

# Special Purpose Financial Statements and Independent Auditor's Report

Wipro 4C CONSULTING FRANCE SAS

31 March 2023

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of Wipro 4C CONSULTING FRANCE SAS

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

#### **Opinion**

We have audited the accompanying special purpose financial statements of Wipro 4C CONSULTING FRANCE SAS (“the Company”), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as “the Special Purpose Financial Statements”). As explained in Note 2(i) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the Management of Wipro Limited (“the Parent”) solely for inclusion in the annual report of Wipro limited for the year ended 31 March 2023 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of presentation referred to in Note 2(i) to the Special Purpose Financial Statements, of the state of affairs of the Company as at 31 March 2023, and 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(i) to the Special Purpose Financial Statements, to the basis of the preparation to the special purpose financial statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company under the requirements of Section 129(3) of the Companies Act, 2013. As a result, the Special Purpose Financial Statements may not be suitable for any other purpose. Our report is intended solely for the Company and Wipro Limited and should not be distributed to or used by parties other than the Company and Wipro Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

## **Management Responsibility for the Special Purpose Financial Statements**

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

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

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

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

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

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

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

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

For **D Prasanna & Company**

Chartered Accountants

Firm's Registration No.009619S

Sd/-

D. Prasanna Kumar Proprietor

Membership No. 211367

UDIN:23211367BGXYKM8321

Place: Bengaluru

Date: 23rd May 2023

# Wipro 4C CONSULTING FRANCE SAS

## Balance Sheet as at 31 March 2023

(Amount in EUR, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	943	415,979
Right-of-Use assets	4	-	848,372
		<b>943</b>	<b>1,264,350</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	5	898,370	1,597,452
Cash and cash equivalents	6	343,190	1,130,801
Unbilled revenues		349,576	176,707
Other financial assets	7	18,486	41,469
Other current assets	8	26,874	14,997
		<b>1,636,496</b>	<b>2,961,426</b>
		<b>1,637,439</b>	<b>4,225,776</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	837,040	837,040
Other equity		(6,542,306)	(5,024,775)
		<b>(5,705,266)</b>	<b>(4,187,735)</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	10	2,330,000	2,329,969
Lease liabilities		-	1,005,671
Trade payables	11	4,983	165,680
Other financial liabilities	12	4,380,362	3,312,949
Contract Liabilities		261,285	519,191
Other current liabilities	13	255,668	704,587
Provisions	14	110,407	375,465
		<b>7,342,705</b>	<b>8,413,512</b>
		<b>1,637,439</b>	<b>4,225,776</b>
Summary of significant accounting policies	1-2		
The accompanying notes are an integral part of these financial statements.			

As per our report attached  
For D Prasanna & Company  
Chartered Accountants  
Firm Registration No.: 009619S

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

For and on behalf of the Board of Directors of  
Wipro 4C CONSULTING FRANCE SAS

sd/-  
Barath Narayanan S S  
President  
Place: Bengaluru

**Wipro 4C CONSULTING FRANCE SAS**  
**Statement of Profit and Loss for the year ended 31 March 2023**  
(Amount in EUR, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>REVENUE</b>			
Revenue from operations	15	3,362,739	4,609,311
Other income	16	1,622	6,603
		<b>3,364,361</b>	<b>4,615,914</b>
<b>EXPENSES</b>			
Employee benefits expense	17	3,118,207	5,466,110
Finance cost	18	47,967	21,064
Depreciation	3-4	141,922	293,289
Other expenses	19	1,573,796	2,132,583
		<b>4,881,892</b>	<b>7,913,046</b>
<b>Profit before tax</b>		<b>(1,517,531)</b>	<b>(3,297,132)</b>
<b>Tax expense</b>	22		
Current tax - Current period		-	-
Current tax - Prior period		-	(43,726)
<b>Profit for the year</b>		<b>(1,517,531)</b>	<b>(3,253,406)</b>
Other Comprehensive income		-	-
<b>Total Other Comprehensive Income for the period, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive (loss) / income for the period</b>		<b>(1,517,531)</b>	<b>(3,253,406)</b>
<b>Earnings per equity share</b>			
Basic and diluted	20	(18.13)	(38.87)
Summary of significant accounting policies	1-2		

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

As per our report attached  
For D Prasanna & Company  
Chartered Accountants  
Firm Registration No.: 009619S

