

Special Purpose Financial Statements and
Independent Auditor's Report

WIPRO JAPAN KK

31 March 2025

INDEPENDENT AUDITORS REPORT

To the Board of Directors of **WIPRO JAPAN KK**

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of **WIPRO JAPAN KK** ("the Company"), which comprise the balance sheet as at 31 March 2025, 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 notes to the special purpose financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements is prepared for inclusion in the annual report of the Ultimate Holding Company ("Wipro Limited") under the requirement of Section 129(3) of the Companies Act, 2013 (Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its 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 SAs 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 together with the ethical requirements that are relevant to our audit of the special purpose financial statements under the provisions of the Act and the Rules thereunder, 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 statement.

Management's and Board of Directors' 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 state of affairs, profit/loss and other 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) specified 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 of 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 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 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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 in the special purpose financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 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 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.

Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the special purpose financial statements, which describes the basis of preparation. This audit opinion has been issued solely for the purpose of inclusion in the annual report of the Ultimate Holding Company (Wipro Limited) under the requirements of Section 129(3) of the Act. These financial statements are not the statutory financial statements of the Company. 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 audit opinion is shown or into whose hands it may come without our prior consent in writing.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018



Athiyan R

Partner

Membership No.: 237588

UDIN: 25237588 BMLNGR 3830

Bengaluru

28 May 2025

Wipro Japan KK
Special Purpose Balance Sheet as at 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	809	1,788
Right of use asset	4	301	752
Goodwill	5	4,884	4,884
Financial assets			
Other financial assets	6	-	497
Total non-current assets		5,994	7,921
Current assets			
Financial assets			
Trade receivables	7	6,777	12,508
Unbilled receivables		2,406	5,326
Cash and cash equivalents	8	3,704	1,811
Other financial assets	6	497	-
Contract assets		6	323
Current tax assets (net)		290	-
Other current assets	9	125	2,090
Total current assets		13,805	22,058
Total assets		19,799	29,979
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	4,317	4,317
Other equity		8,213	4,887
Total equity		12,530	9,204
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	25	-	327
Total non-current liabilities		-	327
Current liabilities			
Financial liabilities			
Lease liabilities	25	286	440
Trade payables	12	5,626	17,387
Other financial liabilities	13	254	224
Contractual liabilities		389	796
Other current liabilities	14	28	312
Provisions	11	19	16
Current tax liabilities (net)		-	899
Deferred tax liabilities (net)	28	667	374
Total current liabilities		7,269	20,448
Total Equity and Liabilities		19,799	29,979

Summary of material accounting policies 1-2
The accompanying notes are an integral part of these financial statements.

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

For and on behalf of the Board of Directors of
Wipro Japan KK

S/d
Athiyan R
Partner
Membership No: 237588
Place: Bengaluru
Date: 28 May 2025

S/d
Dhruv Anand
Director
Place: Yokohama, Japan
Date: 28 May 2025

Wipro Japan KK**Special Purpose Statement of Profit and Loss for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
INCOME			
Revenue from operations	15	40,764	49,078
Other income	16	1,082	344
Total Income		41,846	49,422
EXPENSES			
Employee benefits expense	17	4,011	3,530
Finance cost	18	13	42
Depreciation	19	1,465	1,241
Software development		32,155	38,551
Other expenses	20	906	4,433
Total expenses		38,550	47,797
Profit before tax		3,296	1,625
Tax expense			
Current tax	28	794	1,486
Prior year tax	28	(1,117)	1,170
Deferred tax	28	293	401
Total tax expense		(30)	3,057
Profit / (loss) for the year		3,326	(1,432)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		3,326	(1,432)
Earnings per equity share			
Basic and diluted	21	499,428	(214,958)

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

As per our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants

Firm Registration No.: 003990S/S200018

For and on behalf of the Board of Directors of
Wipro Japan KK

S/d

Athiyan R

Partner

Membership No: 237588

Place: Bengaluru

Date: 28 May 2025

S/d

Dhruv Anand

Director

Place: Yokohama, Japan

Date: 28 May 2025

Wipro Japan KK
Special Purpose Statement of Changes in Equity for the year ended 31 March 2025
(JPY in lakhs, except share and per share data, unless otherwise stated)

A. Equity share capital

	Note	Balance
As at 1 April 2023	10	4,317
Changes in equity share capital		-
As at 31 March 2024		4,317
Changes in equity share capital	10	-
As at 31 March 2025		4,317

