

Special Purpose Financial Statements and Independent Auditor's Report

Capco RISC Consulting LLC

31 March 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Capco RISC Consulting LLC

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Capco RISC Consulting LLC ("the Company"), which comprise the Balance Sheet as at 31 March 2025, 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 2025 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 2025, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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. The Special Purpose Financial Statements are prepared for inclusion in the annual report of Ultimate Holding Company under the requirements of section 129(3) of the Companies Act, 2013. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the company and Wipro Limited and should not be distributed to or used by parties other than the company and Wipro Limited.



Management Responsibility for the Special Purpose Financial Statements

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

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

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

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

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

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

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



D Prasanna & Co.

Chartered Accountants

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Bangalore, 560 004

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

Bengaluru

May 22, 2025

UDIN-25211367BMHZVVS327



For D. Prasanna & Co.

Chartered Accountants

Firm's Registration No.009619S

D Prasanna Kumar

Proprietor

Membership No. 211367

Capco RISC Consulting LLC
Balance Sheet
(Amounts in USD, except share and per share data, unless otherwise specified)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	-	7,591
Right of use assets	5	2,085,110	2,680,856
Other financial assets	6	487,594	471,102
		<u>2,572,704</u>	<u>3,159,549</u>
Current assets			
Financial assets			
Trade receivables	8	69,297	2,047,061
Unbilled receivables		-	1,537,771
Cash and cash equivalents	9	3,819,546	7,430,742
Loan to subsidiaries and fellow subsidiaries		-	1,000,000
Other financial assets	6	218,460	4,848,538
Other current assets	7	-	163,026
Current tax assets (net)		748,732	-
		<u>4,856,035</u>	<u>17,027,138</u>
TOTAL ASSETS		<u><u>7,428,739</u></u>	<u><u>20,186,687</u></u>
EQUITY AND LIABILITIES			
Equity			
Other equity		(3,926,004)	(4,224,461)
		<u>(3,926,004)</u>	<u>(4,224,461)</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	21	1,669,402	2,268,972
Other financial Liabilities	12	47,605	55,645
Deferred tax liabilities (net)		4,903,017	3,590,859
		<u>6,620,024</u>	<u>5,915,476</u>
Current liabilities			
Financial liabilities			
Trade payables			
i)total outstanding dues of micro enterprises and small enterprises		-	-
ii)total outstanding dues of creditors other than micro enterprise and small enterprise		-	289,538
Other financial liabilities	11	4,135,149	16,378,223
Lease liabilities	21	599,570	563,287
Contract liabilities		-	1,023,407
Provisions	10	-	155,875
Other current liabilities	12	-	85,342
		<u>4,734,719</u>	<u>18,495,672</u>
TOTAL EQUITY & LIABILITIES		<u><u>7,428,739</u></u>	<u><u>20,186,687</u></u>
Summary of significant accounting policies	1-3		

The accompanying notes are an integral part of these financial statements

1-26

As per our report of even date

For D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 0096195

For and on behalf of the Board of Directors of
Capco RISC Consulting LLC

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bengaluru
Date: 22 May 2025

Sd/-

Mehul Patwari
Director

Place: Texas
Date: 22 May 2025

Sd/-

Manish Choudhary
Director

Place: New Jersey
Date: 22 May 2025

Capco RISC Consulting LLC
Statement of Profit and Loss
(Amounts in USD, except share and per share data, unless otherwise specified)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
REVENUE			
Revenue from operations	13	15,287,915	23,059,154
Other income	14	469,114	587,766
Total income		15,757,029	23,646,920
EXPENSES			
Employee benefit expenses	15	4,801,896	19,769,072
Depreciation and amortisation expense	4,5	608,540	669,590
Finance costs	16	663,248	830,512
Sub contracting and technical fees		8,024,394	3,845,378
Other expenses	17	906,394	2,712,136
Total expenses		15,004,472	27,826,688
Profit/(Loss) before tax		752,557	(4,179,768)
Current tax		(858,058)	(2,757,352)
Deferred tax		1,312,158	1,705,564
Tax expense		454,100	(1,051,788)
Profit/(Loss) for the year		298,457	(3,127,980)
Total comprehensive income / (loss) for the year		298,457	(3,127,980)

