

Special Purpose Financial Statements and Independent Auditor's Report

Applied Value Technologies, Inc.

31 March 2025

**N. M. RAIJI & CO.**  
**Chartered Accountants**

4401, Highpoint - 4  
45/1, Palace Road,  
Bengaluru - 560 001, INDIA  
Telephone : 22289918 / 22260674

**Independent Auditor's Report**

To the Board of Directors of Applied Value Technologies, Inc.

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

**Opinion**

We have audited the accompanying Special Purpose Financial Statements of **Applied Value Technologies, Inc.** ("the Company"), which comprise the Balance Sheet as at **March 31, 2025**, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Financial Statements").

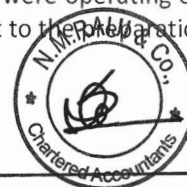
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give a true and fair view in conformity with the basis of preparation referred to in note 2(i) to the Special Purpose Financial Statements of the state of affairs of the Company as at March 31, 2025 and Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended March 31, 2025.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of Special Purpose Financial Statements* section of our report. We are independent of the Company, in accordance with the ethical requirements that are relevant to our audit of the Special Purpose Financial Statements in India, in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013 ("the Act"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of the Management and Those Charged with Governance for the Special Purpose Financial Statements**

The Company's Board of Directors are responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company, in accordance with the basis described in note 2(i) of the Special Purpose Financial Statements. This responsibility also includes maintenance of adequate accounting records 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, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so. The Board of Directors of the Company are also responsible for overseeing the Company's financial reporting process.

## **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.





We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Basis of Accounting and Restriction on Use and Distribution**

We draw attention to note 2(i) to the Special Purpose Financial Statements, which describes the basis of accounting. The Special Purpose Financial Statements are prepared for the inclusion in the annual report of Wipro Limited 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, except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose, or to any other person to whom this report is shown, or into whose hands it may come without our prior consent in writing.

For N. M. Raiji & Co.

Chartered Accountants

Firm Registration No.: 108296W



Santosh Burande

Partner

Membership No.: 214451

UDIN : 25214451BMHTNU2749



Place: Bangalore

Date: May 22, 2025

**Applied Value Technologies, Inc.**  
**BALANCE SHEET**  
(Amount in USD, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2025
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	4	87,163
Deferred tax assets (net)		1,469
<b>Total non-current assets</b>		<b>88,632</b>
<b>Current assets</b>		
Financial assets		
Trade receivables	5	2,757,248
Unbilled receivables		31,036
Cash and cash equivalents	6	3,101,342
Other current assets	7	255,643
<b>Total current assets</b>		<b>6,145,269</b>
<b>TOTAL ASSETS</b>		<b>6,233,901</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b><u>EQUITY</u></b>		
Equity share capital	8	1,000
Other equity	9	3,744,127
<b>TOTAL EQUITY</b>		<b>3,745,127</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Financial liabilities		
Trade payables	10	1,198,079
Other financial liabilities	11	169,250
Provisions	12	709,667
Current tax liabilities		411,778
<b>Total current liabilities</b>		<b>2,488,774</b>
<b>TOTAL LIABILITIES</b>		<b>2,488,774</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,233,901</b>

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

**For N. M. Raiji & Co.**  
Chartered Accountants  
Firm Registration No :108296W

Sd/-  
**Santosh Burande**  
Partner  
Membership No.: 214451  
Bangalore  
Date - 22.5.2025

**For and on behalf of the Board of Directors**

Sd/-  
**Manish Choudhary**  
Director  
USA  
Date:- 22.5.2025

Sd/-  
**Vishal Talwar**  
Director  
USA  
Date:- 22.5.2025

**Applied Value Technologies, Inc.**  
**STATEMENT OF PROFIT AND LOSS**  
(Amount in USD, except share and per share data, unless otherwise stated)