B. Other Equity

	Other equity			
	Capital reserve	Capital surplus	Retained earnings	Total Other Equity
As at 1 April 2023	1,079	5,700	1,748	8,527
Profit for the period	-	-	(1,432)	(1,432)
Dividend paid	-	-	(2,208)	(2,208)
As at 31 March 2024	1,079	5,700	(1,892)	4,887
Profit for period	-	-	3,326	3,326
As at 31 March 2025	1,079	5,700	1,434	8,213

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

As per our report attached
For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

For and on behalf of the Board of Directors of Wipro Japan KK

S/d
Athiyan R
Partner
Membership No: 237588
Place: Bengaluru
Date: 28 May 2025

S/d
Dhruv Anand
Director
Place: Yokohama, Japan
Date: 28 May 2025

Wipro Japan KK**Special Purpose Statement of Cashflow for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flows from operating activities		
Profit/(Loss) for the period	3,326	(1,432)
Adjustments to reconcile profit for the year to net cash generated from operating activities:		
Depreciation and amortisation expenses	1,465	1,241
Income tax expense	(323)	3,057
Finance and other income, net of finance expenses	8	37
Lifetime expected credit loss / (write-back)	110	20
Loans to subsidiary waive off	-	3,120
	4,586	6,043
Changes in operating assets and liabilities, net of effects from acquisitions		
Trade receivables	5,622	(4,877)
Unbilled receivables and contract assets	3,237	(4,908)
Other assets	2,258	(1,615)
Trade payables, accrued expenses, other liabilities and provisions	(13,392)	12,061
Cash generated from operating activities before taxes	2,311	6,704
Income taxes paid, net	(868)	(3,892)
Net cash generated from operating activities	1,443	2,812
Cash flows from investing activities:		
Payment for purchase of property, plant and equipment	(36)	(2,000)
Interest Received	5	11
Net cash generated from/(used in) investing activities	(31)	(1,988)
Cash flows from financing activities:		
Payment of dividend	-	(2,208)
Interest and finance expenses paid	(13)	(42)
Payment of lease liabilities	494	432
Net cash generated from/(used in) financing activities	481	(1,818)
Net decrease in cash and cash equivalents during the year	1,893	(995)
Cash and cash equivalents at the beginning of the period	1,811	2,806
Effect of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year (refer note 8)	3,704	1,811
	3,704	

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

As per our report attached

For PKF Sridhar & Santhanam LLP**Chartered Accountants**

Firm Registration No.: 003990S/S200018

**For and on behalf of the Board of Directors
of Wipro Japan KK**

S/d

Athiyan R

Partner

Membership No: 237588

Place: Bengaluru

Date: 28 May 2025

S/d

Dhruv Anand

Director

Place: Yokohama, Japan

Date: 28 May 2025

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

1 The Company Overview

Wipro Japan KK ("the Company") is a subsidiary of Wipro Limited (the holding company). It is incorporated and domiciled in Japan. The Company is engaged in promoting and creating new customers for the holding company and providing software development services. The Company's holding company, Wipro Limited ("Wipro") is incorporated and domiciled in India. The Company's Board of Directors authorized these financial statements for issue on 28 May 2025.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Statement of compliance and Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been applied consistently to all periods presented in these standalone financial statements.

These 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.

b) Basis of Measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except the following material impacts which has been measured at fair value as required by relevant Ind as -

- a) Derivative Financial Instruments;
- b) Financials Instruments classified as fair value through other comprehensive income or fair value through profit or loss;
- c) The defined benefit asset (Liability) is recognised at present value of defined benefit obligation less FV of plan assets.
- d) Contingent consideration.

c) Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from estimates.

The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statement is included in the following notes:

- i) **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 products 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 labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.
- ii) **Impairment testing:** Goodwill and intangible assets with indefinite useful life recognised on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of an asset or a cash generating unit to which an asset pertains is less than the carrying value. The Company assesses acquired intangible assets with finite useful life for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount of an asset or a cash generating unit is higher of value in use and fair value less cost of disposal. The calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- iii) **Income taxes:** The major tax jurisdictions for the Company is the Japan. 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.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

- iv) **Deferred taxes:** Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.
- v) **Business combinations:** In accounting for business combinations, judgment is required to assess whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired (including useful life estimates), liabilities assumed, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates, and assumptions can materially affect the results of operations.
- vi) **Defined benefit plans and compensated absences:** The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- vii) **Expected credit losses on financial assets:** On application of Ind AS 109, 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 past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period
- viii) **Useful lives of property, plant and equipment:** The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

The Company depreciates property, plant and equipment on a straight-line basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.
- ix) **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 recognised nor disclosed in the financial statements.
- x) **Leases:** Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee. The Company's lease comprise of building.

