Special Purpose Financial Statements and Independent Auditor's Report

Capco Brasil Serviços e Consultoria em Informática Ltda

31 March 2023

D Prasanna & Co.
Chartered Accountants

No.192, S.C. Road, Basavanagudi,
Bangalore, 560 004
Contact No.: 98451-67131
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Capco Brasil Serviços e Consultoria em Informática Ltda

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Capco Brasil Serviços e Consultoria em Informática Ltda ("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 period 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 2.1 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 2.1 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.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2.1 to the Special Purpose Financial Statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of Ultimate Holding Company under the requirements of section 129(3) of the Companies Act, 2013. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the company and Wipro Limited and should not be distributed to or used by parties other than the company and Wipro Limited.

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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.

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- 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.

Bengaluru
May 23, 2023

For **D. Prasanna & Co.** Chartered Accountants
Firm's Registration No.009619S

Sd/-

D Prasanna Kumar
Proprietor
Membership No. 211367

Capco Brasil Serviços e Consultoria em Informática Ltda
Balance Sheet
(Amount in '000 BRL, except share and per share data, unless otherwise specified)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	454	492
Deferred tax asset (net)		652	-
		1,106	**492**
Current assets			
Financial assets			
Trade receivables	6	20,817	16,124
Unbilled receivables	6A	5,532	4,195
Cash and cash equivalents	7	6,342	2,943
Loans to subsidiaries		15,756	23,670
Other current assets	8	3,393	790
Current tax assets (net)		1,431	1,748
		53,269	**49,470**
TOTAL ASSETS		**54,375**	**49,962**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	11,798	11,798
Other equity	10	17,558	12,065
		29,356	**23,863**
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	13	63	-
		63	**-**
Current liabilities			
Financial liabilities			
Borrowings	11	6,346	6,787
Trade payables	12		
i)total outstanding dues of micro enterprises and small enterprises		-	-
ii)total outstanding dues of creditors other than micro enterprise and small enterprise		792	515
Other financial liabilities	13	11,540	10,704
Other current liabilities	15	2,845	2,926
Provisions	14	3,434	3,003
Deferred tax liabilities (net)	22	-	2,163
		24,956	**26,099**
TOTAL EQUITY & LIABILITIES		**54,375**	**49,962**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements 1-28

As per our report of even date
for D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 009619S

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bangalore
Date: 23 May 2023

For and on behalf of the Board of Directors of Capco Brasil Serviços e Consultoria em Informática Ltda

Sd/-

Camille Nicolas Ocampo
Director

Place: Brazil
Date: 23 May 2023

Sd/-

Arnaldo Rodrigues Franca
Director

Place: Brazil
Date: 23 May 2023

Capco Brasil Serviços e Consultoria em Informática Ltda
Statement of Profit and Loss
(Amount in '000 BRL, except share and per share data, unless otherwise specified)

	Notes	For the period 1 April 2022 to 31 March 2023	29 April 2021 to 31 March 2022
REVENUE			
Revenue from operations	16	67,275	49,750
Other income	17	1,244	1,237
Total income		**68,519**	**50,987**
EXPENSES			
Employee benefit expense	18	53,212	41,371
Depreciation and amortisation expense	5	366	1,275
Finance costs	19	28	606
Other expenses	20	12,026	9,160
Total expenses		**65,633**	**52,412**
Profit or (Loss) before tax		2,886	(1,424)
Current tax		209	458
Deferred tax Tax expense		(2,815)	21
		(2,607)	**479**
Profit or (Loss) for the period		**5,493**	**(1,903)**
Total comprehensive income / (loss) for the period		**5,493**	**(1,903)**

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Place: Brazil
Date: 23 May 2023

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Arnaldo Rodrigues Franca
Director

Place: Brazil
Date: 23 May 2023

Capco Brasil Serviços e Consultoria em Informática Ltda
Statement of changes in equity
(Amount in '000 BRL, except share and per share data, unless otherwise specified)

