

# Special Purpose Financial Statements and Independent Auditor's Report

Wipro Technologies SRL

31 March 2023



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of WIPRO Technologies SRL

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

#### Opinion

We have audited the accompanying special purpose financial statements of WIPRO Technologies SRL ("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, based on 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 based on 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 are 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 to design audit procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the special purpose financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure, and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

For **APPAJI&CO**

Chartered Accountants

Firm's Registration No.014147S

  
  
CA P Appaji Bangalore  
Partner  
FRN:0141475  
Membership No. 214156  
Bengaluru  
24 May 2023

**Wipro Technologies SRL**  
**BALANCE SHEET**  
(RON in Lakhs, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	17	175	138
Right-of-Use Assets	18	754	908
Capital work-in-progress		1	0
<b>Financial assets</b>			
Other financial assets	3	4	4
Other non-current assets	4	1	2
<b>Total non-current assets</b>		<b>935</b>	<b>1,052</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Trade receivables	2	397	301
Cash and cash equivalents	5	66	36
Unbilled revenues		27	27
Other financial assets	3	239	214
Current tax assets		22	-
Contract Asset		-	51
Other current assets	4	75	49
<b>Total current assets</b>		<b>826</b>	<b>678</b>
<b>TOTAL ASSETS</b>		<b>1,762</b>	<b>1,730</b>
<b>EQUITY</b>			
Equity Share capital	6	108	108
Other equity	7	388	232
<b>Total equity</b>		<b>496</b>	<b>340</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	11	51	39
<b>Financial liabilities</b>			
Lease Liabilities		651	840
<b>Total non-current liabilities</b>		<b>702</b>	<b>879</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	12	67	49
Borrowings	10	-	-
Lease Liabilities		168	155
Other financial liabilities	8	263	226
Unearned revenues		17	15
Current tax liabilities (net)		-	-
Other current liabilities	9	5	34
Provisions	11	45	32
<b>Total current liabilities</b>		<b>564</b>	<b>511</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,762</b>	<b>1,730</b>

The accompanying notes are an integral part of these special purpose financial statements. (Note 1- 27)

As per our report of even date  
**For Appaji and CO**  
Chartered Accountants  
Firm Registration No.: 0141475

CA P Appaji  
Partner  
Memberships No. 0141475  
Place: Bengaluru  
Date: 24 May 2023



For and on behalf of the Board of Directors  
**Wipro Technologies SRL**

Irina Butnaru  
Director  
Place: Romania  
Date: 24 May 2023

**Wipro Technologies SRL**  
**STATEMENT OF PROFIT AND LOSS**  
(RON in Lakhs, except share and per share data, unless otherwise stated)

	Note	Year Ended March 31,	
		2023	2022
<b>REVENUE</b>			
Revenue from operations	13	2,653	2,272
Other income	14	149	74
<b>Total income</b>		<b>2,802</b>	<b>2,346</b>
<b>EXPENSES</b>			
Employee benefits expense	15	2,088	1,771
Depreciation and amortisation expense		257	202
Sub contracting / technical fees / third party application		5	17
Finance costs		31	26
Other expenses	16	257	188
<b>Total Expenses</b>		<b>2,639</b>	<b>2,204</b>
<b>Profit/(Loss) before tax</b>		<b>162</b>	<b>142</b>
Tax expense	24	7	(0)
Current tax		-	21
Deferred tax			
<b>Total tax expense</b>		<b>7</b>	<b>21</b>
<b>Profit/(Loss) for the year</b>		<b>155</b>	<b>121</b>
<b>Other Comprehensive income / (losses)</b>			
Items that will not be reclassified subsequently to statement of profit or loss (Net of tax)		-	-
Defined benefit Contribution actuarial gains/(expenses)		-	-
<b>Total Other Comprehensive Income/losses for the year, net of tax</b>		<b>155</b>	<b>121</b>
<b>Total comprehensive income/(losses) for the year</b>			
<b>Earnings/(Loss) per equity share</b>	19		
(Equity shares of par value RON 100 each)			
Basic (in RON)		144	112
Diluted (in RON)		144	112
<b>No of shares</b>			
Basic		107,978	107,978
Diluted		107,978	107,978

