

WIPRO LIMITED AND SUBSIDIARIES

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL
STATEMENTS UNDER IFRS**

AS OF AND FOR THE THREE MONTHS ENDED JUNE 30, 2014

WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	As of March 31,		As of June 30,	
		2014	2014	2014	2014
					Convenience translation into US\$ in millions (Unaudited) Refer note 2 (iv)
ASSETS					
Goodwill.....	5	63,422	63,707		1,061
Intangible assets.....	5	1,936	1,801		30
Property, plant and equipment.....	4	51,449	52,038		866
Derivative assets.....	13	286	334		6
Available for sale investments.....	7	2,676	3,006		50
Non-current tax assets.....		10,192	10,122		169
Deferred tax assets.....		3,362	3,578		60
Other non-current assets.....	10	14,295	13,651		227
Total non-current assets.....		147,618	148,237		2,468
Inventories.....	8	2,293	2,378		40
Trade receivables.....		85,392	86,184		1,435
Other current assets.....	10	39,474	55,644		926
Unbilled revenues.....		39,334	41,680		694
Available for sale investments.....	7	60,557	96,617		1,609
Current tax assets.....		9,774	11,513		192
Derivative assets.....	13	3,661	1,938		32
Cash and cash equivalents.....	9	114,201	82,116		1,367
Total current assets.....		354,686	378,070		6,295
TOTAL ASSETS.....		502,304	526,307		8,763
EQUITY					
Share capital.....		4,932	4,934		82
Share premium.....		12,664	12,893		215
Retained earnings.....		314,952	335,953		5,594
Share based payment reserve.....		1,021	1,145		19
Other components of equity.....		10,472	11,264		188
Shares held by controlled trust.....		(542)	(542)		(9)
Equity attributable to the equity holders of the company.....		343,499	365,647		6,088
Non-controlling interest.....		1,387	1,220		20
Total equity.....		344,886	366,867		6,108
LIABILITIES					
Long - term loans and borrowings.....	11	10,909	10,811		180
Deferred tax liabilities.....		1,796	1,888		31
Derivative liabilities.....	13	629	542		9
Non-current tax liability.....		3,448	3,029		50
Other non-current liabilities.....	12	4,174	4,375		73
Provisions.....	12	6	6		-
Total non-current liabilities.....		20,962	20,651		344
Loans and borrowings and bank overdrafts.....	11	40,683	36,390		606
Trade payables and accrued expenses.....		52,256	56,980		949
Unearned revenues.....		12,767	12,947		216
Current tax liabilities.....		12,482	15,065		251
Derivative liabilities.....	13	2,504	2,818		47
Other current liabilities.....	12	14,394	13,220		220
Provisions.....	12	1,370	1,369		23
Total current liabilities.....		136,456	138,789		2,311
TOTAL LIABILITIES.....		157,418	159,440		2,655
TOTAL EQUITY AND LIABILITIES.....		502,304	526,307		8,763

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached For and on behalf of the Board of Directors

for BSR & Co. LLP
Chartered Accountants
Firm's Registration No: W-100022

Azim Premji
Chairman

N Vaghul
Director

Supreet Sachdev
Partner
Membership No. 205385
Bangalore
July 24, 2014

Suresh C Senapaty
Executive Director
& Chief Financial Officer

T K Kurien
Executive Director
& Chief Executive Officer

V Ramachandran
Company Secretary

WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF INCOME
(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	Three months ended June 30,		
		2013	2014	2014
				Convenience translation into US \$ in millions (Unaudited) Refer note 2 (iv)
Gross revenues.....	17	97,294	111,358	1,854
Cost of revenues.....	18	(67,217)	(74,941)	(1,248)
Gross profit.....		30,077	36,417	606
Selling and marketing expenses.....	18	(6,860)	(7,557)	(126)
General and administrative expenses.....	18	(5,567)	(6,187)	(103)
Foreign exchange gains/(losses), net.....		52	1,098	18
Results from operating activities.....		17,702	23,771	396
Finance expenses.....	19	(495)	(888)	(15)
Finance and other income.....	20	3,361	4,239	71
Profit before tax.....		20,568	27,122	452
Income tax expense.....	16	(4,251)	(5,942)	(99)
Profit for the period.....		16,317	21,180	353
Profit attributable to:				
Equity holders of the company.....		16,233	21,032	351
Non-controlling interest.....		84	148	2
		<u>16,317</u>	<u>21,180</u>	<u>353</u>
Earnings per equity share:	21			
Basic.....		6.61	8.57	0.14
Diluted.....		6.60	8.54	0.14
Weighted average number of equity shares used in computing earnings per equity share:				
Basic.....		2,454,805,910	2,455,543,231	2,455,543,231
Diluted.....		2,461,082,401	2,462,939,809	2,462,939,809

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WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
(₹ in millions, except share and per share data, unless otherwise stated)

	Notes	Three months ended June 30,		
		2013	2014	2014
				Convenience Translation into US \$ in millions (Unaudited) Refer note 2(iv)
Profit for the period.....		16,317	21,180	353
Items that will not be reclassified to profit or loss				
Defined benefit plan actuarial gains/(losses).....		(69)	(50)	(1)
		<u>(69)</u>	<u>(50)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences.....	15	4,052	832	14
Net change in fair value of cash flow hedges.....	13,16	(3,565)	(249)	(4)
Net change in fair value of available for sale investments.....	7, 16	128	259	4
		<u>615</u>	<u>842</u>	<u>14</u>
Total other comprehensive income, net of taxes.....		546	792	13
Total comprehensive income for the period.....		<u>16,863</u>	<u>21,972</u>	<u>366</u>
Attributable to:				
Equity holders of the company.....		16,683	21,825	364
Non-controlling interest.....		180	147	2
		<u>16,863</u>	<u>21,972</u>	<u>366</u>

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WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(₹ in millions, except share and per share data, unless otherwise stated)

Particulars	No. of Shares	Share Capital	Share premium	Retained earnings	Share based payment reserve	Other components of equity				Shares held by controlled trust *	Equity attributable to the equity holders of the company	Non-controlling Interest	Total equity
						Foreign currency translation reserve	Cash flow hedging reserve	Other reserves					
As at April 1, 2013.....	2,462,934,730	4,926	11,760	259,178	1,316	5,470	1,489	215	(542)	283,812	1,171	284,983	
Total comprehensive income for the period													
Profit for the period.....	-	-	-	16,233	-	-	-	-	-	16,233	84	16,317	
Other comprehensive income.....	-	-	-	-	-	3,956	(3,565)	59	-	450	96	546	
Total comprehensive income for the period.....	-	-	-	16,233	-	3,956	(3,565)	59	-	16,683	180	16,863	
Transaction with owners of the company, recognized directly in equity													
Contributions by and distributions to owners of the Company													
Issue of equity shares on exercise of options	1,180,469	2	289	-	(289)	-	-	-	-	2	-	2	
Dividend.....	-	-	-	-	-	-	-	-	-	-	(326)	(326)	
Compensation cost related to employee share based payment transactions.....	-	-	-	(11)	76	-	-	-	-	65	-	65	
Effect of demerger of diversified business.....	-	-	-	209	-	-	-	-	-	209	-	209	
Total transactions with owners of the company.....	1,180,469	2	289	198	(213)	-	-	-	-	276	(326)	(50)	
As at Jun 30, 2013.....	2,464,115,199	4,928	12,049	275,609	1,103	9,426	(2,076)	274	(542)	300,771	1,025	301,796	

WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(₹ in millions, except share and per share data, unless otherwise stated)

Particulars	No. of Shares	Share Capital	Share premium	Retained earnings	Share based payment reserve	Other components of equity			Shares held by controlled trust *	Equity attributable to the equity holders of the company	Non-controlling Interest	Total equity
						Foreign currency translation reserve	Cash flow hedging reserve	Other reserves				
As at April 1, 2014.....	2,466,317,273	4,932	12,664	314,952	1,021	10,060	499	(87)	(542)	343,499	1,387	344,886
Total comprehensive income for the period												
Profit for the period.....	-	-	-	21,032	-	-	-	-	-	21,032	148	21,180
Other comprehensive income.....	-	-	-	-	-	832	(249)	209	-	792	(1)	791
Total comprehensive income for the period	-	-	-	21,032	-	832	(249)	209	-	21,824	147	21,971
Transaction with owners of the company, recognized directly in equity												
Contributions by and distributions to owners of the Company												
Issue of equity shares on exercise of options	918,275	2	229	-	(229)	-	-	-	-	2	-	2
Dividends.....	-	-	-	-	-	-	-	-	-	-	(314)	(314)
Compensation cost related to employee share based payment transactions.....	-	-	-	(31)	353	-	-	-	-	322	-	322
	918,275	2	229	(31)	124	-	-	-	-	324	(314)	10
As at June 30, 2014.....	2,467,235,548	4,934	12,893	335,953	1,145	10,892	250	122	(542)	365,647	1,220	366,867
Convenience translation into US \$ in million (Unaudited) Refer note 2(iv)		82	215	5,594	19	181	4	2	(9)	6,088	20	6,108

* Represents 16,640,212 treasury shares as of March 31, 2014 and June 30, 2014, respectively.

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

for **BSR & Co. LLP**
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WIPRO LIMITED AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(₹ in millions, except share and per share data, unless otherwise stated)

	Three months ended June 30,		
	2013	2014	2014
			Convenience Translation into US\$ in millions (Unaudited) Refer note 2(iv)
Cash flows from operating activities:			
Profit for the period.....	16,317	21,180	353
Adjustments:			
Gain on sale of property, plant and equipment and intangible assets, net.....	(1)	(2)	-
Depreciation and amortization.....	2,502	2,834	47
Exchange loss, net.....	1,615	2,099	35
Gain on sale of investments, net.....	(187)	(898)	(15)
Share based compensation expense.....	76	322	5
Income tax expense.....	4,251	5,942	99
Dividend and interest income, net.....	(2,998)	(3,140)	(53)
Changes in operating assets and liabilities:			
Trade receivables.....	1,576	(789)	(13)
Unbilled revenue.....	(5,546)	(2,346)	(39)
Inventories.....	(254)	(85)	(1)
Other assets.....	(4,067)	(2,043)	(34)
Trade payables, accrued expenses and other liabilities and provision.....	2,131	3,824	64
Unearned revenue.....	584	181	3
Cash generated from operating activities before taxes.....	15,999	27,079	451
Income taxes paid, net.....	(3,948)	(5,415)	(90)
Net cash generated from operating activities.....	12,051	21,664	361
Cash flows from investing activities:			
Purchase of property, plant and equipment.....	(2,552)	(3,271)	(54)
Proceeds from sale of property, plant and equipment.....	98	50	1
Purchase of available for sale investments.....	(109,753)	(158,301)	(2,636)
Proceeds from sale of available for sale investments.....	116,088	122,796	2,045
Investment in inter-corporate deposits.....	(905)	(13,000)	(217)
Refund of inter-corporate deposits.....	690	-	-
Payment for deferred consideration in respect of business acquisition.....	-	(243)	(4)
Impact of net investment hedging activities, net.....	(4,299)	-	-
Interest received.....	2,052	3,214	54
Dividend received.....	50	109	2
Net cash generated from / (used in) investing activities.....	1,469	(48,646)	(810)
Cash flows from financing activities:			
Proceeds from issuance of equity shares/shares pending allotment.....	2	2	-
Repayment of loans and borrowings.....	(39,207)	(32,960)	(549)
Proceeds from loans and borrowings.....	30,108	28,124	468
Interest paid on loans and borrowings.....	(235)	(254)	(4)
Payment of cash dividend (including dividend tax thereon).....	-	(314)	(5)
Net cash used in financing activities.....	(9,332)	(5,402)	(90)
Net increase in cash and cash equivalents during the period.....	4,188	(32,384)	(539)
Effect of exchange rate changes on cash and cash equivalents.....	1,730	299	5
Cash and cash equivalents at the beginning of the period.....	84,120	114,201	1,901
Cash and cash equivalents at the end of the period (Note 9).....	90,038	82,116	1,367

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Bangalore
July 24, 2014

WIPRO LIMITED AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(₹ in millions, except share and per share data, unless otherwise stated)

1. The Company overview:

Wipro Limited (“Wipro” or the “Parent Company”), together with its subsidiaries (collectively, “the Company” or the “Group”) is a leading India based provider of IT Services, including Business Process Outsourcing (“BPO”) services and IT products, globally.

Wipro is a public limited company incorporated and domiciled in India. The address of its registered office is Wipro Limited, Doddakannelli, Sarjapur Road, Bangalore - 560 035, Karnataka, India. Wipro has its primary listing with Bombay Stock Exchange and National Stock Exchange in India. The Company's American Depository Shares representing equity shares are also listed on the New York Stock Exchange. These condensed consolidated interim financial statements were authorized for issue by the Company’s Board of Directors on July 24, 2014.

2. Basis of preparation of financial statements

(i) Statement of compliance:

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual consolidated financial statements as at and for the year ended March 31, 2014. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS.

(ii) Basis of preparation

These condensed consolidated interim financial statements are prepared in accordance with *International Accounting Standard (IAS) 34, “Interim Financial Reporting”*.

The condensed consolidated interim financial statements correspond to the classification provisions contained in *IAS 1(revised), “Presentation of Financial Statements”*. For clarity, various items are aggregated in the statements of income and statements of financial position. These items are disaggregated separately in the Notes, where applicable. The accounting policies have been consistently applied to all periods presented in these condensed consolidated interim financial statements.

All amounts included in the condensed consolidated interim financial statements are reported in millions of Indian rupees (₹ in millions) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(iii) Basis of measurement

The condensed consolidated interim financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant IFRS:

- a. Derivative financial instruments;
- b. Available-for-sale financial assets; and
- c. The defined benefit asset is recognised as plan assets, less the present value of the defined benefit obligation.

(iv) Convenience translation (unaudited)

The accompanying condensed consolidated interim financial statements have been prepared and reported in Indian rupees, the national currency of India. Solely for the convenience of the readers, the condensed consolidated interim financial statements as of and for the three months ended June 30, 2014, have been translated into United States dollars at the certified foreign exchange rate of \$ 1 = ₹60.06, as published by Federal Reserve Board of Governors on June 30, 2014. No representation is made that the Indian rupee amounts have been, could have been or could be converted into United States dollars at such a rate or any other rate.

