

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of Wipro IT Services SRL

### **Report on the Audit of the Special Purpose Financial Statements**

#### **Opinion**

We have audited the accompanying special purpose financial statements of Wipro IT Services SRL ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter 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, 2022 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of presentation referred to in Note 2(i) to the Special Purpose Financial Statements, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 special purpose financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Basis of Accounting and Restriction of 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.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the special purpose financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

Sd/-  
M Seethalakshmi  
Partner  
Membership No. 208545  
UDIN:

Place of Signature: Bangalore  
Date: 20-06-2022

**Wipro IT Services SRL**  
**Balance Sheet as at 31 March 2022**

(Amount in RON, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	3,889	3,644
<b>Current assets</b>			
Financial assets			
Cash & Cash equivalents	3	2,863,523	3,287,771
Trade Receivables	4	4,473,832	4,531,384
Unbilled revenues		1,189,736	990,930
Other current assets	5	156,340	155,472
		<b>8,687,320</b>	<b>8,969,201</b>
<b>TOTAL ASSETS</b>		<b>8,687,320</b>	<b>8,969,201</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	6	45,200	45,200
Other equity		6,561,830	5,043,587
		<b>6,607,030</b>	<b>5,088,787</b>
<b>Non-Current Liabilities</b>			
Provisions	7	93,651	144,586
		<b>93,651</b>	<b>144,586</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	8	-	2,097,819
Trade payables	9	1,222,296	704,114
Other financial liabilities	10	672,857	834,073
Provisions	11	91,486	99,821
		<b>1,986,639</b>	<b>3,735,827</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,687,320</b>	<b>8,969,201</b>
Summary of significant accounting policies	2		

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

As per our report of even date

**For PKF Sridhar & Santhanam LLP**  
**Chartered Accountants**  
**Firm Registration No.: 003990S/S200018**

**For and on behalf of the Board of Directors**  
**Wipro IT Services SRL**

sd/-  
**Seethalakshmi M**  
Partner  
Membership No: 208545  
Place: Bengaluru  
Date: 20th June 2022

sd/-  
**Vivek Bakshi**  
Director  
Place: Romania  
Date: 20th June 2022

## Wipro IT Services SRL

### Statement of Profit and Loss for the year ended 31 March 2022

(Amount in RON, unless otherwise stated)

	Notes	Year ended 31 Mar 2022	Year ended 31 Mar 2021
<b>REVENUE</b>			
Revenue from Operations	13	11,459,541	13,508,332
Other Income	14	291	16,862
		<u>11,459,832</u>	<u>13,525,194</u>
<b>EXPENSES</b>			
Employee benefit expenses	15	6,686,810	7,089,002
Finance costs	16	10,633	126,426
Depreciation and amortisation expense	12	3,789	146
Sub contracting / technical fees / third party application		2,562,967	1,407,060
Other expenses	17	503,028	196,482
		<u>9,767,227</u>	<u>8,819,116</u>
<b>Profit / (Loss) before tax</b>		<b>1,692,605</b>	<b>4,706,079</b>
Current tax		174,362	846,351
Deferred tax		-	-
<b>Tax expense [refer ETR note- 24]</b>		<u>174,362</u>	<u>846,351</u>
<b>Profit / (Loss) after tax</b>		<u><b>1,518,243</b></u>	<u><b>3,859,728</b></u>
Other Comprehensive Income		-	-
<b>Total Other Comprehensive Income / (Loss) for the year, net of tax</b>		<u><b>1,518,243</b></u>	<u><b>3,859,728</b></u>
<b>Earnings / (Loss) per equity share of par value RON 10 each</b>			
Basic and diluted	18	336	854
Summary of significant accounting policies	2		