The accompanying notes are an integral part of these special purpose financial statements. (Note 1- 27)

As per our report of even date  
For Appaji and CO  
Chartered Accountants  
Firm Registration No.: 0141475

CA P Appaji  
Partner  
Membership No. 214156  
Place: Bangalore  
Date: 24 May 2023

For and on behalf of the Board of Directors  
Wipro Technologies SRL

Irina Buzharu  
Director

Place: Romania  
Date: 24 May 2023

Wipro Technologies SRL  
CASH FLOW STATEMENT  
(RON in Lakhs, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash flows from operating activities:</b>	162	142
Profit/(Loss) before tax for the year		68
Adjustments:	70	134
Depreciation	187	
Lease Amortization	(1)	
Provision/write off of bad debts	31	26
Finance costs		(75)
Working capital changes :	(43)	95
Trade receivables	(52)	
Other financial and non financials assets	18	2
Trade Payables	34	52
Other financial, non financials liabilities and provisions	(33)	
Net Addition in ROU	(176)	(173)
Reduction in Lease Liability	198	270
<b>Net cash from operating activities</b>	<b>30</b>	<b>3</b>
Less: Taxes paid	169	267
<b>Net cash generated from operations</b>		
<b>B. Cash flows from investing activities:</b>	(108)	(86)
(Acquisition)/Disposal of fixed assets		(86)
<b>Net cash used in investing activities</b>	<b>(108)</b>	<b>(86)</b>
<b>C. Cash flows from financing activities:</b>	(31)	(26)
Interest Payment		(126)
Proceeds from loans and borrowings	(31)	(152)
<b>Net cash used in / generated by financing activities</b>		
Net (decrease) / increase in cash and cash equivalents during the year	30	29
Cash and cash equivalents at the beginning of the year	36	7
<b>Cash and cash equivalents at the end of the year [Refer Note 5]</b>	<b>66</b>	<b>36</b>

The accompanying notes are an integral part of these special purpose financial statements. (Note 1- 27)

As per our report of even date  
For Appaji and CO  
Chartered Accountants  
Firm Registration No.: 0141475

CA P Appaji & Co  
Partner  
Membership No.: 5110841475  
Place: Bengaluru  
Date: 24 May 2023

For and on behalf of the Board of Directors  
Wipro Technologies SRL

Irina Putnaru  
Director  
Place: Romania  
Date: 24 May 2023

Wipro Technologies SRL  
Statement of Changes in Equity  
(RON in Lakhs, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL [Face Value 100 RON each]

Balance as of April 1, 2022	Changes during the year	Balance as of March 31, 2023
108	-	108
Balance as of April 1, 2021	Changes during the year	Balance as of March 31, 2022
108	-	108

B. OTHER EQUITY

Other Components of Equity				
Particulars	Share Premium	Retained Earnings	Other Comprehensive income	Total other equity
Balance as of April 1, 2022	-	232	-	232
<b>Total Comprehensive / (loss) income for the year</b>				
Profit/(Loss) for the year	-	155	-	-
Other comprehensive income / (loss) for the year	-	-	-	-
<b>Total Comprehensive income / (loss) for the year</b>	-	155	-	155
Balance as of March 31, 2023	-	388	-	388

Other Components of Equity				
Particulars	Share Premium	Retained Earnings	Other Comprehensive income	Total other equity
Balance as of April 1, 2021	-	111	-	388
<b>Total Comprehensive / (loss) income for the year</b>				
Profit/(Loss) for the year	-	121	-	121
Other comprehensive income / (loss) for the year	-	-	-	-
<b>Total Comprehensive income / (loss) for the year</b>	-	121	-	121
Movement during the year	-	121	-	121
Balance as of March 31, 2022	-	232	-	232

The accompanying notes are an integral part of these special purpose financial statements. (Note 1- 27)

As per our report of even date  
For Appaji and CO  
Chartered Accountants  
Firm Registration No.: 0141475

CA P Appaji  
Partner  
Membership No: 0141475  
Place: Bangalore  
Date: 24 May 2023



For and on behalf of the Board of Directors  
Wipro Technologies SRL

  
Irina Bujaru  
Director

Place: Romania  
Date: 24 May 2023



**Wipro Technologies SRL**  
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**  
**(All amounts are in RON in Lakhs unless otherwise stated)**