(v) **Use of estimates and judgment**

The preparation of the condensed consolidated interim financial statements in conformity with IFRSs 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. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements is included in the following notes:

- a) **Revenue recognition:** The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.
- b) **Goodwill:** Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- c) **Income taxes:** The major tax jurisdictions for the Company are India and the United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.
- d) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- e) **Business combination:** In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired and liabilities assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.
- f) **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the uncollectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. Similarly, the Company provides for inventory obsolescence, excess inventory and inventories with carrying values in excess of net realizable value based on assessment of the future demand, market conditions and specific inventory management initiatives. If market conditions and actual demands are less favorable than the Company's estimates, additional inventory provisions may be required. In all cases inventory is carried at the lower of historical cost and net realizable value. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Certain of the Company's financial instruments including derivative financial instruments, available-for-sale investments and financial liabilities are measured at fair value subsequent to initial measurement. A description of estimates and assumptions used for determination of fair values is included in note 14 – Fair value hierarchy.

3. Significant accounting policies

Please refer to the Company's Annual Report for the year ended March 31, 2014 for a discussion of the Company's other critical accounting policies.

New Accounting standards adopted by the Company:

The Company has, with effect from April 1, 2014, adopted the following new accounting standards and amendments to accounting standards, including any consequential amendments to other accounting standards.

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and is applied retrospectively. It is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g., IAS 12 Income Taxes) and fines or other penalties for breaches of legislation.

The interpretation clarifies that an entity recognizes a liability when the activity that triggers the payment of levy, as identified by the relevant legislation, occurs. No liability needs to be recorded towards levy that will be triggered by operating in a future period. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognized before the specified minimum threshold is reached. The interpretation requires these same principles to be applied in interim financial statements. The adoption of IFRIC 21 has no impact on condensed consolidated interim financial statements of the Company

Amendments to IAS 32 Financial instruments - Offsetting Financial Assets and Financial Liabilities *

Amendments to IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements - Investment Entities *

Amendments to IAS 36 - Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets*

Amendments to IAS 39 - Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting *

* the adoption of these accounting standards including consequential amendments do not have any material impact on the condensed consolidated interim financial statements of the Company.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. Property, plant and equipment

	Land	Buildings	Plant and machinery*	Furniture fixtures and equipment	Vehicles	Total
Gross carrying value:						
As at April 1, 2013.....	₹ 3,990	₹ 22,787	₹ 61,798	₹ 11,680	₹ 1,430	₹ 101,685
Translation adjustment.....	17	296	1,746	177	1	2,237
Additions	-	110	1,744	175	4	2,033
Disposal / adjustments.....	(69)	(35)	(51)	(84)	(164)	(403)
As at June 30, 2013.....	₹ 3,938	₹ 23,158	₹ 65,237	₹ 11,948	₹ 1,271	₹ 105,552
Accumulated depreciation/impairment:						
As at April 1, 2013.....	₹ -	₹ 3,037	₹ 44,090	₹ 8,574	₹ 1,395	₹ 57,096
Translation adjustment.....	-	113	1,135	125	1	1,374
Depreciation.....	-	185	1,686	460	16	2,347
Disposal / adjustments.....	-	(35)	29	(143)	(164)	(313)
As at June 30, 2013.....	₹ -	₹ 3,300	₹ 46,940	₹ 9,016	₹ 1,248	₹ 60,504
Capital work-in-progress.....						₹ 6,384
Net carrying value as at June 30, 2013.....						₹ 51,432
Gross carrying value:						
As at April 1, 2013.....	₹ 3,990	₹ 22,787	₹ 61,798	₹ 11,680	₹ 1,430	₹ 101,685
Translation adjustment.....	21	338	1,936	181	-	2,476
Additions	-	1,037	9,851	1,269	30	12,187
Acquisition through business combination	-	-	106	53	1	160
Disposal / adjustments.....	(324)	(100)	(1,381)	(836)	(495)	(3,136)
As at March 31, 2014.....	₹ 3,687	₹ 24,062	₹ 72,310	₹ 12,347	₹ 966	₹ 113,372

	Land	Buildings	Plant and machinery*	Furniture fixtures and equipment	Vehicles	Total
Accumulated depreciation/impairment:						
As at April 1, 2013.....	₹ -	₹ 3,037	₹ 44,090	₹ 8,574	₹ 1,395	₹ 57,096
Translation adjustment.....	-	121	1,242	129	1	1,493
Depreciation.....	-	718	7,731	1,553	39	10,041
Disposal / adjustments.....	-	(61)	(748)	(721)	(491)	(2,021)
As at March 31, 2014.....	-	<u>3,815</u>	<u>52,315</u>	<u>9,535</u>	<u>944</u>	<u>66,609</u>
Capital work-in-progress						₹ 4,686
Net carrying value as at March 31, 2014.....						₹ 51,449
Gross carrying value:						
As at April 1, 2014.....	₹ 3,687	₹ 24,062	₹ 72,310	₹ 12,347	₹ 966	₹ 113,372
Translation adjustment.....	1	13	138	26	2	180
Additions	-	89	2,824	199	2	3,114
Disposal / adjustments.....	-	(36)	(748)	(129)	(36)	(949)
As at June 30, 2014.....	<u>₹ 3,688</u>	<u>₹ 24,128</u>	<u>₹ 74,524</u>	<u>₹ 12,443</u>	<u>₹ 934</u>	<u>₹ 115,717</u>
Accumulated depreciation/impairment:						
As at April 1, 2014.....	₹ -	₹ 3,815	₹ 52,315	₹ 9,535	₹ 944	₹ 66,609
Translation adjustment.....	-	5	87	16	-	108
Depreciation.....	-	177	2,115	351	2	2,645
Disposal / adjustments.....	-	(36)	(740)	(54)	(35)	(865)
As at June 30, 2014.....	<u>₹ -</u>	<u>₹ 3,961</u>	<u>₹ 53,777</u>	<u>₹ 9,848</u>	<u>₹ 911</u>	<u>₹ 68,497</u>
Capital work-in-progress						₹ 4,818
Net carrying value as at June 30, 2014.....						₹ 52,038

*Including computer equipment and software

5. Goodwill and intangible assets

The movement in goodwill balance is given below:

	Year ended March 31, 2014	Three months ended June 30, 2014
Balance at the beginning of the period.....	₹ 54,756	₹ 63,422
Translation adjustment.....	5,571	342
Acquisition through business combination, net.....	<u>3,095</u>	<u>(57)</u>
Balance at the end of the period.....	₹ 63,422	₹ 63,707