3 A Material accounting policies information

a) Foreign currency

i) Transactions and balances:

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

ii) Functional and presentation currency

The financial statements are presented in JPY which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest JPY in lakhs, unless otherwise indicated.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

b) Property, plant and equipment

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

ii) **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. 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 & software	2-7 years
Non telecom assets	5 years
Furniture & Fixtures	2-5 years

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

The cost of property, plant and equipment not available for use before each reporting date are disclosed under capital work- in-progress.

c) Business combinations, Goodwill and Intangible assets

i) Business combinations

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

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

Common Control business combinations

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

ii) Goodwill

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

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

iii) Intangible assets

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

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

The estimated useful life of amortisable intangibles is reviewed and where appropriate is adjusted, annually. The estimated useful lives of the amortisable intangible assets are as follows:

Category	Useful life
Customer-related intangibles	5 to 10 years
Marketing-related intangibles	7 years

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

d) Leases

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

The Company as a lessee

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

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

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

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

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

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

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

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

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

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

The Company as a lessor

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

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

e) Employee benefits

i) Short-term benefits

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

ii) Termination benefits

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

iii) Compensated absences

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

f) 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 recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive (the "Transaction Price"). Revenue towards satisfaction of a performance obligation is measured at the amount of the Transaction Price (net of variable consideration on account of discounts and allowances) allocated to that performance obligation. 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 judgment 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 recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

The method for recognizing revenues and costs depends on the nature of contracts with customers as given below:

A. Time and materials contracts

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

B. Fixed-price contracts

i) Fixed-price development contracts

Revenues from fixed-price development contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognized 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. 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. If the Company is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred, for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income 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.

ii) Maintenance contracts

Revenues related to fixed-price maintenance contracts are recognized 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 recognized based on our right to invoice. If our invoicing is not consistent with value delivered, revenues are recognized 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 recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

iii) Element or Volume based contracts

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

C. Products

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

D. Others

i) Any change in scope or price is considered to be 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.

ii) The Company accounts for variable considerations like volume discounts, rebates and 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 recognized will not occur when the uncertainty associated with the variable consideration is resolved.

iii) Estimates of the Transaction Price and total costs or efforts are continuously monitored over the term of the contract and are recognized 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.

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

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

vi) The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered.

vii) Costs to obtain contract relating to upfront payments to customers are amortized to revenue and other costs to obtain contract and costs to fulfil contract are amortized to cost of sales over the respective contract life on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.

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

ix) 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.

g) Finance Costs

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

h) Other income

Other income comprises interest income on loan given, gains/(losses) on disposal of financial assets that are measured at FVTPL, and debt instruments at FVTOCI. Interest income is recognized using the effective interest method.

i) Equity

i) Share capital

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

ii) Retained earnings

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

iii) Capital Reserve

Capital Reserve is not freely available for distribution.

iv) Capital Surplus

Capital Surplus has been created out of capital reserves, as per the legal requirement on each distribution of dividend.

v) Other comprehensive income

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.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

j) Provisions and contingencies

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.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Onerous contracts

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

k) 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.

l) Financial Instruments

A) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI);

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit & loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instrument at Fair Value Through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

iv. Equity investments

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 Business Combinations, applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit & loss.

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

B) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

ii. Gains or losses on liabilities held for trading

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

iii. Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognized less cumulative amortization.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m) Non-derivative financial instruments

Non derivative financial instruments consist of:

- i) financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- ii) financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities

Non derivative financial instruments are recognized initially at fair value. 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.

i) Cash and cash equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

ii) Other financial assets

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

iii) Trade and other payables

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

n) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the statement of profit and loss.

o) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

p) Income tax

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

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

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

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

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

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

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

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

q) Earnings per share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be antidilutive.

r) Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year 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 flows from operating, investing and financing activities of the Company are segregated.

B Recent Accounting and Other Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

a. New Standards/Amendments notified and adopted by the Company:

During the year ended March 31, 2025, MCA had notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b. New Standards/Amendments notified but not yet effective:

On 7 May 2025, MCA has notified amendment to Ind AS 21 on determining when a currency is non-exchangeable and require estimation of the spot exchange rate using observable market-based inputs applicable from 7 May 2025.

