Financial Statements and Independent Auditor's Report

Wipro Technologies VZ, C.A.

31 March 2019

Independent Auditor's Report

To the board of directors of Wipro Technologies VZ, C.A.

Opinion

1. We have audited the accompanying financial statements of Wipro Technologies VZ, C.A. ('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.

Material Uncertainty Related to Going concern

4. We draw attention to note 2(i) to the accompanying financial statements which indicates that the Company has not commenced business and has incurred a net loss of VES 5,425,629 during the financial year ended 31 March 2019, and has accumulated losses aggregating to VES 5,425,64 as at that date. These events or conditions indicate that a material uncertainty exists which may cast a significant doubt on the Company's ability to continue as going concern. However, basis the ongoing support of the Ultimate Holding Company and the ongoing assessment of business opportunities, the management considers going concern basis of accounting for preparation of accompanying financial statements to be appropriate. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

5. 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.

6. 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

7. 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.

8. 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.

9. 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

10. 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 VZ, C.A.
Balance Sheet as at 31 March 2019
(Amount in VES, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Current assets			
Cash and cash equivalents	4	142	143
		142	**143**
		142	**143**
EQUITY AND LIABILITIES			
Equity			
Other equity	5	(5,425,646)	(16)
		(5,425,646)	**(16)**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Other financial liability	6	5,425,622	-
		5,425,622	**-**
Current liabilities			
Borrowings	7	166	159
		166	**159**
		142	**142**
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, VZ, C.A.

Sd/-
Chandra Prakash Sahal
Director

16 June 2019

WIPRO TECHNOLOGIES VZ, C.A.
Statement of Income for the year ended 31 March 2019
(Amount in VES, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
REVENUE			
Other income	8	-	1
		-	**1**
EXPENSES			
Finance cost	9	7	6
Other expenses	10	5,425,622	1
		5,425,629	**7**
Loss before tax		**(5,425,629)**	**(6)**
Current tax		-	-
Deferred tax		-	-
Tax expense		**-**	**-**
Loss for the year		**(5,425,629)**	**(6)**
Other comprehensive income		-	-
Total comprehensive loss for the year ended		**(5,425,629)**	**(6)**
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, VZ, C.A.

Sd/-
Chandra Prakash Sahal
Director

16 June 2019

WIPRO TECHNOLOGIES VZ, C.A.

Cash Flow Statement for the year ended 31 March 2019

(Amount in VES, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities			
Loss for the period		**(5,425,629)**	**(6)**
Adjustments			
Exchange differences, net		4,587,497	(1)
Operating profit before working capital changes		**(838,132)**	**(7)**
Adjustments for working capital changes:			
Increase in other financial liability		838,131	**7**
Net cash used in operations		**(1)**	**0**
Income tax Paid		-	-
Net cash (used in) operating activities	**(A)**	**(1)**	**0**
Cash flows from investing activities:			
Interest Received		-	-
Net cash generated by investing activities	**(B)**	**-**	**-**
Cash flows from financing activities:			
Increase in borrowings		-	-
Net cash generated by financing activities	**(C)**	**-**	**-**
Net (decrease)/increase in cash and cash equivalents during the period (A+B+C)		**(1)**	**0**
Cash and cash equivalents at the beginning of the period		143	143
Cash and cash equivalents at the end of the period (refer note 4)		**142**	**143**
Components of cash and cash equivalents (note 4)			
Balances with banks			
in current account		142	143
		142	**143**

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

For and on behalf of the Board of Directors of Wipro Technologies, VZ, C.A.

Sd/-
Chandra Prakash Sahal
Director

16 June 2019

WIPRO TECHNOLOGIES VZ, C.A.
Statement of Changes in Equity for the year ended 31 March 2019
(Amount in VES, unless otherwise stated)

Particulars	Equity Share capital	Retained Earnings	Total Other Equity
Balance as at 1 April 2017	**-**	**(11)**	**(11)**
Loss for the period	-	(6)	(6)
Balance as at 31 March 2018	**-**	**(16)**	**(16)**
Loss for the period	-	(5,425,629)	(5,425,629)
Balance as at 31 March 2019	**-**	**(5,425,646)**	**(5,425,646)**

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

For and on behalf of the Board of Directors of Wipro Technologies, VZ, C.A.

Chandra Prakash Sahal
Director

16 June 2019

1. The Company overview

Wipro Technologies VZ, C.A. ("the Company") is a subsidiary of Wipro Information Technology Netherlands BV, incorporated and domiciled in Chile. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

2. 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').

The Company has not commenced business since inception and has incurred net loss of VES. 5,425,629 during the year ended 31 March 2019 and has accumulated losses amounting VES 5,425,646. However, based on the continued support from the Ultimate Holding Company, the financial statements have been prepared on a 'Going Concern' basis.

(ii) Currency Change from VEF to VES

The Company has changed its functional currency from “Venezuelan bolivar fuerte (VEF)” to “Venezuelan bolivar soberano (VES)” as the Venezuelan Government has introduced new bolivar soberano currency as the official currency of Venezuela with one bolivar soberano (VES) worth 100,000 bolivares fuertes (VEF) on 20th August 2018.

In accordance with the change, company has valued all the assets & liabilities in VES and the comparatives in the financial statements are also shown in VES .

(iii) 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 recognised as the present value of defined benefit obligation less fair value of plan assets.

(iv) 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:

3. Significant accounting policies

(i) Functional and presentation currency

These financial statements are presented in Venezualan Bolívar (VES), 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.