	Notes	Period ended March 31, 2025
<b>INCOME</b>		
Revenue from operations	13	7,462,054
Other income	14	9,905
<b>Total Income</b>		<b>7,471,959</b>
<b>EXPENSES</b>		
Employee benefits expense	15	3,200,941
Depreciation, amortisation and impairment expense		21,840
Sub-contracting and technical fees	16	2,603,317
Legal and professional charges		29,129
Other expenses	17	549,407
<b>Total expenses</b>		<b>6,404,634</b>
<b>Profit before tax</b>		<b>1,067,325</b>
<b>Tax expense</b>		
Current tax	18	302,509
Deferred tax	18	7,015
<b>Total tax expense</b>		<b>309,524</b>
<b>Profit for the period</b>		<b>757,801</b>
<b>Total comprehensive income for the period</b>		<b>757,801</b>
<b>Earnings per equity share</b>	19	
(Equity shares of par value \$ 0.01 each)		
Basic		7.58
Diluted		7.58
<b>Weighted average number of equity shares used in computing earnings per equity share</b>		
Basic		100,000
Diluted		100,000

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As per our report of even date attached

**For N. M. Raiji & Co.**  
Chartered Accountants  
Firm Registration No :108296W

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**Santosh Burande**  
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Membership No.: 214451  
Bangalore  
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USA  
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Sd/-  
**Vishal Talwar**  
Director  
USA  
Date:- 22.5.2025

**Applied Value Technologies, Inc.**  
**Statement of Changes in Equity**  
(Amount in USD, except share and per share data, unless otherwise stated)

**(A) Equity share capital**

	As at 31 March 2025	
	No. of shares	Amount
Balance as at December 16, 2024	100,000	1,000
Changes in equity share capital during the period	-	-
<b>Balance as at March 31, 2025</b>	<b>100,000</b>	<b>1,000</b>

**(B) Other equity**

	Additional Capital	Retained earnings	Total other equity
Balance as at December 16, 2024	273,502	1,519,469	1,792,971
Contribution during the period	1,193,355	-	1,193,355
Profit for the period	-	757,801	757,801
<b>Total other comprehensive income for the period</b>	<b>1,466,857</b>	<b>2,277,270</b>	<b>3,744,127</b>
<b>Balance as at March 31, 2025</b>	<b>1,466,857</b>	<b>2,277,270</b>	<b>3,744,127</b>

As per the local laws of USA, there is no requirement of number of shares and face value thereof for a Limited Liability Company (LLC). Hence the investment by the Company is considered as equity contribution.

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

**For N. M. Raiji & Co.**

Chartered Accountants

Firm Registration No :108296W

**For and on behalf of the Board of Directors**

Sd/-

**Santosh Burande**

Partner

Membership No.: 214451

Bangalore

Date - 22.5.2025

Sd/-

**Manish Choudhary**

Director

USA

Date:- 22.5.2025

Sd/-

**Vishal Talwar**

Director

USA

Date:- 22.5.2025

**Applied Value Technologies, Inc.**  
**STATEMENT OF CASH FLOWS**  
(Amount in USD, except share and per share data, unless otherwise stated)

**Period ended**  
**March 31, 2025**

<b>Cash flows from operating activities</b>	
Profit for the period	1,067,325
<b>Adjustments to reconcile profit for the period to net cash generated from operating activities</b>	
Depreciation, amortisation and impairment expense	21,840
<b>Changes in operating assets and liabilities, net of effects from acquisitions</b>	
Trade receivables	(220,693)
Unbilled receivables and contract assets	1,170,108
Other assets	14,868
Trade payables, other liabilities and provisions	(1,332,569)
<b>Cash generated from operating activities before taxes</b>	<b>720,879</b>
Income taxes paid, net	(142,000)
<b>Net cash generated from operating activities</b>	<b>578,879</b>
<b>Cash flows from investing activities</b>	
Payment for purchase of property, plant and equipment	-
Repayment of loan taken by holding company	-
<b>Net cash used in investing activities</b>	-
<b>Cash flows from financing activities</b>	
Changes in Equity	1,193,355
<b>Net increase in cash and cash equivalents during the period</b>	<b>1,772,234</b>
Cash and cash equivalents at the beginning of the period	1,329,108
<b>Cash and cash equivalents at the end of the period (Note 6)</b>	<b>3,101,342</b>

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

**For N. M. Raiji & Co.**  
Chartered Accountants  
Firm Registration No :108296W

**For and on behalf of the Board of Directors**

Sd/-  
**Santosh Burande**  
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Sd/-  
**Vishal Talwar**  
Director  
  
USA  
Date:- 22.5.2025



**Applied Value Technologies, Inc.**

**Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

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

**1. The Company Overview**

Applied Value Technologies, Inc. was founded in 2021 and is having its headquarters in Boston, MA, USA. The Company is engaged in providing software development and consultancy services.

