

Special Purpose Financial Statements and Independent Auditor's Report

WIPRO TECHNOLOGIES S.A de C.V

31 March 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of WIPRO TECHNOLOGIES S.A de C.V.

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of WIPRO TECHNOLOGIES S.A de C.V. (“the Company”), which comprise the Balance Sheet as at 31 March 2023, 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 2023 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 presentation referred to in Note 2(i) to the Special Purpose Financial Statements, of the state of affairs of the Company as at 31 March 2023, and profit and other comprehensive income, changes in equity and its 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 Standards 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) 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 on the Special Purpose Financial Statements.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2(i) to the Special Purpose Financial Statements, to the basis of the preparation to the special purpose financial statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of the 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. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Management Responsibility for the 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.

The 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.

For **D Prasanna & Company**
Chartered Accountants
Firm’s Registration No.009619S

Sd/-
D. Prasanna Kumar
Proprietor
Membership No. 211367
UDIN:

Place: Bengaluru
Date: 23rd May 2023

WIPRO TECHNOLOGIES S.A de C.V**Balance Sheet as at 31 March 2023***(All amounts in MXN except otherwise stated)*

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	146,393,519	185,639,707
Right of use asset	5	75,688,812	122,369,570
Capital work-in progress		8,863,210	190,484
Financial assets			
Other financial assets	6	64,642,298	40,858,077
Deferred tax assets (net)	7	68,105,188	42,242,453
Other non-current assets	8	40,248	916,821
Total non-current assets		363,733,275	392,217,112
Current assets			
Inventories		1,975,069	7,352,077
Financial assets			
Trade receivables	9	323,483,264	434,112,894
Cash and cash equivalents	10	164,281,156	62,797,239
Unbilled receivables		297,523,484	99,771,745
Other financial assets	6	76,334,780	55,354,258
Contract Assets		7,405,708	4,643,807
Other current assets	8	36,135,113	9,198,291
Total current assets		907,138,574	673,230,311
TOTAL ASSETS		1,270,871,849	1,065,447,423
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	200,493,353	200,493,353
Other equity	12	147,939,625	72,134,120
Total equity		348,432,978	272,627,473
Non-current liabilities			
Financial liabilities			
Lease liabilities	27	111,347,271	147,503,625
Provisions	15	12,001,330	9,282,325
Deferred tax liabilities (net)			
Total non-current liabilities		123,348,601	156,785,950
Current liabilities			
Financial liabilities			
Short term borrowings	13	238,544,759	261,314,600
Trade payables	17	287,887,474	211,503,306
Lease liabilities	27	45,941,923	61,362,988
Other financial liabilities	14	39,511,012	16,860,176
Unearned Revenue		22,417,543	6,417,421
Provisions	15	19,289,837	13,799,568
Current Tax Liabilities		63,101,944	22,525,250
Other current liabilities	16	82,395,778	42,250,691
Total current liabilities		799,090,270	636,034,000
TOTAL LIABILITIES		922,438,871	792,819,950
TOTAL EQUITY AND LIABILITIES		1,270,871,849	1,065,447,423
Summary of significant accounting policies	1-3		

The accompanying notes form an integral part of the Special Purpose financial statements

As per our report of even date attached
For D Prasanna & Company
Chartered Accountants
Firm's Registration No.:009619S

For and on behalf of the Board
WIPRO TECHNOLOGIES S.A de C.V

Sd/-
D. Prasanna Kumar
Proprietor
Membership No.:211367
Place: Bengaluru
Date:23rd May 2023

