Financial Statements and Independent Auditor's Report

Wipro Technologies W.T Sociedad Anonima

31 March 2019

Independent Auditor's Report

To the board of directors of Wipro Technologies W.T Sociedad Anonima

Opinion

1. We have audited the accompanying financial statements of Wipro Technologies W.T Sociedad Anonima ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), of the state of affairs of the Company as at 31 March 2019, and its loss, its cash flows and the changes in equity for the year ended on that date.

3. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

4. The Company's Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.

5. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by ICAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

7. As part of an audit in accordance with Standards on Auditing issued by ICAI, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit 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.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

8. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on distribution or use

9. This report is intended solely for the information of the Company's and its ultimate holding company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

Sd/-
Nikhil Vaid
Partner
Membership No.: 213356

Place: Hyderabad
Date: 16 June 2019

Wipro Technologies W.T Sociedad Anonima
Balance Sheet as at 31 March 2019

(Amount in CRC, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	131,012,387	221,741,544
Financial assets			
Other financial assets	5	-	98,283,780
		131,012,387	**320,025,324**
Current assets			
Financial assets			
Trade receivables	7	542,559,876	667,929,047
Cash and cash equivalents	8	507,919,088	70,062,998
Other financial assets	5	98,283,780	484,889,184
Other current assets	6	24,699,761	1,572,808,605
		1,173,462,505	**2,795,689,834**
		1,304,474,892	**3,115,715,158**
EQUITY AND LIABILITIES			
Equity			
Share capital	9	1,200	1,200
Other equity		(3,681,220,304)	28,655,547
		(3,681,219,104)	**28,656,747**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10	1,858,140,000	563,170,000
Provisions	11	25,146,855	28,866,461
		1,883,286,855	**592,036,461**
Current liabilities			
Financial liabilities			
Borrowings	10	1,984,709,376	1,351,608,000
Trade payables	12		
Total outstanding dues of Micro and small enterprises		-	-
Total outstanding dues other than above		237,279,174	133,445,131
Other financial liabilities	13	210,362,369	146,317,428
Unearned revenue		644,904,486	787,534,115
Provisions	11	21,763,155	72,728,696
Current tax liabilities		3,388,580	3,388,580
		3,102,407,140	**2,495,021,950**
		1,304,474,892	**3,115,715,158**
Summary of significant accounting policies	2-3		

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

For and on behalf of the Board of Directors of Wipro Technologies W.T Sociedad Anonima

Sd/-
Mukund Seetharaman
Director

16 June 2019

Wipro Technologies W.T Sociedad Anonima
Statement of Profit and Loss for the year ended 31 March 2019
(Amount in CRC, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
REVENUE			
Revenue from operations	14	1,650,006,425	1,401,954,156
Other income	15	68,412,310	20,482,582
		1,718,418,735	**1,422,436,738**
EXPENSES			
Employee benefits expense	16	2,079,502,031	256,978,822
Finance cost	17	99,246,261	45,276,190
Depreciation expense	4	131,968,083	57,668,854
Other expenses	18	1,622,573,816	1,030,468,745
		3,933,290,190	**1,390,392,611**
(Loss) / Profit before tax		**(2,214,871,455)**	**32,044,127**
Current tax		-	3,388,580
Tax expense		**-**	**3,388,580**
Profit for the period		**(2,214,871,455)**	**28,655,547**
Other Comprehensive Income		-	-
Total comprehensive income for the period		**(2,214,871,455)**	**28,655,547**
Earnings per equity share	19		
Basic and diluted		(1,845,726.21)	31,839.50
Summary of significant accounting policies	2-3		

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

For and on behalf of the Board of Directors of Wipro Technologies W.T Sociedad Anonima

