)
Unrealised foreign exchange loss / (gain)	(53,531)	-
Dividend / interest income	(252)	(325)
Operating profit before working capital changes	-	-
<b>Working capital changes:</b>		
Trade receivable and unbilled revenues	(996,277)	479,019
Other financial assets and other current assets	(772,363)	(716,641)
Trade, unearned and other payables	(280,099)	(460,793)
Other financial liabilities and other current liabilities	1,720,237	(68,735)
<b>Net cash generated from operations</b>	222,351	300,245
Direct taxes (paid) / refund	(1,750)	(1,750)
<b>Net cash generated by operating activities (A)</b>	<b>220,601</b>	<b>298,495</b>
<b>Cash flows from investing activities:</b>		
Dividend / interest income	252	325
<b>Net cash generated by / (used in) investing activities (B)</b>	<b>252</b>	<b>325</b>
<b>Cash flows from financing activities:</b>		
Interest paid on borrowings	-	(13)
Repayment of borrowings, net	-	(77,189)
<b>Net cash generated by / (used in) financing activities (C)</b>	<b>-</b>	<b>(77,202)</b>
<b>Net (decrease) / increase in cash and Cash equivalents during the period (A+B+C)</b>	<b>220,853</b>	<b>221,618</b>
Cash and cash equivalents at the beginning of the period	400,468	161,628
<b>Cash and cash equivalents at the end of the year</b>	<b>621,321</b>	<b>383,246</b>

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-  
**Director**  
**Elke Kueng**

Place:  
Date: 07.06.2018

## Wipro Technologies Austria GmbH

### Statement of Changes in Equity for the year ended 31 March 2018

(Amount in EUR, unless otherwise stated)

	Equity share capital	Other equity			Total
		Capital reserve	Retained earnings	Other comprehensive income	
<b>Balance as at 1 April 2016</b>	<b>32,473,971</b>	<b>250,882</b>	<b>(35,648,058)</b>	-	<b>(35,397,176)</b>
Profit for the year	-	-	1,085,085	-	1,085,085
<b>Balance as at 31 March 2017</b>	<b>32,473,971</b>	<b>250,882</b>	<b>(34,562,973)</b>	-	<b>(34,312,091)</b>
Profit for the year	-	-	591,168	-	591,168
<b>Balance as at 31 March 2018</b>	<b>32,473,971</b>	<b>250,882</b>	<b>(33,971,805)</b>	-	<b>(33,720,923)</b>

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-

Director

Elke Kueng

Place:

Date: 07.06.2018

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### 1 Background

Wipro Technologies Austria GmbH (formerly New Logic Technologies GmbH) ("the Company") is a subsidiary of Wipro Technologies Holding Austria GmbH, incorporated and domiciled in Austria. The Company 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 IC applications mainly focused on the wireless & communication industry. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

### 2 Basis of preparation of financial statements and summary of significant accounting policies

#### a) Statement of compliance and basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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.

#### b) Use of estimates and judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

#### *Useful lives of depreciable / amortisable assets*

Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.



# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### c) Use of estimates and judgment (cont'd)

#### *Fair value measurements*

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### d) Current versus non-current classification

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

### e) Foreign currency

#### **Functional currency**

The functional currency of the Company is EUR. These financial statements are presented in Euros.

#### **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

#### **Foreign currency transactions**

#### **Functional and presentation currency**

The financial statements are presented in Euro which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest Euro, unless otherwise indicated.

#### (a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

#### (b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

### f) Property, plant and equipment

#### *Recognition and measurement*

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### f) Property, plant and equipment (cont'd)

#### *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:

	<b>Useful lives (in years)</b>
Plant and machinery	2 to 7 years
Furniture and fixture	5 to 6 years
Office equipments	5 to 6 years

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful lives and residual values are reviewed periodically and updated as required, including at each financial year end.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

### g) Impairment of property, plant and equipment

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

### 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:**

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

#### i) *Time and material contracts*

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

#### ii) *Fixed-price contracts*

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

'Unbilled revenues' represent cost and earnings in excess of billings as at the end of the reporting period.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customers'.

#### iii) *Products:*

Revenue from sale of products is recognised when the significant risks and rewards of ownership has been transferred in accordance with the sales contract. Revenue from product sales is shown net of excise duty and net of sales tax separately charged and applicable discounts.