The entity was acquired by Wipro IT Services LLC, with effect from December 16, 2024 and considering that this special purpose financial statements are prepared for inclusion in the annual report of the ultimate Holding Company Wipro Limited under the requirements of section 129 (3) of the Companies Act 2013, the financial statement are prepared for the period 16 December 2024 to 31 March 2025.

**2. Basis of preparation of 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 financial statements, except for new accounting standards adopted by the Company.

The Financial Statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the Statement of Profit and Loss and Balance Sheet. These items are disaggregated separately in the notes to the Financial Statements, where applicable.

**(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) Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- b) 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 Special Purpose Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Special Purpose Financial Statements are included in the following notes:"

**a) Revenue Recognition:**

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

**b) Income Taxes:**

The major tax jurisdiction for the Company is in United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods."

**c) Deferred Taxes:**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**d) Provisions and contingent liabilities**

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

**3. Significant Accounting Policies****(i) Functional and Presentation Currency**

These Special Purpose Financial Statements are presented in US Dollars, 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. 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 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:

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

b. Financial liabilities, which include trade payables, lease liabilities, and 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, which can be withdrawn at any time, without prior notice or penalty to principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and are considered part of the Company's cash management system.

**B. Other Financial Assets:**

Other Financial Assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as Current Assets, except for those maturing later than 12 months after the reporting date which are presented as Non-Current Assets. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, finance lease receivables, employee and other advances and eligible current and non-current assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**C. Trade and Other Payables**

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

**(iv) Equity and Share Capital****a) Share Capital and Share Premium**

The authorized share capital of the Company as at March 31, 2025 is \$ 1,100 divided into 110,000 equity shares of \$0.01 each.

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

**b) Retained earnings**

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

**c) Dividend**

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders. An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the board of directors.

**d) Other reserves**

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

**(v) 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. Capital work-in-progress are measured at cost less accumulated impairment losses, if any

**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. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful Life
Computer Equipment and Software	3 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 is classified as capital advances under other non-current assets. The cost of Property, Plant and Equipment not available for use before such date are disclosed under capital work- in-progress.

**vi) Employee benefits****a) Termination benefits**

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

**b) Short-term benefits**

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

**c) Compensated absences**

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

**(vii) 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

**(viii) Revenue**

The Company derives revenue primarily from software development, Business Consultancy Service to Third parties and Inter Company entities.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved. 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 product or service is combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation 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.

**Services**

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

**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**

Revenues from fixed-price contracts, including systems development and integration contracts 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 does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

‘Unbilled revenues’ represent cost and earnings in excess of billings as at the end of the reporting period. ‘Unearned revenues’ represent billing in excess of revenue recognised. Advance payments received from customers for which no services have been rendered are presented as ‘Advance from customers’.

### **C. Maintenance contracts**

Revenue from maintenance contracts is recognised proportionately over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is 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 unutilised by the customer is recognised as revenue on completion of the term.

### **(ix) Other income**

Other income comprise interest income on lease security deposits, Interest income is recognized using the effective interest method, apply discounting interest rate over the tenure of lease period.

### **(x) 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. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position. 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.

### **(xi) 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.

### **(xii) Statement of cash flow**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated. The amendment to Ind AS 7, requires 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).

**Applied Value Technologies, Inc.**

**Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**4. Property, plant and equipment**

	<b>As at March 31, 2025</b>	
	<b>Computer &amp; Peripherals</b>	<b>Total</b>
<b>Gross carrying value:</b>		
<b>As at December 16, 2024</b>	230,152	230,152
Additions	-	-
Disposals	-	-
<b>As at March 31, 2025</b>	<b>230,152</b>	<b>230,152</b>
<b>Accumulated depreciation/ impairment:</b>		
<b>As at December 16, 2024</b>	(121,149)	(121,149)
Depreciation and impairment	(21,840)	(21,840)
<b>As at March 31, 2025</b>	<b>(142,989)</b>	<b>(142,989)</b>
<b>Net carrying value as at March 31, 2025</b>	<b>87,163</b>	<b>87,163</b>
<b>Net carrying value as at Dec 16, 2024</b>	<b>109,003</b>	<b>109,003</b>