The accompanying notes are an integral part of these financial statements 1-26

As per our report of even date

For D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 009619S

**For and on behalf of the Board of Directors of Capco
RISC Consulting LLC**

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bangalore
Date: 22 May 2025

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Mehul Patwari
Director

Place: Texas
Date: 22 May 2025

Sd/-

Manish Choudhary
Director

Place: New Jersey
Date: 22 May 2025

Capco RISC Consulting LLC
Statement of Changes in Equity
(Amounts in USD, except share and per share data, unless otherwise specified)

	As at 31 March 2025	As at 31 March 2024
(A) Equity share capital		
Changes in equity share capital during the year	-	-

(A) Other equity

	Retained earnings
Balance as at 1 April 2024	(4,224,461)
Profit/(Loss) for the year	298,457
Total other comprehensive loss for the year	298,457
Balance as at 31 March 2025	(3,926,004)

	Retained earnings
Balance as at 1 April 2023	(1,096,481)
Profit/(Loss) for the year	(3,127,980)
Total other comprehensive loss for the year	(3,127,980)
Balance as at 31 March 2024	(4,224,461)

The accompanying notes are an integral part of these financial statements 1-26

As per our report of even date
For D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 0096195

**For and on behalf of the Board of Directors of
Capco RISC Consulting LLC**

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bangalore
Date: 22 May 2025

Sd/-

Mehul Patwari
Director
Place: Texas
Date: 22 May 2025

Sd/-

Manish Choudhary
Director
Place: New Jersey
Date: 22 May 2025

Capco RISC Consulting LLC
Statement of Cash Flows
(Amounts in USD, except share and per share data, unless otherwise specified)

	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit/(Loss) for the year	752,557	(4,179,768)
Adjustments to reconcile profit for the year to net cash generated from operating activities		
Depreciation and amortization	608,540	669,590
Unrealised exchange differences - net	(93,926)	64,690
Loss/(Gain) on sale of property, plant and equipment	(5,204)	16,458
Employee stock option cost	-	-
Other non cash items	-	-
Interest income	(397,334)	(587,766)
Interest expense	643,634	804,907
Operating profit/(loss) before working capital changes	1,508,267	(3,211,889)
Adjustments for working capital changes		
Trade receivable, unbilled receivables	3,515,534	1,062,384
Loans and advances and other assets	146,534	(451,845)
Trade and other payables	(568,651)	(5,677,831)
Contract liabilities	(1,023,407)	-
Inter company transactions with fellow subsidiaries	(7,521,006)	1,831,658
Cash generated from/(used in) operating activities before taxes	(3,942,729)	(6,447,523)
Direct taxes (paid)/refund received	109,326	-
Net cash generated from/(used in) operating activities	(3,833,403)	(6,447,523)
Cash flows from investing activities:		
Proceeds from disposal/payment for purchase of property, plant and equipment	-	(9,963)
Loan to subsidiaries and fellow subsidiaries	1,000,000	(1,000,000)
Interest received	328,445	433,074
Net cash generated from/(used in) investing activities	1,328,445	(576,889)
Cash flows from financing activities:		
Payment of lease liabilities	(635,588)	(620,333)
Interest paid	(564,576)	-
Net cash used in financing activities	(1,200,164)	(620,333)
Net increase/(decrease) in cash and cash equivalents during the year	(3,705,122)	(7,644,745)
Cash and cash equivalents at the beginning of the year	7,430,742	15,075,487
Effect of exchange rate changes on cash	93,926	(64,690)
Cash and cash equivalents at the end of the year (refer note 10)	3,819,546	7,430,742

Refer to Note 10 for supplementary information on the statement of cash flows

The accompanying notes are an integral part of these financial statements 1-26

As per our report of even date

For D. Prasanna & Co.

Chartered Accountants

Firm Registration No.: 009619S

Sd/-

D Prasanna Kumar

Proprietor

Membership No: 211367

Place: Bangalore

Date: 22 May 2025

For and on behalf of the Board of Directors of
Capco RISC Consulting LLC

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Mehul Patwari

Director

Place: Texas

Date: 22 May 2025

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Manish Choudhary

Director

Place: New Jersey

Date: 22 May 2025

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, except share and per share data, unless otherwise specified)

1 General Information

Capco RISC Consulting LLC is a subsidiary of Cardinal US Holdings Inc, incorporated and domiciled in United States of America. The Company is provider of IT Services, consulting, Business Process Services (BPS) services, globally and IT Products. The Company's ultimate holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India.

