

# Special Purpose Financial Statements and Independent Auditor's Report

**Wipro Technologies Peru S.A.C**

31 March 2021

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

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

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of the Management and Those Charged with Governance for Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate

internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Restriction on distribution or use**

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

#### **For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

Sd/-

Seethalakshmi M

Partner

Membership No. 208545

Place of Signature: Bengaluru

Date: 08 June 2021

UDIN: 21208545AAAFK8673

## Wipro Technologies Peru S.A.C

### Balance Sheet as at 31 March 2021

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

	Note	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	541,956	348,419
Deferred tax assets (net)	6	725,465	30,377
Other non-current assets	7	100,951	231,784
		<b>1,368,372</b>	<b>610,580</b>
Inventories	8	36,134	36,134
Financial assets			
Trade receivables	9	3,997,442	4,284,196
Cash and cash equivalents	10	4,927,079	4,152,067
Unbilled revenues		1,484,935	1,761,938
Other financial assets	5	16,881	16,292
Other current assets	7	80,661	75,321
		<b>10,543,131</b>	<b>10,325,947</b>
		<b>11,911,503</b>	<b>10,936,527</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	1,869,588	1,869,588
Other equity		5,520,975	5,416,547
		<b>7,390,563</b>	<b>7,286,135</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	12	403,244	105,894
		<b>403,244</b>	<b>105,894</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13	-	1,249,195
Trade payables	14	3,078,417	1,273,984
Other financial liabilities	15	322,947	596,734
Unearned revenue		-	284,543
Current tax liabilities (net)		412,967	50,880
Provisions	12	303,365	89,163
		<b>4,117,697</b>	<b>3,544,499</b>
		<b>11,911,503</b>	<b>10,936,527</b>
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

Sd/-  
**Seethalakshmi M**  
Partner  
Membership No: 208545  
Place: Bengaluru  
Date: 08 June 2021

For and on behalf of the Board of Directors of  
**Wipro Technologies Peru S.A.C**

Sd/-  
**Ashish Chawla**  
Director

**Wipro Technologies Peru S.A.C**  
**Statement of Income for the year ended 31 March 2021**

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

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
<b>REVENUE</b>			
Revenue from operations	16	8,395,907	11,037,303
Other income	17	1,099	127,628
		<b>8,397,006</b>	<b>11,164,931</b>
<b>EXPENSES</b>			
Employee benefits expense	18	2,899,177	2,917,302
Finance Cost	19	29,825	51,730
Depreciation and amortisation expense	4	402,379	391,248
Other expenses	20	5,236,487	4,947,015
		<b>8,567,868</b>	<b>8,307,295</b>
<b>Profit before tax</b>		<b>(170,862)</b>	<b>2,857,636</b>
Current tax - Current year		412,968	1,017,076
Current tax - Prior year		6,829	(853,701)
Deferred tax		(695,088)	-
<b>Tax expense</b>		<b>(275,290)</b>	<b>163,375</b>
<b>Profit / (Loss) for the period</b>		<b>104,428</b>	<b>2,694,261</b>
<b>Total comprehensive income for the period</b>		<b>104,428</b>	<b>2,694,261</b>
Other Comprehensive Income			
<b>Total comprehensive income for the period</b>		<b>104,428</b>	<b>2,694,261</b>
<b>Earnings per equity share</b>			
(Equity shares of PEN 1 each)			
Basic and Diluted	21	0.06	1.44
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: 08 June 2021**

