

Special Purpose Financial Statements and
Independent Auditor's Report

Wipro Technologies Peru S.A.C

31 March 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Wipro Technologies Peru S.A.C

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Wipro Technologies Peru S.A.C ("the Company"), which comprise the Balance Sheet as at 31 March 2022, 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 31 March 2022 under the requirements of section 129(3) of the Companies Act, 2013, (hereinafter referred to as "the Act") 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 31 March 2022, and its profit, total comprehensive income, 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 Special Purpose 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 special purpose 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.

Responsibilities of the Management and Those Charged with Governance for Special Purpose 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 special purpose 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 special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose 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 Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose 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 special purpose 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 special purpose 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 special purpose 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 special purpose financial statements, including the disclosures, and whether the special purpose 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.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2(i) to the Special Purpose Financial Statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of Ultimate Holding Company under the requirements of section 129(3) of the Companies Act, 2013. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the company and Wipro Limited and should not be distributed to or used by parties other than the company and Wipro Limited.

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: 20 June 2022
UDIN:

Wipro Technologies Peru S.A.C
Balance Sheet as at 31 March 2022

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

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	8,60,585	5,41,956
Financial assets			
Other financial assets	5	-	-
Deferred tax assets (net)	6	75,236	7,25,465
Other non-current assets	7	4,72,441	1,00,951
		14,08,262	13,68,372
Inventories	8	-	36,134
Financial assets			
Trade receivables	9	67,62,810	39,97,442
Cash and cash equivalents	10	26,95,508	49,27,079
Unbilled revenues		30,983	14,84,935
Other financial assets	5	26,523	16,881
Other current assets	7	3,69,970	80,661
		98,85,794	1,05,43,131
		1,12,94,056	1,19,11,503
EQUITY AND LIABILITIES			
Equity			
Share capital	11	18,69,588	18,69,588
Other equity		86,68,257	55,20,975
		1,05,37,845	73,90,563
Liabilities			
Non-current liabilities			
Provisions	12	13,861	4,03,244
		13,861	4,03,244
Current liabilities			
Financial liabilities			
Borrowings	13	-	-
Trade payables	14	1,19,083	30,78,417
Other financial liabilities	15	4,99,000	3,22,947
Unearned revenue		1,10,595	-
Current tax liabilities (net)		0	4,12,967
Provisions	12	13,671	3,03,365
		7,42,349	41,17,697
		1,12,94,056	1,19,11,503
Summary of significant accounting policies	2-3		

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 the Board of Directors of
Wipro Technologies Peru S.A.C

Sd/-
Seethalakshmi M
Partner
Membership No: 208545
Place: Bengaluru
Date: 20 June 2022

Sd/-
Mohit Bansal
Authorised Signatory

Wipro Technologies Peru S.A.C
Statement of Income for the year ended 31 March 2022

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

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
REVENUE			
Revenue from operations	16	1,38,51,258	83,95,907
Other income	17	-	1,099
		1,38,51,258	83,97,006
EXPENSES			
Employee benefits expense	18	24,67,810	28,99,177
Finance Cost	19	-	29,825
Depreciation and amortisation expense	4	5,72,838	4,02,379
Other expenses	20	56,42,157	52,36,487
		86,82,806	85,67,868
Profit/Loss before tax		51,68,452	(1,70,862)
Current tax - Current year		13,70,941	4,12,968
Current tax - Prior year		-	6,829
Deferred tax		6,50,229	(6,95,088)
Tax expense		20,21,170	(2,75,290)
Profit / (Loss) for the period		31,47,282	1,04,428
Total comprehensive income for the period		31,47,282	1,04,428
Other Comprehensive Income			
Total comprehensive income for the period		31,47,282	1,04,428
Earnings per equity share (Equity shares of PEN 1 each)			
Basic and Diluted	21	1.68	0.06
Summary of significant accounting policies	2-3		
The accompanying notes are an integral part of these financial statements.			