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.

(iii) Retained earnings

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

(iv) 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.

(v) 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.

(vi) 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.

(vii) 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).

(viii) Provisions

Provisions are recognized 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 recognized 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 recognized 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 recognized 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.

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 standalone 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 standalone financial statement is insignificant

WIPRO TECHNOLOGIES VZ, C.A.

Summary of significant accounting policies and other explanatory information

(Amount in VES, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018
4	**Cash and cash equivalents**		
	Balances with banks		
	- in current account	142	143
		142	**143**

		As at 31 March 2019	As at 31 March 2018
5	**Share capital**		
	Authorised capital		
	50,000 equity shares (par value of VES 1 per share)	50,000	50,000
		50,000	**50,000**
	Issued, subscribed and paid-up capital		
	Nil equity shares (par value of VES 1 per share)	-	-
		-	**-**

		As at 31 March 2019	As at 31 March 2018
6	**Other financial liability**		
	Dues to related parties (refer Note 11)	5,425,622	-
		5,425,622	**-**

		As at 31 March 2019	As at 31 March 2018
7	**Borrowings ***		
	(unsecured)		
	Non-current liabilities		
	Loan from related party (refer Note 11)	166	159
		166	**159**

Borrowings additional disclosure:

Particulars	As at 31 March 2019	As at 31 March 2018
Wipro LLC	166	159
	166	**159**
Effective rate of interest per annum	4.09%	3.85%

* Rate of interest applicable is 12 months USD LIBOR plus 200 basis points p.a. and it is repayable on demand.

		Year ended 31 March 2019	Year ended 31 March 2018
8	**Other income**		
	Other exchange differences, net	-	1
		-	**1**

		Year ended 31 March 2019	Year ended 31 March 2018
9	**Finance Cost**		
	Interest on borrowings (Refer Note 12)	7	6
		7	**6**

		Year ended 31 March 2019	Year ended 31 March 2018
10	**Other expenses**		
	Legal and professional charges	838,124	1
	Other exchange differences, net	4,587,497	-
	Miscellaneous expenses	1	0
		5,425,622	**1**

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11 Related party disclosure

a Parties where control exists:

Name	**Relationship**
Wipro Limited	Ultimate Holding Company
Wipro Information Technology Netherlands BV	Holding company
Wipro LLC	Fellow Subsidiary

b The Company has the following related party transaction:

Particulars	Relationship	As at 31 March 2019	As at 31 March 2018
Interest expense			
Wipro LLC	Fellow Subsidiary	7	6

c Balances with related party as at year end is summarised below:

Particulars	Relationship	As at 31 March 2019	As at 31 March 2018
Borrowings			
Wipro LLC	Fellow Subsidiary	166	159
Other Payables			
Wipro Information Technology Netherlands BV	Holding company	5,425,622	-

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WIPRO TECHNOLOGIES VZ, C.A.
Summary of significant accounting policies and other explanatory information
(Amount in VES, unless otherwise stated)

12 Fair value measurements
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 :						
Cash and cash equivalents including other bank balances	4	-	-	142	142	142
Total financial assets		**-**	**-**	**142**	**142**	**142**
Financial liabilities :						
Other financial liability	5	-	-	5,425,622	5,425,622	5,425,622
Borrowings	7	-	-	166	166	166
Total financial liabilities		-	-	**5,425,788**	**5,425,788**	**5,425,788**

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 :						
Cash and cash equivalents including other bank balances	4	-	-	143	143	143
Total financial assets		**-**	**-**	**143**	**143**	**143**
Financial liabilities :						
Other financial liability	5	-	-	-	-	-
Borrowings	7	-	-	159	159	159
Total financial liabilities		-	-	**159**	**159**	**159**

Notes to financial instruments

i. The management assessed that the fair value of cash and cash equivalents, 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 identical assets or liabilities
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3:Inputs for the assets or liabilities that are not based on observable market date (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.

13 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.

14 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.

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.

WIPRO TECHNOLOGIES VZ, C.A.

Summary of significant accounting policies and other explanatory information

(Amount in VES, unless otherwise stated)

14 Financial risk management (continued)

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	-	166	-	166
Other financial liabilities	-	5,425,622	-	5,425,622
Total	**-**	**5,425,788**	**-**	**5,425,788**

31 March 2018	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings*	-	159	-	159
Total	**-**	**159**	**-**	**159**

Interest rate risk

C 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	166	159
Fixed Rate Borrowing	-	-
	166	159

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

Particulars	31 March 2019	31 March 2018
Interest rates – increase by 50 basis points (50 bps)	1	1
Interest rates – decrease by 50 basis points (50 bps)	(1)	(1)

15 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 plus net debt as below:
Equity includes equity share capital and all other equity components, which attributable to the equity holders
-Net debt includes borrowings, less cash and cash equivalents.

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Borrowings	Financial liabilities	166	159
Less: Cash and cash equivalents	Financial assets	(142)	(143)
Net Debt		**24**	**16**
Equity share capital	Equity	-	-
Other equity	Equity	(5,425,646)	(16)
Total capital		**(5,425,646)**	**(16)**
Capital and Net Debt		**(5,425,622)**	**-**
Gearing Ratio		(0.00)	-

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.

16 Deferred Tax assets

In view of carry forward losses under tax laws, no deferred tax asset is recognised as at 31 March 2019 (31 March 2018) on account of lack of virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

17 Prior Period 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, VZ, C.A.

Sd/-
Chandra Prakash Sahal
Director

16 June 2019