Sd/-
Hari Shetty
Director

Sd/-
Mohit Bansal
Director

WIPRO TECHNOLOGIES S.A de C.V
Cash Flow Statement for the year ended 31 March 2023
(All amounts in MXN except otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flow from operating activities		
Profit before tax	162,297,834	141,859,914
Adjustments for:		
Depreciation and amortisation expense	71,975,220	83,660,996
Exchange differences, net	(14,042,525)	(8,086,497)
Interest income	(14,686,661)	(6,810,729)
Finance charges	12,374,039	3,625,894
Provision for doubtful receivables	(6,855,472)	6,056,087
	48,764,601	78,445,751
Operating profit/(loss) before working capital changes	211,062,435	220,305,665
Movements in working capital:		
(Increase) / decrease in trade receivables and unbilled reve	(68,501,146)	(117,689,994)
Increase / (Decrease) in trade Payables and Unearned Rev	66,364,991	56,252,671
(Increase) / Decrease in loans and advances and other ass	(74,184,346)	(46,604,066)
Increase in Liabilities and provisions	101,104,062	12,896,979
Cash generated in operations	24,783,561	(95,144,410)
Direct tax paid	(67,606,441)	(68,191,270)
Net cash from operating activities	168,239,555	56,969,985
B. Cash flows from investing activities		
Interest income received	14,686,661	6,810,729
Acquisition of fixed assets (including capital work-in-progre:	(8,672,726)	(79,440,446)
Proceeds from sale of assets	(32,729,032)	29,098
Net cash (used in) from investing activities	(26,715,097)	(72,600,619)
C. Cash flow from financing activities		
Repayments of borrowings	(27,666,502)	(34,760,835)
Interest paid	(12,374,039)	(3,625,894)
Net cash generated from/(used in) financing activities	(40,040,541)	(38,386,729)
Net increase in cash and cash equivalents (A+B+C)	101,483,917	(54,017,363)
Cash and cash equivalents at the beginning of the year	39,423,066	92,963,659
Exchange rate fluctuations on bank balance	23,374,173	23,850,943
Cash and cash equivalents at the end of the year	164,281,156	62,797,239
Components of cash and cash equivalents		
Balance with banks in current accounts	144,340,802	39,423,066
Exchange rate fluctuations on bank balance	19,940,354	23,374,173
	164,281,156	62,797,239

The notes referred to above form an integral part of the Special Purpose financial statements.

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date attached
For D Prasanna & Company
Chartered Accountants
Firm's Registration No.:009619S

For and on behalf of the Board of
WIPRO TECHNOLOGIES S.A de C.V

Sd/-
D. Prasanna Kumar
Proprietor
Membership No.:211367
Place: Bengaluru
Date:23rd May 2023

Sd/-
Hari Shetty
Director

Sd/-
Mohit Bansal
Director

WIPRO TECHNOLOGIES S.A de C.V
Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in MXN except otherwise stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations	18	1,990,883,640	1,739,485,250
Other income	19	24,339,585	14,726,867
Total income		<u>2,015,223,225</u>	<u>1,754,212,117</u>
EXPENSES			
Employee benefits expense	20	1,289,701,842	1,116,419,485
Finance costs	21	21,178,183	11,385,474
Depreciation and amortisation expenses	22	71,975,220	83,660,996
Sub-contracting / technical fees / third party application		343,042,925	269,056,657
Travel		7,450,913	5,363,102
Legal and professional charges		10,646,188	18,021,339
Other expenses	23	108,930,120	108,445,150
Total expenses		<u>1,852,925,391</u>	<u>1,612,352,203</u>
Profit before tax		162,297,834	141,859,914
Tax expenses			
Current tax		112,355,064	116,137,006
Deferred tax		(25,862,735)	(40,376,216)
Minimum alternate tax credit			-
Total tax expenses		86,492,329	75,760,790
Profit for the year		75,805,505	66,099,124
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Total other comprehensive income / (loss) for the year, net of taxes		<u>75,805,505</u>	<u>66,099,124</u>
Total comprehensive income for the year			
Earnings per share			
Basic and diluted	24	0.38	0.33
Face value per equity share		10	10

The accompanying notes form an integral part of the Special Purpose financial statements

As per our report of even date attached
For D Prasanna & Company
Chartered Accountants
Firm's Registration No.:009619S

Sd/-
D. Prasanna Kumar
Proprietor
Membership No.:211367
Place: Bengaluru
Date:23rd May 2023

For and on behalf of the Board
WIPRO TECHNOLOGIES S.A de C.V

Sd/-
Hari Shetty
Director

Sd/-
Mohit Bansal
Director

WIPRO TECHNOLOGIES S.A de C.V**Statement of changes in equity for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***A. Equity share capital**