**Sd/-**  
**Ashish Chawla**  
**Director**

**Wipro Technologies Peru S.A.C**  
**Cash Flow Statement for the year ended March 2021**

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

	Year ended 31 March 2021	Year ended 31 March 2020
<b>Cash flow from operating activities</b>		
<b>Profit / (Loss) for the period</b>	<b>104,428</b>	<b>2,694,261</b>
Adjustments		
Depreciation of property, plant and equipment	402,379	391,248
Unrealised exchange differences (net)	(137,035)	(16,431)
Provision for tax	419,797	163,375
Finance charges	29,825	51,730
Interest income	(1,099)	(25,881)
<b>Operating profit before working capital changes</b>	<b>818,295</b>	<b>3,258,302</b>
<b>Adjustments for working capital changes:</b>		
Decrease in trade receivables and unbilled revenue	700,204	(3,750,812)
(Increase) in loans and advances and other current assets	(569,596)	989,049
(Decrease) in trade payables and unearned revenue	1,519,891	778,166
Increase in other liabilities and provisions	237,765	(342,018)
<b>Net cash generated from operations</b>	<b>2,706,559</b>	<b>932,688</b>
Income tax paid	(57,711)	(33,361)
<b>Net cash generated by operating activities</b>	<b>(A) 2,648,849</b>	<b>899,328</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(595,915)	(377,805)
Disposal of assets	-	0
Interest income received	1,099	25,881
<b>Net cash generated by / (used in) investing activities</b>	<b>(B) (594,816)</b>	<b>(351,925)</b>
<b>Cash flows from financing activities:</b>		
Finance charges paid	(29,825)	(51,730)
Repayment of borrowings	(1,249,195)	-
<b>Net cash generated by / (used in) financing activities</b>	<b>(C) (1,279,020)</b>	<b>(51,730)</b>
<b>Net increase in cash and cash equivalents during the period (A+B+C)</b>	<b>775,012</b>	<b>495,673</b>
Cash and cash equivalents at the beginning of the period	4,152,067	3,656,394
<b>Cash and cash equivalents at the end of the period (refer note 10)</b>	<b>4,927,079</b>	<b>4,152,067</b>
<b>Components of cash and cash equivalents (note 10)</b>		
Balances with banks		
in current account	4,838,892	4,129,616
Effect of translation differences of exchange rate	88,187	22,450
	<b>4,927,079</b>	<b>4,152,067</b>

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: 08 June 2021

Sd/-  
**Ashish Chawla**  
Director

## Wipro Technologies Peru S.A.C

### Statement of Changes in Equity for the year ended 31 March 2021

(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 2021
Equity share capital of Face value of PEN 1 each	1,869,588	-	1,869,588	-	1,869,588
	<b>1,869,588</b>	<b>-</b>	<b>1,869,588</b>	<b>-</b>	<b>1,869,588</b>

#### Other equity

Particulars	Retained Earnings	Foreign currency translation reserve	Total
<b>Balance as at 1 April 2019</b>	<b>2,722,286</b>	-	<b>2,722,286</b>
Profit for the period	2,694,261	-	2,694,261
<b>Balance as at 31 March 2020</b>	<b>5,416,547</b>	-	<b>5,416,547</b>
Profit for the period	104,428	-	104,428
<b>Balance as at 31 March 2021</b>	<b>5,520,975</b>	-	<b>5,520,975</b>

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

As per our report attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No.: 003990S/S200018

Sd/-

Seethalakshmi M

Partner

Membership No: 208545

Place: Bengaluru

Date: 08 June 2021

For and on behalf of the Board of Directors of

Wipro Technologies Peru S.A.C

Sd/-

Ashish Chawla

Director



# Wipro Technologies Peru S.A.C

## Summary of significant accounting policies and other explanatory information

(Amounts in PEN unless otherwise stated)

### 1. The Company overview

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.

### 2. Basis of preparation of financial statements

#### (i) Statement of compliance and basis of preparation

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

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

#### (ii) Basis of measurement

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

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

#### (iii) Use of estimates and judgment

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- a) **Revenue recognition:** The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company uses the percentage of completion method using the input (cost expended) method to Revenue recognition (cont'd) measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made.

Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are

## Wipro Technologies Peru S.A.C

### Summary of significant accounting policies and other explanatory information

(Amounts in PEN unless otherwise stated)

#### (iii) Use of estimates and judgements (cont'd)

assessed continually during the term of these contracts, revenue recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

- b) **Income taxes:** The major tax jurisdictions for the Company is Peru. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.
- c) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- d) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- e) **Expected credit losses on financial assets:** The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.
- f) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.
- g) **Useful lives of intangible assets:** The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.
- h) **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

- i) **Impact of COVID-19 (pandemic):** 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.

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. The impact on future operations would, to a large extent, depend on how the pandemic further develops and it's resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations.