Cardinal US Holdings Inc, has been acquired by Wipro IT Services LLC, with effect from April 29, 2021 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 1 April 2024 to 31 March 2025 along with comparatives for the period from 1 April 2023 to 31 March 2024.

2 Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

This Special Purpose Financial Statements are prepared solely 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.

These are the standalone financial statements of Capco RISC Consulting LLC. The Company has not prepared consolidated financial statements because it has availed the specific exemption from the preparation of consolidated financial statements, available under Ind AS 110, "Consolidated Financial Statements". Accordingly, the investment in the subsidiaries are accounted for on a cost basis in these standalone financial statements.

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

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

The Special Purpose Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)].

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.

All amounts included in the financial statements are reported in USD 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. Previous year figures have been regrouped/re-arranged, wherever necessary.

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

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The functional currency of the company is US Dollar and the financial statement is also presented in US Dollar.

The Company's total liabilities exceed its total assets primarily due to payables within the Group companies which continue to support to the Company. Consequently, no adjustments have been made to the carrying values or classification of the assets and liabilities.

(ii) Basis of Measurement

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

(iii) Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the standalone financial statements that are subject to measurement uncertainty. An accounting policy may require items in standalone financial statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates.

Accounting 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:

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, except share and per share data, unless otherwise specified)

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) 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

c) Income taxes: The major tax jurisdictions for the Company is 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.

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 realisation 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 expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry-forward period are reduced.

3 Material accounting policy information

(i) Functional and presentation currency

These standalone financial statements are presented in United States Dollars, which is the functional currency of the Company.

(ii) Foreign currency transactions and translations

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. Net loss relating to translation or settlement of borrowings denominated in foreign currency are reported within finance costs. Net gain relating to translation or settlement of borrowings denominated in foreign currency are reported within Other income. 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.

(iii) 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, and eligible current and non-current assets.
- financial liabilities, which include borrowings, 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 and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

B Investments

Investment in equity instruments of subsidiaries are measured at cost less impairment.

Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments 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.

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. These comprise trade receivables, unbilled receivables, finance lease receivables, employee and other advances and other eligible current and non-current assets. They are presented as current assets, except for those maturing later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, except share and per share data, unless otherwise specified)

D Trade payables and other liabilities

Trade payables other liabilities 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. Contingent consideration recognised in a business combination is subsequently measured at fair value through profit or loss.

E Retained earnings

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

F 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. 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:

Category	Useful Life
Computers	2 - 3 years
Furniture and fixtures	5 years
Office equipment	5 years

G Leases

The Company as a lessee

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

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

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

The Company at the commencement of the lease contract 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 leases) and low-value assets. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the RoU assets 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 RoU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The RoU assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of RoU assets. The estimated useful lives of RoU assets are determined on the same basis as those of property, plant and equipment.

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

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

I Employee Benefits:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as defined contribution plans. Under a defined contribution plan, the Company's sole obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service.

J Compensated absences

The employees of the Company are entitled to compensated absences. 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 recognises accumulated compensated absences based on the projected unit credit method. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, except share and per share data, unless otherwise specified)

K Share-based payment transactions

Selected employees of the Company receive remuneration in the form of equity settled instruments or cash settled instruments, for rendering services over a defined vesting period and for Company's performance-based stock options over the defined period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. In cases, where equity instruments are granted at a nominal exercise price, the intrinsic value on the date of grant approximates the fair value. The expense is recognised in the statement of profit and loss with a corresponding increase to the share options outstanding account, a component of equity.

The equity instruments or cash settled instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Company's estimate of equity instruments or cash settled instruments that will eventually vest.

Cash Settled instruments granted are re-measured by reference to the fair value at the end of each reporting period and at the time of vesting. The expense is recognised in the statement of profit and loss with a corresponding increase to the financial liability.

L 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, considering 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.