	Balance
As at 1 April 2021	200,493,353
Changes in equity share capital	-
As at 31 March 2022	200,493,353
Changes in equity share capital	-
As at 31 March 2023	200,493,353

B. Other equity

	Other equity		
	General Reserve	Retained earnings	Total other equity
As at 1 April 2021	(2,762,057)	8,797,053	6,034,996
Profit for the year	-	66,099,124	66,099,124
As at 31 March 2022	(2,762,057)	74,896,177	72,134,120
Profit for the year	-	75,805,505	75,805,505
As at 31 March 2023	(2,762,057)	150,701,682	147,939,625

The accompanying notes form an integral part of the Special Purpose financial statements

As per our report of even date attached

For D Prasanna & Company

Chartered Accountants

Firm's Registration No.:009619S

For and on behalf of the Board

WIPRO TECHNOLOGIES S.A de C.V

Sd/-

D. Prasanna Kumar

Proprietor

Membership No.:211367

Place: Bengaluru

Date:23rd May 2023

Sd/-

Hari Shetty

Director

Sd/-

Mohit Bansal

Director

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

1 Company overview and significant accounting policies

1.1 Background

Wipro Technologies S.A de C.V ("the Company") is a subsidiary of Wipro Cyprus Private Limited, incorporated and domiciled in Mexico. 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 special purpose 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.

2. 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 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.

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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

a)

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'.

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

Other amendments to the existing standards: None

New standards notified and yet to be adopted by the Company: None

b) 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
- 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.

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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.

3. Material accounting Policy Information

a) Foreign currency

Functional currency

The functional currency of the Company is the MXN. These special purpose financial statements are presented in Mexican.

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 special purpose financial statements are presented in Mexican ('MXN') 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.

(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.

b) 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.

c) 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.

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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.

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.

d) 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.

e) 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.

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

f) 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.

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.

g) 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.

h) 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 S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

Category	Useful life
Plant and machinery	2-21 years
Furniture and 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.

i) 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.

j) Provisions and contingencies

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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.

k) 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:

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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

“Unbilled revenue” represent revenues recognized 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

l) 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.

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.

m) 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.

n) 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.

o) 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.

Wipro Technologies S.A de C.V

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

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

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 special purpose 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.

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.

p) 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.

q) 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 S.A de C.V
Notes to the Special Purpose financial statements for the year ended 31 March 2023
(All amounts in MXN except otherwise stated)
4 Property, plant and equipment

Particulars	Leasehold improvements	Plant and machinery	Furniture and fixture	Vehicle	Office equipment	Total
Gross block						
Balance as at 1 April 2021	90,658,391	235,101,901	29,270,614	1,142,877	20,187,402	376,361,185
Additions	-	76,047,275	44,805	-	3,157,882	79,249,962
Deletions	-	(703,820)	-	-	-	(703,820)
Balance as at 31 March 2022	90,658,391	310,445,356	29,315,419	1,142,877	23,345,284	454,907,327
Additions	-	96,206,829	-	-	1,094,935	97,301,764
Deletions	(7,927,016)	(109,308,840)	(3,933,084)	-	(1,430,555)	(122,599,495)
Balance as at 31 March 2023	82,731,375	297,343,345	25,382,335	1,142,877	23,009,664	429,609,596
Accumulated depreciation						
Balance as at 1 April 2021	41,213,746	144,386,910	14,600,926	495,149	11,077,772	211,774,503
Depreciation charge for the year	11,471,199	38,101,973	4,670,273	274,312	3,650,082	58,167,839
Disposals	-	(674,722)	-	-	-	(674,722)
Balance as at 31 March 2022	52,684,945	181,814,161	19,271,199	769,461	14,727,854	269,267,620
Depreciation charge for the year	7,337,356	41,335,397	3,888,444	255,305	3,138,281	55,954,783
Disposals	(6,083,095)	(30,750,589)	(3,784,557)	-	(1,388,085)	(42,006,326)
Balance as at 31 March 2023	53,939,206	192,398,969	19,375,086	1,024,766	16,478,050	283,216,077
Net block						
Balance as at 31 March 2022	37,973,446	128,631,195	10,044,220	373,416	8,617,430	185,639,707
Balance as at 31 March 2023	28,792,169	104,944,376	6,007,249	118,111	6,531,614	146,393,519