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the financial statements. Accordingly, no adjustments have been made to the financial statements.

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases and impact on effectiveness of its hedges, etc. whenever the same is applicable. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

### **3. Significant accounting policies**

#### **(i) Functional and presentation currency**

These financial statements are presented in Peruvian Sol (PEN), which is the functional currency of the Company.

#### **(ii) Foreign currency transactions and translation**

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

#### **(iii) Financial instruments**

##### **a) Non-derivative financial instruments:**

Non-derivative financial instruments consist of:

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

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

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

#### A. Cash and cash equivalents

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

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

#### B. Other financial assets:

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

#### C. Trade and other payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

#### **b) Derecognition of financial instruments**

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

#### **(iv) Equity**

##### **a) Share capital and securities premium reserve**

The authorised share capital of the Company as at 31 March 2021 is 1,869,588 divided into 1,869,588 equity shares of PEN 1 each, Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as securities premium.

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

## Wipro Technologies Peru S.A.C

### Summary of significant accounting policies and other explanatory information

(Amounts in PEN unless otherwise stated)

#### b) Retained earnings

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

#### (v) Property, plant and equipment

##### a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

##### b) Depreciation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortised over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortised over their respective contract term. Freehold land is not depreciated. The estimated useful life of assets is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

<u>Category</u>	<u>Useful life</u>
Buildings	28 to 40 years
Plant and machinery	5 to 21 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years
Vehicles	4 to 5 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

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

#### (vi) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

##### The Company as a lessee

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- control the use of an identified asset,
- obtain substantially all the economic benefits from use of the identified asset, and

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **The Company as a lessee ( Cont'd)**

- c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

#### **The Company as a lessor**

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

#### **(vii) Inventories**

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

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **(viii) Impairment**

##### **A) Financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments classified as FVTOCI, lease receivables, trade receivables, lease receivables, contract assets and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using effective interest rate.

Loss allowances for trade receivables, contract assets and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to the account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

##### **B) Non - financial assets**

The Company assesses long-lived assets such as property, plant and equipment and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is

reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognised are reversed such that the asset is recognised at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognised initially.

#### **(ix) Employee benefits**

##### **a) Social Security**

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.

##### **b) Termination benefits**

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

##### **c) Short-term benefits**

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

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **d) Compensated absences**

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

#### **(x) Provisions**

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

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

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

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

#### **(xi) Revenue**

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

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

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

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. The selection of the method to measure progress



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### **Summary of significant accounting policies and other explanatory information**

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towards completion requires judgment and is based on the nature of the promised products or services to be provided.

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

#### **A. Time and materials contracts**

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

#### **B. Fixed-price contracts**

##### **i) Fixed-price development contracts**

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

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

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

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

##### **ii) Maintenance contracts**

Revenues related to fixed-price maintenance, testing and business process services are recognised based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognised as revenue on completion of the term.

##### **iii) Volume based contracts**

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

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### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **Revenue (cont'd)**

##### **C. Products**

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

##### **D. Others**

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

contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

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

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

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

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

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

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient,

the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

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

#### **(xii) Finance cost**

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

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **(xiii) Other income**

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

#### **(xiv) Income tax**

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

##### **a) Current income tax**

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

##### **b) Deferred income tax**

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

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

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

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

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

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

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### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **(xv) Earnings per share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options, except where the results would be anti-dilutive.

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

#### **(xvi) Cash flow statement**

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

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

#### **(xvii) Disposal of assets**

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

#### **(xviii) Commitments and contingencies**

**Capital Commitments:** As at 31 March 2021 and 2020 the Company had committed to spend approximately PEN 0 and PEN 366,666 respectively, under agreements to purchase/ construct property and equipment. These amounts are net of capital advances paid in respect of these purchases.

**Contingent liabilities:** As at 31 March 2021 and 2020 the Company did not have any possible obligation contingent on occurrence of some uncertain future event nor any present obligation, the amount for which cannot be measured reliably.

#### **(xix) Segment Reporting**

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

The company is having one customer whose revenue is more than 10% of the total revenue, contributing 84% of the total revenue.