M Revenue

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

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 recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive (transaction price). Revenue towards satisfaction of the performance obligation is measured at the amount of transaction price (net of variable consideration on account of discounts and allowances) allocated to that performance obligation. To recognise 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) recognise 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 products or services are combined and accounted as a single performance obligation. The Company allocates the transaction price 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 recognising 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 development contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognised using the "percentage-of-completion" method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. 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 receivables are classified as a financial asset where the right to consideration is unconditional and only the passage of time is required before the payment is due.

ii) Maintenance contracts

Revenues related to fixed-price maintenance contracts are recognised on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using percentage of completion method when the pattern of benefits from the services rendered to the customers and the cost to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive.

Revenue for contracts in which the invoicing is representative of the value being delivered is recognised based on our right to invoice. If our invoicing is not consistent with value delivered, revenues are recognised as the service is performed using the percentage of completion method.

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.

iii) Element or Volume based contracts

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

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
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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, pricing incentives to customers and penalties 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 and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Revenues are shown net of allowances/ returns, sales tax, value added tax, goods and services tax and applicable discounts. 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. The Company considers whether it has the primary obligation to fulfill the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or services and therefore, is acting as a principal or an agent. 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. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contract and are recognised in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

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.

N Finance costs

Finance costs comprises interest cost on borrowings, lease liabilities and net defined benefit liability, net loss 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.

O Finance and other income

Finance and other income comprises interest income on deposits, dividend income, gains/(losses) on disposal of investments and net gain on translation or settlement of foreign currency borrowings. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

P 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.

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 amounts 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.

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 these standalone 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 a right and an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Q Statement of cash flows

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 or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash generated from/(used in) operating, investing and financing activities of the Company are segregated.

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
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4 Property, plant and equipment

	Furniture and fixtures	Computers	Office equipment	Total
Gross carrying value (at cost)				
Balance as at 1 April 2024	1,029,960	123,619	27,691	1,181,270
Additions	-	16,458	-	16,458
Disposals/adjustment	(1,029,960)	(140,077)	(27,691)	(1,197,728)
Balance as at 31 March 2025	-	-	-	-
Accumulated depreciation				
Balance as at 1 April 2024	(1,027,587)	(118,854)	(27,238)	(1,173,679)
Depreciation charge	(1,401)	(11,295)	(98)	(12,794)
Disposals/adjustment	1,028,988	130,149	27,336	1,186,473
Balance as at 31 March 2025	-	-	-	-
Net carrying value				
Balance as at 31 March 2025	-	-	-	-
Gross carrying value (at cost)				
Balance as at 1 April 2023	1,064,097	842,053	49,889	1,956,039
Additions	-	9,429	534	9,962
Disposals/adjustment*	(34,137)	(727,863)	(22,732)	(784,732)
Balance as at 31 March 2024	1,029,960	123,619	27,691	1,181,270
Accumulated depreciation				
Balance as at 1 April 2023	(1,042,671)	(777,307)	(48,131)	(1,868,109)
Depreciation charge	(19,053)	(52,952)	(1,839)	(73,844)
Disposals/adjustment*	34,137	711,405	22,732	768,274
Balance as at 31 March 2024	(1,027,587)	(118,854)	(27,238)	(1,173,679)
Net carrying value				
Balance as at 31 March 2024	2,373	4,765	453	7,591

* Includes regrouping/reclassification within the block of assets.

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
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5 Right-of-use assets

Particulars	Buildings
Gross carrying value	
Balance as at 1 April 2024	4,421,758
Additions during the year	-
Disposals during the year	-
Balance as at 31 March 2025	<u>4,421,758</u>
Accumulated depreciation	
Balance as at 1 April 2024	(1,740,902)
Charge for the year	(595,746)
Disposals/Adjustment	-
Balance as at 31 March 2025	<u>(2,336,648)</u>
Net carrying value	
Balance as at 31 March 2025	<u>2,085,110</u>

Particulars	Buildings
Gross carrying value	
Balance as at 1 April 2023	4,421,758
Additions during the year	-
Disposals during the year	-
Balance as at 31 March 2024	<u>4,421,758</u>
Accumulated depreciation	
Balance as at 1 April 2023	(1,145,156)
Charge for the year	(595,746)
Disposals/Adjustment	-
Balance as at 31 March 2024	<u>(1,740,902)</u>
Net carrying value	
Balance as at 31 March 2024	<u>2,680,856</u>

	Year ended 31-Mar-25	Year ended 31-Mar-24
Interest expenses on Lease liabilities	72,301	91,620