Sd/-
Mukund Seetharaman
Director

16 June 2019

Wipro Technologies W.T Sociedad Anonima
Cash Flow Statement for the year ended 31 March 2019
(Amount in CRC, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities			
Profit for the period		**(2,214,871,455)**	**28,655,547**
Adjustments			
Depreciation and amortization		131,968,083	57,668,854
Unrealised exchange differences - net		101,792,482	(52,561,440)
Provision for tax		-	3,388,580
Interest Paid		86,195,552	45,276,190
Interest income		(68,412,310)	(20,482,582)
Operating profit before working capital changes		**(1,963,327,648)**	**61,945,148**
Adjustments for working capital changes:			
Decrease in Financial assets and other assets		2,020,463,766	(2,724,441,863)
(Decrease) in Financial liabilities, unearned revenues and other liabilities		(1,524,440,187)	1,168,891,831
Net cash generated from operations		**(1,467,304,069)**	**(1,493,604,884)**
Income tax Paid		-	-
Net cash generated by operating activities	**(A)**	**(1,467,304,069)**	**(1,493,604,884)**
Cash flows from investing activities:			
Acquisition of plant and equipment		(41,238,926)	(279,410,397)
Interest Received		68,412,310	20,482,582
Net cash generated by / (used in) investing activities	**(B)**	**27,173,384**	**(258,927,815)**
Cash flows from financing activities:			
Equity infused		-	1,200
Proceeds from borrowings		1,964,182,326	1,867,870,685
Interest Paid		(86,195,552)	(45,276,190)
Net cash generated by financing activities	**(C)**	**1,877,986,774**	**1,822,595,696**
Net increase in cash and cash equivalents during the period (A+B+C)		**437,856,090**	**70,062,998**
Cash and cash equivalents at the beginning of the period		70,062,998	-
Effect of exchange rate changes on cash		-	-
Cash and cash equivalents at the end of the period (refer note 8)		**507,919,088**	**70,062,998**
Components of cash and cash equivalents (note 8)			
Balances with banks			
in current account		507,919,088	70,062,998
		507,919,088	**70,062,998**

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

For and on behalf of the Board of Directors of Wipro Technologies W.T Sociedad Anonima

Sd/-
Mukund Seetharaman
Director

16 June 2019

Wipro Technologies W.T Sociedad Anonima
Statement of Changes in Equity for the year ended 31 March 2019
(Amount in CRC, unless otherwise stated)

Equity share capital	Balance as at 01 April 2017	Changes in equity share capital during the year	Balance as at 31 March 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
Equity share capital of Face value CRC 1 each	-	1,200	1,200	-	1,200
	-	**1,200**	**1,200**	**-**	**1,200**

Other equity	General Reserve	Retained Earnings	Other comprehensive income	Total
Balance as at 1 April 2017		**-**	-	**-**
Profit for the period		28,655,547	-	28,655,547
Other comprehensive income for the period		-	-	-
Balance as at 31 March 2018	**-**	**28,655,547**	**-**	**28,655,547**
Profit for the period		(2,214,871,455)	-	(2,214,871,455)
Impact of Ind AS 115	(1,495,004,395)	-		(1,495,004,395)
Other comprehensive income for the period	-	-	-	-
Balance as at 31 March 2019	**(1,495,004,395)**	**(2,186,215,908)**	**-**	**(3,681,220,304)**

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

For and on behalf of the Board of Directors of Wipro Technologies W.T Sociedad Anonima

Sd/-
Mukund Seetharaman
Director

16 June 2019

Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information

(Amount in CRC unless otherwise stated)

1. The Company overview

Wipro Technologies W.T Sociedad Anonima ("the Company") is a subsidiary of Wipro Information Technology Netherlands BV, incorporated and domiciled in Costa Rica. The Company is provider of IT Services, including Business Process Services (BPS) globally. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

2. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

These financial statements are prepared in conformity with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act').

(ii) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS:

a) Derivative financial instruments;
b) Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
c) The defined benefit asset/(liability) is recognized as the present value of defined benefit obligation less fair value of plan assets.

(iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 recognised in the financial statements are included in the following notes:

a) **Revenue recognition:** The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. 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 labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognised, profit and timing of revenue for remaining performance obligations 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. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

b) **Income taxes:** The major tax jurisdictions for the Company is Costa Rica. 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.

c) **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 tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

d) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. 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 increases and mortality rates. 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 reporting date.

e) **Expected credit losses on financial assets:** The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

f) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

3. Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in Costa Rican Colon (CRC), which is the functional currency of the Company.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, Gains/(losses), net, relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(iii) Financial instruments

a) Non-derivative financial instruments:
Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets; Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognised only when the Company has not retained control over the financial asset.
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.
- Non- derivative financial instruments are recognised initially at fair value.

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

A. Cash and cash equivalents

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

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

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 recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables and other assets.