### **Revenue from Contract with Customers**

#### **A. Contract Asset and Liabilities**

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

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. The Company

## Wipro Technologies Peru S.A.C

### Summary of significant accounting policies and other explanatory information

(Amounts in PEN unless otherwise stated)

presents such receivables as part of unbilled receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in Ind AS 109 using expected credit loss method.

During the year ended 31 March 2021, the Company recognised revenue of PEN 284,543 arising from opening unearned revenue as at April 1, 2020.

During the year ended 31 March 2021, PEN 34,383 of unbilled revenue pertaining to fixed-price development contracts (contract assets) which had an amount of PEN 0 as at April 1, 2020, has been reclassified to trade receivables on completion of milestones.

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

#### B. Remaining Performance Obligations

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

As at 31 March 2021, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above which approximately 100% is expected to be recognised as revenues within 2 years, and the remainder thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

#### C. Disaggregation of Revenues

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

#### (xx) New Accounting standards adopted by the Company:

<b>Particulars</b>	<b>For the Year ended 31 March, 2021</b>	<b>For the Year ended 31 March, 2020</b>
<b>Revenue</b>		
Sales of services	7,937,997	10,952,317
Sales of products	457,910	84,986
	<b>8,395,907</b>	<b>11,037,303</b>
<b>Revenue by nature of contract</b>		
Fixed price and volume based	1,538,331	4,837,528
Time and materials	6,399,666	6,114,789
Products	457,910	84,986
	<b>8,395,907</b>	<b>11,037,303</b>

#### Statement of compliance

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

## **Wipro Technologies Peru S.A.C**

### **Summary of significant accounting policies and other explanatory information**

(Amounts in PEN unless otherwise stated)

#### **New amended standards and interpretations**

- i. Ind AS 1 Presentation of Financial Statements - Substitution of the definition of term 'Material'
- ii. Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors - In order to maintain consistency with Ind AS 1, the respective changes have been made to Ind AS 8 also.
- iii. Ind AS 10 Events after the Reporting Period - Clarification on the disclosures requirements to be made in case of a material non- adjusting event.
- iv. Ind AS 34 Interim Financial Reporting - In order to maintain consistency with the amendments made in other Ind AS, respective changes have been made to Ind AS 34.
- v. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets - Clarification on the accounting treatment for restructuring plans.
- vi. Ind AS 103 Business Combination - Detailed guidance on term 'Business' and 'Business Combination' along with providing an Optional test to identify concentration of Fair Value.
- vii. Ind AS 107 Financial Instruments: Disclosures - Clarification on certain disclosures to be made in respect of uncertainty arising from interest rate benchmark reforms.

#### **New amended standards and interpretations**

- viii. Ind AS 109 Financial Instruments - Clarification on temporary exceptions from applying specific hedge accounting requirements along with providing guidance on transition for hedge accounting.
- ix. Ind AS 116 Leases - Clarification on whether rent concessions as a direct consequence of COVID- 19 pandemic can be accounted as lease modification or not.

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

**Other amendments to the existing standards:** None

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

**Wipro Technologies Peru S.A.C**  
**Statement of Changes in Equity for the year ended 31 March 2021**

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

**4 Property, plant and equipment**

	Plant and machinery	Total
<b>Gross block (at cost)</b>		
<b>Balance as at 01 April 2019</b>	<b>1,043,836</b>	<b>1,043,836</b>
Additions	377,805	377,805
Disposals/adjustment	(4,039)	(4,039)
Translation adjustments	-	-
<b>Balance as at 31 March 2020</b>	<b>1,417,603</b>	<b>1,417,603</b>
Additions	595,915	595,915
Disposals/adjustment	-	-
Translation adjustments	-	-
<b>Balance as at 31 March 2021</b>	<b>2,013,518</b>	<b>2,013,518</b>
<b>Accumulated depreciation</b>		
<b>Balance as at 01 April 2019</b>	<b>681,974</b>	<b>681,974</b>
Depreciation charge	391,248	391,248
Disposals/adjustment	(4,039)	(4,039)
Translation adjustments	-	-
<b>Balance as at 31 March 2020</b>	<b>1,069,184</b>	<b>1,069,184</b>
Depreciation charge	402,379	402,379
Disposals/adjustment*	-	-
Translation adjustments	-	-
<b>Balance as at 31 March 2021</b>	<b>1,471,562</b>	<b>1,471,562</b>
<b>Net block</b>		
<b>Balance as at 31 March 2020</b>	<b>348,419</b>	<b>348,419</b>
<b>Balance as at 31 March 2021</b>	<b>541,956</b>	<b>541,956</b>