	Intangible assets		
	Customer related	Marketing related	Total
Gross carrying value:			
As at April 1, 2013.....	₹ 3,003	₹ 818	₹ 3,821
Translation adjustment.....	71	10	81
Acquisition through business combination.....	<u>102</u>	<u>-</u>	<u>102</u>
As at June 30, 2013.....	<u>₹ 3,176</u>	<u>₹ 828</u>	<u>₹ 4,004</u>
Accumulated amortization and impairment:			
As at April 1, 2013.....	₹ 1,632	₹ 475	₹ 2,107
Translation adjustment.....	-	44	44
Amortization.....	117	20	137
Effect of demerger of diversified business.....	<u>(209)</u>	<u>-</u>	<u>(209)</u>
As at June 30, 2013.....	<u>₹ 1,540</u>	<u>₹ 539</u>	<u>₹ 2,079</u>
Net carrying value as at June 30, 2013.....	₹ 1,636	₹ 289	₹ 1,925
Gross carrying value:			
As at April 1, 2013.....	₹ 3,003	₹ 818	₹ 3,821
Translation adjustment.....	63	43	106
Additions.....	-	20	20
Acquisition through business combination.....	<u>338</u>	<u>219</u>	<u>557</u>
As at March 31, 2014.....	<u>₹ 3,404</u>	<u>₹ 1,100</u>	<u>₹ 4,504</u>

	Intangible assets		
	Customer related	Marketing related	Total
Accumulated amortization and impairment:			
As at April 1, 2013.....	₹ 1,632	₹ 475	₹ 2,107
Translation adjustment.....	-	125	125
Amortization.....	462	76	538
Effect of demerger of diversified business.....	(202)	-	(202)
As at March 31, 2014.....	<u>₹ 1,892</u>	<u>₹ 676</u>	<u>₹ 2,568</u>
Net carrying value as at March 31, 2014.....	₹ 1,512	₹ 424	₹ 1,936
Gross carrying value:			
As at April 1, 2014.....	₹ 3,404	₹ 1,100	₹ 4,504
Translation adjustment.....	6	-	6
As at June 30, 2014.....	<u>₹ 3,410</u>	<u>₹ 1,100</u>	<u>₹ 4,510</u>
Accumulated amortization and impairment:			
As at April 1, 2014.....	₹ 1,892	₹ 676	₹ 2,568
Translation adjustment.....	-	(1)	(1)
Amortization.....	116	26	142
As at June 30, 2014.....	<u>₹ 2,008</u>	<u>₹ 701</u>	<u>₹ 2,709</u>
Net carrying value as at June 30, 2014.....	₹ 1,402	₹ 399	₹ 1,801

Amortization expense on intangible assets is included in selling and marketing expenses in the condensed consolidated interim statement of income.

6. Business Combination

Opus Capital Markets Consultants LLC

On January 14, 2014, the Company had obtained control of Opus Capital Markets Consultants LLC ('Opus') by acquiring 100% of its share capital. Opus is a leading US-based provider of mortgage due diligence and risk management services. The acquisition will strengthen Wipro's mortgage solutions and complement its existing offerings in mortgage origination, servicing and secondary market.

The acquisition was executed through a share purchase agreement for a consideration of US\$ 75 million including a deferred earn-out component of US\$ 21 million, which is dependent on achievement of revenues and earnings over the period of 3 years. The provisional fair value of the contingent consideration amounting to ₹ 781, recognized on the acquisition date is determined by discounting the estimated amount payable to the previous owners based on achievement of forecast revenue and EBIT. The estimated fair value would increase (decrease) if: (a) the annual growth rate were higher (lower); (b) the EBIT margin were higher (lower); or (c) the risk adjusted discount rate were lower (higher).

During the current period, an amount of \$0.94 million has been received on conclusion of certain closing conditions which has been recorded as a reduction of the purchase consideration, thereby resulting in reduction of goodwill as at 30 June 2014.

The following table presents the provisional allocation of purchase price:

Description	
Assets	
Cash and cash equivalents	₹ 22
Property, plant & equipment	65
Trade receivable	456
Other assets	20
Customer related intangibles	234
Software	95
Non-compete arrangement	216
Deferred income taxes, net	(133)
Liabilities	
Other liabilities	(258)
Total	<u>717</u>
Goodwill	<u>3,007</u>
Total purchase price	<u>₹ 3,724</u>

Goodwill is not expected to be deductible for income tax purposes.

The purchase consideration has been allocated on a provisional basis based on management's estimates. The Company is in the process of making a final determination of the fair value of assets and liabilities, contingent consideration and useful lives of certain customer-related intangibles. Finalization of the purchase price allocation based on an independent third party appraisal may result in certain adjustments to the above allocation.

ATCO I-Tek Inc.

On July 18, 2014, the Company had entered into a definitive agreement with ATCO Group to provide complete suite of IT services. As part of the transaction, ATCO I-Tek Inc., the IT Service provider to the ATCO Group and a subsidiary of ATCO Ltd., will become part of the Group for an all-cash consideration of Canadian Dollar (CAD) 210 million. Following this transaction, Wipro's IT services delivery model will be further strengthened in North America and Australia. The transaction is subject to customary closing conditions.

7. Available for sale investments

Available for sale investments consists of the following:

	As at March 31, 2014				As at June 30, 2014			
	Cost*	Gross gain recognized directly in equity	Gross loss recognized directly in equity	Fair Value	Cost*	Gross gain recognized directly in equity	Gross loss recognized directly in equity	Fair Value
Investment in liquid and short-term mutual funds and others.....	₹ 61,594	₹ 334	₹ (177)	₹ 61,751	₹ 99,161	₹ 462	₹ -	₹ 99,623
Certificate of deposits.....	1,482	-	-	1,482	-	-	-	-
Total	₹ 63,076	₹ 334	₹ (177)	₹ 63,233	₹ 99,161	₹ 462	₹ -	₹ 99,623
Current				60,557				96,617
Non-current				2,676				3,006

*Available for sale investments include investments amounting to ₹ 233 (March 31, 2014: ₹ 228) pledged as margin money deposit for entering into currency future contracts.

8. Inventories

Inventories consist of the following:

	As at	
	March 31, 2014	June 30, 2014
Stores and spare parts.....	₹ 930	₹ 956
Raw materials and components.....	37	18
Work in progress.....	16	6
Finished goods.....	1,310	1,398
	₹ 2,293	₹ 2,378

9. Cash and cash equivalents

Cash and cash equivalents as of March 31, 2014 and June 30, 2014 consist of cash and balances on deposit with banks. Cash and cash equivalents consist of the following:

	As at	
	March 31, 2014	June 30, 2014
Cash and bank balances.....	₹ 45,666	₹ 19,454
Demand deposits with banks ⁽¹⁾	68,535	62,662
	₹ 114,201	₹ 82,116

⁽¹⁾These deposits can be withdrawn by the Company at any time without prior notice and without any penalty on the principal.

Demand deposits with banks includes deposits pledged to banks amounting to ₹ 105 (March 31, 2014: Nil) .

Cash and cash equivalent consists of the following for the purpose of the cash flow statement:

	As at	
	June 30, 2013	June 30, 2014
Cash and cash equivalents.....	₹ 90,095	₹ 82,116
Bank overdrafts.....	(57)	-
	₹ 90,038	₹ 82,116

10. Other assets

	As at	
	March 31, 2014	June 30, 2014
<i>Current</i>		
Interest bearing deposits with corporate ⁽¹⁾	₹ 12,500	₹ 25,500
Prepaid expenses	7,354	8,703
Due from officers and employees.....	2,447	3,253
Finance lease receivables.....	3,018	3,652
Advance to suppliers.....	2,446	2,087
Deferred contract costs.....	3,852	4,254
Interest receivable.....	2,794	2,891
Deposits.....	756	739
Balance with excise, customs and other authorities.....	1,267	1,053
Others ⁽²⁾	3,040	3,512
	<u>₹ 39,474</u>	<u>₹ 55,644</u>
<i>Non current</i>		
Prepaid expenses including rentals for leasehold land.....	₹ 4,523	₹ 4,855
Finance lease receivables.....	5,235	3,621
Deferred contract costs.....	3,711	4,552
Deposits.....	412	341
Others.....	414	282
	<u>₹ 14,295</u>	<u>₹ 13,651</u>
Total.....	<u>₹ 53,769</u>	<u>₹ 69,295</u>

⁽¹⁾ Such deposits earn a fixed rate of interest and will be liquidated within 12 months

⁽²⁾ Others include ₹ 418 (March 31, 2014: ₹ 370) due from Wipro Enterprises Limited and its subsidiaries.