C. Trade and other payables

Trade and other payables are initially recognised 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.

b) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Equity

a) Share capital and securities premium reserve

The authorised share capital of the Company as at March 31, 2019 is 1,200 divided into 1,200 equity shares of CRC 1 each, Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as securities premium.

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

b) Retained earnings

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

(v) 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 capitalised 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 amortised over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortised over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets is 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 capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as at each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work- in-progress.

(vi) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

a) Arrangements where the Company is the lessee

Leases of property, plant and equipment, where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at lower of the fair value of the leased property and the present value of the 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. Payments made under operating leases are recognised in the statement of profit and loss on a straight-line basis over the lease term.

b) Arrangements where the Company is the lessor

In certain arrangements, the Company recognises revenue from the sale of products given under finance leases. The Company records gross finance receivables, unearned income and the estimated residual value of the leased equipment on consummation of such leases. Unearned income represents the excess of the gross finance lease receivable plus the estimated residual value over the sales price of the equipment. The Company recognises unearned income as finance income over the lease term using the effective interest method.

(vii) Inventories

Inventories are valued at lower of cost and net realisable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

(viii) Employee benefits

a) Termination benefits
Termination benefits are expensed when the Company can no longer withdraw the offer of those benefits.

b) Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated absences
The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise 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 recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

(ix) Provisions

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

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

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

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

(x) Revenue

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

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) Allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligations based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of the services rendered:

A. Time and materials contracts

Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.

B. Fixed-price contracts

i) Fixed-price development contracts

Revenues from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognised using the “percentage-of-completion” method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company is not able to reasonably measure the progress of completion, revenue is recognised only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on fixed-price development contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is an entity’s obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Unbilled revenues on other than fixed price development contracts are classified as a financial asset where the right to consideration is unconditional upon passage of time

ii) Maintenance contracts

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised 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 recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognised as revenue on completion of the term.

iii) Volume based contracts

Revenues and costs are recognised as the related services are rendered.

C. Products

Revenue on product sales are recognised when the customer obtains control of the specified asset.

D. Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts and allowances.

The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company's historical experience of material usage and service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognised as an asset when the Company expects to recover these costs and amortised over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognised is amortised on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. If Company controls the good or service before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

(xi) Finance cost

Finance cost comprise interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

(xii) Other income

Other income comprises interest income on deposits, dividend income and gains / (losses), net, on disposal of investments. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

(xiii) Income tax

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

a) Current income tax

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

b) Deferred income tax

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

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

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

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

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

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

(xiv) 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, except where the results would be anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any splits and bonus shares issues including for change effected prior to the approval of the financial statements by the Board of Directors.

(xv) Cash flow statement

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

The amendment to Ind AS 7, require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

(xvi) Disposal of assets

The gain or loss arising on disposal or retirement of assets are recognised in the statement of profit and loss.

(xvii) Commitments and contingencies

a) **Capital Commitments**
As at 31st March 2019 and 31st March 2018, the Company had not committed to spend under agreements to purchase/ construct property and equipment. These amounts are net of capital advances paid in respect of these purchases.

c) Contingencies
As at March 31, 2019 and 2018 the Company did not have any possible obligation contingent on occurrence of some uncertain future event nor any present obligation, the amount for which cannot be measured reliably.

(xviii) Segment Information

Management currently identifies a single reportable operating segment as per Ind AS 108- 'Segment Reporting' which is information technology enabled services. These operating segments are monitored by the company's chief operating decision maker. The Company operates primarily in Costa Rica and there is no other significant geographical segment.

The company is having two customers whose revenue is more than 10% of the total revenue, contributing 99% of the total revenue put together.

New Accounting standards adopted by the Company:

Ind AS 115 – Revenue from Contract with Customers

On April 1, 2018, the Company adopted Ind AS 115, "Revenue from Contracts with Customers" using the cumulative catch-up transition method applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

The adoption of the new standard has resulted in a reduction of CRC 1,495,004,395 in opening retained earnings, primarily relating to certain contract costs because these do not meet the criteria for recognition as costs to fulfil a contract.

The adoption of Ind AS 115, did not have any material impact on the statement of profit and loss for the year ended March 31, 2019.