## 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 2021	As at 31 March 2020
<b>5 Other financial assets</b>		
<b>Current</b>		
Security deposits	16,093	16,093
Other assets	788	199
	<b>16,881</b>	<b>16,292</b>
	As at 31 March 2021	As at 31 March 2020
<b>6 Deferred tax assets (net)</b>		
On Other Originating / reversing temporary differences	725,465	30,377
- Accrued Expenses		
	<b>725,465</b>	<b>30,377</b>
	As at 31 March 2021	As at 31 March 2020
<b>7 Other assets</b>		
<b>Non-current</b>		
Prepaid expenses	9,464	18,928
Balances with statutory authorities	91,487	212,856
	<b>100,951</b>	<b>231,784</b>
<b>Current</b>		
Prepaid expenses	20,384	9,464
Employee travel & other advances	25,895	65,857
Contract Asset	34,383	-
	<b>80,661</b>	<b>75,321</b>
	As at 31 March 2021	As at 31 March 2020
<b>8 Inventories</b>		
Stock In Trade	36,134	36,134
	<b>36,134</b>	<b>36,134</b>
	As at 31 March 2021	As at 31 March 2020
<b>9 Trade receivables</b>		
<b>Unsecured</b>		
Considered good *	3,988,042	4,270,038
Considered doubtful	86,839	21,659
	<b>4,074,881</b>	<b>4,291,697</b>
With group companies - Considered good (refer note 22)	9,400	14,158
Less : Provision for doubtful receivables	(86,839)	(21,659)
	<b>3,997,442</b>	<b>4,284,196</b>
<b>Movement in Provision for Doubtful debts</b>		
<b>Opening balance</b>	(21,659)	(7,363)
Charges for the year / Utilised	(65,181)	(14,296)
Unused amounts reversed	-	-
<b>Closing Balance</b>	<b>(86,839)</b>	<b>(21,659)</b>
	As at 31 March 2021	As at 31 March 2020
<b>10 Cash and cash equivalents</b>		
Balances with banks		
- in current account	4,927,079	4,152,067
	<b>4,927,079</b>	<b>4,152,067</b>
	As at 31 March 2021	As at 31 March 2020
<b>11 Share capital</b>		
<b>Authorised capital</b>		
1,869,588 [2019: 1,869,588] commonstock of PEN 1 each	1,869,588	1,869,588
	<b>1,869,588</b>	<b>1,869,588</b>



# 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)

### 11 Share capital ( Continued )

#### Issued, subscribed and paid-up capital

1,869,588 [2019: 1,869,588] commonstock of PEN 1 each

1,869,588 1,869,588

**1,869,588 1,869,588**

#### 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 1,869,588 1,869,588

Add: Equity Shares - -

**Closing number of Equity Shares 1,869,588 1,869,588**

#### b) Details of share holding pattern by related parties

##### Name of Shareholders

Wipro Information Technology Netherlands BV (100% Holding)

No.of Shares No.of Shares

1,869,588 1,869,588

**1,869,588 1,869,588**

#### 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

As at As at  
31 March 2021 31 March 2020

403,244 105,894

**403,244 105,894**

#### Current

Compensated absences

303,364 89,162

Provision for tax

- -

**303,364 89,162**

### 13 Borrowings

#### (Unsecured)

Loans and advances from related parties

As at As at  
31 March 2021 31 March 2020

- 1,249,195

Cash Credit

- -

**Total**

**- 1,249,195**

### 14 Trade payables

Total outstanding dues of Micro and small enterprises

As at As at  
31 March 2021 31 March 2020

- -

Total outstanding dues other than above:

-Payable to others

2,393,056 1,273,032

-Payable to related parties (refer note 22)