Cash and non-cash changes in liabilities arising from financing activities

	Year ended 31-Mar-25
Balance as at the beginning of the year	2,832,259
Cash flow	(635,588)
Non-cash changes - Net addition to lease liabilities	72,301
Balance as at the end of the year	<u>2,268,972</u>

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Notes to the Special Purpose Financial Statements
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	As at 31 March 2025	As at 31 March 2024
6 Other financial assets		
Non-current		
Security deposits	487,594	471,102
Finance lease receivables	-	-
	487,594	471,102
Current		
Balance with group companies	149,571	4,848,538
Interest receivable from group companies	68,889	-
	218,460	4,848,538
Refer related party note no 22		
7 Other current assets		
Prepaid expenses	-	-
GST, TDS recoverable	-	-
Prepaid expenses	-	163,026
	-	163,026
8 Trade receivables		
Unsecured		
Considered good	69,297	2,047,061
Considered doubtful	10,526	235,360
Less-Allowance for expected credit loss	(10,526)	(235,360)
	69,297	2,047,061
9 Cash and cash equivalents		
Balances with banks		
- in current account	3,819,546	7,430,742
	3,819,546	7,430,742
10 Provisions		
Provision for employee benefits	-	155,875
	-	155,875
11 Other financial liabilities		
Non-current		
Salary payable	47,605	55,645
	47,605	55,645
Current		
Salary payable	143,988	173,846
Payable to group companies	3,984,404	16,204,377
Interest payable to group companies	6,757	-
	4,135,149	16,378,223
Refer related party note no 22		
12 Other current liabilities		
Statutory liabilities	-	85,342
	-	85,342

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	For the year ended 31 March 2025	For the year ended 31 March 2024
13 Revenue from operations		
Sale of services*	15,287,915	23,059,154
Total revenue from operations	15,287,915	23,059,154

*includes related party transactions (refer note 22)

Out of total revenue, sale to related party is USD 4,696,090 for the year ended March 31, 2025 and USD 16,882 for the year ended March 31, 2024.

A. Contract assets and liabilities

Contract liabilities: During the year ended March 31, 2025 and March 31, 2024, the Company recognised revenue of USD 1,023,407 and USD 1,176,230 arising from contract liabilities.

B. Disaggregation of revenues

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

Revenue by nature of contract	For the year ended 31 March 2025	For the year ended 31 March 2024
Fixed price and volume based	4,580,941	4,580,941
Time and material	10,706,973	18,478,213
	15,287,914	23,059,154

14 Other income

Interest income*	397,334	587,766
Foreign exchange gain, net	71,780	-
Dividend income	-	-
	469,114	587,766

*includes related party transactions (refer note 22)

15 Employee benefits expense

Salaries and wages	4,915,759	19,627,127
Share based compensation expense/(reversal)	(117,971)	99,324
Staff welfare expenses	4,108	42,621
	4,801,896	19,769,072

16 Finance Cost

Interest expenses*	643,634	804,907
Bank charges	19,614	25,605
	663,248	830,512

*includes related party transactions (refer note 22)

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Notes to the Special Purpose Financial Statements
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17 Other expenses

Allocated group overheads	250,775	1,396,930
Facility expenses	303,826	547,188
Travel	79,574	186,937
Legal and professional charges	280,528	(35,612)
Lifetime expected credit loss/(reversal)	(224,804)	239,257
Communication	60,301	94,163
Miscellaneous expenses	156,194	229,424
Foreign exchange loss, net	-	53,848
	906,394	2,712,135

*includes related party transactions (refer note 22)

18 Earning per share (EPS)

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.

19 Income tax expense

Capco RISC Consulting LLC is included in the consolidated tax return of Wipro Limited. The Company calculates the provision for income taxes by using a "separate return" method. Under this method, the Company computes tax provision as if it will file a separate return with the tax authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from Wipro Limited.

Currently the Company does not have any difference between the tax provision (or benefit) allocated under the separate return method and payments to be made to (or received from) Wipro Limited for tax expense.