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

As per our report of even date

**For PKF Sridhar & Santhanam LLP**  
**Chartered Accountants**  
**Firm Registration No.: 003990S/S200018**

**For and on behalf of the Board of Directors**  
**Wipro IT Services SRL**

sd/-

**Seethalakshmi M**

Partner

Membership No: 208545

Place: Bengaluru

Date: 20th June 2022

sd/-

**Vivek Bakshi**

Director

Place: Romania

Date: 20th June 2022

**Wipro IT Services SRL**  
**Cash Flow Statement for the year ended 31 March 2022**

(Amount in RON, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flow from operating activities</b>		
Profit / (Loss) after tax	1,518,243	3,859,728
<b>Adjustments to reconcile net profit/(loss) to net cash used in operating activities:</b>		
Tax expense	174,362	846,351
Finance cost	10,633	126,426
Depreciation	3,789	146
Interest income	(291)	(16,862)
<b>Working capital changes:</b>		
Decrease/ (Increase) in Current Assets	(297,226)	(894,953)
Decrease/ (Increase) in Trade receivables	57,552	(1,481,562)
Increase/ (Decrease) in Non current liabilities	(50,935)	101,446
Increase/ (Decrease) in trade payable	518,182	455,842
Increase/ (Decrease) in Other financial Liabilities	(161,216)	76,005
Increase/ (Decrease) in Other Current Liabilities & provisions	(8,334)	61,895
<b>Net cash generated from operations</b>	<b>1,764,760</b>	<b>3,134,463</b>
Direct taxes (paid)	(76,811)	(657,133)
<b>Net cash (used in) by operating activities (A)</b>	<b>1,687,949</b>	<b>2,477,329</b>
<b>Cash flow from investing activities</b>		
Purchase of Property Plant and Equipment	(4,034)	(3,790)
Interest income	291	16,862
<b>Net cash (used in) by investing activities (B)</b>	<b>(3,743)</b>	<b>13,072</b>
<b>Cash flows from financing activities:</b>		
Share Capital Contribution	-	-
Interest	(10,633)	(126,426)
Borrowings availed/(repaid)	(2,097,819)	(1,022,553)
<b>Net cash (used in) by financing activities (C)</b>	<b>(2,108,453)</b>	<b>(1,148,980)</b>
<b>Net decrease in cash and Cash equivalents during the period (A)</b>	<b>(424,248)</b>	<b>1,341,422</b>
Cash and cash equivalents at the beginning of the period	<b>3,287,771</b>	<b>1,946,349</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,863,523</b>	<b>3,287,771</b>

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

As per our report of even date

**For PKF Sridhar & Santhanam LLP**  
**Chartered Accountants**  
**Firm Registration No.: 003990S/S200018**

**For and on behalf of the Board of Directors**  
**Wipro IT Services SRL**

sd/-  
**Seethalakshmi M**  
 Partner  
 Membership No: 208545  
 Place: Bengaluru  
 Date: 20th June 2022

sd/-  
**Vivek Bakshi**  
 Director  
 Place: Romania  
 Date: 20th June 2022

## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### A) Share Capital

Equity share capital	Balance as at 01 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share of par value RON 10 each	45,200	-	45,200

Equity share capital	Balance as at 01 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
Equity share of par value RON 10 each	45,200	-	45,200

#### B) Other equity

Particulars	Retained earnings	Total
<b>Balance as at 31 March 2021</b>	5,043,587	5,043,587
Profit/(Loss) for the year	1,518,243	1,518,243
Other Comprehensive Income	-	-
<b>Balance as at 31 March 2022</b>	<b>6,561,830</b>	<b>6,561,830</b>
<b>Balance as at 31 March 2020</b>	1,183,860	1,183,860
Profit/(Loss) for the period	3,859,728	3,859,728
Other Comprehensive Income	-	-
<b>Balance as at 31 March 2021</b>	<b>5,043,587</b>	<b>5,043,587</b>

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

As per our report of even date

**For PKF Sridhar & Santhanam LLP**  
**Chartered Accountants**  
**Firm Registration No.: 003990S/S200018**

**For and on behalf of the Board of Directors**  
**Wipro IT Services SRL**

sd/-

**Seethalakshmi M**

Partner

Membership No: 208545

Place: Bengaluru

Date: 20th June 2022

sd/-

**Vivek Bakshi**

Director

Place: Romania

Date: 20th June 2022

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information (Amounts in RON, unless otherwise stated)**

#### **1. The Company Overview**

Wipro IT Services SRL ("the Company") is a 99.98% owned subsidiary of Wipro Holdings (UK) Limited, incorporated and domiciled in Romania. The Company is provider of IT Services, including Business Process Services (BPS) and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

#### **2. A. Basis of preparation of special purpose financial statements**

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

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.