For and on behalf of the Board of Directors of  
Wipro 4C CONSULTING FRANCE SAS

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

sd/-  
Barath Narayanan S S  
President  
Place: Bengaluru

**Wipro 4C CONSULTING FRANCE SAS**  
**Cash Flow Statement for the year ended March 2023**  
(Amount in EUR, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
<b>Cash flow from operating activities</b>		
<b>Profit for the period</b>	(1,517,531)	(3,253,406)
Adjustments to reconcile profit for the period to net cash flows		
Preacquisition reserve written off	-	(2,277,212)
Depreciation of property, plant and equipment	141,922	293,289
Loss on scrapping of assets	344,945	-
Gain on disposal of ROU	(170,342)	-
Finance charges	47,967	21,064
<b>Operating profit before working capital changes</b>	<b>(1,153,039)</b>	<b>(5,216,265)</b>
<b>Adjustments for working capital changes:</b>		
(Increase) / decrease in loans and advances and other current assets	(161,764)	24,667
(Increase)/decrease in trade receivables	699,083	730,968
Increase/(decrease) in trade payables and unearned revenue	(418,603)	607,687
Increase/(decrease) in other liabilities and provisions	353,436	2,132,789
<b>Net cash received from operations</b>	<b>(680,887)</b>	<b>(1,720,154)</b>
Income tax paid	-	-
<b>Net cash flows generated by operating activities</b>	<b>(A) (680,887)</b>	<b>(1,720,154)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(5,700)	(2,545)
<b>Net cash used in investing activities</b>	<b>(B) (5,700)</b>	<b>(2,545)</b>
<b>Cash flows from financing activities:</b>		
Finance charges paid	(47,967)	(21,066)
Repayment of lease liabilities	(53,057)	(94,837)
Proceeds from borrowings	-	2,329,969
<b>Net cash flows (used in) / received from financing activities</b>	<b>(C) (101,024)</b>	<b>2,214,066</b>
<b>Net (decrease) / increase in cash and cash equivalents (A + B + C)</b>	<b>(787,611)</b>	<b>491,367</b>
Cash and cash equivalents at the beginning of the period	1,130,801	639,434
<b>Cash and cash equivalents at the end of the period (refer note 6)</b>	<b>343,190</b>	<b>1,130,801</b>
<b>Components of cash and cash equivalents (note 6)</b>		
Balances with banks		
in current account	343,190	1,130,801
Effect of translation differences of exchange rate	-	-
	<b>343,190</b>	<b>1,130,801</b>

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

As per our report attached  
For D Prasanna & Company  
Chartered Accountants  
Firm Registration No.: 009619S

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

For and on behalf of the Board of Directors of  
Wipro 4C CONSULTING FRANCE SAS

sd/-  
Barath Narayanan S S  
President  
Place: Bengaluru

**Wipro 4C CONSULTING FRANCE SAS**  
**Statement of Changes in Equity for the year ended 31 March 2023**

(Amount in EUR, unless otherwise stated)

**Equity share capital**

<b>Particulars</b>	<b>Balance as at 01 April 2021</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at 31 March 2022</b>
Equity share capital	873,040	-	873,040

<b>Particulars</b>	<b>Balance as at 01 April 2022</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at 31 March 2023</b>
Equity share capital	873,040	-	873,040

<b>Particulars</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance as at 31 March 2021</b>	<b>(1,771,369)</b>	<b>(1,771,369)</b>
Profit/(Loss) for the period	(3,253,406)	(3,253,406)
<b>Balance as at 31 March 2022</b>	<b>(5,024,775)</b>	<b>(5,024,775)</b>
Profit/(Loss) for the period	(1,517,531)	(1,517,531)
<b>Balance as at 31 March 2023</b>	<b>(6,542,306)</b>	<b>(6,542,306)</b>

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

As per our report attached  
For D Prasanna & Company  
Chartered Accountants  
Firm Registration No.: 009619S

For and on behalf of the Board of Directors of  
Wipro 4C CONSULTING FRANCE SAS

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

sd/-  
Barath Narayanan S S  
President  
Place: Bengaluru



**Wipro 4C CONSULTING FRANCE SAS**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(Amount in EUR unless otherwise stated)**

**1. The Company Overview**

Wipro 4C CONSULTING FRANCE SAS. ("the Company") is a subsidiary of Wipro 4C NV, incorporated and domiciled in France. The Company is provider of IT Services. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

Wipro 4C NV (parent of Wipro 4C CONSULTING FRANCE SAS.) has been acquired by Wipro Holdings UK Limited with effect from August 10, 2020 and the financial statement is prepared as at March 31, 2023.