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WIPRO TECHNOLOGIES S.A de C.V
Notes to the Special Purpose financial statements for the year ended 31 March 2023
(All amounts in MXN except otherwise stated)
5 Right of use assets:

Particulars	Buildings	Office equipment	Total
Gross block at cost			
Balance as at 1 April 2021	188,830,172	3,870,574	192,700,746
Additions	-	-	-
Deductions for the year	(4,143,218)	(2,767,691)	(6,910,909)
Balance as at 31 March 2022	184,686,954	1,102,883	185,789,837
Additions	-	-	-
Deductions for the year	(75,485,019)	(1,102,883)	(76,587,902)
Balance as at 31 March 2023	109,201,935	-	109,201,935
Accumulated depreciation			
Balance as at 1 April 2021	41,188,926	3,649,085	44,838,011
Charge for the year	25,271,676	221,481	25,493,157
Deductions for the year	(4,143,218)	(2,767,683)	(6,910,901)
Balance as at 31 March 2022	62,317,384	1,102,883	63,420,267
Charge for the year	16,020,437	-	16,020,437
Deductions for the year	(44,824,698)	(1,102,883)	(45,927,581)
Balance as at 31 March 2023	33,513,123	-	33,513,123
Net Block			
Balance as at 31 March 2022	122,369,570	-	122,369,570
Balance as at 31 March 2023	75,688,812	-	75,688,812

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WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***6 Other financial assets**

	As at 31 March 2023	As at 31 March 2022
Non current		
Security deposits	3,742,650	3,451,890
Finance lease receivable	60,899,648	37,406,187
	<u>64,642,298</u>	<u>40,858,077</u>
Current		
Security deposits	-	133,449
Finance lease receivable	76,334,780	48,348,606
Balance with Group Companies	-	6,872,203
	<u>76,334,780</u>	<u>55,354,258</u>

7 Deferred tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Depreciation on fixed assets	68,105,188	42,242,453
Net deferred tax assets	<u>68,105,188</u>	<u>42,242,453</u>

8 Other assets

	As at 31 March 2023	As at 31 March 2022
Other non current assets		
Capital advances	-	-
Prepaid expenses	40,248	916,821
Others	-	-
	<u>40,248</u>	<u>916,821</u>
Current		
Prepaid expenses	34,287,487	9,655,322
Advance to suppliers	641,972	76,492
Employee travel and other advances	2,672,054	27,750
Less: Prov for Doubtful Advances	(1,466,400)	(561,273)
	<u>36,135,113</u>	<u>9,198,291</u>

9 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Unsecured		
Considered good		
Intercompany	127,845,471	170,708,070
Others	197,276,801	271,904,919
	<u>325,122,272</u>	<u>442,612,989</u>
Less: Provision for doubtful receivables	(1,639,008)	(8,500,095)
	<u>323,483,264</u>	<u>434,112,894</u>

The activity in the allowance for expected credit loss is given below:

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	8,500,095	2,444,010
Additions during the year, net	-	-
Charged against allowance	(6,861,087)	6,056,085
Balance at the end of the year	<u>1,639,008</u>	<u>8,500,095</u>

10 Cash and cash equivalents

Balances with bank in current accounts	164,281,156	62,797,239
Cheques, draft on hand	-	-
	<u>164,281,156</u>	<u>62,797,239</u>

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WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***11 Share capital**

	As at 31 March 2023	As at 31 March 2022
Authorised capital		
20,04,93,353 (31 March 2023: 1,000,000) equity shares of MXN 1 each	200,493,353	200,493,353
	200,493,353	200,493,353
Issued, subscribed and paid up capital		
20,04,93,353 (31 March 2023: 20,04,93,353) Equity shares of MXN 1 each fully paid-up	200,493,353	200,493,353
	200,493,353	200,493,353