	For the year ended 31 March 2025	For the year ended 31 March 2024
Income tax expense		
Current tax	(858,058)	(2,757,352)
Deferred tax	1,312,158	1,705,564
Total income taxes	454,100	(1,051,788)

The reconciliation between the provision of income tax and amounts computed by applying the American statutory tax rate to profit before taxes is as follows:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before taxation	752,559	(4,179,768)
Enacted income tax rate in United States of America	29.00%	28.00%
Computed expected tax expenses	218,242	(1,170,335)
Effect of		
Expenses disallowed for tax purpose	138,499	109,598
Changes in unrecognized deferred tax assets	-	194,095
Taxes related to prior years	97,359	943,548
Others, net	-	(9,906)
Income tax expense	454,100	67,000

The components of deferred tax assets and liabilities are as follows

	As at 31 March 2025	As at 31 March 2024
Deferred tax liability		
Trade payables, accrued expenses and other liabilities	11,874	458,090
Intangible assets	(4,233,159)	(3,435,663)
Property, plant and equipment	4,769	(73,496)
Carry forward losses	(1)	844,938
Allowances for lifetime expected credit loss	3,052	3,360
Others	(689,554)	317,476
Net deferred tax liabilities	(4,903,017)	(1,885,295)

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20 Employee stock option

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

The stock compensation expense of USD 117,971 was written back for employee services received during the year ended 31 March 2025 due to transfer of employees to group companies. Additionally, an expense of USD 99,324 was recognized during the year ended 31 March 2024.

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

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

	Range of exercise price and weighted average exercise price	No of Options	No of Options
		31 March 2025	31 March 2024
Outstanding at the beginning of the year	USD 0.03	43,621	66,320
Granted	USD 0.03	-	13,744
Exercised	USD 0.03	-	16,820
Forfeited and expired	USD 0.03	-	7,843
PSU true down	USD 0.03	-	11,780
Transferred to group companies	USD 0.03	43,621	-
Outstanding at the end of the year	USD 0.03	-	43,621
Exercisable at the end of the year	USD 0.03	-	-

21 Leases

Leases payables:

The following is a schedule of present value of future minimum lease payments under finance leases, together with the value of minimum lease payments

	As at 31 March 2025	As at 31 March 2024
Not later than 1 year	668,385	563,287
Later than 1 year and not later than 5 years	1,745,528	2,502,707
	<u>2,413,913</u>	<u>3,065,994</u>
Total value of minimum lease payments	2,413,913	3,065,994
Less: Amount representing interest	144,941	233,735
Total present value of minimum lease payments	<u>2,268,972</u>	<u>2,832,259</u>

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements

(Amounts in USD, except share and per share data, unless otherwise specified)

22 Related party relationships and transactions

a) The following are the entities with which the company has related party transactions

<u>Name</u>	<u>Relationship</u>	<u>Country of Incorporation</u>
Wipro Limited	Ultimate Holding company	India
Cardinal US Holdings Inc	Holding Company	USA
Capco Consulting Services LLC	Fellow subsidiary	USA
The Capital Markets Company (UK) Ltd	Fellow subsidiary	UK
The Capital Markets Company BV	Fellow subsidiary	Belgium
The Capital Markets Company Limited (Canada)	Fellow subsidiary	Canada
The Capital Markets Company LLC	Fellow subsidiary	USA
The Capital Markets Company S.a.r.l.	Fellow subsidiary	Switzerland
The Capital Markets Company S.A.S.	Fellow subsidiary	France
Capco Technologies Private Limited	Fellow subsidiary	India
Capco Consulting Singapore Pte Ltd	Fellow subsidiary	Singapore

b) The Company has the following related party transactions:

<u>Particulars</u>	<u>As at</u> <u>31 March 2025</u>	<u>As at</u> <u>31 March 2024</u>
<u>Sale of services</u>		
Wipro Limited	1,543,179	-
The Capital Markets Company LLC	3,152,910	16,406
Others	-	476
<u>Cost of services</u>		
The Capital Markets Company (UK) Ltd	-	236,210
Capco Technologies Private Limited	434,179	848,491
The Capital Markets Company LLC	7,258,393	-
Others	-	4,404
<u>Allocation of overheads from group companies</u>		
The Capital Markets Company (UK) Ltd	250,775	1,396,930
<u>Share based compensation cost reimbursement</u>		
Wipro Limited	(117,971)	99,324
<u>Interest income</u>		
The Capital Markets Company BV	64,682	151,546
The Capital Markets Company LLC	24,828	-
The Capital Markets Company S.á.r.l	2,335	-
The Capital Markets Company (UK) Ltd	1,660	-
Others	211	3,145
<u>Interest expenses</u>		
The Capital Markets Company LLC	564,448	703,066
The Capital Markets Company (UK) Ltd	6,401	10,120
Others	484	101