**2.**

**A. Basis of preparation of 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.

**(ii) Basis of measurement**

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

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

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

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

- a) **Revenue recognition:** The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

**Wipro 4C CONSULTING FRANCE SAS**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(Amount in EUR unless otherwise stated)**

- b) **Income taxes:** The major tax jurisdictions for the Company is France. 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 realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- d) **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.
- e) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on written down value basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.
- f) **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 is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

**B. Significant accounting policies**

**(i) Functional and presentation currency**

These financial statements are presented in Euros (EUR), which is the functional currency of the Company.

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

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net.

**(iii) Financial instruments**

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

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets; Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

**Wipro 4C CONSULTING FRANCE SAS**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(Amount in EUR unless otherwise stated)**

- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.
- Non- derivative financial instruments are recognized initially at fair value.

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

C. Trade and other payables

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

**(iii) Financial instruments (Continued)**

**b) Derecognition of financial instruments**

The Company derecognizes 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 recognize the financial asset and also recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Equity**

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

The authorized share capital of the Company as at March 31, 2023 is 837,040 divided into 83,704 equity shares of EUR 10 each, Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share application money pending allotment.

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

**b) Retained earnings**

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

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

**a) Recognition and measurement**

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

**Wipro 4C CONSULTING FRANCE SAS**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(Amount in EUR unless otherwise stated)**

**b) Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life on written down value 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 is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

<b>Category</b>	<b>Useful life</b>
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 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.

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

**(vi) Leases**

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

**The Company as a lessee**

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

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

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

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

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

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

**Wipro 4C CONSULTING FRANCE SAS**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(Amount in EUR unless otherwise stated)**

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

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

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

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

**The Company as a lessor**

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

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

**(vii) Impairment**

A) Financial assets

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

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

B) Non - financial assets

The Company assesses long-lived assets such as property, plant and equipment and acquired intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

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**(vii) Employee benefits**

**a) Social Security**

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

**b) Termination benefits**

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

**c) Short-term benefits**

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

**(ix) Provisions**

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

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

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

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

**(x) Revenue**

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

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

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

For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

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

**A. Time and materials contracts**

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

**B. Fixed-price contracts**

**i) Fixed-price development contracts**

Revenues from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are 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 is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

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

**i) Fixed-price development contracts**

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

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

**ii) Maintenance contracts**

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

**iii) Volume based contracts**

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

**C. Products**

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

**D. Others**

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

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

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

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

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

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

The Company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

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

**(xi) 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 recognized in the statement of profit and loss using the effective interest method.

**(xii) Other income**

Other income comprises interest income on deposits, dividend income and gains / (losses), net, on disposal of investments. Interest income is recognized using the effective interest method.

**(xiii) Income tax**

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

**a) Current income tax**

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

**b) Deferred income tax**

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

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



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

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

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

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

**(xiv) Earnings per share**

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

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

**(xv) Cash flow statement**

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

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

**(xvi) Disposal of assets**

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

**(xvii) Commitments and contingencies**

The company does not have any material capital commitments and contingencies as on 31<sup>st</sup> March'2023.

**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. The Company presents such receivables

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

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.

**C. Disaggregation of Revenues**

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

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
<b>Sale of Services</b>	3,362,739	4,609,311
<b>Sale of Products</b>	-	-

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### 3 Property, plant and equipment

	Furniture & Fixtures	Office equipments	Total
<b>Gross block (at cost)</b>			
<b>As at April 1 2021</b>	<b>727,475</b>	<b>77,095</b>	<b>804,570</b>
Additions	-	2,545	2,545
Disposals/adjustment	-	-	-
<b>As at March 31 2022</b>	<b>727,475</b>	<b>79,640</b>	<b>807,115</b>
Additions	5,700	21	5,721
Disposals/adjustment	733,175	65,701	798,876
<b>As at March 31 2023</b>	<b>-</b>	<b>13,960</b>	<b>13,960</b>
<b>Accumulated depreciation</b>			
<b>As at April 1 2021</b>	<b>171,991</b>	<b>58,069</b>	<b>230,060</b>
Additions	145,495	15,581	161,076
Disposals/adjustment	-	-	-
<b>As at March 31 2022</b>	<b>317,486</b>	<b>73,650</b>	<b>391,136</b>
Additions	70,722	5,093	75,815
Disposals/adjustment	388,208	65,726	453,934
<b>As at March 31 2023</b>	<b>-</b>	<b>13,017</b>	<b>13,017</b>
<b>Net block</b>			
<b>Balance as at 1 April 2021</b>	<b>555,483</b>	<b>19,026</b>	<b>574,509</b>
<b>Balance as at 31 March 2022</b>	<b>409,989</b>	<b>5,990</b>	<b>415,979</b>
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>943</b>	<b>943</b>

