

Financial Statements and Auditor's Report

Wipro Information Technology Egypt Sae

31 March 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Wipro Information Technology Egypt SAE

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Wipro Information Technology Egypt SAE ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Special Purpose Financial Statements"). As explained in Note 2(i) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the Management of Wipro Limited ("the Parent") solely for inclusion in the annual report of Wipro limited for the year ended March 31, 2021 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of preparation referred to in Note 2 (i) to the Special Purpose Financial Statements, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive loss, its changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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

We draw attention to note 2(i) to the accompanying financial statements which indicates that the Company had no operations, however had a net profit of EGP 24,884 due to unrealized gain on foreign exchange fluctuation during the financial year ended 31 March 2021 and has accumulated losses aggregating to EGP 29,085,821 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 the Management and Those Charged with Governance for Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give

a true and fair view of the financial position, financial performance and total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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 auditors' 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 SAs 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.

As part of an audit in accordance with SAs, 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 on whether the company has adequate internal financial controls with reference to the financial statements in place 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 auditors' 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 auditors' report.

However, future events or conditions may cause the Company to cease to continue as a going concern; and

- 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Restriction on distribution or use

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 PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No.003990S/S200018

Sd/-

Seethalakshmi M

Partner

Membership No. 208545

Place of Signature: Bengaluru

Date: 8th June 2021

Wipro Information Technology Egypt Sae
Balance Sheet as at 31 March 2021

(Amount in EGP, unless otherwise stated)

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Financial assets			
Deferred tax assets (net)	3	3,366	3,366
		3,366	3,366
Current assets			
Financial assets			
Trade receivables	4	-	-
Other financial assets	5	5,888,215	5,894,205
		5,888,215	5,894,205
		5,891,581	5,897,571
EQUITY AND LIABILITIES			
Equity			
Share capital	6	825,000	825,000
Other equity		(29,085,821)	(29,110,705)
		(28,260,821)	(28,285,705)
Current liabilities			
Financial liabilities			
Borrowings	7	20,716,880	20,744,148
Trade payables	8	854,851	857,455
Other financial liabilities	9	10,329,258	10,329,269
Other current liabilities	10	1,324,977	1,325,968
Current tax liabilities (net)	11	926,436	926,436
		34,152,402	34,183,276
		5,891,581	5,897,571
Summary of significant accounting policies	2		

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

As per our report attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No.: 003990S/S200018

Sd/-

Seethalakshmi M

Partner

Membership No: 208545

Place: Bengaluru

Date: 08th June 2021

For and on behalf of Wipro Information Technology

Egypt SAE

Sd/-

Kothandaraman Gopalkrishnan

Wipro Information Technology Egypt Sae
Statement of Profit and Loss for the year ended 31 March 2021

(Amount in EGP, unless otherwise stated)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
REVENUE			
Other income	12	24,884	2,543,813
		24,884	2,543,813
EXPENSES			
Finance costs	13	-	325,998
		-	325,998
Profit / (Loss) before tax		24,884	2,217,815
Current tax		-	-
Deferred tax		-	-
Tax expense		-	-
Profit / (Loss) for the year		24,884	2,217,815
Other Comprehensive Income		-	-
Total Other Comprehensive Income / (Loss) for the year, net of tax		24,884	2,217,815
Earnings / (Loss) per equity share of par value EGP 100 each			
Basic and diluted	14	3.02	268.83
Summary of significant accounting policies	2		

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

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

**For and on behalf of Wipro Information Technology
Egypt SAE**

Sd/-
Seethalakshmi M
Partner
Membership No: 208545

Sd/-
Kothandaraman Gopalkrishnan

Place: Bengaluru
Date: 08th June 2021

Wipro Information Technology Egypt Sae
Cash Flow Statement for the year ended 31 March 2021

(Amount in EGP, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit for the period	24,884	2,217,815
Adjustments		
Unrealised exchange differences - net	(24,884)	(2,543,813)
Provision for tax	-	-
Interest expense	-	325,998
Operating profit before working capital changes	-	-
Adjustments for working capital changes:		
Other financial assets	30,874	3,522,276
Trade and other financial liabilities	(2,615)	(441,797)
Other current liabilities	(991)	(97,260)
Net cash generated from operations	27,268	2,983,219
Direct taxes (paid) / refund	-	-
Net cash generated by operating activities	(A) 27,268	2,983,219
Cash flows from investing activities:	(B) -	-
Cash flows from financing activities:		
Finance Expense	(27,268)	(2,657,221)
Repayment of borrowings	-	-
Proceeds from borrowings	-	-
Interest paid on borrowings	-	(325,998)
Net cash used in financing activities	(C) (27,268)	(2,983,219)
Net increase in cash and cash equivalents during the period (A+B+C)	-	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	-	-
Components of cash and cash equivalents		
Balances with banks	-	-
	-	-