685,361 952

**3,078,417 1,273,984**

### 15 Other financial liabilities

Statutory liabilities

As at As at  
31 March 2021 31 March 2020

- 54,620

Salary Payable

70,277 68,710

Accrued expenses

97,309 311,885

Interest on IC Loan from related parties

4,616 -

Balances due to related parties (refer note 22)

150,745 161,520

**322,947 596,734**

# 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 2021	Year ended 31 March 2020
<b>16 Revenue from operations</b>		
Sale of Services	8,395,907	11,037,303
	<b>8,395,907</b>	<b>11,037,303</b>
	Year ended 31 March 2021	Year ended 31 March 2020
<b>17 Other income</b>		
Interest income	1,099	25,881
Provision no longer required, written back	-	-
Other exchange differences, net	-	101,747
	<b>1,099</b>	<b>127,628</b>
	Year ended 31 March 2021	Year ended 31 March 2020
<b>18 Employee benefits expense</b>		
Salaries and wages	2,231,793	2,713,076
Contribution to providend and Other Fund	154,752	192,374
Compensated absences	511,552	9,600
Staff welfare expenses	1,080	2,252
	<b>2,899,177</b>	<b>2,917,302</b>
	Year ended 31 March 2021	Year ended 31 March 2020
<b>19 Finance Cost</b>		
Interest on borrowings (refer note 13)	29,825	51,730
	<b>29,825</b>	<b>51,730</b>
	Year ended 31 March 2021	Year ended 31 March 2020
<b>20 Other expenses</b>		
Travel and conveyance	32,474	32,069
Subcontracting / Technical fees / Third Party application	4,259,255	3,643,899
Provision for doubtful receivables	65,181	14,296
Staff Recruitment	-	-
Communication	7,856	11,630
Office Rent	111,017	139,510
Advertisement and sales promotion	1,349	66,132
Legal and professional charges	405,258	500,435
Other Exchange differences, net	81,303	-
Rates and taxes	44	(4)
Corporate Overheads	237,708	175,632
Miscellaneous expenses	35,043	363,417
	<b>5,236,487</b>	<b>4,947,015</b>
	Year ended 31 March 2021	Year ended 31 March 2020
<b>21 Earning per share (EPS)</b>		
Net profit /(Loss) after tax attributable to the equity shareholders	104,428	2,694,261
Weighted average number of equity shares - for basic and diluted EPS	1,869,588	1,869,588
Earnings per share - Basic and diluted	0.06	1.44

## 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 2021	As at 31 March 2020
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding Company	275,692	230,360
<b>Purchase of Services</b>			
Designit Peru S.A.C.	Fellow Subsidiary	-	11,196
Wipro Technology Chile	Fellow Subsidiary	297	952
Wipro Limited	Ultimate Holding Company	685,361	-
<b>Corporate Overhead</b>			
Wipro Limited	Ultimate Holding Company	237,708	175,632
<b>Interest expense</b>			
Wipro Solutions Canada Limited	Fellow Subsidiary	29,825	51,730

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

Particulars	Relationship	As at 31 March 2021	As at 31 March 2020
<b>Trade receivables</b>			
Wipro Limited	Ultimate Holding Company	9,400	14,158
<b>Trade payable and Reimbursement</b>			
Wipro Limited	Ultimate Holding Company	836,106	161,520
Wipro Technology Chile	Fellow Subsidiary	-	952
<b>Borrowings Including Interest:</b>			
Wipro Solutions Canada Limited	Fellow Subsidiary	4,616	1,249,195

#### 23 Effective Tax Rate (ETR) reconciliation

	As at 31 March 2021	As at 31 March 2020
Income tax expense in the Statement of Profit and Loss comprises of:		
Current tax - Current year	412,968	1,017,076
Current tax - Prior year	6,829	(853,701)
Deferred tax	(695,088)	-
	<b>(275,290)</b>	<b>163,375</b>

