Financial Statements and Independent Auditor's Report

Capco Solution Services Gmbh

31 March 2024

INDEPENDENT AUDITORS' REPORT

D. PRASANNA & CO.
Chartered Accountants
No. 192, S.C. Road, Basavanagudi,
BANGALORE - 560 004

To the Board of Directors of **Capco Solution Services GmbH**

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Capco Solution Services GmbH ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Special Purpose Financial Statements"). As explained in Note 2(a) to the Special Purpose Financial Statements, these Special Purpose Financial Statements include limited information and have been prepared by the Management of Wipro Limited ("the Parent") solely for inclusion in the annual report of Wipro limited for the year ended 31 March 2024 under the requirements of section 129(3) of the Companies Act, 2013, in accordance with the accounting policies of the Parent and in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of presentation referred to in Note 2(a) to the Special Purpose Financial Statements, of the state of affairs of the Company as at 31 March 2024, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to the statement of changes in equity to the accompanying financial statements which indicate that the Company has made a loss of EUR 536 thousand during the current year ended 31 March 2024. These events or conditions indicate that a material uncertainty exists which may cast a significant doubt on the Company's ability to continue as going concern. However, basis the ongoing support of the Ultimate Holding Company and the ongoing assessment of business opportunities, the management considers going concern basis of accounting for preparation of accompanying financial statements to be appropriate. Our opinion is not modified in respect of this matter.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2(a) to the Special Purpose Financial Statements, on the basis of the preparation to the special purpose financial statements. The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company under the requirements of Section 129(3) of the Companies Act, 2013. As a result, the Special Purpose Financial Statements may not suitable for any other purpose. Our report is intended solely for the Company and Wipro Limited and should not be distributed to or used by parties other than the Company and Wipro Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

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Management Responsibility for the Special Purpose Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the special purpose financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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- 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.

As per our report attached For
D. Prasanna & Co.
Chartered Accountants

D. PRASANNA & CO. BANGALORE CHARTERED ACCOUNTANTS

D Prasanna Kumar
Proprietor
Membership No: 211367

Place: Bengaluru
Date: 12 June 2024
UDIN: 24211367BKELXA8574

Capco Solution Services Gmbh
SPECIAL PURPOSE BALANCE SHEET
(Amount in EUR, except share and per share data, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31,2023
ASSETS			
Current assets			
Financial assets			
Trade receivables	5	89,577	-
Cash and cash equivalents	6	42,239	25,000
Contract assets		27,766	-
Total current assets		159,582	25,000
TOTAL ASSETS		159,582	25,000
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital		25,000	25,000
Other equity		(536,087)	-
TOTAL EQUITY		(511,087)	25,000
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	8	121,908	-
Other financial liabilities	7	513,611	-
Other current liabilities	9	8,015	-
Provisions	10	27,135	-
Total current liabilities		670,669	-
TOTAL LIABILITIES		670,669	-
TOTAL EQUITY AND LIABILITIES		159,582	25,000

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

As per our report of even date attached - -

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

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Bangalore
Date - 12 June 2024

For and on behalf of the Board of Directors of
Capco Solution Services Gmbh

Sd/-

Marcel Du Bois
Director

Diegam
Date - 12 June 2024

Capco Solution Services Gmbh
SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS
(Amount in EUR, except share and per share data, unless otherwise stated)

	Notes	Year ended March 31, 2024	Period ended March 31,2023
INCOME			
Revenue from operations	11	127,481	-
Total Income		127,481	-
EXPENSES			
Employee benefits expense	12	548,359	-
Finance costs	13	5,270	-
Sub-contracting and technical fees		7,840	-
Facility expenses		29,161	-
Travel		1,683	-
Communication		87	-
Legal and professional charges		30,824	-
Marketing and brand building		143	-
Other expenses	14	39,776	-
Total expenses		663,143	-
Profit before tax		(535,662)	-
Tax expense	15		
Current tax		425	-
Deferred tax		-	-
Total tax expense		425	-
Profit for the year		(536,087)	-
Total comprehensive income for the year		(536,087)	-

The accompanying notes form an integral part of these standalone financial statements
As per our report of even date attached

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

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Bangalore
Date - 12 June 2024

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Marcel Du Bois
Director

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Capco Solution Services Gmbh
SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY
(Amount in EUR, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	March 31, 2024		March 31,2023	
	No. of shares	Amount	No. of shares	Amount
Opening Balance	25,000	25,000	-	-
Changes in equity share capital during the current year / period	-	-	25,000	25,000
Closing Balance	**25,000**	**25,000**	**25,000**	**25,000**

B. OTHER EQUITY

Particulars	Retained Earnings	Retained Earnings
	March 31,2024	March 31,2023
Opening balance	-	-
Total comprehensive income for the period	(536,087)	-
Closing Balance	**(536,087)**	**-**

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For D Prasanna & Co
Chartered Accountants
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Sd/-

D Prasanna Kumar
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Bangalore
Date - 12 June 2024

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Marcel Du Bois
Director

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Date - 12 June 2024

Capco Solution Services Gmbh
SPECIAL PURPOSE STATEMENT OF CASH FLOWS
(Amount in EUR, except share and per share data, unless otherwise stated)