As per our report attached
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For and on behalf of the Board of Directors of
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Sd/-
Seethalakshmi M
Partner
Membership No: 208545
Place: Bengaluru
Date: 20 June 2022

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Mohit Bansal
Authorised Signatory

Wipro Technologies Peru S.A.C
Cash Flow Statement for the year ended March 2022

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

	Year ended 31 March 2022	Year ended 31 March 2021
Cash flow from operating activities		
Profit / (Loss) for the period	31,47,282	1,04,428
Adjustments		
Depreciation of property, plant and equipment	5,72,838	4,02,379
Unrealised exchange differences (net)	-	(1,37,035)
Provision for tax	13,70,941	4,19,797
Finance charges	-	29,825
Interest income	-	(1,099)
Operating profit before working capital changes	50,91,061	8,18,295
Adjustments for working capital changes:		
Increase in trade receivables and unbilled revenue	(13,21,058)	7,00,204
(Decrease) in loans and advances and other current assets	25,565	(5,69,596)
(Decrease) in trade payables and unearned revenue	(28,48,739)	15,19,891
Increase in other liabilities and provisions	(5,03,024)	2,37,765
Net cash generated from operations	4,43,804	27,06,559
Income tax paid	(17,83,908)	(57,711)
Net cash generated by operating activities	(A) (13,40,104)	26,48,849
Cash flows from investing activities:		
Purchase of property, plant and equipment	(8,91,467)	(5,95,915)
Disposal of assets	-	-
Interest income received	-	1,099
Net cash generated by / (used in) investing activities	(B) (8,91,467)	(5,94,816)
Cash flows from financing activities:		
Finance charges paid	-	(29,825)
Repayment of borrowings	-	(12,49,195)
Net cash generated by / (used in) financing activities	(C) -	(12,79,020)
Net increase in cash and cash equivalents during the period (A+B+C)	(22,31,571)	7,75,012
Cash and cash equivalents at the beginning of the period	49,27,079	41,52,067
Cash and cash equivalents at the end of the period (refer note 10)	26,95,508	49,27,079
Components of cash and cash equivalents (note 10)		
Balances with banks		
in current account	26,81,874	48,38,892
Effect of translation differences of exchange rate	13,635	88,187
	26,95,509	49,27,079

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

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
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For and on behalf of the Board of Directors of
Wipro Technologies Peru S.A.C

Sd/-
Seethalakshmi M
Partner
Membership No: 208545
Place: Bengaluru
Date: 20 June 2022

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Mohit Bansal
Authorised Signatory

Wipro Technologies Peru S.A.C
Statement of Changes in Equity for the year ended 31 March 2022

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

Equity share capital	Balance as at 01 April 2020	Changes in equity share capital during the year	Balance as at 01 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital of Face value of PEN 1 each	18,69,588	-	18,69,588	-	18,69,588
	18,69,588	-	18,69,588	-	18,69,588

Other equity

Particulars	Retained Earnings	Foreign currency translation reserve	Total
Balance as at 1 April 2020	54,16,547	-	54,16,547
Profit for the period	1,04,428	-	1,04,428
Balance as at 31 March 2021	55,20,975	-	55,20,975
Profit for the period	31,47,282	-	31,47,282
Balance as at 31 March 2022	86,68,257	-	86,68,257

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 the Board of Directors of
Wipro Technologies Peru S.A.C

Sd/-
Seethalakshmi M
Partner
Membership No: 208545
Place: Bengaluru
Date: 20 June 2022

Sd/-
Mohit Bansal
Authorised Signatory

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

Wipro Technologies Peru S.A.C

Notes on Accounting Policies for the year ended 31 March 2022

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

1. Company overview and significant accounting policies

1.1 Background

Wipro Technologies Peru S.A.C ("the Company") is a subsidiary of Wipro Information Technology Netherlands BV, incorporated and domiciled in Peru. 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.

