

Special Purpose Financial Statements and Independent Auditor's Report

Wipro Information Technology Egypt SAE

31 March 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of WIPRO Information Technology Egypt SAE

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of WIPRO Information Technology Egypt SAE ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Special Purpose Financial Statements"). As explained in Note 2(i) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the Management of Wipro Limited ("the Parent") solely for inclusion in the annual report of Wipro limited for the year ended 31 March 2023 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of presentation referred to in Note 2(a) to the Special Purpose Financial Statements, of the state of affairs of the Company as at 31 March 2023, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 2(i) to the accompanying financial statements which indicates that the Company has incurred losses of EGP 20.21 millions during the current year and has accumulated losses of EGP 55.23 millions as at 31 March 2023. These events or conditions indicate that a material uncertainty exists which may cast a significant doubt on the Company's ability to continue as going concern. However, basis the ongoing support of the Ultimate Holding Company and the ongoing assessment of business opportunities, the management considers going concern basis of accounting for preparation of accompanying financial statements to be appropriate. Our opinion is not modified in respect of this matter.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2(i) to the Special Purpose Financial Statements, on the basis of the preparation to the special purpose financial statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company under the requirements of Section 129(3) of the Companies Act, 2013. As a result, the Special Purpose Financial Statements may not be suitable for any other purpose. Our report is intended solely for the Company and Wipro Limited and should not be distributed to or used by parties other than the Company and Wipro Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

Management Responsibility for the Special Purpose Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Special Purpose Financial Statements

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

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

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

For Appaji & Co

Chartered Accountants

Firm's Registration No.: 014147S

Sd/-

Appaji Parasa

Partner

Membership No.: 214156

Bengaluru

9th May 2023

Wipro Information Technology Egypt SAE
Special Purpose Balance Sheet as at 31 March 2023

(All amounts in EGP except otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Deferred tax assets (net)	5	-	-
Total non-current assets		-	-
Current assets			
Financial assets			
Trade receivables	6	-	-
Other financial assets	4	11,693,221	7,065,958
Total current assets		11,693,221	7,065,958
TOTAL ASSETS		11,693,221	7,065,958
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	825,000	825,000
Other equity	8	(53,262,064)	(33,050,799)
Total equity		(52,437,064)	(32,225,799)
Current liabilities			
Financial liabilities			
Short term borrowings	9	41,652,321	24,650,229
Trade payables	13	4,348,186	1,434,835
Other financial liabilities	10	14,955,269	10,801,974
Other current liabilities	11	2,248,075	1,478,283
Current Tax Liabilities (Net)	12	926,436	926,436
Total current liabilities		64,130,287	39,291,757
TOTAL LIABILITIES		64,130,287	39,291,757
TOTAL EQUITY AND LIABILITIES		11,693,221	7,065,958
Summary of significant accounting policies	1-3		

The accompanying notes form an integral part of the special purpose financial statements

As per our report of even date attached
For Appaji & Co
Chartered Accountants
Firm's Registration No.: 014147S

For and on behalf of the Board
Wipro Information Technology Egypt SAE

Sd/-
Appaji Parasa
Partner
Membership No.: 214156

Sd/-
Kothandaraman Gopalakrishnan
Director

Bengaluru
9th May 2023

Bengaluru
9th May 2023

Wipro Information Technology Egypt SAE**Statement of Special Purpose Profit and Loss for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations		-	-
Other income	14	-	-
Total income		-	-
EXPENSES			
Marketing and brand building		-	-
Other expenses	15	20,211,265	3,961,612
Total expenses		20,211,265	3,961,612
Profit before tax		(20,211,265)	(3,961,612)
Tax expenses			
Deferred tax	17	-	3,366
Total tax expenses		-	3,366
Profit for the year		(20,211,265)	(3,964,978)
Total other comprehensive income / (loss) for the year, net of taxes		(20,211,265)	(3,964,978)
Total comprehensive income for the year			
Earnings per share			
Basic and diluted	16	(2,450)	(481)
Face value per equity share		100	100

The accompanying notes form an integral part of the special purpose financial statements

As per our report of even date attached

For Appaji & Co

Chartered Accountants

Firm's Registration No.: 014147S

Sd/-

Appaji Parasa

Partner

Membership No.: 214156

Bengaluru

9th May 2023

For and on behalf of the Board

Wipro Information Technology Egypt SAE

Sd/-

Kothandaraman Gopalakrishnan

Director

Bengaluru

9th May 2023

Wipro Information Technology Egypt SAE
Statement of Special Purpose changes in equity for the year ended 31 March 2023
(All amounts in EGP except otherwise stated)