**Note 1:**

**1. A- The Company overview**

Wipro Technologies SRL ("the Company") is a 97.2745% owned subsidiary of Wipro IT Services UK Societas (formerly Wipro IT Services SE), incorporated and domiciled in Romania. The Company is provider of IT Services, including Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

The Special Purpose Financial Statements were approved for issue by the Directors on 24<sup>th</sup> May 2023

**B- Basis of preparation of special purpose financial statements**

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

These 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"), as applicable for inclusion in the annual report of the Ultimate Holding Company (Wipro limited) under the requirements of section 129(3) of the Companies Act, 2013. The 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.

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

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

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

All amounts included in the special purpose financial statements are reported in Lakhs of Romanian currency (Ron in Lakhs) except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

Amounts below rounding off norm adopted by the Company been disclosed as nil in the financial statement.

**(ii) Basis of measurement**

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

- a) Derivative financial instruments;

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

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

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

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

- a) **Revenue recognition:** The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. The Company uses the percentage of completion method using the input (cost expended) method to 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 recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.
- b) **Impairment testing:** Investments in subsidiaries, goodwill and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than its carrying value. The recoverable amount of the asset or the cash generating units is higher of value in use and fair value less cost of disposal. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- c) **Income taxes:** The major tax jurisdictions for the Company are Romania. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of

being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

- d) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- e) **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.
- f) **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.
- g) **Measurement of fair value of non-marketable equity investments:** These instruments are initially recorded at cost and subsequently measured at fair value. Fair value of investments is determined using the market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees' revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data.
- h) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.
- i) **Useful lives of intangible assets:** The Company amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the

effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

- j) **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.
- k) **Other estimates:** The share-based compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest. Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

## **C- Significant accounting policies**

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

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

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

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

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

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

Non-derivative financial instruments consist of:

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

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. Investments

##### *Financial instruments measured at amortised cost:*

Debt instruments that meet the following criteria are measured at amortised cost (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

##### *Financial instruments measured at fair value through other comprehensive income (FVTOCI):*

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated at fair value through Profit or Loss (FVTPL) on initial recognition)

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Interest income is recognised in statement of profit and loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in reserves is transferred to statement of profit and loss.

##### *Financial instruments measured at fair value through profit or loss (FVTPL):*

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

Interest income is recognised in statement of profit and loss for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.

*Investments in equity instruments designated to be classified as FVTOCI:*

The Company carries certain equity instruments which are not held for trading. The Company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognised in other comprehensive income and the gain or loss is not reclassified to statement of profit and loss on disposal of these investments. Dividends from these investments are recognised in statement of profit and loss when the Company's right to receive dividends is established.

*Investments in subsidiaries:*

Investment in subsidiaries are measured at cost less impairment.

C. Other financial assets:

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

D. Trade and other payables

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

**b) Derivative financial instruments**

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of profit and loss as cost.

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

A. Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of profit and loss upon the

occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognised in the statement of profit and loss.

#### B. Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities.

Changes in fair value and gains/(losses), net, on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

#### **c) Derecognition of financial instruments**

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

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

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

The authorised share capital of the Company as at March 31, 2023 and as at March 31, 2022 is RON 107,97,800/- divided into 1,07,978 equity shares of RON 100 each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as securities premium.

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

##### **b) Retained earnings**

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

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

##### **a) Recognition and measurement**

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

##### **b) Depreciation**

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

<b>Category</b>	<b>Useful life</b>
Plant and machinery	3 to 10 years
Furniture, fixtures and equipment	5 to 6 years

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

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

**(vi) Business combination, Goodwill and Intangible assets**

**a) Business combination**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognised in the statement of profit and loss.

**Common Control business combinations**

The Company accounts for business combinations involving entities or businesses under common control using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately as Common Control Transactions Capital reserve.



## **b) Goodwill**

The excess of the cost of an acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

## **c) Intangible assets**

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

The estimated useful life of amortisable intangibles is reviewed and where appropriate are adjusted, annually.

Goodwill and intangible assets, if any, associated with an operation disposed shall be measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed of.

