



**& Associates**

Chartered Accountants

Prestige Khoday Towers,  
Level 6, #5 Rajbhavan Road,  
Bangalore 560001 India  
Tel.: +91 80 3041 0000

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Wipro Technologies Australia Pty Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Wipro Technologies Australia Pty Limited (the Company), which comprises of the Balance Sheet as at March 31, 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 significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Management of the Company is responsible for the matters stated as per Indian Accounting Standards (Ind AS) issued by Institute of Chartered Accountants (ICAI) with respect to 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. This responsibility also includes maintenance of adequate accounting records for safeguarding of 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

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the general guidelines issued by ICAI, the accounting and auditing standards and matters which are required to be included in the audit report.

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.

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 control 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



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reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss for the year ended on that date.

#### Other Matter

The comparative financial information for the year ended 31 March 2017 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued financial statement for the year ended 31 March 2017 prepared in accordance with Indian Accounting Standards (Ind AS) issued by the ICAI which was audited by the predecessor auditor whose report dated 02 June 2017 expressed unmodified opinion on that financial statements. Our opinion is not modified in respect of this matter.

#### Restriction on use

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors 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, for our audit work, for this report, or for the opinions we have formed.

For MSKA & Associates  
Chartered Accountants  
Firm Registration No. 105047W

SD

Deepak Rao  
Partner  
Membership No.113292

Place : Bangalore  
Date : June 22, 2018

Wipro Technologies Australia Pty Limited  
Balance Sheet As At 31st March 2018  
(Amount in AUD \$ unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	47,14,942	52,48,316
Capital work-in-progress		15,44,368	24,63,421
Other intangible assets	5	57,01,427	66,01,524
Non-current tax assets		2,314	1,34,214
Other non-current assets	7	-	29,317
<b>Total non-current assets</b>		<b>1,19,63,051</b>	<b>1,44,76,792</b>
<b>Current assets</b>			
Inventories (Traded Goods)		41,384	-
<b>Financial assets</b>			
Trade receivables	8	38,68,714	57,09,200
Cash and cash equivalents	9	53,61,545	8,60,996
Unbilled revenues		16,97,385	33,28,317
Other financial assets	6	59,71,051	5,07,135
Other current assets	7	1,19,750	1,35,002
<b>Total current assets</b>		<b>1,70,59,829</b>	<b>1,05,40,650</b>
<b>TOTAL ASSETS</b>		<b>2,90,22,880</b>	<b>2,50,17,442</b>
<b>EQUITY</b>			
Share capital	10	2	2
Other equity	11	(96,50,369)	(82,90,370)
<b>Total equity</b>		<b>(96,50,367)</b>	<b>(82,90,368)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	12	13,91,209	18,40,136
Employee benefit obligations	13	6,76,128	5,55,419
<b>Total non-current liabilities</b>		<b>20,67,337</b>	<b>23,95,555</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	12	2,40,19,974	2,22,63,185
Trade payables	14	12,04,481	24,70,774
Other financial liabilities	15	66,48,374	17,59,950
Unearned revenues		14,95,923	17,07,122
Other current liabilities	16	23,57,290	18,03,689
Employee benefit obligations	13	8,79,868	9,07,535
<b>Total current liabilities</b>		<b>3,66,05,910</b>	<b>3,09,12,255</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,90,22,880</b>	<b>2,50,17,442</b>

Summary of significant account policies 1-31

The accompanying notes are an integral part of these financial statements

As per our report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration No.:105047W

*SD*  
Deepak Rao  
Partner  
Membership No: 113292

*GD*  
Manoj Nagpaul  
Director

Place: Bangalore  
Date: June 22, 2018

Place: Bangalore  
Date: June 22, 2018

**Wipro Technologies Australia Pty Limited**  
**Statement Of Profit and Loss Account**  
(Amount in AUD \$ unless otherwise stated)