A. Contract Asset and Liabilities

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company presents such receivables as part of unbilled receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

During the year ended March 31, 2019, the Company recognised revenue of CRC 787,534,115 arising from opening unearned revenue as at April 1, 2018

Contract assets and liabilities are reported in a net position on a contract by contract basis at the end of each reporting period.

B. Remaining Performance Obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognised which includes unearned revenue and amounts that will be invoiced and recognised as revenue in future periods. Applying the practical expedient, the Company has not disclosed its right to consideration from customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date which are, contracts invoiced on time and material basis and volume based.

C. Disaggregation of Revenues

The table below presents disaggregated revenues from contracts with customers by business segment, customer location and contract-type. The Company believes that the below disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

	Year ended 31st March 2019
Revenue	
Sales of services	1,650,006,425
	1,650,006,425
Revenue by nature of contract	
Time and materials	1,650,006,425
	1,650,006,425

Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration

The Company has applied Appendix B to Ind AS 21 - Foreign Currency Transactions and Advance Consideration prospectively effective April 1, 2018. The effect on adoption of this amendment on the financial statements is insignificant

New accounting standards not yet adopted:

Certain new standards, amendments to standards and interpretations are not yet effective for annual periods beginning after April 1 2018, and have not been applied in preparing these financial statements. New standards, amendments to standards and interpretations that could have potential impact on the financial statements of the Company are:

Ind AS 116
On March 30, 2019, the Ministry of Corporate Affairs issued Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IND AS 116 introduces a single lessee accounting model and requires a lessee to recognised assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively apply the new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliest comparative period presented, or the modified retrospective approach, under which the date of initial application of the new leases standard, lessees recognize the cumulative effect of initial application as an adjustment to the opening balance of equity as at annual periods beginning on or after January 1, 2019.

The Company will adopt this standard using modified retrospective method effective April 1, 2019, and accordingly, the comparative for year ended March 31, 2018 and 2019, will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

On March 30, 2019, Ministry of Corporate Affairs issued Appendix C to Ind AS 12, which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The effective date for adoption of Appendix C to Ind AS 12 is April 1, 2019. The Company will apply Appendix C to Ind AS 12 prospectively from the effective date and the effect on adoption of Ind AS 12 on the financial statement is insignificant.

Amendment to Ind AS 12 – Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognise the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the entity originally recognised those past transactions or events that generated distributable profits were recognised. The effective date of these amendments is annual periods beginning on or after April 1, 2019. The Company is currently assessing the impact of this amendment on the Company’s consolidated financial statements.

Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. These amendments are effective for annual reporting periods beginning on or after April 1, 2019. The Company will apply the amendment from the effective date and the effect on adoption of the amendment on the consolidated financial statement is insignificant

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Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information
(Amount in CRC, unless otherwise stated)

4 Property, plant and equipment

	Plant and machinery	Buildings	Office Equipments	Furniture & Fixtures	Total
Gross block (at cost)					
Balance as at 01 April 2017					
Additions	227,580,567	10,819,548	14,436,658	26,573,625	279,410,398
Translation adjustments	-	-	-	-	-
Balance as at 31 March 2018	**227,580,567**	**10,819,548**	**14,436,658**	**26,573,625**	**279,410,398**
Additions	41,238,926	-	-	-	41,238,926
Translation adjustments	-	-	-	-	-
Balance as at 31 March 2019	**268,819,492**	**10,819,548**	**14,436,658**	**26,573,625**	**320,649,323**
Accumulated depreciation					
Balance as at 01 April 2017					
Depreciation charge	48,736,041	3,755,929	1,826,139	3,350,745	57,668,854
Translation adjustments	-	-	-	-	-
Balance as at 31 March 2018	**48,736,041**	**3,755,929**	**1,826,139**	**3,350,745**	**57,668,854**
Depreciation charge	118,534,508	5,641,622	2,742,965	5,048,988	131,968,083
Translation adjustments	-	-	-	-	-
Balance as at 31 March 2019	**167,270,548**	**9,397,551**	**4,569,104**	**8,399,733**	**189,636,937**
Net block					
Balance as at 31 March 2018	**178,844,526**	**7,063,619**	**12,610,519**	**23,222,880**	**221,741,544**
Balance as at 31 March 2019	**101,548,944**	**1,421,997**	**9,867,554**	**18,173,892**	**131,012,387**