## **(vii) Leases**

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

### **The Company as a lessee**

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves -

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

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

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

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

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

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

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term.

Lease payments are classified as Cash used in Financing activities.

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

Leases for which the Company is a lessor are classified as finance or operating leases. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

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

Income from Sub-leasing of low value leased assets are recognized on net basis.

#### **(viii) Inventories**

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

#### **(ix) Impairment**

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

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

Loss allowances for trade receivables, contract assets and lease receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes 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) Impairment of Investment in subsidiaries

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. The recoverable amount of such investment is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

#### C) Non - financial assets

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

Goodwill is tested for impairment at least annually at the same time and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The goodwill impairment test is performed at the level of cash-generating unit or groups of cash-generating units which represent the lowest level at which goodwill is monitored for internal management purposes. An impairment in respect of goodwill is not reversed.

### **(x) Employee benefits**

#### **Compensated absences**

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. The Company recognizes accumulated compensated absences based on actuarial valuation carried out by independent actuary using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss account.

#### **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.

#### **(xi) Provisions**

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

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

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

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

#### **(xii) Revenue**

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

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

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

similar deliverables or the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### **C. Products**

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

### **D. Others**

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

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

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

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

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

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

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

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis)

or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. If Company controls the good or service before it is transferred to the customer, Company is the principal; if not, the Company is the agent.

**(xiii) Finance cost**

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

**(xiv) Other income**

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

**(xv) Income tax**

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

**a) Current income tax**

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

**b) Deferred income tax**

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

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

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

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

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

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

#### **(xvi) 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.

#### **(xvii) 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).

#### **(xviii) Assets held for sale**

Sale of business is classified as held for sale, if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification as held for sale is met when disposal business is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale.

#### **(xix) Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.



## **(xx) Non-current assets and disposal groups held for sale**

Assets of disposal groups that is available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Noncurrent assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

## **(xxi) Disposal of assets**

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

### **New amendments adopted by the Company effective from April 1, 2022**

#### **Amendments to Ind AS 37 – Onerous Contracts – Cost of Fulfilling a Contract**

The amendments specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be the incremental costs of fulfilling that contract (for example, direct labour and materials); or an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others). The adoption of this amendment has resulted in a reduction of ₹ 51 in opening retained earnings primarily due to allocation of other costs that relate directly to fulfilling contracts.

#### **Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework**

The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 did not have any material impact on the interim condensed consolidated financial statements.

#### **Amendments to Ind AS 109 – Financial Instruments**

The amendments clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The adoption of amendments to Ind AS 109 did not have any material impact on the interim condensed consolidated financial statements.

#### **Amendments to Ind AS 16 – Property, Plant and Equipment – Proceeds before intended use**

The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The adoption of amendments to Ind AS 16 did not have any material impact on the interim condensed consolidated financial statements.

### **New amendments not yet adopted**

#### **Amendments to Ind AS 12 – Income Taxes**

On March 31, 2023, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from April 1, 2023. The amendments to Ind AS 12 clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. The amendments clarify that this exemption does not apply to transactions such as leases and decommissioning obligations and companies are required to recognize deferred tax on such transactions. The adoption of amendments to Ind AS 12 is not expected to have any material impact in the interim condensed consolidated financial statements.

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Note 2 Trade Receivables</b>		
<b>Unsecured:</b>		
Considered good	132	104
Considered doubtful	-	1
	132	105
With Group Companies - Considered good	265	197
Less: Provision for doubtful receivables	-	(1)
	<b>397</b>	<b>301</b>
<b>Note 3 Other Financial Assets</b>		
<b>Non-current</b>		
Security deposits	4	4
	<b>4</b>	<b>4</b>
<b>Current</b>		
Employee travel & other advances	-	-
Others	18	30
Loans to related parties	29	27
Balance from related parties	192	157
	<b>239</b>	<b>214</b>
<b>Note 4 Other Assets</b>		
<b>Non-current</b>		
Prepaid expenses	1	2
	<b>1</b>	<b>2</b>
<b>Current</b>		
Advance to suppliers	-	-
Balances with excise, customs and other authorities	38	25
Prepaid expenses	36	24
Inventory	1	-
	<b>75</b>	<b>49</b>
<b>Note 5 Cash and cash equivalents</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
In current accounts	24	24
In deposit account	43	12
	<b>66</b>	<b>36</b>
Cash and cash equivalents consists of the following for the purpose of the cash flow statement:		
Cash and cash equivalents	66	36
<b>Note 6 Share Capital</b>		
	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
(i) The details of share capital are given below:-		
<b>Authorised capital</b>		
1,07,978 (Mar 2022: 1,07,978) equity shares [Par value of of RON 100 per share]	108	108