Notes	Year ended March 31, 2018	Year ended March 31, 2017
<b>REVENUE</b>		
Revenue from operations	2,38,21,923	2,97,49,823
Other income	3,68,762	2,50,713
<b>Total</b>	<b>2,41,90,685</b>	<b>3,00,00,536</b>
<b>EXPENSES</b>		
Employee benefits expense	68,90,170	69,91,463
Finance costs	9,99,060	5,73,842
Depreciation and amortisation expense	34,00,135	33,86,506
Other expenses	1,41,29,417	1,66,99,572
<b>Total Expenses</b>	<b>2,54,18,782</b>	<b>2,76,51,383</b>
<b>Profit before tax</b>	<b>(12,28,097)</b>	<b>23,49,153</b>
<b>Tax expense</b>		
Current tax	-	-
Tax for earlier years	1,31,902	-
Deferred tax	-	-
<b>Tax expense</b>	<b>1,31,902</b>	<b>-</b>
<b>Profit for the period</b>	<b>(13,59,999)</b>	<b>23,49,153</b>
<b>Other Comprehensive Income</b>		
Items that will be reclassified to statement of profit or loss (Net of tax)	-	-
Foreign currency translation differences	-	-
<b>Total Other Comprehensive Income for the period, net of tax</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>(13,59,999)</b>	<b>23,49,153</b>
<b>Earnings per equity share</b> (Equity shares of par value AUD.2 each)		
- Basic and diluted	(2,267)	3,915
Summary of significant account policies	1-31	

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Partner  
Membership No: 113292

Place: Bangalore  
Date: June 22, 2018

For and on behalf of the Board of Directors of  
Wipro Technologies Australia Pty Limited

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Manoj Nagpaul  
Director

Place: Bangalore  
Date: June 22, 2018

Wipro Technologies Australia Pty Limited  
Cash Flow Statement for the year ended 31st March 2018  
(Amount in AUD \$ unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax	(12,28,097)	23,90,704
Adjustments for:		
Depreciation and amortisation	34,00,135	34,46,405
Exchange differences, net	3,29,849	2,44,256
Interest on borrowings	7,34,994	5,64,355
Interest income	(2,25,108)	(94,127)
Bad debts written - off	-	7,489
Provision for Doubtful Debts	1,28,376	21,21,879
<b>Operating profit before working capital changes</b>	<b>31,40,149</b>	<b>86,80,961</b>
Trade receivables and unbilled revenue	32,87,378	(33,89,130)
Loans and advances and other assets	(51,36,387)	2,40,255
Liabilities and provisions	27,31,632	(1,05,81,929)
<b>Net cash generated/(used) from operations</b>	<b>40,22,772</b>	<b>(50,49,843)</b>
Income taxes paid	-	-
<b>Net cash generated/(used) by operating activities (A)</b>	<b>40,22,772</b>	<b>(50,49,843)</b>
<b>Cash flows from investing activities</b>		
Interest income received	32,664	49,336
Acquisition of Other Financial Asset, net	-	(4,71,313)
Acquisition of fixed assets (including Capital work in progress)	(10,47,610)	(4,96,259)
<b>Net cash (used in) investing activities (B)</b>	<b>(10,14,946)</b>	<b>(9,18,236)</b>
<b>Cash flows from financing activities</b>		
Loan Given	-	(21,21,878)
Proceeds from borrowings	14,92,723	45,13,731
<b>Net cash generated from financing activities (C)</b>	<b>14,92,723</b>	<b>23,91,853</b>
<b>Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)</b>	<b>45,00,549</b>	<b>(35,76,226)</b>
Effect of exchange rate on cash balance	-	(90,805)
Cash and cash equivalents as at the beginning of the year	8,60,996	45,28,027
<b>Cash and cash equivalents as at the end of the year (refer note 9)</b>	<b>53,61,545</b>	<b>8,60,996</b>

See accompanying notes to the financial statements 1-31

The accompanying notes are an integral part of these financial statements

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For and on behalf of the Board of Directors of  
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Manoj Nagpaul  
Director