**Applied Value Technologies, Inc.****Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**5. Trade Receivables**

	<b>As at</b>
	<b>March 31, 2025</b>
<b>Unsecured</b>	
Considered good	2,757,248
	<b>2,757,248</b>

**6. Cash and cash equivalents**

Cash and cash equivalents consists of the following:

Balances with banks	
Current accounts	3,101,342
	<b>3,101,342</b>

**7. Other assets**

<b>Non-current</b>	-
--------------------	---

**Current**

Prepaid expenses	162,947
Dues from officers and employees	450
Other receivables	92,246
	<b>255,643</b>

**10. Trade Payables****Unsecured**

Creditors	422,689
Related parties*	775,390
	<b>1,198,079</b>

\* Refer related party note no 20

**11. Other financial liabilities**

(At Amortised Cost)

**Current**

Salary Payable	169,250
	<b>169,250</b>

**12. Provisions****Current**

Statutory Liabilities	100,884
Employee Related Provisions	413,928
Others	194,855
	<b>709,667</b>



**Applied Value Technologies, Inc.****Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**8 Share capital****Authorised capital**

110,000 equity shares par value of \$ 0.01 per share

**As at  
31 March 2025**

1,100

**1,100****Issued, subscribed and paid up capital**

100,000 equity shares of \$ 0.01 each

1,000

**1,000****a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year****As at  
31 March 2025**

Balance at the beginning of the period

100,000

1,000

Add :Issued during the period.

-

-

**Balance at the end of the year****100,000****1,000****9 Other equity**

	<b>Additional Capital</b>	<b>Retained earnings</b>	<b>Total other equity</b>
Balance as at December 16, 2024	273,502	1,519,469	1,792,971
Contribution during the period	1,193,355	-	1,193,355
Profit for the period	-	757,801	757,801
<b>Total other comprehensive income for the period</b>	<b>1,466,857</b>	<b>2,277,270</b>	<b>3,744,127</b>
<b>Balance as at March 31, 2025</b>	<b>1,466,857</b>	<b>2,277,270</b>	<b>3,744,127</b>

**Applied Value Technologies, Inc.****Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**13. Revenue from operations**

	<b>Period ended March 31, 2025</b>
Rendering of Services	7,462,054
	<b>7,462,054</b>
<b>Revenue by nature of contract</b>	
Fixed Price and Volume Based	5,005,196
Time and Material	2,456,858
	<b>7,462,054</b>

The Company believes that the above disaggregation best depicts the nature, amount, timing and uncertainty of revenue and cash flows from economic factors.

**Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods. Applying the practical expedient, the Company has not disclosed:

- a) its right to consideration from customers 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.
- b) performance obligations in a contract that originally had a contract term of one year or less

**14. Other income**

	<b>Period ended March 31, 2025</b>
Miscellaneous income	772
Interest income	9,133
	<b>9,905</b>

**15. Employee benefits**

Salaries and bonus	3,072,821
Employer contributions to benefit plans	107,469
Staff welfare expenses	20,651
	<b>3,200,941</b>

## 16. Sub-contracting and technical fees

	Period ended March 31, 2025
Sub-contractors	1,236,780
Transfer pricing costs*	1,366,537
	<b>2,603,317</b>

\* Refer related party note no 20

## 17. Other Expenses

Rates, taxes and insurance	264,688
Recruitment	16,172
Travel & conveyance	25,952
Advertisement & sales promotion	27,295
Repairs and maintenance	130,688
Communication expense	1,502
Loss on foreign exchange fluctuation (net)	79,822
Miscellaneous expenses	3,288
	<b>549,407</b>

## 18. Income tax

Income tax expense has been allocated as follows:

Income tax expense	
Current taxes	302,509
Deferred taxes	7,015
	<b>309,524</b>

Income tax expense consists of the following:

Profit before tax	1,067,325
Enacted income tax rate in USA	29%
<b>Computed expected tax expense</b>	<b>309,524</b>