1.2 Summary of significant accounting policies

a) Statement of compliance

The special purpose financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

These special purpose financial statements have been prepared on a historical cost convention and on accrual basis. Accounting policies have been applied consistently to all periods presented in these financial statements.

These special purpose financial statements have been prepared to append with the financial statements of the ultimate holding company, to comply with the provisions of Section 137 (1) of the Companies Act, 2013 ("the Act") in India.

b) Overall considerations

The preparation of the special purpose 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 recognized in the period in which the estimates are revised and in any future periods affected.

c) Basis of preparation of special purpose financial statements

The special purpose financial statements have been prepared on going concern basis under the historical cost basis except for certain financial assets and liabilities which are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these special purpose financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, 'Share-based Payment', leasing transactions that are within the scope of Ind AS 17, 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 'Inventories', or value in use in Ind AS 36 'Impairment of assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: Inputs for the assets or liabilities that are not based on the observable marked data (unobservable inputs)

d) New amended standards and interpretations

- i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.
- ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.
- iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till 30th June, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.
- iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards
- vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

e) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

(i) An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

- Expected to be realized within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- (ii) All other assets are classified as non-current.
- (iii) A liability is classified as current when:
- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- (iv) All other liabilities are classified as non-current.
- (v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of service and the time between the acquisition of assets for development and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as four years for the purpose of current and non-current classification of assets and liabilities which pertain to the project and for all other assets and liabilities the Company has considered twelve months.

f) Foreign currency

Functional currency

The functional currency of the Company is PEN. These financial statements are presented in Peruvian Sol.

Transaction

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities at period-end are translated at the exchange rate prevailing at the date of Balance Sheet. The exchange difference between the rate at which foreign currency transactions are accounted and the rate at which they are re-measured/ realized is recognized in the statement of profit and loss.

Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Peruvian sol ('PEN') which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest 10's, unless otherwise indicated.

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

(b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

g) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

h) Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

Debt Instruments

Debt instruments at amortized cost

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109, 'Financial Instruments', are measured at fair value. Equity instruments which are held for trading and contingent consideration has been recognized by an acquirer in a business combination to which Ind AS 103, 'Business Combinations' applies, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI with subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI.

There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

i) Financial liabilities

Initial recognition

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost.

Subsequent measurement

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

k) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

L) Equity

i) Share capital

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.

ii) Retained earnings

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

iii) Other comprehensive income

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.

m) Property, plant and equipment

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 capitalized as part of the cost.

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 amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

Category	Useful Life
Plant & Machinery	2-21 years
Furniture & Fixtures	3-10 years
Office Equipments	3-10 years

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

n) Employee benefits

Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize 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 recognizes accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur

Pension and social contribution

Pension and social contribution plan, a defined contribution scheme, the Company makes monthly contributions based on a specified percentage of each covered employee's salary.

o) Provisions and contingencies

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.

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

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.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

p) 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.

Services:

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered.

- i. **Time and material contracts**
Revenues and costs relating to time and material contracts are recognized as the related services are rendered.
- ii. **Fixed-price contracts**
Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. 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 does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates
- iii. **Products:**
Revenue from sale of products is recognized when the significant risks and rewards of ownership has been transferred in accordance with the sales contract. Revenue from product sales is shown net of excise duty and net of sales tax separately charged and applicable discounts
- iv. **Other income:**
Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

"Unbilled revenue" represent revenues recognised for services rendered in accordance with contractual terms, which have not been billed to the ultimate holding company at the Balance Sheet date. The related billings are performed within the next operating cycle

q) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset

r) Finance and other income

Finance and other income comprises interest income on deposits, dividend income and gains / (losses) etc. Interest income is recognized using the effective interest method.