Place: Bangalore  
Date: June 22, 2018

Wipro Technologies Australia Pty Limited  
Statement of Changes in Equity for the year ended 31st March 2018  
(Amount in AUD \$ unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as of April 1, 2018	Changes during the Period	Balance as of March 31, 2018
2	0	2

Balance as of April 1, 2017	Changes during the Period	Balance as of March 31, 2017
2	0	2

B. OTHER EQUITY

Particulars	Capital Reserve	Retained Earnings	Total other equity
Balance as at April 1, 2017	35,54,557	(1,18,44,927)	(82,90,370)
<b>Total Comprehensive income for the period</b>			
Profit for the period	-	(13,59,999)	(13,59,999)
Other comprehensive income for the period	-	-	-
	-	(13,59,999)	(13,59,999)
<b>Balance as at March 31, 2018</b>	<b>35,54,557</b>	<b>(1,32,04,926)</b>	<b>(96,50,369)</b>

Particulars	Capital Reserve	Retained Earnings	Total other equity
Balance as at April 1, 2016	35,54,557	(1,41,94,080)	(1,06,39,523)
<b>Total Comprehensive income for the period</b>			
Profit for the period	-	23,49,153	23,49,153
Other comprehensive income for the period	-	-	-
	-	23,49,153	23,49,153
<b>Balance as at March 31, 2017</b>	<b>35,54,557</b>	<b>(1,18,44,927)</b>	<b>(82,90,370)</b>

Summary of significant account policies

1-31

The accompanying notes are an integral part of these financial statements

As per our report of even date  
For MSKA & Associates  
Chartered Accountants  
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Membership No: 113292

Place: Bangalore  
Date: June 22, 2018

For and on behalf of the Board of Directors of  
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Manoj Nagpaul  
Director

Place: Bangalore  
Date: June 22, 2018

**Wipro Technologies Australia Pty Limited**  
**Notes forming part of the Financial Statements for the year ended 31 March 2018**  
**(Amount in AUD \$ unless otherwise stated)**

**1 General Information**

Wipro Technologies Australia Pty Ltd ("the Company") is a subsidiary of Wipro Cyprus Private Limited, incorporated and domiciled in Australia. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

**2 Significant accounting policies**

**2.1 Basis of preparation of financial statements**

**(i) 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. Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

**(ii) Basis of Measurement**

These financial statements have been prepared on a historical cost convention and on an accrual basis.

**(iii) Use of estimates and judgement**

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.

**2.2 Financial Instruments**

**Non-derivative financial instruments:**

**Non derivative financial instruments consist of:**

- financial assets, which includes cash and cash equivalents, trade receivables and eligible current and non current asset;
- financial liabilities, which includes trade payables, eligible current and non current liabilities.

These financial instruments are recognised initially at fair value. Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset has been transferred. In cases where substantial risks and rewards of ownership of the financial asset are neither transferred or retained, financial asset are de-recognised 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:

**A. Cash and cash equivalent**

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

**B. 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 and other assets

**C. Trade and Other Payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortised 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

### 2.3 Revenue recognition

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

#### Services:

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

#### A Time and material contracts

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

#### B Fixed-price contracts

Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total

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

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

#### C Maintenance Contracts

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

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

#### D Others

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs. Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term.

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

#### E 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.

#### Other Income

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



Wipro Technologies Australia Pty Limited  
Notes forming part of the Financial Statements for the year ended 31 March 2018  
(Amount in AUD \$ unless otherwise stated)

**2.4 Property, plant and equipment**

**A 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.

**B 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
Buildings	28 to 40 years
Plant and machinery	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 years

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

The cost of property, plant and equipment not available for use before each reporting date are disclosed under capital work-in-progress. Deposits & advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.