Accounting policies have been applied consistently to all periods presented in these special purpose financial statements.

The special purpose financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of income and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

The functional currency of the Company is RON. All amount included in this special purpose financial statement are reported in RON except No of share, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

##### **(ii) Basis of measurement**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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 uses the percentage of completion method using the input (cost expended) method to 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



## Wipro IT Services SRL

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

(Amounts in RON, unless otherwise stated)

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 assessed continually during the term of these contracts, recognised revenue and profit 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 tax jurisdiction for the Company is Romania. 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 obligation 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

## **Wipro IT Services SRL**

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

**(Amounts in RON, unless otherwise stated)**

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) **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 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 are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee

#### **Estimation uncertainty relating to the global health pandemic on COVID-19**

- h) In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these special purpose financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

## **B- Significant accounting policies**

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

These special purpose financial statements are presented in RON, which is the functional currency of the Company.

### **(ii) 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 assets are derecognised 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 derecognised 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.

## **Wipro IT Services SRL**

### **Summary of significant accounting policies and other explanatory information (Amounts in RON, unless otherwise stated)**

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 revenues, cash and cash equivalents 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.

#### **iii) Derecognition of financial instruments**

The Company derecognises 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 derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

#### **(iv) 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 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.

## **Wipro IT Services SRL**

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

**(Amounts in RON, unless otherwise stated)**

#### **(v) 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.

#### **(vi) Revenue**

The Company derives revenue primarily from software development and being recognized on T&M basis.

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

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

#### **(vii) 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.

#### **(viii) Cash flow statement**

Cash flow statements is prepared 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.

#### **(ix) Foreign currency transactions**

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

## **Wipro IT Services SRL**

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

**(Amounts in RON, unless otherwise stated)**

#### **(x) 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 assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves -

- a) the right to use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset

The Company at the commencement of the lease contract recognises a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

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 Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss.

For lease liabilities at inception, 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.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. 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 standalone statement of profit and loss.

For 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.

Lease payments are classified as Cash used in Financing activities.

## **Wipro IT Services SRL**

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

**(Amounts in RON, unless otherwise stated)**

#### **(xi) Equity**

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

Retained Earnings Comprises of the companies undistributed earnings after taxes

#### **(xxii) Ind AS 116 – Leases**

The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment, consequently, the company has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and the right-of-use asset at its carrying amount as if the standard had been applied since the commencement date of the lease but discounted using the incremental borrowing rate at the date of initial application.

The company has excluded the initial direct costs from measurement of the RoU asset and do not recognise RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

Rent expense amounting to RON 11,404 pertaining to leases of low-value assets has been included under other expenses in Statement of Income for the year ended 31 March 2022.

#### **(xxiii) Ind AS 115 – 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. We present such receivables as part of Trade receivables at their net estimated realizable value.

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 recognized which includes unearned revenue and amounts that will be invoiced and recognized 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.

## Wipro IT Services SRL

### Summary of significant accounting policies and other explanatory information (Amounts in RON, unless otherwise stated)

#### C. Disaggregation of Revenues

The table below presents disaggregated revenues from contracts with customers by business segment 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.