The Company is in the process of evaluating the impact of the above amendment which is not expected to have any material impact on the financial statements of the Company.

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

3 Property, plant and equipment

	Computer equipment & software	Furniture and fixtures	Non-telecom assets	Office equipments	Total
Gross block (at cost)					
As at 1 April 2023	2,199	220	309	89	2,817
Additions	88	920	-	88	1,096
Disposals	(11)	(220)	-	(89)	(320)
As at 31 March 2024	2,276	920	309	88	3,593
Additions	13	21	-	2	36
Disposals	(82)	-	-	-	(82)
As at 31 March 2025	2,207	941	309	90	3,547
Accumulated depreciation					
As at 1 April 2023	987	220	62	89	1,358
Depreciation charge	543	149	75	1	767
Disposals	(11)	(221)	-	(89)	(320)
As at 31 March 2024	1,519	148	137	1	1,805
Depreciation charge	440	465	91	18	1,014
Disposals	(81)	-	-	-	(81)
As at 31 March 2025	1,878	613	228	19	2,738
Net block					
As at 31 March 2024	757	772	172	87	1,788
As at 31 March 2025	329	329	81	71	809

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

4 Right-of-Use assets

	Building	Total
Gross block (at cost)		
As at 1 April 2023	969	969
Additions	902	902
Disposals	(969)	(969)
As at 31 March 2024	902	902
Additions	-	-
Disposals	-	-
As at 31 March 2025	902	902
Accumulated depreciation		
As at 1 April 2023	645	645
Depreciation charge	474	474
Disposals	(969)	(969)
As at 31 March 2024	150	150
Depreciation charge	451	451
Disposals	-	-
As at 31 March 2025	601	601
Net block		
As at 31 March 2024	752	752
As at 31 March 2025	301	301

5 Goodwill

The movement in goodwill balance is given below:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	4,884	4,884
Balance at the end of the year	4,884	4,884

On 01 July 2022, as part of business transfer of Wipro Appirio KK, the company acquired existing contracts, assets, liabilities and employees of Wipro Appirio KK for an upfront cash consideration of 5448 lakhs JPY (along with mandatory consumption tax payable to government of 491 lakhs JPY). The fair value of net assets acquired is 72 lakhs JPY and goodwill is 4884 lakhs JPY.

For impairment testing, goodwill is allocated to a CGU representing the lowest level within the Company at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of each CGU.

The recoverable amount of the CGU is determined based on FVLCD. The FVLCD of the CGU is determined based on the market capitalisation approach, using the turnover and earnings multiples derived from observable market data. The fair value measurement is categorised as a level 2 fair value based on the inputs in the valuation techniques used.

Based on the above testing, no impairment was identified as at March 31, 2025 and 2024 as the recoverable value of the CGU exceeded the carrying value. A sensitivity analysis to the change in the key parameters (turnover and earnings multiples), did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

6 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Security deposits	497	-
	497	-
Non-current		
Security deposits	-	497
	-	497

7 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables considered good- Unsecured	3,847	9,163
Less: Allowance for expected credit loss	(288)	(178)
	3,559	8,985
Balance with related parties considered good- Unsecured	3,218	3,523
	6,777	12,508

Refer Note 23 for ageing analysis and refer Note 22(iii) for related parties disclosure

8 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current account	3,704	1,811
	3,704	1,811

9 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	32	56
Social insurance	-	12
Balance with government authorities	86	1,978
Employee advances	7	5
Others	-	39
	125	2,090

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

10 Share capital

Particulars	As at	As at
	31 March 2025	31 March 2024
Authorized capital		
650 equity shares (31 March 2024: 650 equity shares)	325	325
16 equity shares (31 March 2024: 16 equity shares)	10,291	10,291
* As per the Local laws of Japan, the Company does not have the concept of face value of equity shares		
	10,616	10,616
Issued, subscribed and paid-up capital		
650 equity shares (31 March 2024: 650 equity shares)	244	244
16 equity shares (31 March 2024: 16 equity shares)	4,073	4,073
	4,317	4,317
Reconciliation of the number of shares		
a) Number of shares outstanding as at beginning of the year	666	666
Add: Issue of shares	-	-
Closing value of shares	666	666
Details of share holding by related parties		
b) Wipro Limited (100% holding)	666	666
	666	666

Terms / Rights attached to equity shares

- c) The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Japanese yen. The dividend proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.
- d) There has been no issue of bonus shares or issue of shares for consideration other than cash or share buy back during five years immediately preceding 31 March 2025.