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

	<b>108</b>	<b>108</b>
<b>Issued, subscribed and fully paid-up capital</b>		
1,07,978 (Mar 2022: 1,07,978) equity shares [Par value of of RON 100 per share]	108	108
	<b>108</b>	<b>108</b>

(ii) The following is the reconciliation of number of shares as at March 31, 2023

Number of common stock outstanding as at beginning of the year	107,978	107,978
Number of common stock issued during the year	-	-
Number of common stock outstanding as at the end of the year	<b>107,978</b>	<b>107,978</b>

**Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of RON 100 per share. The Company is a limited liability company (Romanian law refers to " social parts") providing equal rights to the shareholders, Wipro IT Services UK Societas (formerly Wipro IT Services SE), Wipro Holdings (UK) Limited and Vivek Bakshi. In the event of liquidation of the Company, the sole members will be entitled to receive the remaining assets of the Company after satisfaction of all liabilities, if any.

(iii) Details of share holding pattern by related parties

**Name of shareholders**

Wipro IT Services UK Societas (formerly Wipro IT Services SE)	97%	97%
Wipro Holdings (UK) Limited	0%	0%
Vivek Bakshi	3%	3%
	<b>100%</b>	<b>100%</b>

**Note 7 :Other Equity**

**Retained Earnings**

Balance as at the beginning of the year	232	111
Movement during the year	155	121
Items of OCI recognised in Retained earning		
Opening	-	-
During the year	-	-
Balance as at the end of the year	<b>388</b>	<b>232</b>

**Note 8 Other Financial Liabilities**

**Current**

Salary Payable	161	132
Other Liabilities	65	61
Employee travel & other advances	0	5
Balances due to related parties	36	29
	<b>263</b>	<b>226</b>

**Note 9 Other Liabilities**

**Current**

Advances from customers	0	33
Statutory liabilities	5	1
	<b>5</b>	<b>34</b>

**Note 10 Borrowings**

**Current**

Loan from related parties	-	-
	<b>-</b>	<b>-</b>

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

**Note 11 Provisions**

**Non Current**

Employee benefit obligation	51	39
	<b>51</b>	<b>39</b>

**Current**

Employee benefit obligations	45	32
	<b>45</b>	<b>32</b>

**Note 12 Trade payables**

Trade Payable	67	49
	<b>67</b>	<b>49</b>

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

	<b>Year ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Note 13 Revenue from Operations</b>		
Sale of products	2	-
Sale of services	2,650	2,272
<b>Revenue from operations (gross)</b>	<b>2,653</b>	<b>2,272</b>

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

During the year ended March 31, 2023, the Company recognised revenue of RON 4 arising from opening unearned revenue as at April 1, 2022. During the year ended March 31, 2023, RON 5 of unbilled revenue pertaining to fixed-price development contracts (contract assets) which had an amount of RON 5 as at 1st April 2022 has been reclassified to trade receivables on completion of milestones.

During the year ended March 31, 2022, the Company recognised revenue of **RON 11** arising from opening unearned revenue as at April 1, 2021.

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

**B. Remaining Performance Obligations**

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

As at March 31, 2023, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was RON 159 of which approximately 100% is expected to be recognised as revenues within 2 years, and the remainder thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

As at March 31, 2022, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was RON 203 of which approximately 100% is expected to be recognised as revenues within 2 years, and the remainder thereafter. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

**C. Disaggregation of Revenues**

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

	<b>Year ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenue</b>		
Sales of Services	2,650	2,272
Sale of Products	2	-
	<b>2,653</b>	<b>2,272</b>
<b>Revenue by nature of contract</b>		
Fixed price and volume based	319	213
Time and materials	2,332	2,059
Products	2	-

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
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**2,653**                      **2,272**