Particulars	Amount in CRC
<b>Revenue</b>	
Sale of Services	11,459,541
<b>Revenue by nature of contract</b>	
Time and Material Contracts	11,459,541

#### New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2021:

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

None of the amendments has any material impact on the special purpose 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 IT Services SRL

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

(Amount in RON, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
<b>Current Assets</b>		
<b>3 Cash &amp; Cash Equivalents</b>		
<b>Current</b>		
Balance with Bank	2,863,523	3,287,771
	<b>2,863,523</b>	<b>3,287,771</b>
	As at 31 March 2022	As at 31 March 2021
<b>4 Trade receivables</b>		
Unsecured (consider good)	4,473,832	4,531,384
	<b>4,473,832</b>	<b>4,531,384</b>
	As at 31 March 2022	As at 31 March 2021
<b>5 Other Current Assets</b>		
Prepaid expenses	-	3,058
Employee Travel and Other Advances	3,465	-
Advance income tax, net of provision for tax	44,869	142,420
Medical Leave Contribution	108,007	9,994
	<b>156,340</b>	<b>155,472</b>
	As at 31 March 2022	As at 31 March 2021
<b>6 Share capital</b>		
<b>Authorised capital</b>		
4520 Equity share of par value RON 10 each	45,200	45,200
	<b>45,200</b>	<b>45,200</b>
<b>Issued, subscribed and paid-up capital</b>		
4520 Equity share of par value RON 10 each	45,200	45,200
	<b>45,200</b>	<b>45,200</b>
<b>a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:</b>		
	As at 31 March 2022	As at 31 March 2021
	No. of shares	Amount
Number of common stock outstanding as at beginning of the year	4,520	45,200
Number of common stock issued during the year	-	-
Number/amount of common stock outstanding as at end of the year	<b>4,520</b>	<b>45,200</b>
		No. of shares
		4,500
		<b>4,520</b>
<b>b) Details of shares held</b>		
	As at 31 March 2022	As at 31 March 2021
<b>Name of shareholders</b>		
Wipro Holdings (UK) Limited	99.98%	99.98%
Vivek Bakshi	0.02%	0.02%
<b>Total</b>	<b>100%</b>	<b>100%</b>



	As at 31 March 2022	As at 31 March 2021
<b>7 Long Term Provision</b>		
Provision for compensated absences	93,651	144,586
	<b>93,651</b>	<b>144,586</b>
<b>8 Borrowings</b>		
Unsecured		
Loans and advances from related parties (refer note 19)	-	2,097,819
	-	<b>2,097,819</b>
<b>9 Trade payables</b>		
Trade payables	1,007,320	704,114
Inter Company payables, net	214,976	-
	<b>1,222,296</b>	<b>704,114</b>
<b>10 Other financial liabilities</b>		
<b>Current</b>		
Employee dues	385,564	391,553
VAT Payable	31,404	190,077
Other Payables	255,889	246,598
Interest accrued but not due	-	5,845
	<b>672,857</b>	<b>834,073</b>
<b>11 Provisions</b>		
Provision for compensated absences	91,486	99,821
	<b>91,486</b>	<b>99,821</b>

**Wipro IT Services SRL**  
**Summary of significant accounting policies and other explanatory information**  
(Amount in RON, unless otherwise stated)

**Note 12 Property, Plant & Equipment**

Particulars	Plant & machinery	Total
<b>Gross block</b>		
<b>Balance as at 31 March 2020</b>	-	-
Additions during the year	3,790	3,790
Disposals during the year	-	-
<b>Balance as at 31 March 2021</b>	<b>3,790</b>	<b>3,790</b>
Additions during the year	4,034	4,034
Disposals during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>7,824</b>	<b>7,824</b>
<b>Accumulated depreciation</b>		
<b>Balance as at 31 March 2020</b>	-	-
Charge for the year	146	146
Disposals/Adjustment	-	-
<b>Balance as at 31 March 2021</b>	<b>146</b>	<b>146</b>
Charge for the year	3,789	3,789
Disposals/Adjustment	-	-
<b>Balance as at 31 March 2022</b>	<b>3,935</b>	<b>3,935</b>
<b>Net block</b>		
<b>Balance as at 31 March 2020</b>	-	-
<b>Balance as at 31 March 2021</b>	<b>3,644</b>	<b>3,644</b>
<b>Balance as at 31 March 2022</b>	<b>3,889</b>	<b>3,889</b>

## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>13 Revenue</b>		
Revenue from Operations	11,459,541	13,488,024
Sales to Subsidiaries	-	20,308
	<b>11,459,541</b>	<b>13,508,332</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>14 Other Income</b>		
Interest income	291	16,862
	<b>291</b>	<b>16,862</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>15 Employee benefit expenses</b>		
Salaries and wages	6,354,475	6,796,990
Staff welfare	332,335	292,012
	<b>6,686,810</b>	<b>7,089,002</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>16 Finance cost</b>		
Interest expense	10,633	126,426
	<b>10,633</b>	<b>126,426</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>17 Other expenses</b>		
Legal and professional charges	133,306	35,352
Insurance	23,152	11,575
Loss on foreign exchange adjustments, net	62,399	51,426
Rent	10,654	26,772
Rates & Taxes	1,882	60,635
Auditor's Fees	-	3,529
Bank Charges	4,601	2,697
Other Expenses	267,034	4,496
	<b>503,028</b>	<b>196,482</b>
	Year ended 31 March 2022	Year ended 31 March 2021
<b>18 Earnings per share (EPS)</b>		
Net profit/(loss) after tax attributable to the equity shareholders	1,518,243	3,859,728
Weighted average number of equity shares - for basic and diluted EPS	4,520	4,520
Earnings per share - Basic and diluted	336	854

## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### 19 Related party disclosure

##### A Parties where control exists:

Name of the related party	Nature of relationship
Wipro Limited	Ultimate Holding Company
Wipro Holdings (UK) Ltd	Holding company
Wipro Technologies SRL	Fellow Subsidiary
Wipro Holdings Hungary Kft	Fellow Subsidiary

##### B The Company has the following related party transactions:

Particulars	Relationship	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
<b>Interest expense</b>				
Wipro Holdings (UK) Ltd	Holding Company	-	114,930	253,665
Wipro Holdings Hungary Kft	Fellow Subsidiary	10,633	11,496	
<b>Loan (repaid)/availed</b>				
Wipro Holdings (UK) Ltd	Holding Company	-	(3,120,373)	(2,075,227)
Wipro Holdings Hungary Kft	Fellow Subsidiary	(2,079,050)	2,079,050	-
<b>Sale of Services</b>				
Wipro Technologies SRL	Fellow Subsidiary	-	20,308	11,053,259
<b>Interest repaid</b>				
Wipro Holdings (UK) Ltd	Holding Company	16,865	181,960	224,773
<b>Corporate Overheads</b>				
Wipro Limited	Ultimate Holding Company	255,924	-	

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

Particulars	Relationship	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
<b>Borrowings (including accrued interest)</b>				
Wipro Holdings Hungary Kft	Fellow Subsidiary	-	2,103,664	
<b>Payables</b>				
Wipro Limited	Ultimate Holding Company	214,976	-	-

#### 20 Employee Benefit

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
-------------	------------------------	------------------------	------------------------

##### (A) Defined Benefits Plans

Compensated absences for Employees	185,138	244,407	81,066
<b>Actuarial assumptions</b>			
Discount rate (per annum)	6.07%	2.62%	4.34%
Rate of increase in Salary	3% for the first year and 2% thereafter	2.00%	2.00%
Expected average remaining working lives of employees (years)	27.17	28.77	29.71
Demographic Assumptions:-			