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

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

Sd/-
Seethalakshmi M
Partner
Membership No: 208545

Place: Bengaluru
Date: 08th June 2021

**For and on behalf of Wipro Information Technology
Egypt SAE**

Sd/-
Kothandaraman Gopalkrishnan

Wipro Information Technology Egypt Sae
Statement of Changes in Equity for the year ended 31 March 2021

(Amount in EGP, unless otherwise stated)

A) Share Capital

Equity share capital	Balance as at 01 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
Equity share capital of Face value EGP 100 each	825,000		825,000
	825,000	-	825,000

Equity share capital	Balance as at 01 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity share capital of Face value EGP 100 each	825,000		825,000
	825,000	-	825,000

B) Other equity

Particulars	Share application money pending allotment	Retained earnings	Total
Balance as at 1 April 2019	1,969,275	(33,297,795)	(31,328,520)
Profit for the period		2,217,815	2,217,815
Balance as at 31 March 2020	1,969,275	(31,079,980)	(29,110,705)
Profit for the period		24,884	24,884
Balance as at 31 March 2021	1,969,275	(31,055,096)	(29,085,821)

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

As per our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants

Firm Registration No.: 003990S/S200018

Sd/-

Seethalakshmi M

Partner

Membership No: 208545

Place: Bengaluru

Date: 08th June 2021

For and on behalf of Wipro Information Technology Egypt SAE

Sd/-

Kothandaraman Gopalkrishnan

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

1 The Company overview

Wipro Information Technology Egypt SAE ("the Company") is a subsidiary of Wipro Cyprus Private Limited, incorporated and domiciled in Egypt. Wipro Information Technology Egypt SAE is a services provider that aims to deliver technology solutions to drive business needs of its Clients in Egypt in Engineering Services, Industrial Products, Systems & Integration and Information Technology. 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

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)].

"These Special Purpose financial statements are prepared for inclusion in the annual report of the Ultimate Holding Company (Wipro limited) under the requirements of section 129(3) of the Companies Act, 2013. "

The Company do not have any operations during the year and has net profit of EGP 24,884 due to unrealized gain on foreign exchange fluctuation during the year ended 31 March 2021 (EGP 2,217,815 during the year ended on 31 March 2020) and has accumulated losses amounting EGP 29,085,821. However, based on the continued support from the Ultimate Holding Company, the financial statements have been prepared on a 'Going Concern' basis.

(ii) Basis of measurement

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

(iii) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

a) Expected credit losses on financial assets: On application of Ind AS109, 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 past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 Significant accounting policies

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which this entity operates (i.e. the "functional currency"). The functional currency of the company is EGP and these financial statements are also presented in EGP.

(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 recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities except when deferred in other comprehensive income as qualifying cash flow hedges. Gains/(losses) 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. Translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as FVTOCI are included in other comprehensive income, net of taxes.

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

(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 revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- 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 recognized initially at fair value. Financial assets are derecognized 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 derecognized only when the Company has not retained control over the financial asset.

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

A. Other financial assets:

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

B. Trade and other payables

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

(iv) Equity and share capital

a) Share capital and share premium

The authorized share capital of the Company as of March 31, 2021 and March 31, 2020 is 8250 Equity shares of 100 EGP per share. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share 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.

c) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

d) Other reserves

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity in other reserves.

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

(ix) 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.

(xi) Finance Costs

Finance Costs comprise interest cost on borrowings, impairment losses recognized on financial assets, 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 recognized in the statement of profit and loss using the effective interest method.

(xii) Other income

Other income comprises foreign exchange gains, interest income on deposits, dividend income and gains / (losses) on disposal of financial assets that are measured at FVTPL, and debt instruments classified as FVTOCI. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(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 and warrants, except where the results would be anti-dilutive.

(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 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.

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

(xvi) New Accounting standards adopted by the Company

None

(xvii) New amended standards and interpretations

i. Ind AS 1 Presentation of Financial Statements - Substitution of the definition of term 'Material'

ii. Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors - In order to maintain consistency with Ind AS 1, the respective changes have been made to Ind AS 8 also.

iii. Ind AS 10 Events after the Reporting Period - Clarification on the disclosures requirements to be made in case of a material non- adjusting event.

iv. Ind AS 34 Interim Financial Reporting - In order to maintain consistency with the amendments made in other Ind AS, respective changes have been made to Ind AS 34.

v. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - Clarification on the accounting treatment for restructuring plans.

vi. Ind AS 103 Business Combination - Detailed guidance on term 'Business' and 'Business Combination' along with providing an Optional test to identify concentration of Fair Value.

vii. Ind AS 107 Financial Instruments: Disclosures - Clarification on certain disclosures to be made in respect of uncertainty arising from interest rate benchmark reforms.

viii. Ind AS 109 Financial Instruments - Clarification on temporary exceptions from applying specific hedge accounting requirements along with providing guidance on transition for hedge accounting.

ix. Ind AS 116 Leases - Clarification on whether rent concessions as a direct consequence of COVID- 19 pandemic can be accounted as lease modification or not.