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

11 Provisions**Particulars****Current**

Compensated absences

As at	As at
31 March 2025	31 March 2024
19	16
19	16

12 Trade payables**Particulars**

Trade payables

Balances due to related parties

As at	As at
31 March 2025	31 March 2024
1,729	888
1,729	888
3,897	16,499
5,626	17,387

*Refer note no 24 for ageing analysis and refer note no 22 (iii) for related parties disclosure

13 Other financial liabilities**Particulars**

Dues to employees

As at	As at
31 March 2025	31 March 2024
254	224
254	224

14 Current liabilities**Particulars**

Statutory liabilities payable^

LIC premium payable

Others

As at	As at
31 March 2025	31 March 2024
0	223
23	89
5	-
28	312

^ Value is less than 1

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

15 Revenue from operations

	Year ended 31 March 2025	Year ended 31 March 2024
Sale of services	35,617	42,769
Commission income*	5,147	6,309
	40,764	49,078

*Refer Note 22 (ii) for related parties transaction

Disaggregation of sale of services

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue		
Sale of services	35,617	42,769
	35,617	42,769
Revenue by nature of contract		
Fixed price and volume based	32,327	41,467
Time and materials	3,290	1,302
	35,617	42,769

16 Other income

	Year ended 31 March 2025	Year ended 31 March 2024
Rental income*	1,077	339
Interest income	-	5
Miscellaneous Income	5	-
	1,082	344

*Refer Note 22 (ii) (for related parties disclosure)

17 Employee benefits expense

	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	3,752	3,446
Share based compensation charge*	241	149
Compensated absences expense	3	(75)
Staff welfare expenses	15	10
	4,011	3,530

*The Company has adopted the restricted stock units plans of the Wipro Limited, the ultimate Holding Company. Under the Plan, the employees of the Company may be granted shares and other stock/cash awards, in accordance with the terms and conditions as specified in the plan. The plan is assessed, managed and administered by the ultimate holding company, The Wipro Technologies Limited Company whose shares have been granted to the employees. The amount of JPY 241 Lakhs is recognised as expenditure for the year ended 31 March 2025 (31 March 2024: JPY 149 lakhs)

*Refer Note 22 (ii) (for related parties transactions)

18 Finance cost

	Year ended 31 March 2025	Year ended 31 March 2024
Interest on lease liabilities	13	9
Interest expense	-	33
	13	42

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

19 Depreciation

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property plant and equipment (refer note no 3)	1,014	767
Depreciation on right of use asset (refer note no 4)	451	474
	1,465	1,241

20 Other expenses ^

	Year ended 31 March 2025	Year ended 31 March 2024
Travel and conveyance	297	193
Sub contracting charges	7	9
Repairs and maintenance	0	28
Rent	24	24
Power and fuel	35	32
Capital asset re-imbursements	6	1
House keeping and maintenance	89	81
Communication	89	50
Printing and stationery	10	15
Legal and professional charges	154	274
Staff recruitment	6	432
Insurance	25	39
Rates and taxes	23	47
Business meeting expenses	26	28
Advertisement	(85)	135
Lifetime expected credit loss / (write-back)	110	20
Provision for diminution in value of investment in subsidiary	-	(8)
Subsidiary loan waive off	-	3,120
Loss on foreign exchange adjustments, net	59	(117)
Miscellaneous expenses	31	30
	906	4,433

^ Value is less than 1

21 Earning per share (EPS)

	Year ended 31 March 2025	Year ended 31 March 2024
Net profit after tax attributable to the equity shareholders	3,326	(1,432)
Weighted average number of equity shares - for basic and diluted EPS	666	666
Earnings per share - Basic and diluted	499,428	(214,958)

* As per the Local laws of Japan, the Company does not have the concept of face value of equity shares.