11. Loans and borrowings

A summary of loans and borrowings is as follows:

	As at	
	March 31, 2014	June 30, 2014
Short-term borrowings from bank.....	₹ 39,433	₹ 35,035
External commercial borrowing	8,985	9,029
Obligations under finance leases.....	3,000	2,786
Term loans.....	174	351
Total loans and borrowings.....	<u>₹ 51,592</u>	<u>₹ 47,201</u>

12. Other liabilities and provisions

	As at	
	March 31, 2014	June 30, 2014
Other liabilities:		
Current:		
Statutory and other liabilities.....	₹ 3,551	₹ 3,170
Employee benefit obligations.....	5,027	4,998
Advance from customers.....	3,278	2,899
Others ⁽¹⁾	2,538	2,153
	<u>₹ 14,394</u>	<u>₹ 13,220</u>
Non-current:		
Employee benefit obligations.....	₹ 3,030	₹ 3,505
Others.....	1,144	870
	<u>₹ 4,174</u>	<u>₹ 4,375</u>
Total.....	<u>₹ 18,568</u>	<u>₹ 17,595</u>

⁽¹⁾ Others include ₹ 641 (March 31, 2014: ₹ 1,000) due to Wipro Enterprises Limited and its subsidiaries

	As at	
	March 31, 2014	June 30, 2014
Provisions:		
Current:		
Provision for warranty.....	₹ 340	₹ 325
Others.....	1,030	1,044
	<u>₹ 1,370</u>	<u>₹ 1,369</u>
Non-current:		
Provision for warranty.....	₹ 6	₹ 6
	<u>₹ 6</u>	<u>₹ 6</u>
Total.....	<u>₹ 1,376</u>	<u>₹ 1,375</u>

Provision for warranty represents cost associated with providing sales support services which are accrued at the time of recognition of revenues and are expected to be utilized over a period of 1 to 2 years. Other provisions primarily include provisions for tax related contingencies and litigations. The timing of cash outflows in respect of such provision cannot be reasonably determined.

13. Financial instruments

Derivative assets and liabilities:

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities, forecasted cash flows denominated in foreign currency and net investment in foreign operations. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets / liabilities, foreign currency forecasted cash flows and net investment in foreign operations. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

	As at	
	March 31, 2014	June 30, 2014
<u>Designated derivative instruments</u>		
Sell	\$ 516 £ 51 € 78 AUD 9	\$ 750 £ 141 € 101 AUD 27
Interest rate swaps	\$ 150	\$ 150
<u>Net investment hedges in foreign operations</u>		
Others	\$ 220 € 25	\$ 220 € 25
<u>Non designated derivative instruments</u>		
Sell	\$ 1,061 £ 112 € 62 AUD 99 ¥ 490 SGD 8 ZAR 223 CAD 10 CHF -	\$ 851 £ 112 € 62 AUD 78 ¥ 490 SGD 13 ZAR 69 CAD 19 CHF 10
Buy	\$ 585	\$ 510

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

	As at	
	June 30, 2013	June 30, 2014
Balance as at the beginning of the period.....	₹ 1,669	₹ 567
Changes in fair value of effective portion of derivatives.....	(4,110)	(252)
Gain/ (losses) on cash flow hedging derivatives, net.....	₹ (4,110)	₹ (252)
Balance as at the end of the period.....	₹ (2,441)	₹ 315
Deferred tax thereon.....	₹ 365	₹ (65)
Balance as at the end of the period, net of deferred tax.....	₹ (2,076)	₹ 250

As at March 31, 2014, June 30, 2013 and 2014, there were no significant gains or losses on derivative transactions or portions thereof that have become ineffective as hedges, or associated with an underlying exposure that did not occur.

14. Fair value hierarchy

Financial assets and liabilities of Wipro include cash and cash equivalents, trade receivables, unbilled revenues, employee and other advances and eligible current and non-current assets, long and short-term loans and borrowings, bank overdrafts, trade payable, eligible current liabilities and non-current liabilities. The fair value of financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

Investments in liquid and short-term mutual funds, which are classified as available-for-sale are measured using quoted market prices at the reporting date multiplied by the quantity held. Fair value of investments in certificate of deposits, classified as available for sale is determined using observable market inputs.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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)

The following table presents fair value of hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	As at March 31, 2014				As at June 30, 2014			
	Fair value measurements at reporting date using				Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Derivative instruments								
- Cash flow hedges	₹ 1,289	₹ -	₹ 1,289	₹ -	₹ 1,089	₹ -	₹ 1,089	₹ -
- Net investment hedges	123	-	123	-	207	-	207	-
- Others	2,535	-	2,425	110	976	-	873	103
Available for sale financial assets:								
- Investment in liquid and short-term mutual funds	18,555	16,826	1,729	-	61,059	60,172	887	-
- Investment in certificate of deposits and other investments	42,002	488	41,514	-	35,557	682	34,875	-
- Investment in equity instruments	2,676	-	-	2,676	3,006	-	-	3,006
Liabilities								
Derivative instruments								
- Cash flow hedges	(740)	-	(740)	-	(791)	-	(791)	-
- Net investment hedges	(718)	-	(718)	-	(533)	-	(533)	-
- Others	(1,675)	-	(1,675)	-	(2,036)	-	(2,036)	-
Contingent consideration	(824)	-	-	(824)	(855)	-	-	(855)

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above table:

Derivative instruments (assets and liabilities): The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forward contracts and foreign exchange option contracts. The most frequently applied valuation techniques include forward pricing, swap models and Black Scholes models (for option valuation), using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate

curves of the underlying. As on June 30, 2014, the changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value.

Available for sale investments (Investment in certificate of deposits and commercial papers): Fair value of available-for-sale financial assets is derived based on the indicative quotes of price and yields prevailing in the market as on June 30, 2014.

Available for sale investments (Investment in liquid and short-term mutual funds): Fair valuation is derived based on Net Asset value published by the respective mutual fund houses.