**2.5 Intangible assets**

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

The estimated useful life of amortizable intangibles are reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortizable intangible assets for the current and comparative periods are as follows:

Category	Useful life
Customer related intangibles	5 to 10 years
Marketing related intangibles	3 to 10 years

**2.6 Foreign currency transactions and translations**

**Functional currency**

The functional currency of the Company is Australian Dollar. These financial statements are presented in Australian Dollar.

**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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## 2.7 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 carried out by independent actuary using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss account.

### Pension and social contribution

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

## 2.8 Taxes

### Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.9 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.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Wipro Technologies Australia Pty Limited  
Notes forming part of the Financial Statements for the year ended 31 March 2018  
(Amount in AUD \$ unless otherwise stated)

**2.10 Cash flow statement**

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

**2.11 Cash and cash equivalents**

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

**2.12 Equity and share capital**

**(a) Share capital**

The authorized share capital of the Company as of March 31, 2018 is AUD \$ 2 divided into 600 (31 March 2017: 600) equity shares of AUD 0.003 par value.

The voting right of an equity share holder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity. Voting right cannot be exercised in respect of shares on which any call or other sums presentably payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

**(b) Retained earnings**

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

**2.13 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.

**2.14 Provisions and contingent liabilities**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only 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 arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**2.15 Impairment of non-financial assets**

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets.

Wipro Technologies Australia Pty Limited  
Notes forming part of the Financial Statements for the year ended 31 March 2018  
(Amount in AUD \$ unless otherwise stated)

**2.16 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

**3 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements requires management to make judgments, 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 years.

**3.1 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates 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.

**(a) Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

**(b) Defined benefit plans - leave encashment**

The cost of the defined benefit plans such as leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary etc. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

**4 Standards (including amendments) issued but not yet effective**

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

**(a) 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 Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

**(b) Ind AS 115- Revenue from Contract with Customers**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

(i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company is currently evaluating the requirements of amendments. The Company believe that the adoption of this amendment will not have a material effect on its financial statements.

**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
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**Note 5 Property, plant and equipment**

Particulars	Building	Plant & machinery*	Furniture & fixture	Vehicle	Office equipment	Total
<b>Gross block</b>						
Balance as at 01 April 2016	46,298	1,71,74,184	36,076	30,170	62,476	1,73,49,204
Additions during the year	-	20,13,533	-	-	1,709	20,15,242
Disposals during the year	-	(305)	-	-	-	(305)
Translation adjustment						-
<b>Balance as at 31 March 2017</b>	<b>46,298</b>	<b>1,91,87,412</b>	<b>36,076</b>	<b>30,170</b>	<b>64,185</b>	<b>1,93,64,141</b>
Additions during the year	-	19,66,664	-	-	-	19,66,664
Disposals during the year	-	-	-	-	-	-
Translation adjustment						-
<b>Balance as at 31 March 2018</b>	<b>46,298</b>	<b>2,11,54,076</b>	<b>36,076</b>	<b>30,170</b>	<b>64,185</b>	<b>2,13,30,805</b>
<b>Accumulated depreciation</b>						
Balance as at 01 April 2016	20,929	1,14,94,825	32,521	21,396	57,948	1,16,27,619
Charge for the year	4,634	24,70,948	3,196	7,241	2,187	24,88,206
Disposals/Adjustment	-	-	-	-	-	-
Translation adjustment						-
<b>Balance as at 31 March 2017</b>	<b>25,563</b>	<b>1,39,65,773</b>	<b>35,717</b>	<b>28,637</b>	<b>60,135</b>	<b>1,41,15,825</b>
Charge for the year	4,634	24,92,337	359	1,533	1,175	25,00,038
Disposals/Adjustment	-	-	-	-	-	-
Translation adjustment						-
<b>Balance as at 31 March 2018</b>	<b>30,197</b>	<b>1,64,58,110</b>	<b>36,076</b>	<b>30,170</b>	<b>61,310</b>	<b>1,66,15,863</b>
<b>Net block</b>						
Balance as at 01 April 2016	25,369	56,79,359	3,555	8,774	4,528	57,21,585
Balance as at 31 March 2017	20,735	52,21,639	359	1,533	4,050	52,48,316
Balance as at 31 March 2018	16,101	46,95,966	-	-	2,875	47,14,942