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

22 Related party relationships, transactions and balances**i) The following are the entities with which the Company has related party transactions:**

Relationship with the Company	Name of the Party	Country of Incorporation
Holding Company	Wipro Limited	India
Subsidiary	Designit Tokyo Ltd (liquidated in 2024-25)	Japan
Fellow subsidiary	Wipro Travel Services Limited	India
Key managerial personnel	Dhruv Anand	

ii) Transactions with related parties:-

Particulars	Relationship	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Operations			
Wipro Limited	Holding Company	2,055	1,170
Commission Income			
Wipro Limited	Holding Company	5,147	6,309
Rental Income			
Wipro Limited	Holding Company	1,077	339
Software development charges			
Wipro Limited	Holding Company	32,049	35,593
Travel and conveyance			
Wipro Travel Services Limited	Fellow subsidiary	0	95
Reimbursement of employee benefits expense			
Wipro Limited	Holding Company	300	254
Interest income on loan			
Designit Tokyo Ltd	Fellow subsidiary	-	5
Subsidiary loan waive off			
Designit Tokyo Ltd	Fellow subsidiary	-	3,120

^ Value is less than 1

iii) The company had below inter company balances:-

Particulars	Relationship	As at 31 March 2025	As at 31 March 2024
Trade receivable			
Wipro Limited	Holding Company	3,218	3,523
Trade payables			
Wipro Limited	Holding Company	3,897	16,492
Wipro Travel Services Limited^	Fellow Subsidiary	(0)	7

^ Value is less than 1

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Wipro Japan KK
Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

23 Trade receivable ageing schedule
As at 31 March 2025
Particulars

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed – considered good	3,327	324	8	15	173	-	3,847
(ii) Undisputed – credit impaired	-	-	-	-	-	-	-
(iii) Disputed –considered good	-	-	-	-	-	-	-
(iv) Disputed – credit impaired	-	-	-	-	-	-	-
Total	3,327	324	8	15	173	-	3,847
Less: Allowance for expected credit loss	(97)	-	(3)	(15)	(173)	-	(288)
(v) Balance with group companies	2,853	365	-	-	-	-	3,218
Net Trade Receivables	6,083	689	5	-	-	-	6,777

As at 31 March 2024
Particulars

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed – considered good	8,057	918	15	173	-	-	9,163
(ii) Undisputed – credit impaired	-	-	-	-	-	-	-
(iii) Disputed –considered good	-	-	-	-	-	-	-
(iv) Disputed – credit impaired	-	-	-	-	-	-	-
Total	8,057	918	15	173	-	-	9,163
Less: Allowance for expected credit loss	-	-	(5)	(173)	-	-	(178)
(v) Balance with group companies	2,116	1,407	-	-	-	-	3,523
Net Trade Receivables	10,173	2,325	10	-	-	-	12,508

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

24 Trade payables ageing schedule**As at 31 March 2025**

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others^	1,722	7	0	-	-	1,729
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Due to Related Parties	3,889	8	-	-	-	3,897
Total	5,611	15	0	-	-	5,626

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2- 3 years	More than 3 years	
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	750	136	2	-	-	888
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Due to Related Parties	11,407	5,092	-	-	-	16,499
Total	12,157	5,228	2	-	-	17,387

^ Value is less than 1

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

25. IND AS 116 leases related disclosures**i) Total lease liabilities are analysed as follows:**

	As at 31 March 2025	As at 31 March 2024
Denominated in the following currencies:		
JPY	286	767
Total	286	767
Analysed as:		
Current	286	440
Non current	-	327
	286	767

ii) Amounts recognised in statement of profit and loss:

The following amounts were recognised as expense in the year:

	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of right-of-use assets	451	474
Interest on lease liabilities	13	9
Total recognised in the statement of profit and loss	464	483

iii) Exposure to future cash flows:

The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:

	As at 31 March 2025	As at 31 March 2024
Less than 1 year	288	494
Between 1 and 2 years	-	288
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	288	782

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

26 Financial instruments**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at 31 March 2025 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Cash and cash equivalents	8	-	-	3,704	3,704	3,704
Trade receivables	7	-	-	6,777	6,777	6,777
Other financial assets	6	-	-	497	497	497
Total financial assets		-	-	10,978	10,978	10,978
Financial liabilities :						
Trade payables	12	-	-	5,626	5,626	5,626
Other financial liabilities	13	-	-	254	254	254
Total financial liabilities		-	-	5,880	5,880	5,880

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Cash and cash equivalents	8	-	-	1,811	1,811	1,811
Trade receivables	7	-	-	12,508	12,508	12,508
Other financial assets	6	-	-	497	497	497
Total financial assets		-	-	14,816	14,816	14,816
Financial liabilities :						
Trade payables	12	-	-	17,387	17,387	17,387
Other financial liabilities	13	-	-	224	224	224
Total financial liabilities		-	-	17,611	17,611	17,611