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 2021	As at 31 March 2020
Profit / (Loss) before income tax	(170,862)	2,857,636
Enacted tax rates in the Peru (%)	29.50%	29.50%
Computed expected tax expense	(50,404)	843,003
Tax effect due to set-off of unabsorbed brought forward losses from earlier years	-	(282,924)
Tax effect on expenses disallowed for tax computation	57,845	-
Tax expenses relating to prior years-Current Tax	6,829	(853,701)
Deferred tax assets not recognised due to lack of reasonable certainty	-	211,350
Deferred tax	(695,088)	-
Others	405,528	245,647
<b>Tax expense as per financials</b>	<b>(275,290)</b>	<b>163,375</b>

The components of deferred tax assets and liabilities are as follows

##### Deferred tax assets/ Liabilities (net) :

	As at 31 March 2021	As at 31 March 2020
DTA on Business loss carried forward	-	-
DTA / DTL on Other Originating / reversing temporary differences	725,465	30,377
<b>Total</b>	<b>725,465</b>	<b>30,377</b>

## 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 ) 1.126% and 1.267% for Mar 2021 and Mar 2020 respectively and Salary growth rate ( per annum ) considered 2 %.

Particulars	As at Mar 2021	As at Mar 2020
Current Liability ( Short term )	303,364	89,162
Non Current Liability ( Long term )	403,244	105,894
<b>Present value of Obligation as at end</b>	<b>706,608</b>	<b>195,056</b>

#### 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 at Mar 2021	As at Mar 2020
<b>Present Value of Obligation ( Base )</b>	<b>706,608</b>	<b>195,056</b>

Particulars	As at Mar 2021	
	Decrease	Increase
<b>Present Value of Obligation ( Base )</b>		
Discount Rate (-/+ 1%)	722,779	690,437
(% change compared to basedue to sensitivity)	2.3%	-2.3%
Salary Growth Rate (-/+ 1%)	692,553	721,038
(% change compared to basedue to sensitivity)	-2.0%	2.0%
Attrition Rate (-/+ 50%)	748,939	686,651
(% change compared to basedue to sensitivity)	6.0%	-2.8%
Mortality Rate (-/+ 10%)	706,636	706,580
(% change compared to basedue to sensitivity)	0.0%	0.0%

Particulars	As at Mar 2020	
	Decrease	Increase
<b>Present Value of Obligation ( Base )</b>		
Discount Rate (-/+ 1%)	199,263	190,849
(% change compared to basedue to sensitivity)	2.2%	-2.2%
Salary Growth Rate (-/+ 1%)	191,151	199,055
(% change compared to basedue to sensitivity)	-2.0%	2.1%
Attrition Rate (-/+ 50%)	206,029	189,595
(% change compared to basedue to sensitivity)	5.6%	-2.8%
Mortality Rate (-/+ 10%)	195,063	195,049
(% change compared to basedue to sensitivity)	0.0%	0.0%

#### Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow)	1.87 Years	1.73 Years
--	------------	------------

Expected Cash flow over the next (valued on undiscounted basis):	Peruvian Sol(PEN)	
	Peruvian Sol(PEN)	Peruvian Sol(PEN)
1 year	303,364	89,162
2 to 5 years	372,401	100,353
6 to 10 years	46,093	10,427
More than 10 years	3,899	722

## 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 2021 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Trade receivables	9	-	-	3,997,442	3,997,442	3,997,442
Unbilled revenues		-	-	1,484,935	1,484,935	1,484,935
Cash and cash equivalents including other bank balances	10	-	-	4,927,079	4,927,079	4,927,079
Other financial assets	5	-	-	16,881	16,881	16,881
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>10,426,337</b>	<b>10,426,337</b>	<b>10,426,337</b>
<b>Financial liabilities :</b>						
Borrowings	13	-	-	-	-	-
Trade payables	14	-	-	3,078,417	3,078,417	3,078,417
Other financial liabilities	15	-	-	322,947	322,947	322,947
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,401,365</b>	<b>3,401,365</b>	<b>3,401,365</b>

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Trade receivables	9	-	-	4,284,196	4,284,196	4,284,196
Unbilled revenues		-	-	1,761,938	1,761,938	1,761,938
Cash and cash equivalents including other bank balances	10	-	-	4,152,067	4,152,067	4,152,067
Other financial assets	0	-	-	16,292	16,292	16,292
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>10,214,494</b>	<b>10,214,494</b>	<b>10,214,494</b>
<b>Financial liabilities :</b>						
Borrowings	13	-	-	1,249,195	1,249,195	1,249,195
Trade payables	14	-	-	1,273,984	1,273,984	1,273,984
Other financial liabilities	15	-	-	596,734	596,734	596,734
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,119,913</b>	<b>3,119,913</b>	<b>3,119,913</b>

##### 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 2021 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 ongoing 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.