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### 4 Right-of-Use assets

	Buildings	Total
<b>Gross block (at cost)</b>		
<b>As at April 1 2021</b>	<b>1,065,174</b>	<b>1,065,174</b>
Additions	-	-
Disposals/adjustment	-	-
<b>As at March 31 2022</b>	<b>1,065,174</b>	<b>1,065,174</b>
Additions	-	-
Disposals/adjustment	1,065,174	1,065,174
<b>As at March 31 2023</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation</b>		
<b>As at April 1 2021</b>	<b>84,588</b>	<b>84,588</b>
Additions	132,214	132,214
Disposals/adjustment	-	-
<b>As at March 31 2022</b>	<b>216,802</b>	<b>216,802</b>
Additions	66,107	66,107
Disposals/adjustment	282,909	282,909
<b>As at March 31 2023</b>	<b>-</b>	<b>-</b>
<b>Net block</b>		
<b>Balance as at 1 April 2021</b>	<b>980,585</b>	<b>980,585</b>
<b>Balance as at 31 March 2022</b>	<b>848,372</b>	<b>848,372</b>
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>

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	As at 31 March 2023	As at 31 March 2022
<b>5 Trade receivables</b>		
<b>Unsecured</b>		
Considered good	959,921	1,687,438
Considered doubtful	-	-
	<b>959,921</b>	<b>1,687,438</b>
Less : Provision for doubtful receivables	(61,551)	(89,986)
	<b>898,370</b>	<b>1,597,452</b>
<b>Movement in Allowance for lifetime expected credit loss</b>		
Opening Balance	(89,986)	(125,463)
Charges for the year / Utilised	28,435	35,477
Closing Balance	<b>(61,551)</b>	<b>(89,986)</b>
	As at 31 March 2023	As at 31 March 2022
<b>6 Cash and cash equivalents</b>		
Balances with banks		
- in deposit account	-	-
- in current account	343,190	1,130,801
	<b>343,190</b>	<b>1,130,801</b>
	As at 31 March 2023	As at 31 March 2022
<b>7 Other financial assets</b>		
<b>Current</b>		
Security deposits	18,486	41,469
	<b>18,486</b>	<b>41,469</b>
	As at 31 March 2023	As at 31 March 2022
<b>8 Other assets</b>		
<b>Current</b>		
Prepaid expenses	8,232	14,997
Balances with other authorities	18,642	-
	<b>26,874</b>	<b>14,997</b>
	As at 31 March 2023	As at 31 March 2022
<b>9 Share capital</b>		
<b>Authorised capital</b>		
83,704 Common stock of EUR 10 each	837,040	837,040
	<b>837,040</b>	<b>837,040</b>
<b>Issued, subscribed and paid-up capital</b>		
83,704 Common stock of EUR 10 each	837,040	837,040
	<b>837,040</b>	<b>837,040</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 2023	As at 31 March 2022
Opening number of equity shares as on 1st April 2022	83,704	83,704
Add: Equity Shares	-	-
<b>Closing number of Equity Shares</b>	<b>83,704</b>	<b>83,704</b>

**b) Details of shareholders having more than 5% of the total equity shares of the company**

**Name of Shareholders**

Wipro 4C NV (100% holding)

	As at 31 March 2023	As at 31 March 2022
	No.of Shares	No.of Shares
	83,704	83,704
	<b>83,704</b>	<b>83,704</b>

**c) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of EUR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in EUR. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

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

d) There has been no issue of bonus shares or buy back of shares since inception.