(A) Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount (in BRL)	No. of shares	Amount (in BRL)
Equity shares of 1 BRL each issued, subscribed and fully paid				
Opening	1,17,98,361	11,798	1,17,98,361	11,798
Add: issue during the year	-	-	-	-
Closing	**1,17,98,361**	**11,798**	**1,17,98,361**	**11,798**

(B) Other equity

	Retained earnings	Total
Balance as at 1 April 2022	12,065	12,065
Profit for the year	5,493	5,493
Total other comprehensive income for the year	17,558	17,558
Balance as at 31 March 2023	**17,558**	**17,558**

	Retained earnings	Total
Balance as at 29 April 2021	13,968	13,968
(Loss) for the period	(1,903)	(1,903)
Total other comprehensive income for the year	12,065	12,065
Balance as at 31 March 2022	**12,065**	**12,065**

The accompanying notes are an integral part of these financial statements 1-28

As per our report of even date
for D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 009619S

Sd/-

D Prasanna Kumar
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Place: Bangalore
Date: 23 May 2023

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Capco Brasil Serviços e Consultoria em Informática Ltda
Statement of cash flows
(Amount in '000 BRL, except share and per share data, unless otherwise specified)

	For the period 1 April 2022 to 31 March 2023	For the period 29 April 2021 to 31 March 2022
A. Cash flow from operating activities		
Profit / (Loss) for the period	2,886	(1,424)
Adjustments		
Depreciation and amortisation expense	366	1,275
Unrealised foreign exchange loss, net	1,379	2,211
Share based compensation expenses	184	68
Interest income	(1,244)	(923)
Interest expense	28	606
Operating profit before working capital changes	**3,600**	**1,812**
Adjustments for working capital changes:		
Trade and other receivables	(6,029)	(16,030)
Loans and advances and other assets	(1,710)	(3,273)
Trade and other payables	(822)	9,340
Net cash (used in) operations before taxes paid	**(4,962)**	**(8,150)**
Direct taxes paid	-	(602)
Net cash (used in) operating activities	**(4,962)**	**(8,752)**
Cash flows from investing activities:		
Payment for purchase of plant and equipment	(328)	-
Proceeds from repayment of loan by subsidiaries	7,915	4,222
Interest Income	1,244	923
Net cash generated from investing activities	**8,830**	**5,145**
Cash flows from financing activities:		
Repayment of inter company borrowings	(753)	(786)
Proceeds from inter company borrowings	311	-
Interest expense	(28)	(606)
Net cash generated from financing activities	**(470)**	**(1,392)**
Net increase / (decrease) in cash and Cash equivalents during the period	3,399	(4,999)
Cash and cash equivalents at the beginning of the period	2,943	7,942
Cash and cash equivalents at the end of the period (Refer Note 7)	**6,342**	**2,943**

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As per our report of even date
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Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bangalore
Date: 23 May 2023

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Capco Brasil Serviços e Consultoria em Informática Ltda
Summary of significant accounting policies and other explanatory information
(Amount in '000 BRL, except share and per share data, unless otherwise specified)

1 General Information

Capco Brasil Serviços e Consultoria em Informática Ltda is a subsidiary of The Capital Markets Company Limited (Canada) & Grove Holdings 2 S.a.r.l., incorporated and domiciled in Brazil. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products.. The functional currency of the Company is BRL.The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

The special purpose financial statement of Capco Brasil Serviços e Consultoria em Informática Ltda comprises the balance sheets as at March 31, 2023; the statement of profit and loss, the statement of cash flow, the statement of changes in equity and a summary of significant accounting policies and other explanatory information for the year ended March 31, 2023, and other additional financial disclosures.

The special purpose financial statement is 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. Since, the Company was acquired on April 29, 2021, the comparative financial information is provided only for the period April 29, 2021 to March 31, 2022 for which the Company was subsidiary of Wipro Limited.