**Note 14 Other Income**

Interest on debt instruments and others	2	4
Rental Income	147	71
Unwinding of discount on security deposit	-	-
	<b>149</b>	<b>74</b>

**Note 15 Employee benefits expense**

Salaries and wages	1,925	1,660
Contribution to provident and other funds	15	11
Staff welfare expenses	149	100
	<b>2,088</b>	<b>1,771</b>

**Note 16 Other expenses**

Other exchange differences, net	15	17
Travel	6	4
Repairs and Maintenance	98	75
Rent	2	(1)
Provision/write off of bad debts	(1)	-
Corporate Overhead	17	11
Power and fuel	27	13
Communication	26	24
Advertisement and sales promotion	1	2
Legal and professional charges	24	20
Staff recruitment	30	20
Rates and taxes	(2)	(2)
Miscellaneous expenses	14	6
	<b>257</b>	<b>188</b>

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

**Note 17 Property, Plant & Equipment**

Particulars	Buildings/ Lease Hold	Plant & machinery	Furniture & fixture	Total
<b>Gross block</b>				
<b>Balance as at April 1, 2021</b>	96	450	28	574
Additions during the year	-	92	-	92
Disposals during the year	(41)	(31)	(18)	(90)
<b>Balance as at March 31, 2022</b>	<b>55</b>	<b>510</b>	<b>10</b>	<b>576</b>
Additions during the year	29	54	27	110
Disposals during the year	(8)	(184)	(1)	(194)
<b>Balance as at March 31, 2023</b>	<b>77</b>	<b>380</b>	<b>36</b>	<b>493</b>
<b>Accumulated depreciation</b>				
<b>Balance as at April 1, 2021</b>	71	359	23	454
Charge for the year	12	54	2	68
Disposals/Adjustment	(41)	(26)	(17)	(84)
<b>Balance as at March 31, 2022</b>	<b>43</b>	<b>387</b>	<b>8</b>	<b>438</b>
Charge for the year	6	60	5	70
Disposals/Adjustment	(7)	(181)	(1)	(190)
<b>Balance as at March 31, 2023</b>	<b>41</b>	<b>266</b>	<b>11</b>	<b>318</b>
<b>Net block</b>				
<b>Balance as at March 31, 2021</b>	<b>26</b>	<b>91</b>	<b>4</b>	<b>120</b>
<b>Balance as at March 31, 2022</b>	<b>13</b>	<b>123</b>	<b>2</b>	<b>138</b>
<b>Balance as at March 31, 2023</b>	<b>35</b>	<b>115</b>	<b>25</b>	<b>175</b>

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

**Note 18 Right of use assets**

Particulars	Buildings/ Lease Hold	Plant & machinery	Total
<b>Gross block</b>			
<b>Balance as at April 1, 2021</b>	445	-	445
Additions during the year	-	-	-
Disposals during the year	696	-	-
<b>Balance as at March 31, 2022</b>	<b>1,141</b>	-	<b>1,141</b>
Additions during the year	-	33	33
Disposals during the year	(67)	-	(67)
<b>Balance as at March 31, 2023</b>	<b>1,074</b>	<b>33</b>	<b>1,107</b>
<b>Accumulated depreciation</b>			
<b>Balance as at April 1, 2021</b>	198	-	198
Charge for the year	134	-	134
Disposals/Adjustment	(99)	-	(99)
<b>Balance as at March 31, 2022</b>	<b>233</b>	-	<b>233</b>
Charge for the year	181	6	187
Disposals/Adjustment	(67)	-	(67)
<b>Balance as at March 31, 2023</b>	<b>346</b>	<b>6</b>	<b>353</b>
<b>Net block</b>			
<b>Balance as at March 31, 2021</b>	<b>248</b>	-	<b>247</b>
<b>Balance as at March 31, 2022</b>	<b>909</b>	-	<b>908</b>
<b>Balance as at March 31, 2023</b>	<b>728</b>	<b>26</b>	<b>754</b>



**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

**Note 19 Earning per share (EPS)**

	March 31, 2023	March 31, 2022
Net profit/ (loss) after tax attributable to the equity shareholders	155	121
Weighted average number of equity shares - for basic and diluted EPS	107,978	107,978
Earnings/(Loss) per share - Basic	144	112
Earnings/(Loss) per share - Diluted	144	112
Nominal value per share (in RON)	100	100

