



N.D. Gupta & Associates
CHARTERED ACCOUNTANTS

4034/2, IInd Floor, Naya Bazar,
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Mob: 9312240237

Ref No.

Dated 31.05.2015

Independent Auditor's Report

To the Members of Wipro Insurance Solution LLC

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Wipro Insurance Solution LLC**, ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Profit and Loss Statement, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

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Ref No.

Dated 31.05.2015

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 3.22 to the financial statements.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Forming an Opinion and Reporting on Financial Statements

for *N.D. Gupta & Associates*

Chartered Accountants

Firm Registration number :016247N



Deepak Gupta

Partner

Membership No. 096274

Place: New Delhi

Date: 31.05.2015

WIPRO Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

1 Company overview

Wipro Insurance Solutions LLC (the "Company"), organized in the state of Delaware, is a wholly owned subsidiary of Wipro, LLC. The Company was formed to provide end to end administrative functions and services for life and annuity, property and casualty, and healthcare insurance carriers. The Company also intends to be a service provider to various insurers, brokers, carriers and providers of insurance across the United States and a vehicle through which the parent company will operate credit card collection support for its customers in the United States.

In the current year the operation of the company is not yet commenced. It only had the preliminary expenses incurred for getting TPA and Collection Licenses for operating in different states of US.

2 Significant Accounting Policies

i. Basis of preparation of financial statements

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, GAAP comprises Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 (as amended), Accounting Standards (AS) issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India (to the extent applicable).

ii. Use of estimates

The preparation of financial statements in conformity with Indian generally accepted accounting principles (IGAAP), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision in accounting estimate is recognized prospectively in current and future periods.

iii. Revenue recognition

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 estimated project costs required to complete the project. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates. 'Unbilled revenues' included in other current assets represent cost and earnings in excess of billings as at the balance sheet date. 'Unearned revenues' included in other current liabilities represent billing in excess of revenue recognized.

WIPRO Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

C. Maintenance Contracts

Revenue from maintenance contracts is recognized ratably 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.

The company also derives the revenue from subcontracting services rendered to Ultimate holding company, on the basis of services rendered and billable in accordance with the terms of existing Transfer Pricing agreement entered with Ultimate holding company.

D. Other Income

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

iv. Tangible assets, Intangible assets and Capital work-in-progress

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation, amortisation and impairment loss, if any. Cost includes expenditure directly attributable to the acquisition of the asset. Borrowing cost directly attributable to the construction cost or production of qualifying assets are capitalized as part of the cost.

Advances paid towards acquisition of fixed assets are disclosed as "long term loan and advances" and cost of assets not put to use before the year-end are being disclosed as "Capital Work in Progress".

Depreciation is provided using straight line method. The useful life prescribed in Schedule II of the Companies Act, 2013 is considered as the maximum useful life of the assets. If the management's estimate of the useful life of a fixed assets at the time of acquisition of the asset or the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Pursuant to this policy, management estimate of the useful life is as follows:-

Class of Asset	Estimated useful Life
Computer, Software and IT Equipment	3-4 years
Plant and Machinery	6 years
Leasehold Improvements	Lower of lease term or 6 years
Furniture, fixture and office Equipment	6 years

v. Foreign currency transactions and translation of financial statements

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.

Transaction:

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognized in the statement of profit and loss.

WIPRO Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

Translation:

Monetary foreign currency assets and liabilities, other than net investments in non-integral foreign operations, at period-end are restated at the closing rate. The difference arising from the restatement is recognized in the statement of profit and loss. Exchange differences arising on the translation of a monetary item that, in substance, forms part of non-integral foreign operation are accumulated in a foreign currency translation reserve (FCTR).

vi. Income tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations. The company offsets, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

vii. Earnings per share

The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the year.

viii. Cash Flow Statement

Cash flows are reported using indirect method, whereby net profits after 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.

ix. Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the obligation.

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

Provision for onerous contracts is recognized when the expected benefits to be derived from the contract are lower than the unavoidable cost of meeting the future obligations under the contract.

x. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset including goodwill may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

xi. Dividend

A final dividend on shares is recorded as a liability on the date of approval by the shareholders. An Interim dividend is recorded as a liability on the date of declaration by the board of directors.

WIPRO Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

xii. Leases

Leases of assets, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

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.

Wipro Insurance Solutions LLC

BALANCE SHEET AS AT MARCH 31, 2015

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

Particulars	Notes	As at 31st March 2015	As at 31st March 2014
A. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	22,241,880	22,241,880
Reserves and surplus	4	(13,971,646)	(9,033,193)
		8,270,234	13,208,687
Current liabilities			
Trade Payables	5	127,740	3,028,795
Other Current Liabilities	6	49,996	4,850,280
		177,736	7,879,075
TOTAL EQUITY AND LIABILITIES		8,447,970	21,087,762
B. ASSETS			
Current Assets			
Cash and bank balances	7	8,112,738	21,087,762
Short term loans and advances	14	335,232	-
Other Current Assets	15	-	-
		8,447,970	21,087,762
Balance in profit and loss account		-	-
TOTAL ASSETS		8,447,970	21,087,762
Significant accounting policies	2	-	-