Revenue from sale of products is recognised when the significant risks and rewards of ownership has been transferred in accordance with the sales contract. Revenue from product sales is shown net of excise duty and net of sales tax separately charged and applicable discounts.

s) Operating lease

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognized in the statement of profit and loss on a straight-line basis over the lease term. Interest is recognized using the time proportion method, based on the rates implicit in the transaction.

t) Income tax

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

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 recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized 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 recognized 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 utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of 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.

Wipro Technologies Peru S.A.C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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 utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized 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 realized simultaneously.

u) 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.

v) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year 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 flows from operating, investing and financing activities of the Company are segregated.

Wipro Technologies Peru S.A.C

Statement of Changes in Equity for the year ended 31 March 2022

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

4 Property, plant and equipment

	Plant and machinery	Total
Gross block (at cost)		
Balance as at 01 April 2020	14,17,603	14,17,603
Additions	5,95,915	5,95,915
Disposals/adjustment	-	-
Translation adjustments	-	-
Balance as at 31 March 2021	20,13,518	20,13,518
Additions	8,91,467	8,91,467
Disposals/adjustment	-	-
Translation adjustments	-	-
Balance as at 31 March 2022	29,04,985	29,04,985
Accumulated depreciation		
Balance as at 01 April 2020	10,69,184	10,69,184
Depreciation charge	4,02,379	4,02,379
Disposals/adjustment	-	-
Translation adjustments	-	-
Balance as at 31 March 2021	14,71,562	14,71,562
Depreciation charge	5,72,838	5,72,838
Disposals/adjustment*	-	-
Translation adjustments	-	-
Balance as at 31 March 2022	20,44,400	20,44,400
Net block		
Balance as at 31 March 2021	5,41,956	5,41,956
Balance as at 31 March 2022	8,60,585	8,60,585

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
5 Other financial assets					
Current					
Security deposits	26,522	16,093	16,093	16,093	-
Loans & Advances	-	-	-	-	-
Other assets	-	788	199	854	-
	26,522	16,881	16,292	16,947	-
6 Deferred tax assets (net)					
On Other Originating / reversing temporary differences	75,236	7,25,465	30,377	30,377	-
- Accrued Expenses					
	75,236	7,25,465	30,377	30,377	-
7 Other assets					
Non-current					
Prepaid expenses	-	9,464	18,928	31,366	-
Balances with statutory authorities	4,72,441	91,487	2,12,856	-	59,978
	4,72,441	1,00,951	2,31,784	31,366	59,978
Current					
Prepaid expenses	1,577	20,384	9,464	9,464	-
Employee travel & other advances	2,26,365	25,895	65,857	(3,053)	(1,21,995)
Current Tax Assets (net)	1,42,029	-	-	-	-
Contract Asset	-	34,383	-	12,60,250	-
	3,69,971	80,661	75,321	12,66,662	(1,21,995)
8 Inventories					
Stock In Trade	-	36,134	36,134	6,505	2,01,575
	-	36,134	36,134	6,505	2,01,575
9 Trade receivables					
Unsecured					
Considered good *	42,78,144	39,88,042	42,70,038	17,37,218	32,93,420
Considered doubtful	83,465	86,839	21,659	7,363	76,235
	43,61,609	40,74,881	42,91,697	17,44,581	33,69,655
With group companies - Considered good (refer note 22)	24,84,666	9,400	14,158	1,50,772	5,17,654
Less : Provision for doubtful receivables	(83,465)	(86,839)	(21,659)	(7,363)	(76,235)
	67,62,810	39,97,442	42,84,196	18,87,990	38,11,074
Movement in Provision for Doubtful Receivables					
Opening balance	(86,839)	(21,659)	(7,363)	(76,235)	
Charges for the year / Utilised	3,375	(65,181)	(14,296)	68,872	
Unused amounts reversed	-	-	-	-	
Closing Balance	(83,465)	(86,839)	(21,659)	(7,363)	
10 Cash and cash equivalents					
Balances with banks					
- in current account	26,95,509	49,27,079	41,52,067	36,56,394	65,857
	26,95,509	49,27,079	41,52,067	36,56,394	65,857