\* Includes net carrying value of software amounting \$ 2,671,158 as at March 31,2018 ( March 31, 2017 \$ 2,797,970)

**Note 5 Other intangible assets**

Particulars	Logo	Customer contracts	Total
<b>Gross block</b>			
Balance as at 01 April 2016	1,725	90,00,961	90,02,686
Additions during the year	-	-	-
Disposals during the year	-	-	-
Translation adjustment			-
<b>Balance as at 31 March 2017</b>	<b>1,725</b>	<b>90,00,961</b>	<b>90,02,686</b>
Additions during the year	-	-	-
Disposals during the year	-	-	-
Translation adjustment			-
<b>Balance as at 31 March 2018</b>	<b>1,725</b>	<b>90,00,961</b>	<b>90,02,686</b>
<b>Accumulated amortisation</b>			
Balance as at 01 April 2016	1,725	14,99,340	15,01,065
Charge for the year	-	9,00,097	9,00,097
Disposals/Adjustment	-	-	-
Translation adjustment			-
<b>Balance as at 31 March 2017</b>	<b>1,725</b>	<b>23,99,437</b>	<b>24,01,162</b>
Charge for the year	-	9,00,097	9,00,097
Disposals/Adjustment	-	-	-
Translation adjustment			-
<b>Balance as at 31 March 2018</b>	<b>1,725</b>	<b>32,99,534</b>	<b>33,01,259</b>
<b>Net block</b>			
Balance as at 01 April 2016	-	75,01,621	75,01,621
Balance as at 31 March 2017	-	66,01,524	66,01,524
Balance as at 31 March 2018	-	57,01,427	57,01,427

**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
(Amount in AUD \$ unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
<b>Note 6 Other Financial Assets</b>		
<b>Current</b>		
Interest receivable	6,85,632	5,07,135
Deposits and other advances received (Escrow account)	52,85,419	-
	<u>59,71,051</u>	<u>5,07,135</u>
<b>Note 7 Other Assets</b>		
<b>Non-current</b>		
Prepaid expenses	-	29,317
	<u>-</u>	<u>29,317</u>
<b>Current</b>		
Prepaid expenses	1,19,750	1,35,002
	<u>1,19,750</u>	<u>1,35,002</u>
<b>Note 8 Trade Receivable</b>		
<b>Unsecured:</b>		
Considered good	38,68,714	57,09,200
Considered doubtful	2,21,642	7,359
Less: Provision for doubtful receivables	(2,21,642)	(7,359)
	<u>38,68,714</u>	<u>57,09,200</u>
Trade Receivables with Group Companies		
Further classified as:		
Receivable from related parties	9,10,924	14,86,487
Receivable from others	29,57,790	42,22,713
	<u>38,68,714</u>	<u>57,09,200</u>
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.		
<b>Note 9 Cash and cash equivalent</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
In current accounts	53,61,545	8,60,996
Cash in Hand	-	-
	<u>53,61,545</u>	<u>8,60,996</u>