## 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)

#### 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 2021	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	-	-	-	-
Trade payables	3,078,417	-	-	3,078,417
Other financial liabilities	322,947	-	-	322,947
<b>Total</b>	<b>3,401,365</b>	<b>-</b>	<b>-</b>	<b>3,401,365</b>

31 March 2020	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	1,249,195	-	-	1,249,195
Trade payables	1,273,984	-	-	1,273,984
Other financial liabilities	596,734	-	-	596,734
<b>Total</b>	<b>3,119,913</b>	<b>-</b>	<b>-</b>	<b>3,119,913</b>

#### 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 2021	31 March 2020
Variable rate borrowing	-	1,249,195
Fixed rate borrowing	-	-
	<b>-</b>	<b>1,249,195</b>

#### Interest rate risk

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

Particulars	31 March 2021	31 March 2020
Interest rates – increase by 50 basis points (50 bps)	-	6,246
Interest rates – decrease by 50 basis points (50 bps)	-	(6,246)

#### 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-21	31-Mar-20
<b>USD</b>		
- strengthened 1% (2020: 1%)	15,858	3,229
- weakened 1% (2020: 1%)	(15,858)	(3,229)
<b>EUR</b>		
- strengthened 1% (2020: 1%)	(4,954)	(12,518)
- weakened 1% (2020: 1%)	4,954	12,518
<b>BRL</b>		
- strengthened 1% (2020: 1%)	321	(326)
- weakened 1% (2020: 1%)	(321)	326
<b>INR</b>		
- 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, 2021 and 2020

Particulars	As at Mar 2021		
	USD	EUR	BRL
Trade receivables	5,750	14,792	49091.2
Cash and cash equivalents	275,328	-	-
Other assets	175,553	-	-
Lease Liabilities	-	-	-
Loans, borrowings and bank overdrafts	(1,224)	-	-
Trade payables and other financial liabilities	(35,146)	(126,721)	-
<b>Net assets/ (liabilities)</b>	<b>420,261</b>	<b>(111,929)</b>	<b>49,091</b>
<b>Exchange Rate</b>	<b>3.77</b>	<b>4.43</b>	<b>0.65</b>

Particulars	As at Mar 2020		
	USD	EUR	BRL
Trade receivables	196	523,552	49091.2
Cash and cash equivalents	155,200	-	-
Other assets	133,073	-	-
Lease Liabilities	-	-	-
Loans, borrowings and bank overdrafts	(363,508)	-	-
Trade payables and other financial liabilities	(18,588)	(191,817)	-
<b>Net assets/ (liabilities)</b>	<b>(93,627)</b>	<b>331,734</b>	<b>49,091</b>
<b>Exchange Rate</b>	<b>3.45</b>	<b>3.77</b>	<b>0.66</b>

#### 28 Borrowings

Particulars	Rate of interest	Repayment details	31 March 2021	31 March 2020
Wipro Solutions Canada Limited	12 months LIBOR plus 200 basis points	Repayable as per agreed	-	1,249,195
<b>Total</b>			<b>-</b>	<b>1,249,195</b>
Effective rate of interest per annum			-	4.14%

#### 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 2021	1 April 2020
Borrowings	Financial liabilities	-	1,249,195
Less: Cash and cash equivalents	Financial assets	4,927,079	4,152,067
<b>Net Debt</b>		<b>(4,927,079)</b>	<b>(2,902,872)</b>
Equity share capital	Equity	1,869,588	1,869,588
Other equity	Equity	5,416,547	5,416,547
<b>Total capital</b>		<b>7,286,135</b>	<b>7,286,135</b>

#### Gearing Ratio

(0.68) (0.40)

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.

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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: 08 June 2021**

**Sd/-**  
**Ashish Chawla**  
**Director**