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### iv) *Other income*

Commission in lieu of marketing support services are recognised when an enforceable contract is entered with customer and/or a right to collection is established. Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

### i) **Employee benefits**

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

#### *Compensated absences*

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur.

#### *Social Security*

Pension and social contribution plan, a defined contribution scheme, the Company makes monthly contributions based on a specified percentage of each covered employee's salary.

### j) **Provisions and contingencies**

#### *Provisions*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### *Contingent liabilities*

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

#### *Contingent assets*

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

#### *Onerous contracts*

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

### k) **Operating Leases**

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight line basis over the lease term.

### l) **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.

## Wipro Technologies Austria GmbH

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

(Amount in EUR, unless otherwise stated)

#### l) Income tax (cont'd)

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.

#### m) 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:

#### n) Financial instruments

##### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost;
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI);
- iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL); and
- iv. Equity investments.

##### *i. Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

## Wipro Technologies Austria GmbH

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

(Amount in EUR, unless otherwise stated)

#### Initial recognition and measurement (cont'd)

##### ii. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### iii. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

##### iv. Equity investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 Business Combinations, applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

#### De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset ) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

##### *Gains or losses on liabilities held for trading are recognised in the profit or loss.*

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### *Financial guarantee contracts*

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognised less cumulative amortisation.

#### Derecognition of 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **o) Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information

(Amount in EUR, unless otherwise stated)

### p) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### q) Equity

#### *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.

#### *Retained earnings*

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

#### *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.

### r) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
  - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

## Wipro Technologies Austria GmbH

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

(Amount in EUR, unless otherwise stated)

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

#### s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. 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.

#### t) 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.

#### u) Earnings/ (Loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### v) Standards issued but not yet effective

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below. Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115). There is one new standard notified by MCA for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

- i. Identification of the contracts with the customer
- ii. Identification of the performance obligations in the contract
- iii. Determination of the transaction price
- iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
- v. Recognition of revenue when the Company satisfies a performance obligation.

The effective date of the new standard is for annual reporting periods beginning on or after 1 April 2018 as notified by the MCA. The management is yet to assess the impact of this new standard on the Company's financial statements.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration.

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The management is yet to assess the impact of this appendix on the Company's financial statements.



## **Wipro Technologies Austria GmbH**

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

(Amount in EUR, unless otherwise stated)

#### **w) Significant estimates in applying accounting policies**

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances. Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

#### **Critical judgements in applying accounting policies**

Recognition of deferred tax liability on undistributed profits – The extent to which the Company can control the timing of reversal of deferred tax liability on undistributed profits of its subsidiaries requires judgment.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgment.

Classification of leases – The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

**Wipro Technologies Austria GmbH****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

**3. Property, plant and equipment**

Particulars	Computer	Furniture and fixtures	Software	Total
<b>Gross block</b>				
<b>Balance as on 1 April 2016</b>	8,618	7,258	5,237,415	5,253,291
Additions during the year	-	-	-	-
Disposals during the year	(2,775)	-	-	(2,775)
<b>Balance as at 31 March 2017</b>	5,843	7,258	5,237,415	5,250,516
Additions during the year	-	-	-	-
Disposals during the year	-	(6,807)	-	(6,807)
<b>Balance as at 31 March 2018</b>	<b>5,843</b>	<b>451</b>	<b>5,237,415</b>	<b>5,243,709</b>
<b>Accumulated depreciation</b>				
<b>Balance as on 1 April 2016</b>	8,618	7,258	5,237,415	5,253,291
Charge for the year	-	-	-	-
Disposals during the year	(2,775)	-	-	(2,775)
<b>Balance as at 31 March 2017</b>	5,843	7,258	5,237,415	5,250,516
Charge for the year	-	-	-	-
Disposals during the year	-	(6,807)	-	(6,807)
<b>Balance as at 31 March 2018</b>	<b>5,843</b>	<b>451</b>	<b>5,237,415</b>	<b>5,243,709</b>
<b>Net book value</b>				
<b>Balance as at 31 March 2017</b>	-	-	-	-
<b>Balance as at 31 March 2018</b>	-	-	-	-