**10 Borrowings**

**Current**

*Unsecured:*

Loan from related parties (refer note 23)

	As at 31 March 2023	As at 31 March 2022
	2,330,000	2,329,969
	<b>2,330,000</b>	<b>2,329,969</b>

**11 Trade payables**

Total outstanding dues of Micro and small enterprises

Total outstanding dues other than above

Trade payable

	As at 31 March 2023	As at 31 March 2022
	-	-
	4,983	165,680
	<b>4,983</b>	<b>165,680</b>

**12 Other financial liabilities**

**Current**

Interest accrued but not due

Dues to related parties (refer note 21)

Advance from customers

Salary Payable

Interest accrued

Other payables

Accrued expenses

	As at 31 March 2023	As at 31 March 2022
	-	-
	3,778,527	2,845,102
	72,303	-
	136,319	399,348
	34,536	3,501
	274,977	-
	83,700	64,998
	<b>4,380,362</b>	<b>3,312,949</b>

**13 Other current liabilities**

Dues to officers & employees

Statutory liabilities

	As at 31 March 2023	As at 31 March 2022
	637	-
	255,031	704,587
	<b>255,668</b>	<b>704,587</b>

**14 Provisions**

**Current**

Provision for employee benefits

Provision for onerous contracts

	As at 31 March 2023	As at 31 March 2022
	110,407	238,178
	-	137,287
	<b>110,407</b>	<b>375,465</b>

## Wipro 4C CONSULTING FRANCE SAS

### Notes to the Financial Statements

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	Year ended 31 March 2023	Year ended 31 March 2022
<b>15 Revenue from operations</b>		
Sale of services	3,362,739	4,609,311
	<b>3,362,739</b>	<b>4,609,311</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>16 Other income</b>		
Interest income	1,622	6,372
Other Income	-	231
	<b>1,622</b>	<b>6,603</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>17 Employee benefits expense</b>		
Salaries and wages	3,118,207	5,466,110
	<b>3,118,207</b>	<b>5,466,110</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>18 Finance cost</b>		
Interest on borrowings (refer note 23)	47,967	21,064
	<b>47,967</b>	<b>21,064</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>19 Other expenses</b>		
Subcontracting / technical fees / third party application	1,067,642	1,594,034
Other exchange differences (net)	10,668	5,987
Travel and conveyance	32,274	38,662
Rates, taxes and insurance	39,408	42,973
Rent	106,284	115,856
Legal and professional charges	73,435	190,403
Software Licence Fees	7,246	6,906
Communication cost	4,734	8,465
Staff recruitment	10,080	9,450
Repairs and maintenance	4,316	12,336
Advertisement and sales promotion	859	3,038
Provision for doubtful receivables	3,399	1,934
<b>Auditors' remuneration</b>		
Audit Fees	1,750	23,333
Other Services	627	1,980
Miscellaneous expenses	211,074	77,226
	<b>1,573,796</b>	<b>2,132,583</b>
	Year ended 31 March 2023	Year ended 31 March 2022
<b>20 Earning per share (EPS)</b>		
Net profit after tax attributable to the equity shareholders	(1,517,531)	(3,253,406)
Weighted average number of equity shares - for basic and diluted EPS	83,704	83,704
Earnings per share - Basic and diluted	(18.13)	(38.87)

## Wipro 4C CONSULTING FRANCE SAS

### Notes to the Financial Statements

(Amount in EUR, unless otherwise stated)

#### 21 Related party disclosure

##### a) Parties where control exists:

Name of related party	Nature of relationship
Wipro Limited	Ultimate Holding company
Wipro 4C NV	Holding company
Wipro do Brasil Technologia Ltda	Fellow Subsidiary
Wipro Appirio (Ireland) Limited	Fellow Subsidiary
Wipro Holdings (UK) Limited	Fellow Subsidiary
Wipro Weare4C Uk Limited	Fellow Subsidiary
Wipro 4C Danmark Aps	Fellow Subsidiary
Wipro 4C Nederland B.V	Fellow Subsidiary
Wipro Business Solutions GmbH	Fellow Subsidiary