None of the amendments has any material impact on the financial statements for the current year.

(xviii) Other amendments to the existing standards

None

(xix) New Accounting Standards notified and yet to be adopted by the Company:

None

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Wipro Information Technology Egypt Sae Balance Sheet as at 31 March 2021

(Amount in EGP, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
3 Deferred tax assets (net)		
Business loss carried forward	3,366	3,366
	3,366	3,366

	As at 31 March 2021	As at 31 March 2020
4 Trade receivables		
Unsecured		
Considered good	-	-
Considered doubtful	971,193	971,193
	971,193	971,193
Less: Provision for doubtful receivables*	(971,193)	(971,193)
	-	-

* There is no movement in provision for doubtful receivables as all the trade receivables have been provided for and no provision is created or reversed during the current year.

	As at 31 March 2021	As at 31 March 2020
5 Other financial assets		
Current		
Balance with group companies	5,888,215	5,894,205
	5,888,215	5,894,205

	As at 31 March 2021	As at 31 March 2020
6 Share capital		
Authorised capital		
50,000 equity shares of EGP 100 each	5,000,000	5,000,000
	5,000,000	5,000,000
Issued, subscribed and paid-up capital		
8,250 equity shares of EGP 100 each	825,000	825,000
	825,000	825,000

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:		
Number of common stock outstanding as at beginning and end of the year	8,250	8,250

b) Details of shares held		
Wipro Cyprus Private Limited (99.9% holding)	8,249	8,249
	8,249	8,249

	As at 31 March 2021	As at 31 March 2020
7 Borrowings		
<i>Unsecured</i>		
Loans and advances from related parties (refer note 16)	20,716,880	20,744,148
	20,716,880	20,744,148
	As at 31 March 2021	As at 31 March 2020
8 Trade payables		
Trade payables	854,851	857,455
	854,851	857,455
	As at 31 March 2021	As at 31 March 2020
9 Other financial liabilities		
Current		
Balances due to related parties	4,531,822	4,531,833
Interest accrued but not yet paid (refer note 16)	5,797,436	5,797,436
	10,329,258	10,329,269
	As at 31 March 2021	As at 31 March 2020
10 Other current liabilities		
Statutory liabilities	1,324,977	1,325,968
	1,324,977	1,325,968
	As at 31 March 2021	As at 31 March 2020
11 Current tax liabilities		
Provision for tax	926,436	926,436
	926,436	926,436

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Wipro Information Technology Egypt Sae
Balance Sheet as at 31 March 2021

(Amount in EGP, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
12 Other income		
Gain on foreign exchange adjustments, net	24,884	2,543,813
	24,884	2,543,813
	As at 31 March 2021	As at 31 March 2020
13 Finance cost		
Interest expense	-	325,998
	-	325,998
	As at 31 March 2021	As at 31 March 2020
14 Earning per share (EPS)		
Net profit / (loss) after tax attributable to the equity shareholders	24,884	2,217,815
Weighted average number of equity shares - for basic and diluted EPS	8,250	8,250
Earnings / (loss) per share - Basic and diluted	3.02	268.83

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Wipro Information Technology Egypt Sae Balance Sheet as at 31 March 2021

(Amount in EGP, unless otherwise stated)

15 Borrowings

SI.No	Particulars	Nature of security	Repayment details	31 March 2021	31 March 2020
Loans and advances from related parties					
1	Wipro Cyprus Private Limited	12 months USD LIBOR rate plus 200 basis points p.a.	Repayable on demand	20,716,880	20,744,148
Total				20,716,880	20,744,148
Effective rate of interest per annum*				0.00%	1.57%

* Interest is waived of by Group Company from current financial year.