Details of assets and liabilities considered under Level 3 classification

	Available for sale investments – Equity instruments	Derivative Assets – Others	Liabilities – Contingent consideration
Opening Balance as on 1 April 2013	-	-	-
Additions/(Deletions)	2,676	110	(781)
Gain/(loss) recognized in statement of income	-	-	-
Gain/(loss) recognized in other comprehensive income	-	-	-
Loss included in ‘Finance Expense’ – Net change in fair value (unrealized)	-	-	(43)
Closing balance as on 31 March 2014	2,676	110	(824)

	Available for sale investments – Equity instruments	Derivative Assets – Others	Liabilities – Contingent consideration
Opening Balance as on 1 April 2014	2,676	110	(824)
Additions/(Deletions)	159	18	-
Gain/(loss) recognized in statement of income	-	(25)	14
Gain/(loss) recognized in other comprehensive income	171	-	-
Loss included in ‘Finance Expense’ – Net change in fair value (unrealized)	-	-	(45)
Closing balance as on 30 June 2014	3,006	103	(855)

Description of significant unobservable inputs to valuation:

Item	Valuation technique	Significant unobservable inputs	Input	Sensitivity of the input to fair value
Available for sale investments in unquoted equity shares.....	Option pricing model	Volatility of comparable companies	45%	2.5% increase (decrease) in volatility would result in (decrease) increase in fair value of AFS investments by 20
		Time to liquidation event	5 years	1 year increase (decrease) in time to liquidation event would result in (decrease) increase in fair value of AFS investments by 26
Derivative assets.....	Option pricing model	Volatility of comparable companies	40%	2.5% increase (decrease) in volatility would result in increase (decrease) in fair value of the derivative asset by 20
		Time to liquidation event	5 years	1 year increase (decrease) in time to liquidation event would result in increase (decrease) in fair value of the derivative asset by 26

See note 6 for disclosure relating to valuation techniques applied for contingent consideration.

15. Foreign currency translation reserve

The movement in foreign currency translation reserve attributable to equity holders of the Company is summarized below:

	As at	
	June 30, 2013	June 30, 2014
Balance at the beginning of the period.....	₹ 5,470	₹ 10,060
Translation difference related to foreign operations.....	6,172	606
Change in effective portion of hedges of net investment in foreign operations...	(2,216)	226
Total change during the period.....	₹ 3,956	₹ 832
Balance at the end of the period.....	₹ 9,426	₹ 10,892

16. Income taxes

Income tax expense / (credit) has been allocated as follows:

	Three months ended	
	June 30, 2013	June 30, 2014
Income tax expense as per the statement of income.....	₹ 4,251	₹ 5,942
Income tax included in other comprehensive income on:		
Unrealized gain on investment securities	16	41
Unrealized gain / (loss) on cash flow hedging derivatives	(546)	(3)
Defined benefit plan actuarial gains / (losses)	(17)	(15)
Total income taxes	₹ 3,704	₹ 5,965

Income tax expense consists of the following:

	Three months ended	
	June 30, 2013	June 30, 2014
Current taxes		
Domestic.....	₹ 3,407	₹ 5,090
Foreign.....	691	934
	₹ 4,098	₹ 6,024
Deferred taxes		
Domestic.....	₹ (191)	₹ (182)
Foreign.....	344	100
	₹ 153	₹ (82)
Total income tax expense.....	₹ 4,251	₹ 5,942

Income tax expense is net of reversal of provisions recorded in earlier periods, which are no longer required, amounting to ₹ 512 and ₹ 578 for the three months ended June 30, 2013 and 2014 respectively.

17. Revenues

	Three months ended	
	June 30, 2013	June 30, 2014
Rendering of services.....	₹ 89,295	₹ 103,846
Sale of products.....	7,999	7,512
Total revenues.....	₹ 97,294	₹ 111,358

18. Expenses by nature

	Three months ended	
	June 30, 2013	June 30, 2014
Employee compensation.....	₹ 48,328	₹ 53,889
Raw materials, finished goods, process stocks and stores and spares consumed.....	6,680	6,578
Sub-contracting/technical fees/third party application.....	10,206	11,679
Travel and conveyance.....	4,192	5,038
Depreciation and amortization.....	2,501	2,834
Repairs.....	1,888	2,276
Advertisement.....	347	330
Communication.....	1,239	1,279
Rent.....	1,093	965
Power and fuel.....	674	786
Legal and professional fees.....	628	784
Rates, taxes and insurance.....	230	460
Provision for doubtful debt.....	273	292
Miscellaneous expenses.....	1,365	1,495
Total cost of revenues, selling and marketing and general and administrative expenses	₹ 79,644	₹ 88,685

19. Finance expense

	Three months ended	
	June 30, 2013	June 30, 2014
Interest expense.....	₹ 172	₹ 202
Exchange fluctuation on foreign currency borrowings, net...	323	686
Total.....	₹ 495	₹ 888

20. Finance and other income

	Three months ended	
	June 30, 2013	June 30, 2014
Interest income.....	₹ 3,124	₹ 3,232
Dividend income.....	50	109
Gain on sale of investments.....	187	898
Total.....	₹ 3,361	₹ 4,239

21. Earnings per equity share

A reconciliation of profit for the period and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period, excluding equity shares purchased by the Company and held as treasury shares. Equity shares held by controlled Wipro Equity Reward Trust ('WERT') and Wipro Inc Benefit Trust (WIBT) have been reduced from the equity shares outstanding for computing basic and diluted earnings per share.

	Three months ended	
	June 30, 2013	June 30, 2014
Profit attributable to equity holders of the Company....	₹ 16,233	₹ 21,032
Weighted average number of equity shares outstanding	2,454,805,910	2,455,543,231
Basic earnings per share.....	₹ 6.61	₹ 8.57

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the period for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the Company. The calculation is performed in respect of share options to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the period). The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Three months ended	
	June 30, 2013	June 30, 2014
Profit attributable to equity holders of the Company.....	₹ 16,233	₹ 21,032
Weighted average number of equity shares outstanding.....	2,454,805,910	2,455,543,231
Effect of dilutive equivalent share options.....	6,276,491	7,396,578
Weighted average number of equity shares for diluted earnings per share...	2,461,082,401	2,462,939,809
Diluted earnings per share.....	₹ 6.60	₹ 8.54

22. Employee benefits

a) Employee costs include:

	Three months ended	
	June 30, 2013	June 30, 2014
Salaries and bonus.....	₹ 47,156	₹ 52,466
Employee benefit plans		
Gratuity.....	133	189
Contribution to provident and other funds...	974	912
Share based compensation	65	322
	₹ 48,328	₹ 53,889

b) The employee benefit cost is recognized in the following line items in the statement of income:

	Three months ended	
	June 30, 2013	June 30, 2014
Cost of revenues.....	₹ 40,508	₹ 45,358
Selling and marketing expenses.....	5,008	5,432
General and administrative expenses.....	2,812	3,099
	₹ 48,328	₹ 53,889

The Company has granted nil and 2,485,000 options under RSU option plan and Nil and 1,688,500 options under ADS during the three months ended June 30, 2013 and 2014.

23. Commitments and contingencies

Capital commitments: As at March 31, 2014 & June 30, 2014, the Company had committed to spend approximately ₹ 778 and ₹ 1,112 respectively, under agreements to purchase property and equipment. These amounts are net of capital advances paid in respect of these purchases.

Guarantees: As at March 31, 2014 & June 30, 2014, performance and financial guarantees provided by banks on behalf of the Company to the Indian Government, customers and certain other agencies amount to approximately ₹ 22,864 and ₹ 24,909, respectively, as part of the bank line of credit.