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Balance at the beginning of the year	200,493,353	200,493,353	200,493,353	200,493,353
Add :Issued during the year.	-	-	-	-
Balance at the end of the year	200,493,353	200,493,353	200,493,353	200,493,353

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 0.6 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2023		As at 31 March 2022	
	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares
Equity shares of MXN 1 each fully paid-up				
Wipro Cyprus Private Limited	91%	182,613,048	91%	182,613,048
Wipro LLC	9%	17,880,305	9%	17,880,305

d) There has been no issue of shares for consideration other than cash during the 5 years preceding 31 March 2023*(This space has been intentionally left blank)*

WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)*

	As at 31 March 2023	As at 31 March 2022
12 Other equity		
a) Statement of profit and loss account		
Balance at the beginning of the year	72,134,120	6,034,996
Add: Net profit/(loss) for the year	75,805,505	66,099,124
Balance at the end of the year	147,939,625	72,134,120
b) Securities premium	-	-
Total (a+b)	147,939,625	72,134,120

Nature and purpose of reserves:**Securities premium:** The amount received in excess of face value of the equity shares is recognised in**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to**13 Borrowings**

	As at 31 March 2023	As at 31 March 2022
Long term borrowings		
Term Loan from Bank		
Secured	-	-
Unamortised borrowing costs	-	-
Short-term borrowings		
Loans from related parties	238,544,759	261,314,600
Loans repayable on demand from bank (secured)	-	-
	238,544,759	261,314,600

14 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Non current		
Employee related liabilities	-	-
Current		
Employee related liabilities	9,074,017	8,460,584
Dues to related parties	30,436,995	8,399,592
Total	39,511,012	16,860,176

15 Provisions

	As at 31 March 2023	As at 31 March 2022
Non current provisions		
Provision for employee benefits		
Compensated absences	12,001,330	9,282,325
	12,001,330	9,282,325
Current provisions		
Provision for employee benefits		
Compensated absences	19,289,837	13,799,568
	19,289,837	13,799,568

16 Other liabilities

	As at 31 March 2023	As at 31 March 2022
Current		
Advances collected from customers	-	-
Statutory liabilities	82,395,778	42,250,691
	-	-
Total	82,395,778	42,250,691

17 Trade payables

	As at 31 March 2023	As at 31 March 2022
Vendor payables	106,934,292	54,018,260
Intercompany payables	77,225,731	107,012,825
Accrued expenses and others	103,727,451	50,472,221
Total	287,887,474	211,503,306

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WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***18 Revenue from operations**

	Year ended 31 March 2023	Year ended 31 March 2022
Sale of services	1,990,883,640	1,739,485,250
Sale of products	-	-
	<u>1,990,883,640</u>	<u>1,739,485,250</u>

19 Other income

	Year ended 31 March 2023	Year ended 31 March 2022
Interest income	14,686,661	6,810,729
Rental income	1,038,293	385,081
Other exchange differences, net	8,614,631	7,531,057
	<u>24,339,585</u>	<u>14,726,867</u>

20 Employee benefits expenses

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	1,096,314,454	959,761,609
Contribution to provident and other funds	189,856,040	157,933,727
Share based compensation charge*	-	(2,076,847)
Staff welfare expenses	3,531,348	800,996
	<u>1,289,701,842</u>	<u>1,116,419,485</u>

21 Finance costs

	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense	12,374,039	3,625,894
Interest on finance lease	8,804,144	7,759,580
Others	-	-
	<u>21,178,183</u>	<u>11,385,474</u>

22 Depreciation

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on tangible assets	55,954,783	58,167,839
Amortisation on intangible assets	-	-
Depreciation on right to use assets	16,020,437	25,493,157
	<u>71,975,220</u>	<u>83,660,996</u>

23 Other expenses

	Year ended 31 March 2023	Year ended 31 March 2022
Rent	-	-
Rates and taxes	83,197	35,153,156
Repairs and maintenance	18,260,950	13,578,312
Provision for doubtful receivables	(6,855,472)	6,056,087
Bad debts	982	-
Power and fuel	2,820,306	2,267,679
Advertisement and sales promotion	282,564	650,454
Communication	7,900,008	19,281,705
Staff recruitment	5,619,055	12,926,934
Insurance	46,017,019	15,135,524
Miscellaneous expenses	34,801,511	3,395,299
	<u>108,930,120</u>	<u>108,445,150</u>