**Note 20 Related party disclosure**

**i) Parties where control exists:**

Nature of relationship	Name of the related party
Ultimate Holding Company	Wipro Limited
Holding company	Wipro IT Services UK Societas (formerly Wipro IT Services SE)

**ii) Related Parties with whom transactions exist**

Fellow Subsidiary	Wipro Information Technology Kazakhstan LLP
Fellow Subsidiary	Wipro Travel Services Limited
Fellow Subsidiary	Cellent GMBH
Fellow Subsidiary	Wipro LLC
Fellow Subsidiary	Wipro Technologies GmbH
Fellow Subsidiary	Wipro Philippines, Inc.
Fellow Subsidiary	Wipro IT Services SRL
Fellow Subsidiary	Wipro (Dalian) Limited
Fellow Subsidiary	Wipro Holdings (UK) Ltd
Fellow Subsidiary	Wipro (Chengdu) Limited
Fellow Subsidiary	Wipro Arabia Limited
Fellow Subsidiary	Wipro IT Services Poland sp. z o.o
Fellow Subsidiary	Wipro do Brasil Tecnologia Ltda
Fellow Subsidiary	Metro Systems Romania SRL
Fellow Subsidiary	Wipro Holdings Hungary Kf

**iii) Key Management Personnel**

Irina Butnaru	Director
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**iv) The Company has the following related party transactions:**

Particulars	Relationship	31 March 2023	31 March 2022
<b>Sale of services</b>			
Wipro Limited	Ultimate Holding Company	1,549	1,472
Wipro LLC	Fellow Subsidiary	228	188
Wipro Technologies GmbH	Fellow Subsidiary	64	22
Wipro (Chengdu) Limited	Fellow Subsidiary	-	0
Wipro Arabia Limited	Fellow Subsidiary	-	1
Wipro IT Services Poland sp. z o.o	Fellow Subsidiary	-	-
<b>Loans Taken</b>			
Wipro Holdings Hungary Kf	Fellow Subsidiary	-	-
<b>Loans paid/given</b>			
Wipro Holdings Hungary Kf	Fellow Subsidiary	-	126
<b>Interest Income</b>			
Wipro Information Technology Kazakhstan LLP	Fellow Subsidiary	2	1
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	Fellow Subsidiary	0	0
<b>Rental Income</b>			
Metro Systems Romania SRL	Fellow Subsidiary	168	71
<b>Purchase of Services</b>			
Wipro do Brasil Tecnologia Ltda	Fellow Subsidiary	-	4
<b>Interest Expenditure</b>			
Wipro Holdings Hungary Kf	Fellow Subsidiary	-	1

**v) Balances with related parties as at year end are summarised below**

Particulars	Relationship	31 March 2023	31 March 2022
<b>Receivable</b>			
Wipro Ltd	Ultimate Holding Company	233	166
Wipro LLC	Fellow Subsidiary	20	
Wipro Technologies GmbH	Fellow Subsidiary	31	7
Wipro IT Services UK Societas (formerly Wipro IT Services SE)	Holding company	151	95

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
**(RON in Lakhs, except share and per share data, unless otherwise stated)**

Wipro Information Technology Kazakhstan LLP	Fellow Subsidiary	27	27
Wipro IT Services Poland sp. z o.o	Fellow Subsidiary		
Metro Systems Romania SRL	Fellow Subsidiary	17	84
Wipro (Dalian) Limited	Fellow Subsidiary	4	1
Wipro Chengdu Limited	Fellow Subsidiary	0	-
Wipro Holdings (UK) Limited	Fellow Subsidiary	0	-
<b>Payable</b>			
Wipro Ltd	Ultimate Holding Company	34	10
Wipro LLC	Fellow Subsidiary	-	18
Wipro do Brasil Tecnologia Ltda	Fellow Subsidiary	1	1
Wipro Travel Services Limited	Fellow Subsidiary	0	-
Wipro (Dalian) Limited	Fellow Subsidiary	0	-
Wipro Holdings Hungary Kf	Fellow Subsidiary	-	-
Wipro IT Services SRL	Fellow Subsidiary	1	-