##### b) The Company has the following related party transactions:

Particulars	Relationship	Year ended 31 March 2023	Year ended 31 March 2022
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding company	725,298	26,875
Wipro 4C NV	Holding company	81,918	146,149
Wipro 4C Danmark Aps	Fellow Subsidiary	16,037	-
Wipro Appirio (Ireland) Limited	Fellow Subsidiary	-	23,897
WiproWeare4C Uk Limited	Fellow Subsidiary	364,748	362,963
Wipro do Brasil Technologia Ltda	Fellow Subsidiary	124,277	-
Wipro 4C Nederland B.V	Fellow Subsidiary	11,286	12,116
<b>Purchase of services</b>			
Wipro Limited	Ultimate Holding company	440,750	-
Wipro 4C NV	Holding company	499,431	572,859
WiproWeare4C Uk Limited	Fellow Subsidiary	32,651	127,657
Wipro 4C Danmark Aps	Fellow Subsidiary	107,438	84,930
<b>Rent expense</b>			
Wipro Limited	Ultimate Holding company	90,459	-
<b>Interest Income</b>			
Wipro 4C NV	Holding company	-	6,372
<b>Interest expense</b>			
Wipro Holdings (UK) Limited	Fellow Subsidiary	17,510	373
Wipro Business Solutions GmbH	Fellow Subsidiary	22,322	3,129
<b>Loan taken</b>			
Wipro 4C NV	Holding company	-	200,000
<b>Loan Repaid</b>			
Wipro 4C NV	Holding company	-	200,000

##### c) Balances payable to related parties as at year end are summarised below:

Particulars	Relationship	As at 31 March 2023	As at 31 March 2022
<b>Payables and dues:</b>			
Wipro Limited	Ultimate Holding company	424,597	-
Wipro 4C NV	Holding company	3,173,019	2,755,505
Wipro 4C Danmark Aps	Fellow Subsidiary	180,911	89,596
<b>Borrowings including Interest Accrued</b>			
Wipro Holdings (UK) Limited	Fellow Subsidiary	1,017,883	1,000,341
Wipro Business Solutions GmbH	Fellow Subsidiary	1,346,653	1,333,129

##### d) Balances receivable from related parties as at year end are summarised below:

Particulars	Relationship	As at 31 March 2023	As at 31 March 2022
Wipro Limited	Ultimate Holding company	-	10,819
Wipro Appirio (Ireland) Limited	Fellow Subsidiary	-	71
Wipro Weare4C Uk Limited	Fellow Subsidiary	707,067	776,025
Wipro 4C Nederland B.V	Fellow Subsidiary	-	12,116



## 22 Effective Tax Rate (ETR) reconciliation

	As at 31 March 2023	As at 31 March 2022
Income tax expense in the Statement of Profit and Loss comprises of:		
Current tax - Current year	-	-
Current tax - Prior period	-	(43,726)
	<u>-</u>	<u>(43,726)</u>

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

	As at 31 March 2023	As at 31 March 2022
Profit before income tax	(1,517,531)	(3,297,132)
Enacted tax rates in France (%)	25.00%	25.00%
Computed expected tax expense	-	-
Current tax for Prior Period	-	(43,726)
<b>Tax expense as per financials</b>	<u>-</u>	<u>(43,726)</u>

## 23 Borrowings

Sl. No	Related Party	Interest Rate	31 March 2023	31 March 2022
<b>Loans and advances from Related parties</b>				
1	Wipro Holdings (UK) Limited	<b>ESTR + 0.85% p.a.</b>	1,000,000	999,969
2	Wipro Business Solutions GmbH	<b>ESTR + 0.85% p.a.</b>	1,300,000	1,300,000
	<b>Total</b>		<u>2,300,000</u>	<u>2,299,969</u>
	Effective rate of interest per annum		1.73%	0.86%

## Wipro 4C CONSULTING FRANCE SAS

### Notes to the Financial Statements

(Amount in EUR, unless otherwise stated)

#### 24 Financial instruments

##### Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows :

Particulars	Notes	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Investments		-	-	-	-	-
Trade receivables	5	-	-	898,370	898,370	898,370
Cash and cash equivalents	6	-	-	343,190	343,190	343,190
Unbilled revenues		-	-	349,576	349,576	349,576
Other financial assets	7	-	-	18,486	18,486	18,486
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>1,609,622</b>	<b>1,609,622</b>	<b>1,609,622</b>
<b>Financial liabilities :</b>						
Borrowings	10	-	-	2,330,000	2,330,000	2,330,000
Lease liabilities		-	-	-	-	-
Trade payables	11	-	-	4,983	4,983	4,983
Other financial liabilities	12	-	-	4,380,362	4,380,362	4,380,362
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>6,715,345</b>	<b>6,715,345</b>	<b>6,715,345</b>