A. Equity share capital

	Note	Balance
As at 1 April 2021	7	825,000
Changes in equity share capital		-
As at 31 March 2022	7	825,000
Changes in equity share capital		-
As at 31 March 2023	7	825,000

B. Other equity

	Other equity		
	Share application money pending allotment	Retained earnings	Total other equity
As at 1 April 2021	1,969,275	(31,055,096)	(29,085,821)
Profit for the year		(3,964,978)	(3,964,978)
As at 31 March 2022	1,969,275	(35,020,074)	(33,050,799)
Profit for the year	-	(20,211,265)	(20,211,265)
As at 31 March 2023	1,969,275	(55,231,339)	(53,262,064)

The accompanying notes form an integral part of the special purpose financial statements

As per our report of even date attached
For Appaji & Co
Chartered Accountants
Firm's Registration No.: 014147S

For and on behalf of the Board
Wipro Information Technology Egypt SAE

Sd/-

Appaji Parasa
Partner
Membership No.: 214156

Bengaluru
9th May 2023

Sd/-

Kothandaraman Gopalakrishnan
Director

Bengaluru
9th May 2023

Wipro Information Technology Egypt SAE
Special Purpose Cash Flow Statement for the year ended 31 March 2023

(All amounts in EGP except otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flow from operating activities		
Profit before tax	(20,211,265)	-3,961,612
<u>Adjustments for:</u>		
Unrealised exchange difference	20,211,265	3,961,612
	<u>20,211,265</u>	<u>3,961,612</u>
Operating profit/(loss) before working capital changes	-	-
Movements in working capital:		
(Increase)/decrease in other financial assets	-	-
Increase/(decrease) in Trade and other financial liabilities	-	-
Increase/(decrease) in Other current liabilities	-	-
Cash generated in operations	-	-
Direct tax paid	-	-
Net cash from operating activities	-	-
B. Cash flows from investing activities		
Net cash (used in) from investing activities	-	-
C. Cash flow from financing activities		
Finance Expenses	-	-
Net cash generated from/(used in) financing activities	-	-
Net increase in cash and cash equivalents (A+B+C)	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-

The accompanying notes form an integral part of the special purpose financial statements

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

For **Appaji & Co**
Chartered Accountants
Firm's Registration No.: 014147S

Sd/-
Appaji Parasa
Partner
Membership No.: 214156

Bengaluru
9th May 2023

For and on behalf of the Board of
Wipro Information Technology Egypt SAE

Sd/-
Kothandaraman Gopalakrishnan
Director

Bengaluru
9th May 2023

Wipro Information Technology Egypt Sae

Summary of significant accounting policies and other explanatory information

(Amount in EGP, unless otherwise stated)

1 The Company overview

Wipro Information Technology Egypt SAE ("the Company") is a subsidiary of Wipro IT Services UK Societas, incorporated and domiciled in Egypt. Wipro Information Technology Egypt SAE is a services provider that aims to deliver technology solutions to drive business needs of its Clients in Egypt in Engineering Services, Industrial Products, Systems & Integration and Information Technology. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

2 Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

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

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

The Company does not have any operations during the year and has net loss of EGP 20,211,265 due to unrealized loss on foreign exchange fluctuation during the year ended 31 March 2023 (Loss of EGP 3,964,978 during the year ended on 31 March 2022) and has accumulated losses amounting EGP 55,231,339.

(ii) Basis of measurement

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

(iii) Use of estimates and judgment

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

a) **Expected credit losses on financial assets:** On application of Ind AS109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 Significant accounting policies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities except when deferred in other comprehensive income as qualifying cash flow hedges. Gains/(losses) relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as FVTOCI are included in other comprehensive income, net of taxes.

(iii) Financial instruments

a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

A. Other financial assets:

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

B. Trade and other payables

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

(iv) Equity and share capital

a) Share capital and share premium

The authorized share capital of the Company as of March 31, 2023 and March 31, 2022 is 8250 Equity shares of 100 EGP per share. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium.

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

b) Retained earnings

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

c) Foreign currency translation reserve

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

d) Other reserves

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

(v) Provisions

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

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

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

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

(vi) Finance Costs

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

(vii) Other income

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

(viii) Earnings per share

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

(ix) Cash flow statement

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

(x) New Accounting standards adopted by the Company : None

Wipro Information Technology Egypt SAE
Notes to the Special Purpose financial statements for the year ended 31 March 2023

(All amounts in EGP except otherwise stated)

4 Other financial assets

	As at 31 March 2023	As at 31 March 2022
Current		
Balance with Group Companies	11,693,221	7,065,958
	<u>11,693,221</u>	<u>7,065,958</u>

5 Deferred tax assets (net)

	As at 31 March 2023	As at 31 March 2022
Unabsorbed tax losses	-	-
Net deferred tax assets	<u>-</u>	<u>-</u>