Except for the presentation of comparative financial information, the special purpose financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The investment in subsidiaries is considered as a long term investment and carried at cost, less impairment, if any.

The financial performance and position of the Company and the subsidiaries are included in the consolidated financial statements of Wipro Limited, incorporated under the Companies Act, 2013, with effect from February 21, 2020 and having its registered office at Doddakanelli, Sarjapur Road, Bengaluru - 560035.

The financial statement is prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act").

(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 judgement

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.2 Financial Instruments

Non-derivative financial instruments:
Non derivative financial instruments consist of:

- financial assets ,which includes cash and cash equivalents,trade receivables and eligible current and non current asset;
- financial liabilities,which includes trade payables,eligible current and non current liabilities.

These financial instruments are recognised initially at fair value.Financial assets are derecognised when substantial risks and rewards of ownership of the financial asset has been transferred. In cases where substantial risks and rewards of ownership of the financial asset are neither transfered or retained ,financial asset are de-recognised 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. Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand, cash in banks and short-term deposits net of bank overdraft.

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 recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables and other assets

C. Trade and Other Payables

Trade and other payables are initially recognized 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.

2.3 Revenue recognition

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

Services:

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

A **Time and material contracts**

Revenues and costs relating to time and material contracts are recognized as the related services are rendered.

B **Fixed-price contracts**

Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on fixed-price development contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones. A contract liability is an entity’s obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Unbilled receivables on other than fixed-price development contracts are classified as a financial asset where the right to consideration is unconditional and only the passage of time is required before the payment is due.

C **Maintenance Contracts**

Revenue from maintenance contracts is recognized rateably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

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

Revenue recognition is done on straight line basis over the term of performance obligation using the output method (with respect to time)

D **Others**

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs. Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term.
Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period.

E **Other income**

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

2.4 Property, plant and equipment

A **Recognition and measurement**

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

B **Depreciation**

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

Category	Useful life
Computer including software	3 to 5 years
Office Equipment	3 to 5 years
Furniture, fixtures and equipment	3 to 7 years

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

The cost of property, plant and equipment not available for use before each reporting date are disclosed under capital work- in-progress. Deposits & advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.
Softwares which are embedded to tangible assets are classified as computer equipment in property, plant and equipment.

2.5 Foreign currency transactions and translations

Functional currency

The functional currency of the Company is Brazilian real. These financial statements are presented in Brazilian real.

Transaction

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.6 Employee benefits

Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss account.

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. Non-accumulating compensated absences are recognized in the period in which the absences occur.

Pension and social contribution

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

2.7 Taxes

Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

2.8 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.9 Equity and share capital

(a) Share capital

The authorized share capital of the Company as of 31 March 2023 is BRL 11,798,361 divided into 11,798,361 equity shares of BRL 1 per value

The voting right of an equity share holder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity. Voting right cannot be exercised in respect of shares on which any call or other sums presentably payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

(b) Retained earnings

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

2.10 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.

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets.

2.13 Employee stock option

Certain employees of the Company are covered under the share based compensation plans of the ultimate holding company. These plans are assessed, managed and administered by the ultimate holding company. The ultimate holding company recharges to the Company such compensation costs which has been disclosed as "Share based compensation charge" in the Statement of Profit and Loss under Note 16 on “Employee benefit expenses”.

Employees covered under Stock Option Plans and Restricted Stock Unit ("**RSU**") Option Plans (collectively **“Stock Option Plans”**) are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest in tranches over a period of two to four years from the date of grant. Upon vesting, the employees can acquire one equity share for every option.

Wipro Limited grants the Participant RSUs and Performance linked RSU's as per ADS RESTRICTED STOCK UNIT PLAN, 2004 which give the Participant the right to purchase that number of Shares set forth in the Notice of Grant, at the per Share purchase price set forth in the Notice of Grant. The intrinsic value for these RSU's is calculated based on the share price on the date on acceptance of the plan.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

(b) **Defined benefit plans - leave encashment**

The cost of the defined benefit plans such as leave encashment are determined using actuarial valuations. 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 etc. 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 year end.
The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

4 New Accounting standards adopted by the Company

The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the preparation of the Company’s annual standalone financial statements for the year ended March 31, 2023.