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
11 Share capital					
Authorised capital					
1,869,588 [2019: 1,869,588] commonstock of PEN 1 each	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
11 Share capital (Continued)					
Issued, subscribed and paid-up capital					
1,869,588 [2019: 1,869,588] commonstock of PEN 1 each	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Opening number of equity shares	18,69,588	18,69,588	18,69,588	11,81,940	11,81,940
Add: Equity Shares	-	-	-	6,87,648	-
Closing number of Equity Shares	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
b) Details of share holding pattern by related parties					
Name of Shareholders	No.of Shares				
Wipro Information Technology Netherlands BV (100% Holding)	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
	18,69,588	18,69,588	18,69,588	18,69,588	11,81,940
c) Terms/rights attached to equity shares					
The Company has only one class of equity shares having a par value of PEN 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in PEN. 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.					
12 Provisions					
Non-current					
Compensated absences	13,861	4,03,244	1,05,894	1,02,237	1,18,602
	13,861	4,03,244	1,05,894	1,02,237	1,18,602
Current					
Compensated absences	13,671	3,03,364	89,162	83,219	71,355
Provision for tax	-	-	-	-	8,53,933
	13,671	3,03,364	89,162	83,219	9,25,288
13 Borrowings					
(Unsecured)					
Loans and advances from related parties	-	-	12,49,195	11,95,403	11,18,455
Cash Credit	-	-	-	-	39,017
Total	-	-	12,49,195	11,95,403	11,57,472
14 Trade payables					
Total outstanding dues of Micro and small enterprises	-	-	-	-	-
Total outstanding dues other than above:					
-Payable to others	1,19,083	23,93,056	12,73,032	7,76,005	1,29,830
-Payable to related parties (refer note 22)	-	6,85,361	952	-	20,44,158
	1,19,083	30,78,417	12,73,984	7,76,005	21,73,988
15 Other financial liabilities					
Statutory liabilities	2,22,420.04	-	54,620	2,07,737	49,056
Salary Payable	39,403.62	70,277	68,710	25,646	11,642
Accrued expenses	1,10,733.64	97,309	3,11,885	1,99,835	3,01,726
Interest on IC Loan from related parties	-	4,616	-	65,954	11,904
Balances due to related parties (refer note 22)	1,26,442.97	1,50,745	1,61,520	4,75,219	3,04,293
Other liabilities	-	-	-	-	-
	4,99,000	3,22,947	5,96,734	9,74,389	6,78,621

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

	Year ended 31 March 2022	Year ended 31 March 2021
16 Revenue from operations		
Sale of Services	1,38,51,258	83,95,907
	1,38,51,258	83,95,907
	Year ended 31 March 2022	Year ended 31 March 2021
17 Other income		
Interest income	-	1,099
Provision no longer required, written back	-	-
Other exchange differences, net	-	-
	-	1,099
	Year ended 31 March 2022	Year ended 31 March 2021
18 Employee benefits expense		
Salaries and wages	29,86,143	22,31,793
Contribution to provident and Other Fund	1,63,134	1,54,752
Compensated absences	(6,79,076)	5,11,552
Staff welfare expenses	(2,391)	1,080
	24,67,810	28,99,177
	Year ended 31 March 2022	Year ended 31 March 2021
19 Finance Cost		
Interest on borrowings (refer note 13)	-	29,825
	-	29,825
	Year ended 31 March 2022	Year ended 31 March 2021
20 Other expenses		
Travel and conveyance	40,957	32,474
Subcontracting / Technical fees / Third Party application	48,66,835	42,59,255
Provision for doubtful receivables	(3,375)	65,181
Staff Recruitment	-	-
Communication	4,448	7,856
Office Rent	47,163	1,11,017
Advertisement and sales promotion	-	1,349
Legal and professional charges	4,03,024	4,05,258
Other Exchange differences, net	1,31,620	81,303
Rates and taxes	24	44
Corporate Overheads	1,76,173	2,37,708
Miscellaneous expenses	(24,713)	35,043
	56,42,157	52,36,487
	Year ended 31 March 2022	Year ended 31 March 2021
21 Earning per share (EPS)		
Net profit /(Loss) after tax attributable to the equity shareholders	31,47,282	1,04,428
Weighted average number of equity shares - for basic and diluted EPS	18,69,588	18,69,588
Earnings per share - Basic and diluted	1.68	0.06