24 Earnings per share (EPS)

	Year ended 31 March 2023	Year ended 31 March 2022
Net profit/(loss) for the year	75,805,505	66,099,124
Weighted average number of shares	200,493,353	200,493,353
Earnings per share		
Basic and diluted	0.38	0.33
Nominal value - per equity share	10	10

25 Income tax

Income tax expense has been allocated as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Income tax expense		
Domestic		
Current taxes	112,355,064	116,137,006
Deferred taxes	(25,862,735)	(40,376,216)
Total income taxes	<u>86,492,329</u>	<u>75,760,790</u>
	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	162,297,834	141,859,914
Enacted income tax rate	30%	30%
Computed expected tax expense	48,689,351	42,557,975
Effect of:		
Tax expenses relating to prior years	(25,732,684)	61,250,229
Tax Adjustments	89,398,397	12,328,802
Tax effect on expenses disallowed for tax computation	(25,862,735)	(40,376,216)
Total income taxes expenses	<u>86,492,329</u>	<u>75,760,790</u>

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WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***26 A. Names of related parties and nature of relationship**

Nature of relationship	Name of the related party
Ultimate Holding Company	Wipro Limited
Holding Company	Wipro Cyprus Private Limited
Group Company	Wipro Holding Hungary Kft Wipro (Chengdu) Limited Wipro Insurance Solutions LLC Branch Wipro Networks Pte Limited Wipro Technologies SA (Argentina) Wipro do Brasil Tecnologia Ltda Appirio Inc. Wipo Technologies Chile SPA Wipro Inc Wipro Portugal S.A. Wipro LLC Wipro Travel Services Limited

*Related parties with whom transactions have taken place during the year.

B. Transactions with related parties for the year ended 31 March 2023

Particulars	Relationship*	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of services			
Wipro Limited	Ultimate Holding Company	283,332,863	190,026,501
Wipro Technologies SA (Argentina)	Group company	2,980,049	59,284
Appirio Inc. (US)	Group company	-	-
Wipro Networks Pte Limited	Group company	-	-
Wipro Gallagher Solutions	Group company	17,017,372	3,037,823
Wipro Technology Chile	Group company	3,673,574	-
Wipro do Brasil Tecnologia Ltda	Group company	-	-
Wipro LLC	Group company	539,780	-
Wipro Technologies W.T. Sociedad Anonim:	Group company	-	-
Wipro Insurance Solutions, LLC	Group company	-	-
Wipro Travel Services Limited	Group company	1,518,461	-
Sales and services			
Wipro Limited	Ultimate Holding Company	898,911,021	775,608,773
Wipro do Brasil Tecnologia Ltda	Group company	29,205,575	19,247,417
Wipro LLC	Group company	128,519,699	128,201,084
Wipro Insurance Solutions LLC Branch	Group company	-	19,577
Wipro Technologies SA (Argentina)	Group company	-	55,376
Wipo Technologies Chile SPA	Group company	-	1,214,613
Appirio Inc. (US)	Group company	371,236	2,948,505
Appirio Ltd. (Ireland)	Group company	341,974	929,638
Appirio Ltd. (UK)	Group company	-	-
Wipro (Chengdu) Limited	Group company	-	16,418
Wipro Gallagher Solutions	Group company	435,593	5,982,816
Eximius Design, LLC	Group company	-	648,053
Wipro Technologies SDN BHD	Group company	-	171,611
Wipro Solutions Canada Limited	Group company	476,078	-
HealthPlan Services, Inc.	Group company	32,565,667	-
Interest expense			
Wipro Holdings Hungary Kft	Group company	12,374,039	3,625,894
Rental Income			
Wipro Insurance Solutions	Group company	176,068	385,081
Wipro Gallagher Solutions	Group company	862,225	-