6 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Unsecured		
Credit impaired	971,193	971,193
	<u>971,193</u>	<u>971,193</u>
Less: provision for doubtful receivable	971,193	971,193
	<u>-</u>	<u>-</u>

The activity in the provision for doubtful receivable is as under:

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	971,193	971,193
Balance at the end of the year	<u>971,193</u>	<u>971,193</u>

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Wipro Information Technology Egypt SAE

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

(All amounts in EGP except otherwise stated)

7 Share capital

	As at 31 March 2023	As at 31 March 2022
Authorised capital		
50,000 (31 March 2021: 50,000) equity shares of EGP 100 each	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, subscribed and paid up capital		
8,250 (31 March 2021: 8,250) Equity shares of EGP 100 each fully paid-up	825,000	825,000
	<u>825,000.00</u>	<u>825,000.00</u>

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

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Balance at the beginning of the year	8,250	825,000	8,250	825,000
Add :Issued during the year.	-	-	-	-
Balance at the end of the year	<u>8,250</u>	<u>825,000</u>	<u>8,250</u>	<u>825,000</u>

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

	As at 31 March 2023		As at 31 March 2022	
	Percentage of shareholding	Number of shares	Percentage of shareholding	Number of shares
Equity shares of EGP 100 each fully paid-up				
Wipro IT Services UK Societas	99.90%	8,249	99.90%	8,249

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Wipro Information Technology Egypt SAE

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

(All amounts in EGP except otherwise stated)

	As at 31 March 2023	As at 31 March 2022
8 Other equity		
a) Statement of profit and loss account		
Balance at the beginning of the year	(35,020,074)	(31,055,096)
Add: Net profit/(loss) for the year	(20,211,265)	(3,964,978)
Balance at the end of the year	<u>(55,231,339)</u>	<u>(35,020,074)</u>
b) Share application money pending allotment	1,969,275	1,969,275
Total (a+b)	(53,262,064)	(33,050,799)

Nature and purpose of reserves:

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

9 Borrowings

	As at 31 March 2023	As at 31 March 2022
Short-term borrowings		
Loans and advances from related parties (unsecured)	41,652,321	24,650,229
	<u>41,652,321</u>	<u>24,650,229</u>

i.Nc	Particulars	Nature of Security	Repayment Details	31-Mar-23	31-Mar-22
	Loans and advances from related parties				
1	Wipro IT services UK Societas	12 months USD LIBOR rate plus 200 basis points p.a.	Repayable on Demand	41,652,321	24,650,229

Effective rate of interest per annum*

0%

0%

*Interest is waived of by group company from current financial year

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Wipro Information Technology Egypt SAE

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

(All amounts in EGP except otherwise stated)

Wipro Information Technology Egypt SAE

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

(All amounts in EGP except otherwise stated)

10 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Current		
Balance due to related parties	14,955,269	10,801,974
Total	<u>14,955,269</u>	<u>10,801,974</u>

11 Other liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	2,248,075	1,478,283
Total	<u>2,248,075</u>	<u>1,478,283</u>

12 Current Tax Liabilities (Net)

	As at 31 March 2023	As at 31 March 2022
Provision for Taxation	926,436	926,436
	<u>926,436</u>	<u>926,436</u>

13 Trade payables

	As at 31 March 2023	As at 31 March 2022
Vendor payables	-3,717,500	-3,717,500
Accrued expenses and others	8,065,686	5,152,335
Total	<u>4,348,186</u>	<u>1,434,835</u>

Wipro Information Technology Egypt SAE**Notes to the Special Purpose financial statements for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

14 Other income

	Year ended 31 March 2023	Year ended 31 March 2022
Other exchange differences, net	-	-
	-	-

15 Other expenses

	Year ended 31 March 2023	Year ended 31 March 2022
Exchange loss (net)	20,211,265	3,961,612
	20,211,265	3,961,612

16 Earnings per share (EPS)

	Year ended 31 March 2023	Year ended 31 March 2022
Net profit/(loss) for the year	-20,211,265	-3,964,978
Weighted average number of shares	8,250	8,250
Earnings per share		
Basic and diluted	-2,450	-481
Nominal value - per equity share	100	100

17 Income tax

Income tax expense has been allocated as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Deferred taxes	-	3,366
Total income taxes	-	3,366

	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	-20,211,265	-3,961,612
Enacted income tax rate	0%	0%
Computed expected tax expense	-	-
Effect of:		
Changes in deferred tax asset	-	3,366
Total income taxes expenses	-	3,366

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Wipro Information Technology Egypt SAE**Notes to the Special Purpose financial statements for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