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**Wipro Technologies Austria GmbH**  
**Summary of significant accounting policies and other explanatory information for the year**  
**ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>4 Investments</b>		
<i>Investment in Equity shares</i>		
New Logic Techonologies SARL [430,500 (31 March 2017: 430,500 shares at Par value 0.64 EUR each, fully paid)]	275,520	275,520
Opening balance	275,520	275,520
Add: Additions	-	-
	<u>275,520</u>	<u>275,520</u>
Less: Provision for diminution in value of non-current investments	-	-
	<u><b>275,520</b></u>	<u><b>275,520</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>5 Tax assets</b>		
Advance income taxes	3,500	1,750
	<u><b>3,500</b></u>	<u><b>1,750</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>6 Trade receivables</b>		
Other receivables	612,622	869,791
Less: Provision for doubtful debts	(34,500)	-
	<u><b>578,122</b></u>	<u><b>869,791</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>7 Cash and cash equivalents</b>		
Balances with banks	621,035	399,337
- on current accounts	286	1,131
Cash on hand	<u><b>621,321</b></u>	<u><b>400,468</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>8 Other financial assets</b>		
<b>Unsecured</b>		
Balances due from related parties (refer note 22)	1,956,526	1,794,317
	<u><b>1,956,526</b></u>	<u><b>1,794,317</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>9 Unbilled revenue</b>		
Unbilled revenue	1,247,738	-
	<u><b>1,247,738</b></u>	<u><b>-</b></u>
	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>10 Other current assets</b>		
Advance to suppliers	184,808	180,653
Prepaid expenses	554,911	-
Employee travel and other advances	51,117	30
	<u><b>790,836</b></u>	<u><b>180,683</b></u>

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**Wipro Technologies Austria GmbH**  
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
<b>11 Share capital</b>		
<b>Authorised share capital</b>		
32,473,971 (31 March 2017: 32,473,971) - Equity shares of 1 Euro each	32,473,971	32,473,971
	<b>32,473,971</b>	<b>32,473,971</b>
<b>Issued, subscribed and paid-up capital</b>		
32,473,971 (31 March 2017: 32,473,971) - Equity shares of 1 Euro each	32,473,971	32,473,971
	<b>32,473,971</b>	<b>32,473,971</b>

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

- (a) There have been no movement in number of shares and amount outstanding during the year.

**Reconciliation of amount:**

	As at 31 March 2018	As at 31 March 2017
<b>Equity shares of 1 EUR each, par value</b>		
Balances as at the beginning of the year	32,473,971	32,473,971
Add: Issued and subscribed during the year	-	-
<b>Balance at the end of the year</b>	<b>32,473,971</b>	<b>32,473,971</b>

**Reconciliation of number of shares:**

	As at 31 March 2018	As at 31 March 2017
<b>Equity shares of 1 EUR each, par value</b>		
Balances as at the beginning of the year	32,473,971	32,473,971
Add: Issued and subscribed during the year	-	-
<b>Balance at the end of the year</b>	<b>32,473,971</b>	<b>32,473,971</b>

- (b) **Terms and rights attached to equity shares**

Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Euro. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at 31 March 2018	As at 31 March 2017
<b>(c) Details of shares held by the holding company</b>		
32,473,971 (31 March 2017: 32,473,971) Equity shares are held by Wipro Holding Austria	32,473,971	32,473,971
	<b>32,473,971</b>	<b>32,473,971</b>

	As at 31 March 2018	As at 31 March 2017
<b>(d) Details of shareholders holding more than five percent shares:</b>		
Wipro Holding Austria GmbH - Holding Company	32,473,971	32,473,971
	<b>32,473,971</b>	<b>32,473,971</b>

- (e) **For a five year period immediately preceding the date of the balance sheet**

- i) No shares were allotted as fully paid up pursuant to contract without payment being received in cash.
- ii) No shares were allotted as fully paid up by way of bonus shares.
- iii) No shares were bought back.

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**Wipro Technologies Austria GmbH**  
**Summary of significant accounting policies and other explanatory information for the year**  
**ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

	<b>As at</b>	<b>As at</b>
	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>12 Trade payables</b>		
Trade payables	86,242	58,063
Trade payables to related parties (refer note 22)	4,631,091	5,084,480
Provision for expenses	151,612	65,739
	<b>4,868,945</b>	<b>5,208,282</b>
	<b>As at</b>	<b>As at</b>
	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>13 Other current liabilities</b>		
Statutory liabilities	8,747	21,754
Accrued employee benefits expense	14,706	24,921
Unearned revenues	1,773,068	-
	<b>1,796,521</b>	<b>46,675</b>
	<b>As at</b>	<b>As at</b>
	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>14 Provisions</b>		
Provision for warranty	29,985	51,018
Provision for leave encashment	25,064	54,674
	<b>55,049</b>	<b>105,692</b>