Contingencies and lawsuits: The Company had received tax demands aggregating to ₹ 42,981 (including interest of ₹ 12,907) arising primarily on account of denial of deduction under section 10A of the Income Tax Act, 1961 in respect of profit earned by the Company's undertaking in Software Technology Park at Bangalore for the years ended March 31, 2001 to March 31, 2009. The appeals filed against the said demand before the Appellate authorities have been allowed in favor of the Company by the second appellate authority for the years up to March 31, 2007. Further appeals have been filed by the Income tax authorities before the Hon'ble High Court. For the year ended March 31, 2008 and March 2009, the appeal is pending before Income Tax Appellate Tribunal.

In March 2014, the Company had received the draft assessment order, on similar grounds as that of earlier years, with a demand of ₹ 9,058 (including interest of ₹ 2,938) for the financial year ended March 31, 2010. The Company has filed its objections against the said demand before the Dispute Resolution Panel, within the time limit prescribed under the statute.

Considering the facts and nature of disallowance and the order of the appellate authority upholding the claims of the Company for earlier years, the Company expects that the final outcome of the above disputes should be in favor of the Company and impact on the condensed consolidated interim financial statements is not expected to be material.

The Company is subject to legal proceedings and claims which have arisen in the ordinary course of its business. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

The Contingent liability in respect of disputed demands for excise duty, custom duty, sales tax and other matters amounts to ₹ 2,338 and ₹ 2,338 as of March 31, 2014 and June 30, 2014, respectively.

24. Segment information

The Company is organized by business which primarily includes six strategic business segments under our IT services business as follows: Banking, Financial Services and Insurance (BFSI), Healthcare and Life Sciences (HLS), Retail, Consumer, Transport and Government (RCTG), Energy, Natural Resources and Utilities (ENU), Manufacturing and Hi-tech (MFG), Global Media and Telecom (GMT); and IT Products segment.

The Chairman of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IFRS 8, "Operating Segments". The Chairman of the Company evaluates the segments based on their revenue growth and operating income.

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

Information on reportable segment for the three months ended **June 30, 2014** is as follows:

	IT Services Business						Total	IT Products	Reconciling Items	Entity total
	BFSI	HLS	RCTG	ENU	MFG	GMT				
Revenue	28,065	11,290	14,727	16,822	19,110	15,069	105,083	7,660	(287)	112,456
Operating Income	6,624	2,131	3,188	4,553	4,368	3,762	24,626	165	(397)	24,394
Unallocated							(623)	-	-	(623)
Operating Income Total							24,003	165	(397)	23,771
Finance expense										(888)
Finance and other income										4,239
Profit before tax										27,122
Income tax expense										(5,942)
Profit for the period										21,180
Depreciation and amortization										2,834

Information on reportable segment for the three months ended **June 30, 2013** is as follows:

	IT Services Business						Total	IT Products	Reconciling Items	Entity total
	BFSI	HLS	RCTG	ENU	MFG	GMT				
Revenue	23,692	8,767	13,449	14,228	17,029	12,198	89,363	8,166	(183)	97,346
Operating Income	4,790	1,404	2,548	3,588	3,385	2,235	17,950	131	(274)	17,807
Unallocated							(105)	-	-	(105)
Operating Income Total							17,845	131	(274)	17,702
Finance expense										(495)
Finance and other income										3,361
Profit before tax										20,568
Income tax expense										(4,251)
Profit for the period										16,317
Depreciation and amortization										2,501

The Company has four geographic segments: India, the United States of America, Europe and Rest of the world. Revenues from the geographic segments based on domicile of the customer are as follows:

	Three months ended	
	June 30, 2013	June 30, 2014
India.....	₹ 10,695	₹ 11,072
United States of America.....	44,666	52,876
Europe.....	26,537	31,367
Rest of the world.....	15,448	17,141
	₹ 97,346	₹ 112,456

Management believes that it is currently not practicable to provide disclosure of geographical location wise assets, since the meaningful segregation of the available information is onerous.

No client individually accounted for more than 10% of the revenues during the three months ended June 30, 2013 and 2014.

Notes:

- a) The company has the following reportable segments:
 - i) **IT Services:** The IT Services industry segments primarily consisting of Banking, Financial Services and Insurance (BFSI), Healthcare and Life Sciences (HLS), Retail, Consumer, Transport and Government (RCTG), Energy, Natural Resources and Utilities (ENU), Manufacturing (MFG) and Global Media and Telecom (GMT). Key service offering includes software application development and maintenance, research and development services for hardware and software design, business application services, analytics, consulting, infrastructure outsourcing services and business process outsourcing services.
 - ii) **IT Products:** The IT Products segment sells a range of Wipro personal desktop computers, Wipro servers and Wipro notebooks. The Company is also a value added reseller of desktops, servers, notebooks, storage products, networking solutions and packaged software for leading international brands. In certain total outsourcing contracts of the IT Services segment, the Company delivers hardware, software products and other related deliverables. During FY 2013-14, the Company ceased the manufacturing of 'Wipro branded desktops, laptops and servers'. Revenue relating to the above items is reported as revenue from the sale of IT Products.
 - iii) 'Reconciling items' includes elimination of inter-segment transactions and other corporate activities which do not qualify as operating segments under IFRS 8.
- b) Revenues include excise duty of ₹ 14 and ₹ 1 for the three months ended June 30, 2013 and 2014, respectively. For the purpose of segment reporting, the segment revenues are net of excise duty. Excise duty is reported in reconciling items.
- c) For the purpose of segment reporting, the Company has included the impact of 'foreign exchange gains / (losses), net' in revenues (which is reported as a part of operating profit in the statement of income).

- d) For evaluating performance of the individual business segments, stock compensation expense is allocated on the basis of straight line amortization. The differential impact of accelerated amortization of stock compensation expense over stock compensation expense allocated to the individual business segments is reported in reconciling items.
- e) For evaluating the performance of the individual business segments, amortization of intangibles acquired through business combinations are reported in reconciling items.
- f) The Company generally offers multi-year payment terms in certain total outsourcing contracts. These payment terms primarily relate to IT hardware, software and certain transformation services in outsourcing contracts. Corporate treasury provides internal financing to the business units offering multi-year payments terms. The finance income on deferred consideration earned under these contracts is included in the revenue of the respective segment and is eliminated under reconciling items.