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

5 Property, plant and equipment

	Plant and machinery	Furniture and fixtures	Computers	Office equipment	Total
Gross block (at cost)					
Balance as at 1 April 2022	83	249	2,233	59	**2,626**
Additions	-	41	214	102	**357**
Disposals/adjustment*	(75)	(284)	-	-	**(359)**
Balance as at 31 March 2023	**9**	**6**	**2,448**	**161**	**2,624**
Accumulated depreciation					
Balance as at 1 April 2022	(28)	(235)	(1,850)	(21)	(2,134)
Depreciation charge	(55)	(24)	(264)	(22)	(366)
Disposals/adjustment*	75	256	-	-	331
Balance as at 31 March 2023	**(9)**	**(3)**	**(2,115)**	**(43)**	**(2,170)**
Net block					
Balance as at 31 March 2023	**-**	**3**	**333**	**118**	**454**

* Includes regrouping/reclassification within the block of assets.

	Plant and machinery	Furniture and fixtures	Computers	Office equipment	Total
Gross block (at cost)					
Balance as at 29 April 2021	83	249	2,233	59	**2,626**
Additions	-	-	-	-	**-**
Disposals/adjustment*	-	-	-	-	**-**
Balance as at 31 March 2022	**83**	**249**	**2,233**	**59**	**2,626**
Accumulated depreciation					
Balance as at 29 April 2021	(25)	(105)	(720)	(9)	**(859)**
Depreciation charge**	(3)	(130)	(1,131)	(12)	**(1,275)**
Disposals/adjustment*	-	-	-	-	**-**
Balance as at 31 March 2022	**(28)**	**(235)**	**(1,850)**	**(21)**	**(2,134)**
Net block					
Balance as at 31 March 2022	**55**	**15**	**383**	**39**	**492**

* Includes regrouping/reclassification within the block of assets.

** Includes adjustment for depreciation and accumulated depreciation of BRL 785,253 pertaining to prior years, for which the impact has been taken in the current year

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

		As at 31 March 2023	As at 31 March 2022
6	**Trade receivables**		
	Unsecured		
	Considered good *	20,817	16,124
		20,817	**16,124**
	Further classified as:		
	Receivable from group companies	17,955	12,345
	Receivable from others	2,861	3,780
	*includes payable to group companies (refer note 24)		
6A	**Unbilled receivables**		
	Unsecured		
	Considered good *	5,532	4,195
		5,532	**4,195**
	Further classified as:		
	Receivable from group companies	2,560	212
	Receivable from others	2,972	3,983
	*includes payable to group companies (refer note 24)		
7	**Cash and cash equivalents**		
	Balances with banks		
	- in current account	6,342	2,943
		6,342	**2,943**
8	**Other current assets**		
	Prepaid expenses	2,543	710
	Dues from officers and employees	850	80
		3,393	**790**
9	**Share capital**		
	Authorised		
	11,798,361 equity shares of BRL 1 each	11,798	11,798
		11,798	**11,798**
	Issued, subscribed and paid-up		
	11,798,361 equity shares of BRL 1 each	11,798	11,798
		11,798	**11,798**

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

	31 March 2023 Number of shares	31 March 2022 Number of shares
Outstanding at the beginning of the period	1,17,98,361	1,17,98,361
Add: Issued during the period	-	-
Outstanding at the end of the period	-	-
	1,17,98,361	**1,17,98,361**

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of 1 BRL per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

c) Shares held by holding Company/ultimate holding Company and/ or their subsidiaries/ associates

	31 March 2023		31 March 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Grove Holdings 2 S.a.r.l.	1,17,92,462	99.95%	1,17,92,462	99.95%
The Capital Markets Company Limited (Canada)	5,899	0.05%	5,899	0.05%
	1,17,98,361	**100%**	**1,17,98,361**	**100%**

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2023		31 March 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Grove Holdings 2 S.a.r.l.	1,17,92,462	99.95%	1,17,92,462	99.95%
	1,17,92,462	**100%**	**1,17,92,462**	**100%**

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of two years immediately preceding the current year end.

f) No class of shares have been bought back by the Company during the period of two years immediately preceding the current year end.