18 A. Names of related parties and nature of relationship

<u>Nature of relationship</u>	<u>Name of the related party</u>	<u>Country of incorporation</u>
Ultimate Holding Company	Wipro Limited	India
Holding Company	Wipro IT Services UK Societas	United Kingdom
Fellow Subsidiaries	Wipro Arabia Co. Limited Wipro Bahrain Limited WLL	Saudi Arabia Bahrain

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

<u>Particulars</u>	<u>Relationship*</u>	<u>Year ended 31 March 2023</u>	<u>Year ended 31 March 2022</u>
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C. Closing balance of related parties

<u>Name of the Company</u>	<u>Nature</u>	<u>As on 31 March 2023</u>	<u>As on 31 March 2022</u>
Wipro IT Services UK Societas	Borrowings(including accrued interest)	51,777,684	30,642,512
Wipro Arabia Co. Limited	Other financial liabilities	47,634	28,190
Wipro Limited	Other financial liabilities	4,782,272	4,781,501
Wipro Limited	Other financial assets	11,673,303	7,046,040
Wipro Bahrain Limited WLL	Other financial assets	19,918	19,918

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Wipro Information Technology Egypt SAE**Notes to the Special Purpose financial statements for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

19 Financial instruments measurement and disclosure

a) Financial instruments by category

Particulars	As at 31 March 2023				As at 31 March 2022			
	FVTOCI	FVTPL	Amortised cost	Total	FVTOCI	FVTPL	Amortised cost	Total
Financial assets:								
Other financial assets	-	-	11,693,221	11,693,221	-	-	7,065,958	7,065,958
Total	-	-	11,693,221	11,693,221	-	-	7,065,958	7,065,958
Financial liabilities:								
Borrowings	-	-	41,652,321	41,652,321	-	-	24,650,229	24,650,229
Trade payables	-	-	4,348,186	4,348,186	-	-	1,434,835	1,434,835
Other financial liabilities	-	-	14,955,269	14,955,269	-	-	10,801,974	10,801,974
Total	-	-	60,955,776	60,955,776	-	-	36,887,038	36,887,038

Notes to Financial Instruments

The management assessed that the fair value of trade receivables, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Wipro Information Technology Egypt SAE**Notes to the Special Purpose financial statements for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

20 Financial risk management**Financial risk management**

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

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

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

A Credit risk

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

Credit risk management

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

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

Expected credit loss for trade receivables under simplified approach

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

Concentration Risk

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

Customer	Year ended 31 March 2023		Year ended 31 March 2022	
	AR Balance	% of total AR balance	AR Balance	% of total AR balance
VODAFONE EGYPT (fully provided)	806,975	83%	806,975	83%

Wipro Information Technology Egypt SAE**Notes to the Special Purpose financial statements for the year ended 31 March 2023**

(All amounts in EGP except otherwise stated)

20 Financial risk management (continued)**B Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

31 March 2023	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Beyond 5th year	Total
Non-derivatives					
Borrowings	41,652,321	-	-	-	41,652,321
Trade payables	4,348,186	-	-	-	4,348,186
Other Financial liabilities	14,955,269	-	-	-	14,955,269
Total	60,955,776				60,955,776
31 March 2022					
31 March 2022	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Beyond 5th year	Total
Non-derivatives					
Borrowings	24,650,229	-	-	-	24,650,229
Trade payables	1,434,835	-	-	-	1,434,835
Other Financial liabilities	10,801,974	-	-	-	10,801,974
Total	36,887,038				36,887,038

C Market Risk

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

D Interest rate risk

The Company has no borrowings as at 31 March, 2023. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

E Foreign currency risk

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

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

21 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern. The structure is managed to maintain an investment grade credit rating, to provide ongoing returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings (including 'current and non-current term loans' as shown in the balance sheet) less cash and cash equivalents and current investments.

	As at 31 March 2023	As at 31 March 2022
Non current borrowings	-	-
Short term borrowings	41,652,321	24,650,229
Net debts	41,652,321	24,650,229
Total equity	-52,437,064	-32,225,799
Gearing ratio	-0.79	-0.76

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Wipro Information Technology Egypt SAE

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

(All amounts in EGP except otherwise stated)

22 Events occurring after the reporting date

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

23 Contingent liabilities and commitments

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

Estimated amount of contracts remaining to be executed on capital account and not provided for– EGP Nil (31March 2022: EGP Nil)

As per our report of even date

For Appaji & Co
Chartered Accountants
Firm's Registration No.: 014147S

Sd/-

Appaji Parasa
Partner
Membership No.: 214156

Bengaluru
9th May 2023

For and on behalf of the Board
Wipro Information Technology Egypt SAE

Sd/-

Kothandaraman Gopalakrishnan
Director

Bengaluru
9th May 2023