Withdrawal rates, based on age: (per annum)	As on 31-Mar-2021			As on 31-Mar-2022		
	Band B3 and Below	Band C	Band D and above	Band B3 and Below	Band C	Band D and above
Upto 20 years	39.07%	36.00%	27.97%	47.56%	38.59%	30.76%
21 to 30 years	39.07%	36.00%	27.97%	47.56%	38.59%	30.76%
31 to 35 years	39.03%	36.00%	27.97%	45.78%	38.59%	30.76%
36 to 45 years	31.92%	36.00%	27.97%	35.94%	38.59%	30.76%
46 to 50 years	31.92%	33.19%	27.97%	35.94%	34.16%	30.76%
51 to 55 years	31.92%	33.19%	27.97%	35.94%	34.16%	30.76%
Above 56 years	31.92%	33.19%	27.97%	35.94%	34.16%	30.76%

**Wipro IT Services SRL****Summary of significant accounting policies and other explanatory information**

(Amount in RON, unless otherwise stated)

**Sensitivity Analysis**

Particulars	31-Mar-21		31-Mar-22	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	250,371 2.4%	238,441 -2.4%	188,893 2.0%	181,383 -2.0%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	239,523 -2.0%	249,442 2.1%	181,511 -2.0%	188,851 2.0%
Attrition Rate (- / + 50%) (% change compared to base due to sensitivity)	244,828 0.2%	244,240 -0.1%	177,985 -3.9%	188,059 1.6%
Mortality Rate (- / + 10%) (% change compared to base due to sensitivity)	244,406 0.0%	244,406 0.0%	185,134 0.0%	185,141 0.0%

**Maturity Profile of Defined Benefit Obligation**

Expected cash flows over the next (valued on undiscounted basis):	Romanian leu (RON)
1 year	91,487
2 to 5 years	105,574
6 to 10 years	13,637
More than 10 years	1,114

**Movement in Provision**

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Opening Balance	244,407	81,066	28,391
Net Addition/(deletion) during the year	(59,269)	163,341	52,675
Closing Balances	185,138	244,407	81,066

## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### 21 Financial instruments

##### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2022 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Cash & Cash equivalents	3	-	-	2,863,523	2,863,523	2,863,523
Trade receivables	4	-	-	4,473,832	4,473,832	4,473,832
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>7,337,355</b>	<b>7,337,355</b>	<b>7,337,355</b>
<b>Financial liabilities :</b>						
Borrowings	8	-	-	-	-	-
Trade payables	9	-	-	1,222,296	1,222,296	1,222,296
Other financial liabilities	10	-	-	672,857	672,857	672,857
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>1,895,153</b>	<b>1,895,153</b>	<b>1,895,153</b>

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>						
Cash & Cash equivalents	3	-	-	3,287,771	3,287,771	3,287,771
Trade receivables	4	-	-	4,531,384	4,531,384	4,531,384
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>7,819,155</b>	<b>7,819,155</b>	<b>7,819,155</b>
<b>Financial liabilities :</b>						
Borrowings	8	-	-	2,097,819	2,097,819	2,097,819
Trade payables	9	-	-	704,114	704,114	704,114
Other financial liabilities	10	-	-	834,073	834,073	834,073
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,636,007</b>	<b>3,636,007</b>	<b>3,636,007</b>

##### Notes to financial instruments

- i. The management assessed that the fair value of Cash & Cash equivalents, trade receivables, other financial assets, other current assets, borrowings, trade payables, other financial liabilities and other current 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 IT Services SRL**

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

(Amount in RON, unless otherwise stated)

#### **22 Financial risk management**

The Company manages market risk through a corporate treasury department, which evaluates and exercises independent control over the entire process of market risk management. The corporate treasury department recommends risk management objectives and policies, which are approved by senior management and Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

##### **A Credit risk**

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The company has only one customer which contributes 100% of revenue and has no other significant customer base. This only customer is one of fellow subsidiary of ultimate holding company and hence, we dont see significant concentration of credit risk.

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

##### **B Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2022, cash and cash equivalents are held with major banks and financial institutions.

## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### 22 Financial risk management (cont'd)

##### B Liquidity risk (cont'd)

###### Maturities of financial liabilities

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

31 March 2022	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	-	-	-	-
Trade payables	1,222,296	-	-	1,222,296
Other financial liabilities	672,857	-	-	672,857
<b>Total</b>	<b>1,895,153</b>	<b>-</b>	<b>-</b>	<b>1,895,153</b>
<hr/>				
31 March 2021	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	2,097,819	-	-	2,097,819
Trade payables	704,114	-	-	704,114
Other financial liabilities	834,073	-	-	834,073
<b>Total</b>	<b>3,636,007</b>	<b>-</b>	<b>-</b>	<b>3,636,007</b>

##### C Interest rate risk

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

Particulars	31 March 2022	31 March 2021
Variable rate borrowing	-	2,097,819
Fixed rate borrowing	-	-
	<b>-</b>	<b>2,097,819</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-Mar-22	31-Mar-21
Interest rates – increase by 50 basis points (50 bps)	-	(10,489)
Interest rates – decrease by 50 basis points (50 bps)	-	10,489

##### D Foreign currency risk

The Company operates internationally and a major portion of its business is transacted in Euro. Consequently, the Company is exposed to foreign exchange risk through receiving payment for sales. The exchange rate risk primarily arises from foreign exchange revenue and receivables. The Company follows established risk management policies to mitigate this risk.

**As at March 31 2022, company is having EUR 897,478 receivable in foreign currency, 1% change in spot exchangerate in RON with EUR would result in approximately RON 44,407 in Statement of Income for the year ended 31 March 2022**



## Wipro IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### 23 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 net debt as below:

- Equity includes equity share capital and all other equity components, which attributable to the equity holders
- Net Debt includes interest bearing borrowings and interest accrued on them

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Borrowings	8	-	2,097,819
Interest accrued		-	5,845
Less: Cash & Cash equivalents		2,863,523	3,287,771
<b>Net Debt</b>		<b>(2,863,523)</b>	<b>(1,184,107)</b>
Equity share capital	Equity	45,200	45,200
Other equity	Equity	6,561,830	5,043,587
<b>Total equity</b>		<b>6,607,030</b>	<b>5,088,787</b>
<b>Total Capital</b>		<b>3,743,508</b>	<b>3,904,681</b>
<b>Gearing Ratio (as %age of net debt to total capital)</b>		<b>(0.76)</b>	<b>(0.30)</b>

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 IT Services SRL

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

(Amount in RON, unless otherwise stated)

#### 24 Effective Tax Rate (ETR) Reconciliation

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
Current tax	174,362	846,351
Deferred tax	-	-
<b>Tax expense</b>	<b>174,362</b>	<b>846,351</b>

  

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
Profit Before Taxation	1,692,605	4,706,079
Enacted Income Tax Rate	16%	16%
Computed Expected Tax Expenses	270,817	752,973
Effect of		
Expenses Disallowed for Tax Purpose	11,833	81,797
Others Net	0	
Adjustments for current tax of prior periods	(108,288)	11,581
<b>Income tax expense</b>	<b>174,362</b>	<b>846,351</b>

#### 25 Segment information

The Company is providing software development services which is considered to be the only reportable business segment as per Ind AS108, 'Segment Reporting'. The Company operates primarily in Romania and there is no other significant geographical segment. The company has only customer which contributes 100% of revenue and has no other significant customer base.

#### 27 Impact of Covid-19 on Going concern assumption

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

In assessing the recoverability of receivables, the Company has considered internal and external information up to the date the financial statements were available to be issued, including credit reports and economic factors. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

The impact of COVID-19 remains uncertain and may be different from what the Company has estimated as of date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.

#### 28 Events occurring after the reporting date

There are no adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of authorization of these special purpose financial statements.

As per our report of even date

**For PKF Sridhar & Santhanam LLP**  
**Chartered Accountants**  
**Firm Registration No.: 003990S/S200018**

**For and on behalf of the Board of Directors**  
**Wipro IT Services SRL**

sd/-

**Seethalakshmi M**

Partner

Membership No: 208545

Place: Bengaluru

Date: 20th June 2022

sd/-

**Vivek Bakshi**

Director

Place: Romania

Date: 20th June 2022