10 Other equity

	As at 31 March 2023	As at 31 March 2022
Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	12,065	13,968
Add: Net Profit / (loss) for the current period	5,493	(1,903)
Closing balance	**17,558**	**12,065**

11 Borrowings

Current Borrowings		
Loans from group companies	6,346	6,787
	6,346	**6,787**

12 Trade payables

i)Total outstanding dues to micro, small and medium enterprises	-	-
ii)Total outstanding dues to creditors other than	792	515
	792	**515**

13 Other financial liabilities

Non Current		
Salary Payable	63	-
	63	**-**
Current		
Salary Payable	2,073	3,077
Payable to group companies	9,467	7,627
	11,540	**10,704**

14 Provisions

Current		
Provisions for Employee Benefits	3,434	3,003
	3,434	**3,003**

15 Other current liabilities

Statutory liabilities	2,845	2,926
	2,845	**2,926**

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

	For the period 1 April 2022 to 31 March 2023	For the period 29 April 2021 to 31 March 2022
16 Revenue from operations		
Sale of services*	67,275	49,750
Total revenue from operations	**67,275**	**49,750**

* The amount includes related party transaction. Refer Note 24

	1 April 2022 to 31 March 2023	29 April 2021 to 31 March 2022
17 Other income		
Miscellaneous Income	-	314
Interest income	1,244	923
	1,244	**1,237**
18 Employee benefit expense		
Salaries and wages	52,982	41,241
Share based compensation	184	68
Staff welfare expenses	46	62
	53,212	**41,371**
19 Finance cost		
Interest on loans and advances*	28	606
	28	**606**

* The amount includes related party transaction. Refer Note 24

	1 April 2022 to 31 March 2023	29 April 2021 to 31 March 2022
20 Other expenses		
Sub contracting / technical fees / third party application*	1,717	2,438
Facility expenses	2,908	2,219
Travel	124	34
Legal and professional charges	1,054	1,623
Rates and Taxes	594	38
Bank charges	4	3
Communication	210	171
Foreign exchange loss, net	1,379	2,211
Miscellaneous expenses	4,037	423
	12,026	**9,160**

* The amount includes related party transaction. Refer Note 24

21 Earning per share (EPS)

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2023	31 March 2022
Loss attributable to equity holders	5,493	(1,903)
Less: preference dividend after-tax	-	-
Loss attributable to equity holders after preference dividend	5,493	(1,903)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	5,493	(1,903)
Weighted average number of equity shares - for basic and diluted EPS	1,17,98,361	1,17,98,361
Earnings per share - Basic and diluted	**0.47**	**(0.16)**

22 Income tax

	31 March 2023	31 March 2022
Income tax expense		
Current tax	209	458
Deferred tax	(2,815)	21
Total income taxes	**(2,607)**	**479**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized as below:

	31 March 2023	31 March 2022
Profit / (Loss) Before Taxation	2,886	(1,424)
Enacted Income Tax Rate	34%	34%
Computed Expected Tax Expenses	981	-
Effect of:		
Tax adjustment for the prior year *	(3,122)	458
Permanent Differences	24	-
others	(491)	21
Income tax expense	**(2,607)**	**479**

Deferred tax asset / (liability)	31 March 2023	31 March 2022
Deferred Revenue	(1,459)	-
Business Loss	1,530	-
Mark to Market	621	-
Others	(40)	-
Other GAAP	-	(1,543)
Revenue adjustment	-	(2,011)
Provisions	-	386
Trading tax Losses	-	1,004
	652	**(2,163)**

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

23 Employee stock option

Name of Plan	Number of options reserved under the plan	Range of exercise price
Wipro ADS Restricted Stock Unit Plan (ADS Restricted Stock Unit Plan, 2004) *	19,630	US$ 0.03

* The maximum contractual term for these Stock Option Plans and RSU Option Plans is perpetual until the options are available for grant under the plan.