C. Closing balance of related parties

Particulars	Relationship*	Year ended	Year ended
		31 March 2023	31 March 2022
Payables:			
Wipro Limited	Ultimate Holding Company	85,606,647	111,313,174
Wipro Travel Services Limited	Group company	36,208	2,161,848
Wipro Technologies SA (Argentina)	Group company	3,124,928	144,879
Wipro Networks Pte Limited	Group company	-	-
Appirio Inc.(US)	Group company	-	-
Wipo Technologies Chile SPA	Group company	1,278,130	-
Wipro Insurance	Group company	-	82,005
Appirio, Inc	Group company	-	303
Wipro LLC	Group company	-	5,530
Wipro Gallagher Solutions, LLC.	Group company	21,586,523	3,420,781
Wipro do Brasil Tecnologia Ltda		33,329	-
Receivables:			
Wipro Limited	Ultimate Holding Company	71,244,822	130,830,928
Wipro LLC	Group company	13,279,214	22,040,362
Wipro Insurance	Group company	8,217	215,261
Wipro Technologies SA (Argentina)	Group company	1,559,968	1,559,968
Wipro do Brasil Tecnologia Ltda	Group company	11,752,807	14,630,274
Appirio Inc. (US)	Group company	-	-
Appirio Inc. (UK)	Group company	-	-
Appirio Inc. (Ireland)	Group company	109,930	7,011
Wipo Technologies Chile SPA	Group company	-	605,511
Wipro Insurance Solutions	Group company	-	-
Wipro Gallagher Solutions	Group company	7,197,521	-
Wipo Technologies Costa Rica	Group company	-	6,555,602
Wipro (Chengdu) Limited	Group company	-	-
Eximius Design, LLC	Group company	-	648,053
Wipro Technologies SDN BHD	Group company	-	171,611
HealthPlan Services, Inc.	Group company	32,565,667	-
Loan taken			
Wipro Holdings Hungary Kft	Group company	253,157,203	251,947,067

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WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***27 IND AS 116 leases related disclosures****i) Total lease liabilities are analysed as follows:**

	As at 31 March 2023	As at 31 March 2022
Analysed as:		
Current	45,941,923	61,362,988
Non current	111,347,271	147,503,625
	157,289,194	208,866,613

ii) Amounts recognised in statement of profit and loss:

The following amounts were recognised as expense in the year:

	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of right-of-use assets	16,020,437	25,493,157
Interest on lease liabilities	8,804,144	7,759,580
Expense relating to short-term leases and low-value assets		
Total recognised in the statement of profit and loss	24,824,581	33,252,737

iii) Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been

Maturity analysis:

	As at 31 March 2023	As at 31 March 2022
Less than 1 year	45,941,923	61,362,988
Between 1 and 2 years	37,675,921	30,752,112
Between 2 and 5 years	51,356,265	68,413,827
More than 5 years	22,315,043	48,337,686
Total	157,289,152	208,866,613

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WIPRO TECHNOLOGIES S.A de C.V

Notes to the Special Purpose financial statements for the year ended 31 March 2023

(All amounts in MXN except otherwise stated)

28 Financial instruments measurement and disclosure

a) Financial instruments by category

Particulars	As at 31 March 2023				As at 31 March 2022			
	FVTOCI	FVTPL	Amortised cost	Total	FVTOCI	FVTPL	Amortised cost	Total
Financial assets:								
Investments	-	-	-	-	-	-	-	-
Trade receivables	-	-	323,483,264	323,483,264	-	-	434,112,894	434,112,894
Cash and cash equivalents	-	-	164,281,156	164,281,156	-	-	62,797,239	62,797,239
Unbilled revenue	-	-	297,523,484	297,523,484	-	-	99,771,745	99,771,745
Other financial assets	-	-	140,977,078	140,977,078	-	-	96,212,335	96,212,335
Total	-	-	926,264,982	926,264,982	-	-	692,894,213	692,894,213
Financial liabilities:								
Borrowings	-	-	238,544,759	238,544,759	-	-	261,314,600	261,314,600
Lease liabilities	-	-	157,289,194	157,289,194	-	-	208,866,613	208,866,613
Trade payables	-	-	287,887,474	287,887,474	-	-	211,503,306	211,503,306
Other financial liabilities	-	-	39,511,012	39,511,012	-	-	16,860,176	16,860,176
Total	-	-	723,232,439	723,232,439	-	-	698,544,695	698,544,695

The fair values of assets and liabilities approximates its carrying value.