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

22 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
Wipro Cyprus Private Limited	Fellow Subsidiary
Wipro Solutions Canada Limited	Fellow Subsidiary
Wipro Technology Chile	Fellow Subsidiary

b The Company has the following related party transactions:

Particulars	Relationship	As at 31 March 2022	As at 31 March 2021
Sale of services			
Wipro Limited	Ultimate Holding Company	41,48,657	2,75,692
Purchase of Services			
Designit Peru S.A.C.	Fellow Subsidiary	-	-
Wipro Technology Chile	Fellow Subsidiary	-	297
Wipro Limited	Ultimate Holding Company	63,559	6,85,361
Corporate Overhead			
Wipro Limited	Ultimate Holding Company	1,76,173	2,37,708
Interest expense			
Wipro Solutions Canada Limited	Fellow Subsidiary	-	29,825

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

Particulars	Relationship	As at 31 March 2022	As at 31 March 2021
Trade receivables			
Wipro Limited	Ultimate Holding Company	20,09,566	9,400
Wipro do Brasil Technologia Ltda	Fellow Subsidiary	3,77,308	-
Wipro Technology Chile SPA	Fellow Subsidiary	97,793	-
Trade payable and Reimbursement			
Wipro Limited	Ultimate Holding Company	1,26,443	8,36,106
Wipro Technology Chile	Fellow Subsidiary	-	-
Borrowings Including Interest:			
Wipro Solutions Canada Limited	Fellow Subsidiary	-	4,616

23 Effective Tax Rate (ETR) reconciliation

	As at 31 March 2022	As at 31 March 2021
Income tax expense in the Statement of Profit and Loss comprises of:		
Current tax - Current year	13,70,941	4,12,968
Current tax - Prior year	-	6,829
Deferred tax	6,50,229	(6,95,088)
	20,21,170	(2,75,290)

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 2022	As at 31 March 2021
Profit / (Loss) before income tax	51,68,452	(1,70,862)
Enacted tax rates in the Peru (%)	29.50%	29.50%
Computed expected tax expense	15,24,693	(50,404)
Tax effect due to set-off of unabsorbed brought forward losses from earlier years	7,11,913	-
Tax effect on expenses disallowed for tax computation	0	57,845
Tax expenses relating to prior years-Current Tax	0	6,829
Deferred tax assets not recognised due to lack of reasonable certainty	0	-
Deferred tax	(8,65,665)	(6,95,088)
Others	0	4,05,528
Tax expense as per financials	13,70,941	(2,75,290)

The components of deferred tax assets and liabilities are as follows

Deferred tax assets/ Liabilities (net) :	As at 31 March 2022	As at 31 March 2021
DTA on Business loss carried forward	-	-
DTA / DTL on Other Originating / reversing temporary differences	75,236	7,25,465
Total	75,236	7,25,465

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

24 Employee 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.

The valuation has been carried out using the project unit credit method as per IND AS 19 & IAS 19 to determine the present value of Obligations and the related current service cost and where applicable, past service cost.

Actuarial assumptions selected by the company. The Company has been advised that the assumptions selected should be unbiased and mutually compatible and should reflect the company's best estimate of the variables of the future. The company has also been advised to consider the requirements of para 144 of IAS 19 (Revised 2011) and IND AS 19 in this regard.