Wipro Technologies W.T Sociedad Anonima

Summary of significant accounting policies and other explanatory information

(Amount in CRC, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
5 Other financial assets		
Non-current		
Security deposits	-	98,283,780
	-	**98,283,780**
Current		
Balances due from related parties (refer note no.21)	-	484,889,184
Security deposits	98,283,780	-
	98,283,780	**484,889,184**

	As at 31 March 2019	As at 31 March 2018
6 Other assets		
Current		
Prepaid expenses	12,091,930	1,551,368,660
Employee travel & other advances	12,395,742	2,425,860
Balances with statutory authorities	212,089	19,014,085
	24,699,761	**1,572,808,605**

	As at 31 March 2019	As at 31 March 2018
7 Trade receivables		
Unsecured		
Considered good	542,559,876	629,800,619
	542,559,876	**629,800,619**
With group companies - Considered good (refer note no.21)	-	38,128,428
Less : Provision for doubtful receivables	-	-
	542,559,876	**667,929,047**

	As at 31 March 2019	As at 31 March 2018
8 Cash and cash equivalents		
Balances with banks		
In current accounts	507,919,088	70,062,998
	507,919,088	**70,062,998**

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Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information
(Amount in CRC, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
9	**Share capital**		
	Authorised capital		
	1,200 [2018: 1,200] Common stock of CRC 1 each	1,200	1,200
		1,200	**1,200**
	Issued, subscribed and paid-up capital		
	1,200 [2018: 1,200] Common stock of CRC 1 each	1,200	1,200
		1,200	**1,200**

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

Number of shares outstanding as at beginning of the year	1,200	-
Number of shares issued during the year	-	1,200
Number of shares outstanding as at the end of the year	**1,200**	**1,200**

b) Details of shareholders having more than 5% of the total equity shares of the company

Name of Shareholders		
Wipro Information Technology Netherlands BV		
No of Shares	1,200	1,200
% of the holding	100%	100%

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of CRC 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in CRC. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The Company has not issued any bonus shares nor there has been any buy back of shares since its incorporation

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Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information
(Amount in CRC, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
10 Borrowings		
Unsecured		
Non-Current		
Loan from related parties (refer note 21)	1,858,140,000	563,170,000
	1,858,140,000	**563,170,000**
Current		
Unsecured		
Loan from related parties (refer note 21)	1,984,709,376	1,351,608,000
	1,984,709,376	**1,351,608,000**

Particulars	As at 31 March 2019	As at 31 March 2018
Loan from Wipro Holdings Hungary Kft	3,842,849,376	1,914,778,000

The Interest rate applicable is LIBOR + 200 BPS and is repayble on demand to the lender.

Effective rate of interest per annum	2.58%	2.36%

	As at 31 March 2019	As at 31 March 2018
11 Provisions		
Non-current		
Comensated absences	25,146,855	28,866,461
	25,146,855	**28,866,461**
Current		
Comensated absences	21,763,155	72,728,696
	21,763,155	**72,728,696**

	As at 31 March 2019	As at 31 March 2018
12 Trade payables		
Total outstanding dues of Micro and small enterprises	-	-
Total outstanding dues other than above		
Trade payables	235,867,935	133,445,131
Payables to group companies (refer note no.21)	1,411,239	-
	237,279,174	**133,445,131**

	As at 31 March 2019	As at 31 March 2018
13 Other financial liabilities		
Current		
Statutory liabilities	54,743,558	3,864,957
Balances due to related parties (refer note no.21)	14,280,110	-
Salary Payable	66,517,821	-
Accrued expenses	38,709,930	123,061,941
Interest accrued but not due on borrowings	36,110,950	19,390,529
	210,362,369	**146,317,428**

Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information
(Amount in CRC, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
14 Revenue from operations		
Sale of Services	1,650,006,425	1,401,954,156
	1,650,006,425	**1,401,954,156**

	Year ended 31 March 2019	Year ended 31 March 2018
15 Other income		
Interest on debt instruments and others	68,412,310	20,482,582
	68,412,310	**20,482,582**

	Year ended 31 March 2019	Year ended 31 March 2018
16 Employee benefits expense		
Salaries and wages	2,074,572,377	199,146,749
Staff welfare expenses	5,265,891	10,585,826
Compensated absences	(336,237)	47,246,247
	2,079,502,031	**256,978,822**