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## Wipro Technologies Austria GmbH

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(Amount in EUR, unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
<b>15 Revenue from operations</b>		
Sales of products	2,185,484	2,414,671
Sale of services	1,319,061	2,905,995
	<b>3,504,545</b>	<b>5,320,666</b>
<b>16 Other income</b>		
Interest income	252	325
Provision for warranty no longer required, written back	21,033	17,378
Provision for tax surcharge no longer required, written back	3,383	-
Miscellaneous income	12,149	32,626
	<b>36,817</b>	<b>50,329</b>
<b>17 Cost of materials consumed</b>		
Inventory at the beginning of the year	-	-
Add: Purchases made during the year	709,686	1,569,578
	709,686	1,569,578
Less: Inventory at the end of the year	-	-
	<b>709,686</b>	<b>1,569,578</b>
<b>18 Employee benefits expense</b>		
Salaries and wages	303,233	506,022
Staff welfare expenses	870	2,196
	<b>304,103</b>	<b>508,218</b>
<b>19 Finance cost</b>		
Interest cost	126	13
	<b>126</b>	<b>13</b>
<b>20 Other expenses</b>		
Sub contracting / technical fees / third party application	1,677,457	2,023,786
Travel	24,041	52,536
Repairs to building	20	101
Legal and professional charges	21,649	36,997
Insurance	-	47
Rates and taxes	1,230	2,191
Printing and stationery	27	19
Auditors' remuneration	-	2,114
Provision for doubtful debts	34,500	-
Bank charges	3,988	4,135
Exchange fluctuation differences, net	173,288	85,567
Others	79	608
	<b>1,936,279</b>	<b>2,208,101</b>
<b>21 Earnings per share (EPS)</b>		
Profit for the year as per Statement of Profit and Loss	591,168	1,085,085
Weighted average number of equity shares used for computing basic and diluted EPS	32,473,971	32,473,971
Profit per share - basic and diluted	0.018	0.033
Nominal value per share (In EUR)	1	1

## Wipro Technologies Austria GmbH

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

(Amount in EUR, unless otherwise stated)

#### 22 Related party disclosure

##### i) Parties where control exists:

Name of the Related Party	Nature of relationship
Wipro Technologies Holding Austria GmbH (formerly Wipro Limited)	Holding Company
New Logic Technologies SARL	Ultimate Holding Company
Wipro Germany GmbH	Subsidiary Company
Wipro Cyprus Private Limited	Group Company
Wipro Information Technology Austria GmbH	Group Company

##### ii) The following are the transactions during the year

Particulars	Relationship	Year ended 31 March 2018	Year ended 31 March 2017
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding Company	255,522	434,549
Wipro Information Technology GmbH	Group Company	4,794	-
<b>Sub contracting / technical fees / third party</b>			
Wipro Limited	Ultimate Holding Company	731,587	1,960,169
<b>Expenses on employee stock option plans (RSU)</b>			
Wipro Limited	Ultimate Holding Company	-	-
<b>Interest income</b>			
Wipro Cyprus Private Limited	Group Company	252	325

##### iii) The following are the balances receivables and payables to related parties

Name of the party	Relationship	As at 31 March 2018	As at 31 March 2017
Wipro Limited	Ultimate Holding Company	4,264,788	3,648,312
Wipro Information Technology Austria GmbH	Group Company	1,750	1,750
Wipro Germany GmbH	Group Company	-	4,794
New Logic Technologies SARL	Subsidiary Company	275,520	-
Wipro Cyprus Private Limited	Group Company	453,699	364,693

#### 23 Effective Tax Reconciliation (ETR)

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

	Year ended 31 March 2018	Year ended 31 March 2017
Current taxes	-	-
	-	-

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as below;

	Year ended 31 March 2018	Year ended 31 March 2017
Profit before income tax	591,168	1,085,085
Enacted tax rates in Austria (25%)	25%	25%
Computed expected tax expense	147,792	271,271
Tax effect due to set-off of unabsorbed brought forward losses from earlier years	(147,792)	(271,271)
Tax expense as per financials	-	-

24 In view of carry forward losses under tax laws, no deferred tax asset is recognised as at 31 March 2018 on account of lack of convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be utilised by the entity.