**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
(Amount in AUD \$ unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
<b>Note 12 Borrowings</b>		
<b>Non Current</b>		
<b>Unsecured:</b>		
Term loan:		
Others *	18,40,137	23,38,211
Less: Current Maturities disclosed under Other Financial Liabilities	(4,48,928)	(4,98,075)
	<u>13,91,209</u>	<u>18,40,136</u>
<b>Current</b>		
<b>Unsecured:</b>		
Loan from Related Parties	2,40,19,974	2,22,63,185
	<u>2,40,19,974</u>	<u>2,22,63,185</u>
* The Term loan is repayable in 60 monthly installments with final repayment date on Jan-22 carrying an interest rate of 4.65%.		
* Loan from Related party is repayable on demand and at a prevailing Libor rate +200 basis points.		
<b>Note 13 Employee benefit obligations</b>		
<b>Non Current</b>		
Employee benefit obligations	6,76,128	5,55,419
	<u>6,76,128</u>	<u>5,55,419</u>
<b>Current</b>		
Employee benefit obligations	8,79,868	9,07,535
	<u>8,79,868</u>	<u>9,07,535</u>
<b>Note 14 Trade payables</b>		
Trade Payable	2,65,003	1,23,890
Payable to group companies	9,39,478	23,46,884
	<u>12,04,481</u>	<u>24,70,774</u>
<b>Note 15 Other Financial Liabilities</b>		
<b>Current</b>		
Current Maturities of Non Current Borrowing (refer note 12)	4,48,928	4,98,075
Interest accrued but not due on borrowings	9,49,446	12,61,875
Deferred consideration payable	52,50,000	-
	<u>66,48,374</u>	<u>17,59,950</u>
<b>Note 16 Other Liabilities</b>		
<b>Non-current</b>		
<b>Current</b>		
Statutory liabilities	4,82,425	4,06,394
Accrued expenses	15,59,198	6,23,882
Balances due to related parties	3,15,667	7,73,413
	<u>23,57,290</u>	<u>18,03,689</u>

**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(Amount in AUD \$ unless otherwise stated)**

	As at March 31, 2018	As at March 31, 2017
<b>Note 10 Share Capital</b>		
<b>I. Authorized capital</b>		
600 (31 March 2017: 600) equity shares of AUD 0.003 par value	2	2
	2	2
<b>II. Issued, subscribed and fully paid-up capital</b>		
600 (31 March 2017: 600) equity shares of AUD 0.003 par value	2	2
	2	2
<b>a) Reconciliation of issued, subscribed and paid-up capital</b>		
<b>Equity share capital</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
	No. of shares	Amount
	No. of shares	Amount
Balance at the beginning and end of the year	600	2
	600	2
<b>b) Shareholding pattern</b>		
	<b>31 March 2018</b>	<b>31 March 2017</b>
	No. of shares	Amount
	No. of shares	Amount
Name of the Shareholder		
Wipro Cyprus Private Limited	600	100%
	600	100%
	600	100%
<b>Note 11 Other equity</b>		
<b>Retained Earnings</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
Balance from Previous year	(1,18,44,927)	(1,41,94,080)
Profit/(loss) for the year	(13,59,999)	23,49,153
	(1,32,04,926)	(1,18,44,927)
<b>Capital Reserve</b>		
Balance from Previous year	35,54,557	35,54,557
Additions during the year	-	-
	35,54,557	35,54,557
<b>Total other equity</b>	<b>(96,50,369)</b>	<b>(82,90,370)</b>



**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
**(Amount in AUD \$ unless otherwise stated)**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Note 17 Revenue from Operations</b>		
Sale of services	2,38,21,923	2,97,49,823
Revenue from operations	<u>2,38,21,923</u>	<u>2,97,49,823</u>
<b>Note 18 Other Income</b>		
Interest income	2,25,108	92,491
Others	1,43,654	1,58,222
	<u>3,68,762</u>	<u>2,50,713</u>
<b>Note 19 Employee benefits expense</b>		
Salaries, wages, bonus and other allowances	68,55,391	69,45,433
Staff welfare expenses	34,779	46,030
	<u>68,90,170</u>	<u>69,91,463</u>
<b>Note 20 Finance costs</b>		
Interest Cost	7,34,994	5,54,547
Exchange difference on borrowings	2,64,066	19,295
	<u>9,99,060</u>	<u>5,73,842</u>
<b>Note 21 Other expenses</b>		
Sub contracting / technical fees / third party application	1,07,57,434	1,08,88,775
Travel	1,45,929	1,84,210
Repairs and Maintenance	7,94,288	7,21,698
Other exchange differences, net	481	4,40,787
Rent	6,60,792	9,13,102
Bad debts written - off	1,28,376	20,85,000
Power and fuel	4,17,737	1,69,627
Communication	7,65,517	7,82,924
Advertisement and sales promotion	983	1,11,617
Legal and professional charges	1,64,879	1,79,488
Insurance	40,849	28,490
Rates and taxes	10,861	17,418
Auditors' remuneration	27,542	2,250
Miscellaneous expenses	2,03,317	1,74,186
	<u>1,41,29,417</u>	<u>1,66,99,572</u>