Employees covered under Stock Option Plans and Restricted Stock Unit ("RSU") Option Plans (collectively "Stock Option Plans") are granted an option to purchase shares of Wipro Limited at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest in tranches over a period of one to four years from the date of grant. Upon vesting,the employees can acquire one equity share for every option.

The activity in equity-settled stock option plans and restricted stock unit option plan is summarised below:

	Range of exercise price and Weighted average exercise price	Period ended March 31 2023	Period ended March 31 2022
		Number of options	Number of options
Outstanding at the beginning of the period	US$ 0.03	11,863	
Granted	US$ 0.03	7,767	11,863
Exercised			
Modification			
Forfeited and expired			
Outstanding at the end of the period	US$ 0.03	19,630	11,863
Exercisable at the end of the period	US$ 0.03	-	-

Range of exercise price and Weighted average exercise price	Weighted average remaining life (months)
US$ 0.03	24.75

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

24 Related party disclosure

a) Parties where control exists:

Name	Relationship	Country of Incorporation
Wipro Limited	Ultimate Holding company	India
The Capital Markets Company Limited (Canada)	Holding Company	Canada
Grove Holdings 2 S.a.r.l.	Holding Company	Luxembourg
The Capital Markets Company (UK) Ltd	Fellow Subsidiary	UK
The Capital Markets Company LLC	Fellow Subsidiary	US
Wipro do Brasil Technologia Ltda	Fellow Subsidiary	Brazil
The Capital Markets Company GmbH	Fellow Subsidiary	Germany
Capco Austria GmbH	Fellow Subsidiary	Austria
Capco RISC Consulting LLC	Fellow Subsidiary	US

b) The Company has the following related party transactions:

Particulars	As at 31 March 2023	As at 31 March 2022
Sale of services		
The Capital Markets Company Limited (Canada)	(269)	4,476
The Capital Markets Company (UK) Ltd	28	49
The Capital Markets Company LLC	5,422	1,621
Wipro do Brasil Technologia Ltda	3,307	212
Capco Consulting Services LLC	457	-
Sub contracting / technical fees / third party application		
The Capital Markets Company Limited (Canada)	16	38
The Capital Markets Company (UK) Ltd	1,769	2,253
Capco Austria GmbH	102	-
The Capital Markets Company LLC	3	-
Wipro do Brasil Technologia Ltda	601	-
The Capital Markets Company GmbH	-	60
Interest income		
The Capital Markets Company Limited (Canada)	297	79
The Capital Markets Company (UK) Ltd	622	661
The Capital Markets Company LLC	85	154
The Capital Markets Company GmbH	30	-
Others	-	2
Interest expenses		
Capco Austria GmbH	-	6
The Capital Markets Company Limited (Canada)	-	11
The Capital Markets Company LLC	-	255
The Capital Markets Company GmbH	-	209
The Capital Markets Company (UK) Ltd	-	117
Others	-	3
Share based Compensation		
Wipro Limited	184	-

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

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

	As at 31 March 2023	As at 31 March 2022
i) Balances other than loans :		
Other financial liabilities		
Capco Austria GmbH	222	116
The Capital Markets Company GmbH	3,597	3,747
The Capital Markets Company (UK) Ltd	5,500	3,713
Wipro Limited	148	52
Trade receivables		
The Capital Markets Company Limited (Canada)	6,378	6,659
The Capital Markets Company LLC	11,120	5,248
Capco Consulting Services LLC	457	-
Capco RISC Consulting LLC	-	438
Unbilled receivables		
Wipro do Brasil Technologia Ltda	2,560	217