16 Related party disclosure

A Parties where control exists:

Name of the related party	Nature of relationship
Wipro Limited	Ultimate holding company
Wipro Cyprus Private Limited	Holding company
Wipro Arabia Limited	Fellow subsidiary
Wipro Bahrain Limited WLL	Fellow subsidiary

B The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2021	Year ended 31 March 2020
Interest expense			
Wipro Cyprus Private Limited	Holding Company	-	325,998
Loan taken			
Wipro Cyprus Private Limited	Holding Company	-	-
Loan repayment			
Wipro Cyprus Private Limited	Holding Company	-	-
Interest paid			
Wipro Cyprus Private Limited	Holding Company	-	-

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

Particulars	Relationship	As at 31 March 2021	As at 31 March 2020
Borrowings (including accrued interest)			
Wipro Cyprus Private Limited	Holding company	26,514,316	26,541,584
Other financial liabilities			
Wipro Limited	Ultimate holding company	4,507,431	4,507,413
Wipro Arabia Limited	Fellow subsidiary	24,393	24,421
Other financial assets			
Wipro Limited	Ultimate holding company	5,868,298	5,874,288
Wipro Bahrain Limited WLL	Fellow subsidiary	19,917	19,917

Wipro Information Technology Egypt Sae
Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

17 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2021 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	4	-	-	-	-	-
Other financial assets	5	-	-	5,888,215	5,888,215	5,888,215
Total financial assets		-	-	5,888,215	5,888,215	5,888,215
Financial liabilities :						
Borrowings	7	-	-	20,716,880	20,716,880	20,716,880
Trade payables	8	-	-	854,851	854,851	854,851
Other financial liabilities	9	-	-	10,329,258	10,329,258	10,329,258
Total financial liabilities		-	-	31,900,989	31,900,989	31,900,989

The carrying value and fair value of financial instruments by categories as at 31 March 2020 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	4	-	-	-	-	-
Other financial assets	5	-	-	5,894,205	5,894,205	5,894,205
Total financial assets		-	-	5,894,205	5,894,205	5,894,205
Financial liabilities :						
Borrowings	7	-	-	20,744,148	20,744,148	20,744,148
Trade payables	8	-	-	857,455	857,455	857,455
Other financial liabilities	9	-	-	10,329,269	10,329,269	10,329,269
Total financial liabilities		-	-	31,930,872	31,930,872	31,930,872

Notes to financial instruments

- i. The management assessed that the fair value of trade receivables, 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.

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

18 Financial instruments (cont'd)

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 indirectly

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.

19 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	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.

The Company operates internationally and is exposed to foreign exchange risk arising from USD, INR and SAR. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

The management evaluates rate exposure arising from these transactions and enters into Foreign currency derivative instruments to mitigate such exposure. The company follows risk management policies, including use of derivatives like foreign currency exchange forward options etc.

As at 31st March 2021, 1% change in Spot exchange rate with USD will result in approximately EGP 13,320 change in Statement of Income for the year 2021.

As at Particulars	Mar'21			Mar'20		
	USD	INR	SAR	USD	INR	SAR
Provision	(1,570,497)	(18,973)		(1,570,497)	(18,973)	
Tax	(262,340)			(262,340)		
Trade Payables	(6,622,827)	(610)	306	(6,622,827)	(610)	306
Total Assets/Liabilities	(8,455,665)	(19,583)	306	(8,455,665)	(19,583)	306

Currency	31-Mar-21	31-Mar-20
INR	0.22	0.21
SAR	4.20	4.19
USD	15.75	15.77

Particulars	Foreign Exchange (USD)		Foreign Exchange (INR)		Foreign Exchange (SAR)	
	Carrying Value	USD (1%)	Carrying Value	INR (1%)	Carrying Value	SAR (1%)
Ex Rate (Increase)		0.16		0.00		0.04
Net Assets/Liabilities	(8,455,665)	(13,320)	(19,583)	(0)	306	0

A Credit risk

Credit risk arises from , trade receivables and other financial assets carried at amortized cost and deposits with banks and financial institutions.

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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Wipro Information Technology Egypt Sae
Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

Financial risk management (cont'd)

B Liquidity risk (cont'd)

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual

31 March 2021	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	20,716,880	-	-	20,716,880
Trade payables	854,851	-	-	854,851
Other financial liabilities	10,329,258	-	-	10,329,258
Total	31,900,989	-	-	31,900,989

31 March 2020	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	20,744,148	-	-	20,744,148
Trade payables	857,455	-	-	857,455
Other financial liabilities	10,329,269	-	-	10,329,269
Total	31,930,872	-	-	31,930,872

C Interest rate risk

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

Particulars	31 March 2021	31 March 2020
Variable rate borrowing	-	-
Fixed rate borrowing	-	-
	-	-

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 March 2021	31 March 2020
Interest rates – increase by 50 basis points (50 bps)	-	103,721
Interest rates – decrease by 50 basis points (50 bps)	-	(103,721)

20 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2021 and the date of authorization of these standalone financial statements.

21 Uncertainty relating to the global health pandemic on COVID-19

The Company basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. However, the impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

22 Comparatives

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

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
 Firm Registration No.: 003990S/S200018

For and on behalf of Wipro Information
Technology Egypt SAE

Sd/-
Seethalakshmi M
 Partner
 Membership No: 208545

Sd/-
Kothandaraman Gopalkrishnan

Place: Bengaluru
 Date: 08th June 2021