Notes to financial instruments

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

Measurement of fair value of financial instruments

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

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

27 Financial risk management

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

Risk	Exposure arising from	Measurement
Foreign Currency Risk	Assets or liabilities denominated in Foreign currency	Sensitivity Analysis
Credit risk	Cash and cash equivalent measured at amortized cost	Ageing Analysis
Liquidity risk	Trade payables and other financial liabilities	Rolling cash flow forecasts

A Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from USD, EUR, INR. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The management evaluates rate exposure arising from these transactions and enters into Foreign currency derivative instruments to mitigate such exposure. The company follows risk management policies, including use of derivatives like foreign currency exchange forward options etc.

The below table presents foreign currency risk from non-derivative financial instruments as of March 31, 2025 and 2024

Particulars	As at March 2025		
	USD	INR	EUR
Trade receivables	15.84	-	-
Cash and cash equivalents	-	-	-
Other assets	-	-	-
Trade payables and other financial liabilities*	0.01	3.78	-
Net assets/ (liabilities)	15.83	(3.78)	-
Exchange Rate	0.01	0.57	0.01

Particulars	As at March 2024		
	USD	INR	EUR
Trade receivables	21.06	-	-
Cash and cash equivalents	(0.01)	-	-
Other assets	-	-	-
Trade payables and other financial liabilities*	0.05	3.82	-
Net assets/ (liabilities)	(0.06)	(3.82)	-
Exchange Rate	0.01	0.55	0.01

Sensitivity Analysis - Effect on statement of profit/(loss) & other comprehensive income

Particulars	As at Mar 2025		
	USD	INR	EUR
Exchange rate - Increase by 1%	23.88	(0.07)	-
Exchange rate - Decrease by 1%	(23.88)	0.07	-

B Credit risk

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

Credit risk management

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

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

Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

C Liquidity risk

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

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

Maturities of financial liabilities

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

31 March 2025	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Trade payables	5,626	-	-	5,626
Unearned revenue	389			389
Lease liabilities	286	-		286
Other financial liabilities	254	-	-	254
Provisions	19	-	-	19
Total	6,574	-	-	6,574
31 March 2024	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Trade payables	17,385	2	-	17,387
Unearned revenue	796			796
Lease liabilities	440	327		767
Other financial liabilities	224	-	-	224
Provisions	16	-	-	16
Total	18,861	329	-	19,190

D Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk. Financial instruments affected by market risk include trade and other receivables/ payables. The Company is exposed to foreign currency risk, interest rate risk and certain other price risk, which are a result from both its operating and investing activities.

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Wipro Japan KK**Notes to the special purpose financial statements for the year ended 31 March 2025**

(JPY in lakhs, except share and per share data, unless otherwise stated)

28 Effective Tax Rate (ETR) reconciliation

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Income tax expense in the Statement of Profit and Loss comprises of:		
Current tax	(323)	2,656
Deferred tax	293	401
	(30)	3,057

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

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before income tax	3,296	1,625
Enacted tax rates in the Japan (%)	32.47%	32.47%
Computed expected tax expense	1,070	528
Tax effect due to set-off of unabsorbed brought forward losses from earlier years	-	-
Tax effect due to Goodwill amortisation reversed	-	317
Tax effect on expenses disallowed for tax computation	16	1,037
Tax expense/ (credit) of earlier years	(310)	1,170
Tax credit of earlier years for Designit losses	(806)	-
Others	-	5
Tax expense as per financials	(30)	3,057

Deferred tax asset / (liabilities)

Particulars	As at 31 March 2025	As at 31 March 2024
DTA / DTL on other originating / reversing temporary differences	205	181
DTA / DTL on goodwill amortization of Wipro Appirio KK	(872)	(555)
Total	(667)	(374)

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Wipro Japan KK

Notes to the special purpose financial statements for the year ended 31 March 2025

(JPY in lakhs, except share and per share data, unless otherwise stated)

29 Events occurring after the reporting date

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

30 Segment reporting

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

31 Comparatives

Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No.: 003990S/S200018

**For and on behalf of the Board of Directors of
Wipro Japan KK**

S/d

Athiyan R

Partner

Membership No: 237588

Place: Bengaluru

Date: 28 May 2025

S/d

Dhruv Anand

Director

Place: Yokohama, Japan

Date: 28 May 2025