	As at 31 March 2023	As at 31 March 2022
ii) Loan Balances :		
Borrowings		
The Capital Markets Company LLC	5,971	5,660
The Capital Markets Company GmbH	365	374
Capco Austria GmbH	9	9
The Capital Markets Company (UK) Ltd	-	531
The Capital Markets Company Limited (Canada)	-	213
Loans given		
The Capital Markets Company (UK) Ltd	15,668	23,670
The Capital Markets Company Limited (Canada)	88	-

25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment i.e. IT Services. Thus, as defined in Ind AS 108 “Operating Segments”, the Company’s entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

(Amount in '000 BRL, except share and per share data, unless otherwise specified)

26 Fair values of financial assets and financial liabilities

There are no financials assets and liabilities that have been offset in the financials

The fair value of cash and cash equivalents, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's investments are primarily in short-term investments, which do not expose it to significant interest rate risk. The Company usually provides to loan at a floating rate.

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.

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 does not forsee such a risk as its current assets (excluding intercompany balance) are greater than its current liability (excluding intercompany balance)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particular	As at March 31, 2023			
	Fair value measurements at reporting date			
	Total	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	20,817	-	-	20,817
Unbilled receivables	5,532	-	-	5,532
Cash and cash equivalents	6,342	-	-	6,342
Loans to group companies	15,756	-	-	15,756
Financial liabilities				
Trade Payables	792	-	-	792
Loan from group companies	6,346	-	-	6,346
Salary Payable	2,073	-	-	2,073
Payable to group companies	9,467	-	-	9,467

Particular	As at March 31, 2022			
	Fair value measurements at reporting date			
	Total	Level 1	Level 2	Level 3
Financial assets				
Trade receivables	16,124	-	-	16,124
Unbilled receivables	4,195	-	-	4,195
Cash and cash equivalents	2,943	-	-	2,943
Loans to group companies	23,670	-	-	23,670
Financial liabilities				
Trade Payables	515	-	-	515
Loan from group companies	6,787	-	-	6,787
Salary Payable	3,077	-	-	3,077
Payable to group companies	7,627	-	-	7,627

27 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) 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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations with floating interest rates.

(ii) Foreign currency risk

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

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company’s receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month’s operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn’t had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. (For example: The key liquidity risk the Company can face is the risk of subscription fee refund. As per the Company policy, no refunds are allowed once a subscription has been taken and it is only in exceptional cases that fee is refunded with proper approvals from senior Management. The Management believes that the probability of a liquidity risk arising due to fee refund is not there.

The table below summarizes the maturity profile of the Company’s financial liabilities:

31 March 2023	Total	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Trade payables	792	-	792	-	-
Other financial liability	11,540	-	11,540	-	-
	12,332	-	12,332	-	-

31 March 2022	Total	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Trade payables					
Other financial liability	515	-	515	-	-
	10,704	-	10,704	-	-
	11,219	-	11,219	-	-

28 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2023	31 March 2022
Equity Share Capital		11,798	11,798
Other Equity		17,558	12,065
Total equity	(i)	**29,356**	**23,863**
Borrowings other than convertible preference shares		6,346	6,787
Less: cash and cash equivalents		6,342	2,943
Total debt	(ii)	**4**	**3,844**
Overall financing	(iii) = (i) + (ii)	29,360	27,707
Gearing ratio	(ii)/ (iii)	0.00	0.14

As per our report of even date
for D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 009619S

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367

Place: Bangalore
Date: 23 May 2023

For and on behalf of the Board of Directors of Capco Brasil Serviços e Consultoria em Informática Ltda

Sd/-

Camille Nicolas Ocampo
Director

Place: Brazil
Date: 23 May 2023

Sd/-

Arnaldo Rodrigues Franca
Director

Place: Brazil
Date: 23 May 2023