**Wipro Technologies Australia Pty Limited**  
**Summary of significant accounting policies and other explanatory information**  
(Amount in AUD \$ unless otherwise stated)

**Note 22 leases**

(A) The Company has taken on lease, office and residential facilities under cancellable and non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee.

	Year ended March 31, 2018	Year ended March 31, 2017
Not later than one year	3,32,379	3,32,379
Later than one year and less than five years	5,81,664	9,14,043
Later than 5 years	-	-
	9,14,043	12,46,422

**Note 23 Earning per share (EPS)**

Basic earnings / (loss) per share amounts are calculated by dividing the profit / (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit / (loss) attributable to equity holders 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.

	Year ended March 31, 2018	Year ended March 31, 2017
Net profit after tax attributable to the equity shareholders	(13,59,999)	23,49,153
Weighted average number of equity shares - for basic and diluted EPS	600	600
Earnings per share - Basic and diluted	(2,267)	3,915
Nominal value per share (in AUD)	0.003	0.003

**Note 24 Related party disclosure**

**i) Related Party**

Nature of relationship	Name of the related party
Ultimate Holding Company	Wipro Limited
Holding Company	Wipro Cyprus Private Limited
Fellow Subsidiary	Wipro Promax Americas LLC
Fellow Subsidiary	Wipro Solutions Canada Limited
Fellow Subsidiary	Wipro LLC
Fellow Subsidiary	Wipro Travel Services Limited
Fellow Subsidiary	Wipro Outsourcing Services (Ireland) Limited

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

Particulars	Relationship	Year ended March 31, 2018	Year ended March 31, 2017
<b>Purchase of services</b>			
Wipro Promax Americas LLC	Fellow Subsidiary	-	1,26,916
Wipro Limited	Ultimate Holding Company	83,15,787	92,40,324
Wipro Solutions Canada Limited	Fellow Subsidiary	1,248	994
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding Company	24,84,394	21,82,786
Wipro LLC	Fellow Subsidiary	12,64,207	15,57,768
Wipro Promax Americas LLC	Fellow Subsidiary	6,001	10,37,320
<b>Commission Income</b>			
Wipro Limited	Holding Company	31,834	-
<b>Commission Expense</b>			
Wipro Limited	Holding Company	1,28,795	1,28,795
<b>Interest expense</b>			
Wipro Cyprus Private Limited	Holding Company	5,45,106	5,35,285
Wipro Holdings Hungary Private Limited	Fellow Subsidiary	47,300	-
Wipro Outsourcing Services (Ireland) Limited	Fellow Subsidiary	46,120	1,268

Wipro Technologies Australia Pty Limited  
Summary of significant accounting policies and other explanatory information  
(Amount in AUD \$ unless otherwise stated)

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

Particulars	Relationship	As at	As at
		March 31, 2018	March 31, 2017
Wipro LLC	Fellow Subsidiary	3,21,106	3,74,256
Wipro Corporate	Fellow Subsidiary	1,64,011.80	1,86,069
Wipro Promax Americas LLC	Fellow Subsidiary	12,210	24,517
Wipro Solutions Canada Limited	Fellow Subsidiary	248	183
Wipro Travel Services Limited	Fellow Subsidiary	83,127	2,351
Wipro Limited	Ultimate Holding Company	2,85,513	18,43,979
Wipro Holdings Hungary Limited	Fellow Subsidiary	11,36,702	-
Wipro Cyprus Private Limited	Holding Company	2,05,35,986	2,13,92,760
Wipro Outsourcing Services (Ireland) Limited	Fellow Subsidiary	15,43,151	21,14,292