Capco RISC Consulting LLC
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c) Balances with related parties as at year end are summarised below:

	As at 31 March 2025	As at 31 March 2024
Balances other than loans :		
Payable balances		
The Capital Markets Company Limited (Canada)	36,761	4,421
Capco Consulting Services LLC	1,154,998	14
The Capital Markets Company LLC	2,654,291	11,714,708
Capco Technologies Private Limited	46,889	315,437
Cardinal US Holdings Inc	-	3,411,779
The Capital Markets Company (UK) Ltd	91,161	757,705
Others	303	312
Receivable balances		
The Capital Markets Company S.a.r.l.	46,295	48,230
The Capital Markets Company BV	-	2,791,477
The Capital Markets Company S.A.S	1,625	-
Capco Consulting Services LLC	-	1,536,503
Wipro Limited	101,650	465,198
Others	-	7,131
Interest payable balances		
The Capital Markets Company (UK) Ltd	6,284	-
The Capital Markets Company Limited (Canada)	462	-
Others	12	-
Interest receivable balances		
The Capital Markets Company BV	64,682	-
The Capital Markets Company (UK) Ltd	1,660	-
The Capital Markets Company S.á.r.l	2,335	-
Others	211	-
Loan balances:	As at 31 March 2025	As at 31 March 2024
Capco Consulting Singapore Pte Ltd	-	1,000,000

23 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.

Capco RISC Consulting LLC
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24 Financial instruments

Financial assets and liabilities (carrying value / fair value)

	As at 31 March 2025	As at 31 March 2024
Assets		
Cash and cash equivalents	3,819,546	7,430,742
Other financial assets		
Trade receivables	69,297	2,047,061
Unbilled receivables	-	1,537,771
Loan to subsidiaries and fellow subsidiaries	-	1,000,000
Other financial assets	706,054	5,319,641
Total	4,594,897	17,335,214
Liabilities		
Trade payables	-	289,538
Other financial liabilities	4,182,755	16,433,868
Borrowings		
Lease liabilities	2,268,972	2,832,259
Total	6,451,727	19,555,665

Offsetting financial assets and liabilities

Fair value

Financial assets and liabilities include cash and cash equivalents, trade receivables, unbilled receivables, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities.

The fair value of cash and cash equivalents, trade receivables, unbilled revenues, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Accordingly, the carrying value of such long-term debt approximates fair value. As of March 31, 2025 and March 31, 2024, the carrying value of such receivables, net of allowances approximates the fair value.

25 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.

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. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

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.

Interest rate risk

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

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.

Counterparty risk

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

Liquidity risk

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

Capco RISC Consulting LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, except share and per share data, unless otherwise specified)

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date. The amounts include estimated interest payments and exclude the impact of netting agreements, if any.

As at 31 March 2025						
Contractual Cash Flows	Less than 1 year	1-2 years	2-4 years	Total Cash Flows	Interest included in total cash flows	Carrying Value
Lease liabilities	668,385	685,005	1,060,523	2,413,913	(144,941)	2,268,972
Trade payables	-	-	-	-	-	-
Other financial liabilities	4,135,149	-	-	4,135,149	-	4,135,149
As at 31 March 2024						
Contractual Cash Flows	Less than 1 year	1-2 years	2-4 years	Total Cash Flows	Interest included in total cash flows	Carrying Value
Lease liabilities	652,081	668,386	1,745,527	3,065,994	(233,735)	2,832,259
Trade payables	289,538	-	-	289,538	-	289,538
Other financial liabilities	16,378,223	-	-	16,378,223	-	16,378,223

26 There are no contingent liabilities as at March 31, 2025.

As per our report of even date
For D. Prasanna & Co.
Chartered Accountants
Firm Registration No.: 0096195

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Place: Bengaluru
Date: 22 May 2025

For and on behalf of the Board of Directors of Capco
RISC Consulting LLC

Sd/-

Mehul Patwari
Director

Place: Texas
Date: 22 May 2025

Sd/-

Manish Choudhary
Director

Place: New Jersey
Date: 22 May 2025