**Note 21 Employee Benefit**

Particulars	31 March 2023	31 March 2022
<b>(A) Defined Contribution Plans</b>		
a) Employers' Contribution to Provident & Other Fund	15	11
<b>(B) Defined Benefits Plans</b>		
a) Gratuity payable to employees	-	-
b) Compensated absences for Employees	40	5
<b>i) Actuarial assumptions</b>		
Discount rate (per annum)	7.47%	6.07%
Rate of increase in Salary	2.00%	3% for the first year and 2% thereafter
Expected average remaining working lives of employees (years)	33.21	34.04
Demographic Assumptions:-		

Mortality (per annum)		
Age	Male	Female
20 years	0.092%	0.092%
25 years	0.093%	0.093%
30 years	0.098%	0.098%
35 years	0.120%	0.120%
40 years	0.168%	0.168%
45 years	0.258%	0.258%
50 years	0.444%	0.444%
55 years	0.751%	0.751%
60 years	1.116%	1.116%
65 years	1.593%	1.593%
70 years	2.406%	2.406%

**Note 22 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. 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.

**Note 23 Financial Risk Management**

**Market Risk**

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency receivables, payables and loans and borrowings.

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
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**Interest Rate Risk**

The Companies borrowings are primarily from holding company & other group companies and no market borrowings/borrowings at floating interest rate, so no exposure to interest rate risk

**Credit Risk**

Credit Risk arises from the possibility that customers may not be able to settle their obligation as agreed. To manage this, the company periodically assesses the financial reliability of customers taking into account the financial condition, current economic trend, analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly, there is no significant concentration of credit risk

**Liquidity Risk**

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price the companies corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition processes and policies related to such risks are overseen by senior management, management monitors the companies net liability position through rolling forecast on the basis of expected cash flows. As on 31st March, 2023, cash & cash equivalents are held with major banks and financial institutions.

The fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature (less than 1 year) of these instruments.

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

<b>March 31, 2023</b>	<b>Upto 12 months</b>	<b>More than 12 months</b>
<b>Trade payables</b>		
ii) Total outstanding dues to creditors other than micro and small enterprises	67	-
Other financial liabilities	263	-
Lease liabilities	168	651
Borrowings	-	-
<b>March 31, 2022</b>	<b>Upto 12 months</b>	<b>More than 12 months</b>
<b>Trade payables</b>		
ii) Total outstanding dues to creditors other than micro and small enterprises	49	-
Other financial liabilities	226	-
Lease liabilities	155	840
Borrowings	-	-

**Note 24 Effective Tax Rate(ETR) Reconciliation**

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Profit/ (Loss) Before Taxation	162	142
Enacted Income Tax Rate	16%	16%
Computed Expected Tax Expenses	26	23
Effect of		
Expenses Disallowed for Tax Purpose	-	2
Others Net	-	(4)
Adjustment of prior period losses	(18)	-
Adjustments for current tax of prior periods	(1)	(0)
Income tax expense	7	21

**Note 25 Deferred Tax**

The components of deferred tax assets and liabilities are as follows

<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Deferred tax assets (DTA)</b>		
Property, plant and equipment	-	-
Total	-	-
<b>Deferred tax liabilities (DTL)</b>		
Total	-	-
Net Deferred Tax Assets	-	-

**Note 26 Commitments and contingencies**

**Capital Commitments:**

**Wipro Technologies SRL**  
**Summary of significant accounting policies and other explanatory information**  
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As at March 31, 2023 and 2022 the company has committed to spend approximately RON 3.08 and RON 10.11 respectively, under agreement to purchase property and equipment. This amount is net of capital advance paid in respect of these purchases.

**Note 27 Prior period comparatives**

Previous year's figures have been reclassified to confirm to this year's classification with no effect on previously reported net profit/(loss).

As per our report of even date  
For Appaji and CO  
Chartered Accountants  
Firm Registration No.: 0141475

CA P Appaji  
Partner  
Membership No: 214156  
Place: Bengaluru  
Date: 24 May 2023



For and on behalf of the Board of Directors  
**Wipro Technologies SRL**

Irina Butnaru  
Director

Place: Romania  
Date: 24 May 2023