	Year ended 31 March 2019	Year ended 31 March 2018
17 Finance expense		
Interest expense on borrowings (refer note 21)	99,246,261	45,276,190
	99,246,261	**45,276,190**

	Year ended 31 March 2019	Year ended 31 March 2018
18 Other expenses		
Travel and conveyance	17,820,073	76,384,784
Subcontracting charges	675,720,764	312,115,803
Communication	81,235,829	78,060,773
Insurance	53,415,148	51,418,073
Repairs and Maintenance	26,086,025	15,453,172
Printing and stationery	1,966,604	1,200,739
Corporate Overheads	27,884,431	-
Hire and service Charges	13,914,977	5,246,915
Rent	531,295,270	388,219,481
Advertisement and sales promotion	-	9,743,350
Legal and professional charges	53,450,821	68,904,405
Rates and taxes	102,206	215,500
Miscellaneous expenses	21,573,724	18,687,949
Other Exchange differences, net	118,107,944	4,817,801
	1,622,573,816	**1,030,468,745**

	Year ended 31 March 2019	Year ended 31 March 2018
19 Earning per share (EPS)		
Net profit after tax attributable to the equity shareholders	(2,214,871,455)	28,655,547
Weighted average number of equity shares - for basic and diluted EPS	1,200	900
Earnings per share - Basic and diluted	(1,845,726.21)	31,839.50

20 Operating leases

The Company has taken a lease, office and residential facilities under non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and lessee. Rental payments under such lease during the year are CRC 531,295,270 (31 March 2018: CLP 388,219,481).

With respect to non-cancellable operating lease, the future minimum lease payments are as follows:

	As at 31 March 2019	As at 31 March 2018
Not later than 1 year	102,806,739	476,091,840
Later than 1 year but not later than 5 years	-	119,022,960
Later than 5 years	-	-
	102,806,739	595,114,800

21 Related party disclosure

a Parties where control exists:

Name	Relationship
Wipro Limited	Ultimate Holding Company
Wipro Information Technology Netherlands BV	Holding company
Wipro Holdings Hungary Kft	Fellow Subsidiary

b The Company has the following related party transactions:

Particulars	Relationship	As at 31 March 2019	As at 31 March 2018
Subcontracting services rendered			
Wipro Limited	Ultimate Holding Company	19,156,709	38,030,258
Interest expense			
Wipro Holdings Hungary Kft	Fellow Subsidiary	99,246,261	45,276,190
Loans Availed			
Wipro Holdings Hungary Kft	Fellow Subsidiary	1,858,140,000	1,961,685,314

c Balances with related parties as at year end are summarised below:

Particulars	Relationship	As at 31 March 2019	As at 31 March 2018
Receivable from			
Wipro Limited	Ultimate Holding Company	-	523,017,612
Payables and dues:			
Wipro Limited	Ultimate Holding Company	14,280,110	-
Wipro Travel Services Limited	Fellow Subsidiary	1,411,239	-
Loan payable to			
Wipro Holdings Hungary Kft	Fellow Subsidiary	3,878,960,326	1,934,168,529

22 Effective Tax Rate (ETR) reconciliation

	As at 31 March 2019	As at 31 March 2018
Income tax expense in the Statement of Profit and Loss comprises of:		
Current tax	-	3,388,580
Deferred tax	-	-
	-	**3,388,580**

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:

	As at 31 March 2019	As at 31 March 2018
Profit before income tax	(2,214,871,455)	32,044,127
Enacted tax rates in the Chile (%)	30.00%	10.00%
Computed expected tax expense	(664,461,437)	3,204,413
Tax effect on expenses disallowed for tax computation	-	184,167
Deferred tax assets not recognised due to lack of resoanable certainity	664,461,437	
Tax expense as per financials	**-**	**3,388,580**

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23 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2019 and the date of authorization of these standalone financial statements.

24 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	**Exposure arising from**	**Measurement**
Credit risk	Cash and cash equivalent, trade receivables, financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk – Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such interest rate risk, credit risk and investment of excess liquidity.

A Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.
Credit risk management
The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Expected credit loss for trade receivables under simplified approach

Trade receivables are secured in a form that registry of sold residential/commercial units is not processed till the time the Company does not receive the entire payment. Hence, as the Company does not have significant credit risk, it does not present the information related to ageing pattern. The company has widespread customer base and no single customer accounted for 10% or more of revenue in any of the years indicated.

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.
Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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B Liquidity risk (continued)

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 March 2019	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,984,709,376	1,858,140,000	-	3,842,849,376
Trade payables	237,279,174	-	-	237,279,174
Other financial liabilities	210,362,369	-	-	210,362,369
Total	**2,432,350,920**	**1,858,140,000**	**-**	**4,290,490,920**

31 March 2018	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	1,351,608,000	563,170,000	-	1,914,778,000
Trade payables	95,969,803		-	95,969,803
Other financial liabilities	183,792,756		-	183,792,756
Total	**1,631,370,559**	**563,170,000**	**-**	**2,194,540,559**

C Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2019	31 March 2018
Variable rate borrowing	1,984,709,376	1,914,778,000
Fixed rate borrowing	-	-
	1,984,709,376	**1,914,778,000**

Interest rate risk

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31-Mar-19	31-Mar-18
Interest rates – increase by 50 basis points (50 bps)	9,923,547	9,573,890
Interest rates – decrease by 50 basis points (50 bps)	(9,923,547)	(9,573,890)

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Wipro Technologies W.T Sociedad Anonima
Summary of significant accounting policies and other explanatory information
(Amount in CRC, unless otherwise stated)

25 Financial instruments
Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2019 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	7	-	-	542,559,876	542,559,876	542,559,876
Cash and cash equivalents	8	-	-	507,919,088	507,919,088	507,919,088
Other financial assets	5	-	-	98,283,780	98,283,780	98,283,780
Total financial assets		**-**	**-**	**1,148,762,744**	**1,148,762,744**	**1,148,762,744**
Financial liabilities :						
Borrowings	10	-	-	3,842,849,376	3,842,849,376	3,842,849,376
Trade payables	12	-	-	237,279,174	237,279,174	237,279,174
Other financial liabilities	13	-	-	210,362,369	210,362,369	210,362,369
Total financial liabilities		-	-	**4,290,490,920**	**4,290,490,920**	**4,290,490,920**

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	7	-	-	667,929,047	667,929,047	667,929,047
Cash and cash equivalents	8	-	-	70,062,998	70,062,998	70,062,998
Other financial assets	5	-	-	583,172,964	583,172,964	583,172,964
Total financial assets		**-**	**-**	**1,321,165,010**	**1,321,165,010**	**1,321,165,010**
Financial liabilities :						
Borrowings	10	-	-	1,914,778,000	1,914,778,000	1,914,778,000
Trade payables	12	-	-	133,445,131	133,445,131	133,445,131
Other financial liabilities	13	-	-	146,317,428	146,317,428	146,317,428
Total financial liabilities		-	-	**2,194,540,558**	**2,194,540,558**	**2,194,540,558**

Notes to financial instruments

i. The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

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

The Company has measured investments in equity shares of subsidiaries and joint ventures at the deemed cost. The Company has considered the carrying amount under previous GAAP as the deemed cost.

ii. Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or
Level 3: unobservable inputs for the asset or liability.

Measurement of fair value of financial instruments

The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

Investment in Debentures and preference shares

The fair values of the debentures and preference shares are estimated using a discounted cash flow approach, which discounts the estimated contractual cash flows using discount rates derived from observable market interest rates of similar bonds with similar risk.

26 Capital management

For the purpose of the Company's capital management, capital includes issued capital, additional paid in capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity as below:

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Borrowings	Financial liabilities	1,984,709,376	1,351,608,000
Less: Cash and cash equivalents	Financial assets	507,919,088	70,062,998
Net Debt		**1,476,790,288**	**1,281,545,001**
Equity share capital	Equity	1,200	1,200
Other equity	Equity	(3,681,220,304)	28,655,547
		(3,681,219,104)	**28,656,747**
Gearing ratio		**(0.40)**	**44.72**

In order to achieve the objective of maximising shareholders value, the Company's capital management, amongst other things, aims to manage its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

27 Comparatives

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

For and on behalf of the Board of Directors of Wipro Technologies W.T Sociedad Anonima

Sd/-
Mukund Seetharaman
Director

16 June 2019