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

Particulars	Notes	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
<b>Financial assets :</b>						
Investments		-	-	-	-	-
Trade receivables	5	-	-	1,597,452	1,597,452	1,597,452
Cash and cash equivalents	6	-	-	1,130,801	1,130,801	1,130,801
Unbilled revenues		-	-	176,707	176,707	176,707
Other financial assets	7	-	-	41,469	41,469	41,469
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>2,946,429</b>	<b>2,946,429</b>	<b>2,946,429</b>
<b>Financial liabilities :</b>						
Borrowings	10	-	-	2,329,969	2,329,969	2,329,969
Lease liabilities		-	-	1,005,671	1,005,671	1,005,671
Trade payables	11	-	-	165,680	165,680	165,680
Other financial liabilities	12	-	-	3,312,949	3,312,949	3,312,949
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>6,814,269</b>	<b>6,814,269</b>	<b>6,814,269</b>

##### Notes to financial instruments

- i. The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.
- ii. **Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets and 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).

##### Measurement of fair value of financial instruments

The Company's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialist for complex valuations, wherever necessary. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market-based information.

# Wipro 4C CONSULTING FRANCE SAS

## Notes to the Financial Statements

(Amount in EUR, unless otherwise stated)

### 25 Events occurring after the reporting date

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

### 26 Financial risk management

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

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

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

#### A Credit risk

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

Credit risk management

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

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

#### Expected credit loss for trade receivables under simplified approach

Customer Credit Risk is managed as per Company's established policy, procedures and controls relating to customer credit risk management which interalia involves obtaining credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in normal course of business. There are three customer accounted for more than 10% of revenue in any of the years indicated.

The Company expects to maintain this relationship with the customer. We perform ongoing credit evaluations of our customers' financial condition and do not anticipate non-performance by counterparties given their high creditworthiness

#### B Liquidity risk

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

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

## Wipro 4C CONSULTING FRANCE SAS

### Notes to the Financial Statements

(Amount in EUR, unless otherwise stated)

#### 26 Financial risk management (continued)

##### B Liquidity risk (continued)

###### Maturities of financial liabilities

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

31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	2,330,000	-	-	2,330,000
Lease Liabilities	-	-	-	-
Trade payables	4,983	-	-	4,983
Other financial liabilities	4,380,362	-	-	4,380,362
<b>Total</b>	<b>6,715,345</b>	<b>-</b>	<b>-</b>	<b>6,715,345</b>

31 March 2022	Less than 1 year	1 year to 5 years	5 years and above	Total
<b>Non-derivatives</b>				
Borrowings	2,329,969	-	-	2,329,969
Lease Liabilities	1,005,671	-	-	1,005,671
Trade payables	165,680	-	-	165,680
Other financial liabilities	3,312,949	-	-	3,312,949
<b>Total</b>	<b>6,814,269</b>	<b>-</b>	<b>-</b>	<b>6,814,269</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 2023	31 March 2022
Variable rate borrowing	2,330,000	2,329,969
Fixed rate borrowing	-	-
	<b>2,330,000</b>	<b>2,329,969</b>

###### Interest rate risk

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

Particulars	31 March 2023	31 March 2022
Interest rates – increase by 50 basis points (50 bps)	11,650	11,650
Interest rates – decrease by 50 basis points (50 bps)	(11,650)	(11,650)

#### 27 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 as below:

- Equity includes equity share capital and all other equity components, which attributable to the equity holders
- Net Debt includes borrowings, less cash and cash equivalents.

Particulars	Note	As at	As at
		31 March 2023	31 March 2022
Borrowings	Financial liabilities	2,330,000	2,329,969
Less: Cash and cash equivalents	Financial assets	(343,190)	(1,130,801)
<b>Net Debt</b>		<b>1,986,810</b>	<b>1,199,168</b>
Equity share capital	Equity	837,040	837,040
Other equity	Equity	(6,542,306)	(5,024,775)
<b>Total capital</b>		<b>(5,705,266)</b>	<b>(4,187,735)</b>
<b>Gearing ratio</b>		<b>(0.35)</b>	<b>(0.29)</b>

**27 Capital management (cont'd)**

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.

**28 Segment information**

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

**29 Events occurring after the reporting date**

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

As per our report attached  
For D Prasanna & Company  
Chartered Accountants  
Firm Registration No.: 009619S

For and on behalf of the Board of Directors of  
Wipro 4C CONSULTING FRANCE SAS

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

sd/-  
Barath Narayanan S S  
President  
Place: Bengaluru