## 19. Earnings per equity share

Profit after taxation as per the statement of profit and loss	757,801
<b>Net profit for basic earning per share</b>	<b>757,801</b>
Add: Adjustment for the purpose of diluted earnings per share	-
<b>Net profit for diluted earnings per share</b>	<b>757,801</b>
Number of weighted average shares considered for calculation of basic earnings per share	100,000
Add: Adjustment for the purpose of diluted earnings per share	-
Number of weighted average shares considered for calculation of diluted earnings per share	100,000

### Earnings per share :

-Basic	7.58
-Diluted	7.58

**Applied Value Technologies, Inc.****Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**20. Related party Disclosure****i) List of related parties and relationship**

<b>Name of the related party</b>	<b>Nature of relationship</b>	<b>Country of Incorporation</b>
<b>(i) Related parties where control exists</b>		
Wipro IT Services LLC	Holding Company	USA
Applied Value Technologies B.V.	Fellow Subsidiary	Netherlands
Applied Value Technologies Pte Ltd	Fellow Subsidiary	Singapore

The Company has the following related party transactions for the period ended 31 March 2025

	<b>Period ended March 31, 2025</b>
<b>Purchase of services</b>	
Applied Value Technologies B.V.	491,737
Applied Value Technologies Pte Ltd	874,800
<b>Payables</b>	
Applied Value Technologies B.V.	364,589
Applied Value Technologies Pte Ltd	410,800

**Applied Value Technologies, Inc.****Notes to the financial statements for the period ended 31 March 2025**

(Amount in USD, unless otherwise stated)

**21. Financial instruments measurement and disclosure****Financial instruments by category**

Particulars	As at March 31, 2025	
	Amortised cost	Total
<b>Financial assets:</b>		
Trade receivables	2,757,248	2,757,248
Cash and cash equivalents	3,101,342	3,101,342
Unbilled revenue	31,036	31,036
<b>Total</b>	<b>5,889,626</b>	<b>5,889,626</b>
<b>Financial liabilities:</b>		
Trade payables	1,198,079	1,198,079
Other financial liabilities	169,250	169,250
<b>Total</b>	<b>1,367,329</b>	<b>1,367,329</b>

The fair values of assets and liabilities approximates its carrying value.

The Company has not disclosed the fair value of financial instruments such as trade receivables, unbilled revenue, trade payables, other financials assets etc. because their carrying amounts are a reasonable approximation of fair value.

## **22. 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, foreign currency exchange 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.

The Company's exposure to market risk is a function of investment and borrowing activities and revenue generating activities in foreign currency. The objective of market risk management is to avoid excessive exposure of the Company's earnings and equity to losses.

### **Risk Management Procedures**

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

#### **i) Foreign currency risk**

The Company operates internationally and a major portion of its business is transacted in USD currency. Consequently, the Company is not exposed to foreign exchange risk.

#### **ii) Interest rate risk**

Interest rate risk primarily arises from fixed rate borrowing, including various revolving and other lines of credit. The Company don't have short-term investments and short-term borrowing, and do not expose it to significant interest rate risk.

#### **iii) Credit risk**

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

#### **iv) Counterparty risk**

Counterparty risk encompasses issuer risk on marketable securities, settlement risk and credit risk on cash and time deposits. Exposure to these risks are closely monitored and maintained within predetermined parameters.

#### **v) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2025, cash and cash equivalents are held with major banks and financial institutions.

**23. Commitments and contingencies**

There are no Contingent liabilities, capital and other commitments as at March 31, 2025

**24. Segment reporting**

The Board of Directors of the Company evaluates the performance and allocates resources based on the analysis of the performance of the Company as a whole accordingly the Company's operations are considered to constitute a single segment in the context of Ind AS 108 Segment Reporting.

**25. Events occurring after the reporting date**

No adjusting or significant non-adjusting events have occurred between March 31, 2025 and the date of authorization of these financial statements.

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

**For N. M. Raiji & Co.**  
**Chartered Accountants**  
**Firm Registration No :108296W**

**For and on behalf of the Board of Directors**

Sd/-

**Santosh Burande**  
Partner  
Membership No.: 214451  
Bangalore  
Date - 22.5.2025

Sd/-

**Manish Choudhary**  
Director

USA  
Date:- 22.5.2025

Sd/-

**Vishal Talwar**  
Director

USA  
Date:- 22.5.2025