Note 25 Income tax Expense

	Year ended March 31, 2018	Year ended March 31, 2017
Deferred taxes	-	-
Income tax expense		
- Current tax taxes	-	-
- Adjustments in respect of current income tax of previous year	1,31,902	-
- Deferred tax charge / (income)	-	-
Income tax expense reported in the statement of profit or loss	1,31,902	-

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 March 31, 2018	Year ended March 31, 2017
Profit / (loss) before income tax	(12,28,097)	23,49,153
Enacted tax rates in the Australia (%)	30%	30%
Computed expected tax expense	-	7,04,746
Tax effect on bad debts written - off	-	6,25,500
Tax effect on brought forward unadjusted losses from previous year	-	(13,30,246)
Tax effect on income tax relating to earlier years	-	-
Tax expense as per financials	-	-

In view of carry forward losses under tax laws, no deferred tax asset is recognised as at 31 March 2018 (31 March 2017 on account of lack of reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized).

**Wipro Technologies Australia Pty Limited**  
**Notes forming part of the Financial Statements for the year ended 31 March 2018**  
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**26 Fair values of financial assets and financial liabilities**

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

**27 Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
  - Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
- No financial assets/liabilities have been valued using level 1, level 2 and level 3 fair value measurements.

**28 Financial risk management objectives and policies**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

**(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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase / decrease in basis points	Effect on profit before tax
<b>2018</b>		
AUD	100	41,751
AUD	100	(41,751)
<b>2017</b>		
AUD	100	1,41,429
AUD	100	(1,41,429)

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in Currency rate	Effect on profit before tax
<b>2018</b>		
	+1	2,01,430
	-1	(2,01,430)
<b>2017</b>		
	-1	1,96,800
	1	(1,96,800)

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. (For example: The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarizes the maturity profile of the Company's financial liabilities:

2018	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Short term borrowings	-	-	-	-	-
Long-term borrowings	1,10,286	2,43,58,616	13,91,209	-	2,58,60,111
Trade payables	-	12,04,481	-	-	12,04,481
Other financial liability	-	1,09,32,527	6,76,128	-	1,16,08,655
	1,10,286	3,64,95,624	20,67,337	-	3,86,73,247
<b>2017</b>					
Short term borrowings	-	-	-	-	-
Long-term borrowings	1,05,283	2,25,86,465	18,40,137	-	2,45,31,885
Trade payables	-	24,70,774	-	-	24,70,774
Other financial liability	-	57,49,732	5,55,419	-	63,05,151
	1,05,283	3,08,06,971	23,95,556	-	3,33,07,810

29 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of current borrowing from ultimate holding Company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.


		2018	2017
Equity		(96,50,367)	(82,90,368)
Convertible preference share		-	-
Total equity	(i)	(96,50,367)	(82,90,368)
Borrowings other than convertible preference shares		2,54,11,183	2,41,03,321
Less: cash and cash equivalents		(53,61,545)	(8,60,996)
Total debt	(ii)	2,00,49,638	2,32,42,325
Overall financing	(iii) = (i) + (ii)	1,03,99,271	1,49,51,957
Gearing ratio	(ii) / (iii)	1.9	1.6

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018, 31 March 2017

30 Capital commitments : as at March 31, 2018, March 31, 2017 the Company had committed to spend approximately \$ 832,013 and Nil respectively, under agreements to purchase equipments.

31 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS.

As per our report of even date  
For MSKA & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

  
Deepak Rao  
Partner  
Membership No: 113292

Place: Bangalore  
Date: June 22, 2018

For and on behalf of the Board of Directors of  
Wipro Technologies Australia Pty Limited

  
Manoj Nagpaul  
Director

Place: Bangalore  
Date: June 22, 2018