The financial assumption used in the valuation are Discount rate (per annum) 6.040% and 1.126% for Mar 2022 and Mar 2021 respectively and Salary growth rate (per annum) considered 3% for the first year and 2% thereafter.

Particulars	As at31 March 2022	As at Mar 2021
Current Liability (Short term)	13,671	3,03,364
Non Current Liability (Long term)	13,861	4,03,244
Present value of Obligation as at end	27,532	7,06,608

Sensitivity Analysis

Significant actuarial assumptions for the determination of the leave liability are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below

Particulars	As at31 March 2022	As at Mar 2021
Present Value of Obligation (Base)	27,532	7,06,608

Particulars	As at Mar 2022	
	Decrease	Increase
Present Value of Obligation (Base)		
Discount Rate (-/+ 1%)	28,076	26,988
(% change compared to basedue to sensitivity)	2.0%	-2.0%
Salary Growth Rate (-/+ 1%)	27,007	28,068
(% change compared to basedue to sensitivity)	-1.9%	1.9%
Attrition Rate (-/+ 50%)	27,538	27,527
(% change compared to basedue to sensitivity)	0.0%	0.0%
Mortality Rate (-/+ 10%)	27,532	27,532
(% change compared to basedue to sensitivity)	0.0%	0.0%

Particulars	As at Mar 2021	
	Decrease	Increase
Present Value of Obligation (Base)		
Discount Rate (-/+ 1%)	7,22,779	6,90,437
(% change compared to basedue to sensitivity)	2.3%	-2.3%
Salary Growth Rate (-/+ 1%)	6,92,553	7,21,038
(% change compared to basedue to sensitivity)	-2.0%	2.0%
Attrition Rate (-/+ 50%)	7,48,939	6,86,651
(% change compared to basedue to sensitivity)	6.0%	-2.8%
Mortality Rate (-/+ 10%)	7,06,636	7,06,580
(% change compared to basedue to sensitivity)	0.0%	0.0%

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow)	1.64 Years	1.87 Years
Expected Cash flow over the next (valued on undiscounted basis):	Peruvian Sol(PEN)	Peruvian Sol(PEN)
1 year	13,671	3,03,364
2 to 5 years	15,835	3,72,401
6 to 10 years	1,765	46,093
More than 10 years	78	3,899

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

(Amount in PEN except share and per share data, 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 2022 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Trade receivables	9	-	-	67,62,810	67,62,810	67,62,810
Unbilled revenues		-	-	30,983	30,983	30,983
Cash and cash equivalents including other bank balances	10	-	-	26,95,508	26,95,508	26,95,508
Other financial assets	5	-	-	26,523	26,523	26,523
Total financial assets		-	-	95,15,824	95,15,824	95,15,824
Financial liabilities :						
Borrowings	13	-	-	-	-	-
Trade payables	14	-	-	1,19,083	1,19,083	1,19,083
Other financial liabilities	15	-	-	4,99,000	4,99,000	4,99,000
Total financial liabilities		-	-	6,18,083	6,18,083	6,18,083

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	9	-	-	39,97,442	39,97,442	39,97,442
Unbilled revenues		-	-	14,84,935	14,84,935	14,84,935
Cash and cash equivalents including other bank balances	10	-	-	49,27,079	49,27,079	49,27,079
Other financial assets	0	-	-	16,881	16,881	16,881
Total financial assets		-	-	1,04,26,311	1,04,26,311	1,04,26,311
Financial liabilities :						
Borrowings	13	-	-	-	-	-
Trade payables	14	-	-	30,78,417	30,78,417	30,78,417
Other financial liabilities	15	-	-	3,22,947	3,22,947	3,22,947
Total financial liabilities		-	-	34,01,365	34,01,365	34,01,365

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.

Financial instruments

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.

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

26 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of authorization of these standalone financial statements.