The notes referred above form an integral part of the Balance Sheet

As per our report attached

For N.D.GUPTA & ASSOICATES
Chartered Accountants
FRN 016247N

Sd/-
Deepak Gupta
Partner
Membership No: 096274

For and on behalf of the Board of Directors

Sd/-
Krishna Nacha
Manager

Place: Delhi
Date: 31-05-2015

Wipro Insurance Solutions LLC
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015
 (Amount in INR except share and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31st March 2015	For the year ended 31st March 2014
Revenue			
Revenue from Operations		-	-
Total Revenue		-	-
Expenses			
Finance costs	8	445,835	187,176
Other expenses	9	4,947,197	10,622,458
Total Expenses		5,393,032	10,809,634
Profit/ (Loss) before taxation		(5,393,032)	(10,809,634)
Less: Tax Expense		-	-
Profit/ (Loss) after taxation		(5,393,032)	(10,809,634)
EPS (Refer Note no. 11)			
Significant accounting policies	2		

The Notes referred above form an integral part of the profit and loss account

As per our report attached

For N.D.GUPTA & ASSOICATES
 Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Sd/-

Deepak Gupta
 Partner
 Membership No: 096274
 FRN 016247N

Krishna Nacha
 Manager

Place: Delhi

Date: 31.05.2015

Wipro Insurance Solutions LLC
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015
(Amount in INR except share and per share data, unless otherwise stated)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
A. Cash flows from operating activities:		
Profit/(Loss) for the period (after tax)	(5,393,032)	(10,809,634)
Adjustments:		
Working capital changes :		
trade payables	(2,901,055)	3,028,796
other current liabilities	(4,800,284)	4,850,279
short term loans and advances	(335,232)	-
Net cash generated from operations	(13,429,603)	(2,930,559)
B. Cash flows from investing activities:		
Infusion of Share Capital	-	22,241,880
Net cash used in investing activities	-	22,241,880
C. Cash flows from financing activities:		
Net cash used in / generated by financing activities	-	-
Net (decrease) / increase in cash and cash equivalents during the period	(13,429,603)	19,311,321
Cash and cash equivalents at the beginning of the period	21,087,762	-
Effect of foreign exchange translation	454,579	1,776,441
Cash and cash equivalents at the end of the period [Refer Note 7]	8,112,738	21,087,762

As per our report attached

For N.D.GUPTA & ASSOICATES
Chartered Accountants

Sd/-

Deepak Gupta
Partner

Membership No: 096274
FRN 016247N

Place: Delhi

Date: 31.05.2015

For and on behalf of the Board of Directors

Sd/-

Krishna Nacha
Manager

Wipro Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

Particulars	As at 31st March 2015	As at 31st March 2014
3. Share capital		
Authorised capital :	22,241,880	22,241,880
	22,241,880	22,241,880
Issued, subscribed and paid-up capital	22,241,880	22,241,880
	22,241,880	22,241,880

Details of Related party Shareholdings				
Name of the Shareholder	As at March 31,2015		As at March 31,2014	
	No of shares	%	No of shares	%
Wipro LLC	*	100	-	0

Details of shareholders having more than 5% of the total number of shares outstanding

Name of the Shareholder	As at March 31,2015		As at March, 31 2014	
	No of shares	%	No of shares	%
Wipro LLC	*	100	-	0

* Refer note Number 11

4. Reserves and surplus

Translation reserve

Balance brought forward from previous year	1,776,441	-
Movement during the year	454,579	1,776,441
	2,231,020	1,776,441

General Reserve

Balance brought forward from previous year	(10,809,634)	-
Balance brought forward from P&L account	(5,393,032)	(10,809,634.22)
	(16,202,666)	(10,809,634.22)

Total	(13,971,646)	(9,033,193)
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Wipro Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

Particulars	As at 31st March 2015	As at 31st March 2014
5. Trade Payables		
-dues to micro and small enterprises (Refer Note 12)	-	450,622
Sundry Creditors	127,740	2,578,174
Provision for Expense		
	127,740	3,028,795
6. Other Current Liabilities		
Payable to Group companies (Refer Note 10)	49,996	4,850,280
	49,996	4,850,280
7. Cash and Cash Equivalents		
Balances with Banks- In current Accounts	8,112,738	21,087,762
	8,112,738	21,087,762
14. Short term loans and advances <i>(Unsecured considered good unless otherwise stated)</i>		
Advance income tax	49,996	-
Prepaid Expenses	282,446	-
Advance from Customer	2,790	-
	335,232	-

Wipro Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
8. Finance cost		
Bank Charges	445,835	187,176
	445,835	187,176
9. Other Expenses		
Legal and professional charges	4,892,831	10,582,852
Auditors remuneration	20,000	20,000
Miscellaneous	34,366	19,606
	4,947,197	10,622,458

WIPRO Insurance Solutions LLC

NOTES TO THE FINANCIAL STATEMENTS

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

10. Related party transaction

Following are the entities with which company has related party transaction:

Name of the Related party	Relationship with The Company
Wipro LLC	Parent Company
Wipro Ltd	Ultimate Holding Company

The company had the following transactions with related parties

Name of the party	For the year ended	
	31 March 2015	31 March 2014
Wipro Limited		
Legal Expense	-	4,850,280

Following is the amount Receivable/ payable to related party

Name of the party	For the year ended	
	31 March 2015	31 March 2014
Payables:		
Wipro LTD	49,996	4,850,280

11. Earnings per share

As per local laws of US in case of entities having LLC status, Issue of shares is not required to infuse the capital in the company. Hence in the absence of number of shares issued, EPS working are not applicable.

12. The Company is a foreign company and is not governed by the provisions of Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Hence, the disclosures under the Act are not applicable to the Company.

13. Segment reporting:

The Company neither has more than one business segment nor more than one geographic segment; hence segment reporting is not required to be disclosed.