25. List of subsidiaries as of June 30, 2014 are provided in the table below.

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
Wipro LLC (formerly Wipro Inc).	Wipro Gallagher Solutions Inc Infocrossing Inc. Wipro Promax Analytics Solutions LLC [Formerly Promax Analytics Solutions Americas LLC] Wipro Insurance Solution LLC	Opus Capital Markets Consultants LLC Opus Technology Services LLC	USA USA USA USA USA
Wipro Japan KK			Japan
Wipro Shanghai Limited			China
Wipro Trademarks Holding Limited			India
Wipro Travel Services Limited			India
Wipro Holdings (Mauritius) Limited	Wipro Holdings UK Limited	Wipro Holding Austria GmbH ^(A) 3D Networks (UK) Limited Wipro Europe Limited ^(A)	Mauritius U.K. Austria U.K. U.K.
Wipro Cyprus Private Limited	Wipro Doha LLC [#] Wipro Technologies S.A DE C. V Wipro BPO Philippines LTD. Inc Wipro Holdings Hungary Korlátolt Felelősségű Társaság Wipro Technologies Argentina SA Wipro Information Technology Egypt SAE Wipro Arabia Limited* Wipro Poland Sp Zoo Wipro IT Services Poland Sp. z o. o Wipro Outsourcing Services UK Limited Wipro Technologies South Africa (Proprietary) Limited Wipro Information Technology Netherlands BV	Wipro Technologies Nigeria Limited Wipro Portugal S.A. ^(A) Wipro Technologies Limited, Russia Wipro Technology Chile SPA Wipro Technologies Canada Limited ^(A) Wipro Information Technology Kazakhstan LLP Wipro Technologies W.T. Sociedad Anonima Wipro Outsourcing Services (Ireland) Limited Wipro Technologies Norway AS	Cyprus Qatar Mexico Philippines Hungary Argentina Egypt Saudi Arabia Poland Poland U.K. South Africa Nigeria Netherlands Portugal Russia Chile Canada Kazakhstan Costa Rica Ireland Norway

Subsidiaries	Subsidiaries	Subsidiaries	Country of Incorporation
		Wipro Technologies VZ, C.A.	Venezuela
	Wipro Technologies SRL PT WT Indonesia		Romania Indonesia
	Wipro Australia Pty Limited	Wipro Promax Holdings Pty Ltd (formerly Promax Holdings Pty Ltd ^(A))	Australia Australia
	Wipro (Thailand) Co Limited		Thailand
	Wipro Bahrain Limited WLL		Bahrain
	Wipro Gulf LLC Wipro Technologies Spain S.L.		Sultanate of Oman Spain
Wipro Networks Pte Limited (formerly 3D Networks Pte Limited)	Wipro Technologies SDN BHD		Singapore Malaysia
Wipro Chengdu Limited			China
Wipro Airport IT Services Limited*			India

*All the above direct subsidiaries are 100% held by the Company except that the Company holds 66.67% of the equity securities of Wipro Arabia Limited and 74% of the equity securities of Wipro Airport IT Services Limited

51% of equity securities of Wipro Doha LLC are held by a local share holder. However, the beneficial interest in these holdings is with the Company.

The Company controls 'The Wipro SA Board Based Ownership Scheme Trust' and 'Wipro SA Board Based Ownership Scheme SPV (RF) (PTY) LTD incorporated in South Africa.

^(A) Step Subsidiary details of Wipro Holding Austria GmbH, Wipro Portugal S.A, Wipro Europe Limited, Wipro Promax Holdings Pty Ltd and Wipro Technologies Canada Limited are as follows:

Subsidiaries	Subsidiaries	Country of Incorporation
Wipro Holding Austria GmbH	Wipro Technologies Austria GmbH New Logic Technologies SARL	Austria France
Wipro Europe Limited (formerly SAIC Europe Limited)	Wipro UK Limited Wipro Europe SARL	U.K. France
Wipro Portugal S.A.	SAS Wipro France Wipro Retail UK Limited Wipro do Brasil Tecnologia Ltda Wipro Technologies GmbH	France U.K. Brazil Germany
Wipro Promax Holdings Pty Ltd (formerly Promax Holdings Pty Ltd)	Wipro Promax Analytics Solutions Pty Ltd (formerly Promax Applications Group Pty Ltd) Wipro Promax IP Pty Ltd (formerly PAG IP Pty Ltd) Wipro Promax Analytics Solutions (Europe) Limited [formerly Promax Analytics Solutions (Europe) Ltd]	Australia Australia UK
Wipro Technologies Canada Limited	Wipro IT Services Canada Limited	Canada Canada

26. Bank Balances

Details of balances with banks as of June 30, 2014 are as follows:

Bank Name	In Current Account	In Deposit Account	Total
Axis	₹ -	₹ 14,360	₹ 14,360
Corporation Bank.....	-	13,060	13,060
Bank of Baroda.....	-	8,000	8,000
Citi Bank	6,615	812	7,427
HSBC	4,469	2,563	7,032
State Bank of Travancore	-	7,000	7,000
Canara Bank	-	5,960	5,960
Wells Fargo Bank	3,080	-	3,080
Yes Bank	-	3,000	3,000
IOB	22	2,856	2,878
ICICI	2	2,580	2,582
ING Vysya	63	900	963
Shinhan Bank	8	565	573
Oriental Bank of Commerce	1	500	501
Standard Chartered Bank	498	-	498
Standard Bank	470	-	470
Saudi British Bank	425	-	425
Ratnakar Bank.....	-	400	400
HDFC	275	105	380
Bank Of America	249	-	249
State Bank of India	170	-	170
BBVA Provincial	134	-	134
BMO Bank	116	-	116
Others including cash and cheques on hand.....	<u>2,857</u>	<u>1</u>	<u>2,858</u>
Total.....	<u>19,454</u>	<u>62,662</u>	<u>82,116</u>

27. Available for sale investments

(a) Investments in mutual funds/ marketable bonds/ other investments as of June 30, 2014:

Fund House	As of June 30, 2014
Current:	
Birla Mutual Fund.....	10,990
Reliance Mutual Fund.....	9,752
IDFC Mutual Fund.....	7,310
ICICI Mutual Fund.....	5,444
Kotak Mutual Fund.....	5,378
LIC Housing Finance Limited.....	5,226
Sundaram Finance Limited.....	4,833
JP Morgan Mutual Fund.....	4,281
Franklin Templeton Mutual Fund.....	4,279
Kotak Mahindra Prime Limited.....	4,127
SBI Mutual Fund.....	3,799
Bajaj Finance Limited.....	3,660
Mahindra & Mahindra Financial Services Ltd.....	3,464
L & T Finance Ltd.....	3,260
Religare Mutual Fund.....	2,793
UTI Mutual Fund.....	2,108
Government Securities.....	2,090
II&FS Financial Services Limited.....	1,831
L & T Infrastructure Finance Company Limited.....	1,708
IDFC Limited.....	1,428
L&T Mutual Fund.....	1,008
GIC Housing Finance Limited.....	994
HDFC Mutual Fund.....	992
Deutch Mutual Fund.....	850
Sundaram Mutual Fund.....	751
TATA Mutual Fund.....	721
HDFC Ltd.....	627
DSP Blackrock Mutual Fund.....	601
Power Finance Corporation Ltd.....	467
NABARD.....	273
Mahindra Vehicle Manufacturers Limited.....	272
Export Import Bank Of India.....	267

Fund House	As of June 30, 2014
E.I.D Parry.....	259
TATA Capital Financial Services Limited.....	252
Bharat Aluminium Company Limited.....	249
Steel Authority of India Limited.....	108
Tube Investments of India Limited.....	163
Others.....	2
	<u>96,617</u>
Non-current:	
Opera Solutions LLC.....	2,559
Axeda.....	282
WEP.....	120
Lavasa, Etc.....	45
	<u>3,006</u>
Total.....	<u>99,623</u>

The accompanying notes form an integral part of these condensed consolidated interim financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: W-100022

Azim Premji
Chairman

N Vaghul
Director

Supreet Sachdev
Partner
Membership No. 205385
Bangalore
July 24, 2014

Suresh C Senapaty
Executive Director
& Chief Financial Officer

T K Kurien
Executive Director
& Chief Executive Officer

V Ramachandran
Company Secretary