27 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 – Exchange rate	Cash and cash equivalent, trade receivables, financial assets, Borrowings and other financial liabilities, Trade payable	Sensitivity analysis
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 as 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

Customer Credit Risk is managed as per Company's established policy, procedures and controls relating to customer credit risk management which interalia involves obtaining credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in normal course of business. There is one customer accounted for 89% of revenue in any of the years indicated.

The Company expects to maintain this relationship with the customer. We perform ongoing credit evaluations of our customers' financial condition and do not anticipate non-performance by counterparties given their high creditworthiness

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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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.

31 March 2022	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	-	-	-	-
Trade payables	1,19,083	-	-	1,19,083
Other financial liabilities	4,99,000	-	-	4,99,000
Total	6,18,083	-	-	6,18,083

31 March 2021	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	-	-	-	-
Trade payables	30,78,417	-	-	30,78,417
Other financial liabilities	3,22,947	-	-	3,22,947
Total	34,01,365	-	-	34,01,365

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 2022	31 March 2021
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 2022	31 March 2021
Interest rates – increase by 50 basis points (50 bps)	-	-
Interest rates – decrease by 50 basis points (50 bps)	-	-

D Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

	Effect on profit before tax	
	31-Mar-22	31-Mar-21
USD		
- strengthened 1% (2020: 1%)	15,858	3,229
- weakened 1% (2020: 1%)	-15,858	-3,229
EUR		
- strengthened 1% (2020: 1%)	-4,954	-12,518
- weakened 1% (2020: 1%)	4,954	12,518
BRL		
- strengthened 1% (2020: 1%)	321	-326
- weakened 1% (2020: 1%)	-321	326
INR		
- strengthened 1% (2020: 1%)	-	-
- weakened 1% (2020: 1%)	-	-

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

D Foreign currency risk (continued)

The below table presents foreign currency risk from non-derivative financial instruments as of March 31, 2022 and 2021

Particulars	As at Mar 2022		
	USD	EUR	BRL
Trade receivables	5,750	14,792	49091.2
Cash and cash equivalents	2,75,328	-	-
Other assets	1,75,553	-	-
Lease Liabilities	-	-	-
Loans, borrowings and bank overdrafts	-1,224	-	-
Trade payables and other financial liabilities	-35,146	-1,26,721	-
Net assets/ (liabilities)	4,20,261	-1,11,929	49,091
Exchange Rate	3.77	4.43	0.65

Particulars	As at Mar 2021		
	USD	EUR	BRL
Trade receivables	196	5,23,552	49091.2
Cash and cash equivalents	1,55,200	-	-
Other assets	1,33,073	-	-
Lease Liabilities	-	-	-
Loans, borrowings and bank overdrafts	-3,63,508	-	-
Trade payables and other financial liabilities	-18,588	-1,91,817	-
Net assets/ (liabilities)	-93,627	3,31,734	49,091
Exchange Rate	3.45	3.77	0.66

28 Borrowings

Particulars	Rate of interest	Repayment details	31 March 2022	31 March 2021
Wipro Solutions Canada Limited	12 months LIBOR plus 200 basis points	Repayable as per agreed	-	-
Total			-	-
Effective rate of interest per annum			-	-

29 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 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 2022	As at 1 April 2021
Borrowings	Financial liabilities	-	-
Less: Cash and cash equivalents	Financial assets	26,95,508	49,27,079
Net Debt		(26,95,508)	(49,27,079)
Equity share capital	Equity	18,69,588	18,69,588
Other equity	Equity	86,68,257	55,20,975
Total capital		1,05,37,845	73,90,563

Gearing Ratio

(0.26) (0.67)

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.

Wipro Technologies Peru S.A.C

Summary of significant accounting policies and other explanatory information

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

30 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.

31 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 the Board of Directors of

Wipro Technologies Peru S.A.C

Sd/-

Seethalakshmi M

Partner

Membership No: 208545

Place: Bengaluru

Date: 20 June 2022

Sd/-

Mohit Bansal

Authorised Signatory