#### 25 Segment Reporting

The Company does not have any geographical or business segment and hence disclosure under Indian Accounting Standard (Ind AS) 108 is not applicable.

**Wipro Technologies Austria GmbH**  
**Summary of significant accounting policies and other explanatory information for the year**  
**ended 31 March 2018**

(Amount in EUR, unless otherwise stated)

**26 Fair value measurements**

**(i) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at 31 March 2018 were as follows:

<b>Particulars</b>	<b>Amortised cost</b>	<b>Financial assets/liabilities at FVTPL</b>	<b>Financial assets/liabilities at FVTOCI</b>
<b>Assets:</b>			
Cash and cash equivalents	621,321	-	-
Financial assets	-	-	-
Investments	275,520	-	-
Trade receivables	578,122	-	-
Unbilled revenue	1,247,738	-	-
<b>Total</b>	<b>2,722,701</b>	-	-
<b>Liabilities:</b>			
Financial liabilities			
Trade payables	4,717,332	-	-
Unearned revenues	1,773,068	-	-
<b>Total</b>	<b>6,490,401</b>	-	-

The carrying value and fair value of financial instruments by categories as of 1 April 2017 were as follows:

<b>Particulars</b>	<b>Amortised cost</b>	<b>Financial assets/liabilities at FVTPL</b>	<b>Financial assets/liabilities at FVTOCI</b>
<b>Assets:</b>			
Cash and cash equivalents	400,468	-	-
Financial assets			
Investments	275,520	-	-
Trade receivables	869,791	-	-
Unbilled revenue	-	-	-
<b>Total</b>	<b>1,545,779</b>	-	-
<b>Liabilities:</b>			
Financial liabilities			
Trade payables	5,142,543	-	-
Unearned revenues	-	-	-
<b>Total</b>	<b>5,142,543</b>	-	-

All the financial assets and liabilities of the Company are being measured at amortised cost. The Company does not have any financial asset / liability requiring measurement at fair value.

The management assessed that the fair value of cash and cash equivalents, loans, other financial assets, and working capital loans, if any approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**(ii) Fair value of financial assets and liabilities measured at amortised cost**

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

**(iii) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** the fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data relying as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**a) Assets and liabilities measured at amortised cost for which fair values are disclosed**

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount. The Company does not have any financial asset / liability requiring measurement at fair value as all the financial assets and liabilities of the Company are being measured at amortised cost.

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# Wipro Technologies Austria GmbH

## Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(Amount in EUR, unless otherwise stated)

### 27. Financial risk management

The Company's principal financial liabilities, comprises of trade and other payables. The Company's principal financial assets include trade receivables, and cash and bank balances and other balances that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk. Financial instruments affected by market risk include trade and other receivables/ payables. The Company is not exposed to foreign currency risk, interest rate risk and certain other price risk, which are a result from both its operating and investing activities as the Company's transactions are carried out in EUR and it does not hold any investments or financial instruments in currency other than EUR.

#### (b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

#### i) Cash and cash equivalents

Credit risk from balances with banks is managed in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components as at the Balance sheet date are the carrying amounts as furnished in Note 7. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings as signed by international and domestic credit rating agencies.

#### (c) Liquidity risk

As of 31 March 2018, the Company had a negative working capital of EUR 1.52 million including EUR 0.62 million of cash and cash equivalents of lakhs. As of 1 April 2017, the Company had a negative working capital of EUR 2.11 million including cash and cash equivalents of EUR 0.40 million. The Company has a liquidity risk as at the year end 31 March 2018 and 31 March 2017. However, the Company has internal control processes and contingency plans for managing liquidity risk.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments:

<b>As at 31 March 2018</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>More than 5 years</b>
Other financial liabilities			
Trade Payables	4,868,945	-	-
	<b>4,868,945</b>	-	-
<b>As at 1 April 2017</b>	<b>Less than 1 year</b>	<b>1 year to 5 years</b>	<b>More than 5 years</b>
Other financial liabilities			
Trade Payables	5,208,282	-	-
	<b>5,208,282</b>	-	-

### 28. Prior period comparatives

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

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For and on behalf of the Board of Directors of Wipro Technologies Austria GmbH

Sd/-

Director  
Elke Kueng

Place:

Date: 07.06.2018