The Company has not disclosed the fair value of financial instruments such as trade receivables, trade payables, other financials assets, borrowings etc. because their carrying amounts are a reasonable approximation of fair value.

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WIPRO TECHNOLOGIES S.A de C.V

Notes to the Special Purpose financial statements for the year ended 31 March 2023

(All amounts in MXN except otherwise stated)

29 Financial risk management

Financial risk management

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

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

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

A Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortized cost and deposits with banks and financial institutions.

Credit risk management

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics.

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

Expected credit loss for trade receivables under simplified approach

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.

Concentration Risk

The table below provides the details of the customer having balance of more than 10% of the total Account receivable of the entity as of 31 March 2023

Customer	Year ended 31 March 2023		Year ended 31 March 2022	
	AR Balance	% of total AR balance	AR Balance	% of total AR balance
Grupo Televisa, S.A.B	132,552,518	67%	174,826,786	61%
Banco Nacional de Mexico S.A.	57,118,898	29%	26,607,472	10%

WIPRO TECHNOLOGIES S.A de C.V**Notes to the Special Purpose financial statements for the year ended 31 March 2023***(All amounts in MXN except otherwise stated)***29 Financial risk management (continued)****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.

Maturities of financial liabilities

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

31 March 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Beyond 5th year	Total
Non-derivatives					
Borrowings	238,544,759				238,544,759
Lease liabilities	45,941,923	37,675,921	51,356,265	22,315,043	157,289,152
Trade payables	287,887,474				287,887,474
Other Financial liabilities	39,511,012				39,511,012
Total	611,885,168	37,675,921	51,356,265	22,315,043	723,232,397
31 March 2022					
	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Beyond 5th year	Total
Non-derivatives					
Borrowings	261,314,600				261,314,600
Lease liabilities	61,362,988	30,752,112	68,413,827	48,337,686	208,866,613
Trade payables	211,503,306				211,503,306
Other Financial liabilities	16,860,176				16,860,176
Total	551,041,070	30,752,112	68,413,827	48,337,686	698,544,695

C Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk. Financial instruments affected by market risk include trade and other receivables/payables. The Company is exposed to foreign currency risk, interest rate risk and certain other price risk, which are a result from both its operating and investing activities.

D Interest rate risk

The Company has no borrowings as at 31 March, 2023. 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.

E Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from EUR, CAD, GBP. Foreign exchange risk arises when future commercial transactions or recognised 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.

30 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investments.

	As at	As at
	31 March 2023	31 March 2022
Finance Lease Liabilities	157,289,194	208,866,613
Short term borrowings	238,544,759	261,314,600
	395,833,953	470,181,213
Less: cash and cash equivalents	164,281,156	62,797,239
Less: bank balances other than cash and cash equivalents	-	-
Net debts	231,552,797	407,383,974
Total equity	348,432,978.00	272,627,473.00
Gearing ratio	0.66	1.49

Note: As no term loans availed in the previous year, comparative period figures are not applicable.

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WIPRO TECHNOLOGIES S.A de C.V

Notes to the Special Purpose financial statements for the year ended 31 March 2023

(All amounts in MXN except otherwise stated)

31 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2023 and the date of authorization of these

32 Contingent liabilities and commitments

	As at 31 March 2023	As at 31 March 2022
a) Claims against the Company not acknowledge as debts	-	-
b) Bank guarantees	-	-

As per our report of even date

As per our report of even date attached

For D Prasanna & Company

Chartered Accountants

Firm's Registration No.:009619S

Sd/-

D. Prasanna Kumar

Proprietor

Membership No.:211367

Place: Bengaluru

Date:23rd May 2023

For and on behalf of the Board

WIPRO TECHNOLOGIES S.A de C.V

Sd/-

Hari Shetty

Director

Sd/-

Mohit Bansal

Director