	For the year ended March 31, 2024	For the period ended March 31,2023
Cash flows from operating activities		
Loss for the year	(535,662)	-
Adjustments to reconcile profit for the year to net cash generated from operating activities		
Net unrealised exchange loss, exchange loss on borrowings and loans to subsidiaries	48	
Finance costs net of finance and other income	5,270	-
Changes in operating assets and liabilities, net of effects from acquisitions		
Trade receivables	(89,577)	-
Unbilled receivables and contract assets	(27,766)	
Trade payables, other liabilities and provisions	670,196	-
Cash generated from operating activities before taxes	**22,509**	**-**
Income taxes paid, net	-	-
Net cash generated from operating activities	**22,509**	**-**
Cash flows from investing activities		
Net cash generated from investing activities	**-**	**-**
Cash flows from financing activities		
Changes in Equity	-	25,000
Interest and finance costs paid	(5,270)	-
Net cash generated from financing activities	**(5,270)**	**25,000**
Net decrease in cash and cash equivalents during the year	17,239	25,000
Cash and cash equivalents at the beginning of the year	25,000	-
Cash and cash equivalents at the end of the year (Note 6)	**42,239**	**25,000**
	-	-

The accompanying notes form an integral part of these standalone financial statements
As per our report of even date attached

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

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Bangalore
Date - 12 June 2024

For and on behalf of the Board of Directors of
Capco Solution Services Gmbh

Sd/-

Marcel Du Bois
Director

Diegam
Date - 12 June 2024

Capco Solution Services Gmbh
Notes forming part of the Financial Statements for the period ended 31 March 2024
(Amount in EUR, except share and per share data, unless otherwise stated)

1. The Company Overview

Capco Solution Services Gmbh (the "Company"), incorporated in Germany is provider of Consultancy services to various global business enterprises. The functional currency of the company is Euro and the reporting currency for these financial statements is Euro. These special purpose financial statements have been prepared and audited to attach with the accounts of the holding company, to comply with the provisions of Indian Companies Act, 2013.

2. Basis of preparation of financial statements

(i) Statement of compliance and basis of preparation

This special purpose financial statement is prepared for inclusion in the annual report of the Ultimate Holding Company (Wipro limited) under the requirements of section 129(3) of the Companies Act, 2013.

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

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

New amendments adopted by the Company effective from April 1, 2023

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

Amendments to Ind AS 1 – Presentation of Financial Statements
On March 31, 2023, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from April 1, 2023. This amendment requires the companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The adoption of these amendments to Ind AS 1 did not have any material impact on the financial statements.

Amendments to Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
On March 31, 2023, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from April 1, 2023. This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help companies distinguish changes in accounting policies from changes in accounting estimates. The adoption of these amendments to Ind AS 8 did not have any material impact on the financial statements.

None of the amendments has any material impact on the financial statements for the current year.

(ii) Basis of measurement

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

a) Derivative financial instruments;

b) Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and

c) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

(iii) Use of estimates and judgment

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

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

a) **Revenue recognition:** The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit 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. Revenue is recognized on net basis in scenario where the company is not the primary obligor.

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

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

d) **Expected credit losses on financial assets:** The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on 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.

3. Material accounting policy information

(i) Functional and presentation currency

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

(ii) Foreign currency transactions and translation

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

(iii) Financial instruments

a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

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

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

<u>A. Cash and cash equivalents</u>

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

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

<u>B. Other financial assets:</u>

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

C. Trade and other payables

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

(iv) Equity

a) **Share capital and share premium**
   The Company does not have share capital.

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

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

(v) Property, plant and equipment

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

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

Category	Useful life
Computer equipment and software	3 years
Furniture, fixtures, and office equipment	3 to 10 years
Vehicles	2 to 7 years

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

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

(vi) Impairment

A) Financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

B) Non - financial assets

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

(vii) Employee benefits

a) Termination benefits

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

b) Short-term benefits

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

(viii) Provisions

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

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

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

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

(ix) Revenue

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

a) Services

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

A. Time and materials contracts

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

B. Fixed-price contracts

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

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

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

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

C. Maintenance contracts

Revenue from maintenance contracts is recognised ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless some other method better represents the stage of completion.

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

b) Products

Revenue from products are recognised when the significant risks and rewards of ownership have been transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(xi) Finance cost

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

(xii) Other income

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

(xiii) Income tax

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

a) Current income tax

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

b) Deferred income tax

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

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

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

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

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

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

(xiv) Earnings per share

The company does not have share capital, hence the reporting of Earnings per share is not applicable to the company.

(xv) Cash flow statement

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

5. Trade Receivables

(At Amortised Cost)

	As at March 31,2024	As at March 31,2023
Current		
Unsecured		
Related parties*	89,577	-
	89,577	-

* Refer related party note no 17

6. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	As at March 31,2024	As at March 31,2023
Balances with banks		
Current accounts	42,239	25,000
	42,239	25,000

Capco Solution Services Gmbh
Notes to the Standalone Financial Statements
(Amount in EUR, except share and per share data, unless otherwise stated)

7. Other financial liabilities

	As at March 31,2024	As at March 31,2023
Current		
Salary payable	36,730	-
Borrowings from fellow subsidiaries*	476,881	-
	513,611	-

8. Trade Payables

(At Amortised Cost)

	As at March 31,2024	As at March 31,2023
Unsecured		
Related parties*	70,663	-
Others	51,245	-
	121,908	-

* Refer related party note no 17

9. Other liabilities

	As at March 31,2024	As at March 31,2023
Current		
Statutory and other liabilities	8,015	-
	8,015	-

10. Provisions

	As at March 31,2024	As at March 31,2023
Current		
Provision for compensated absences	27,135	-
	27,135	-

Capco Solution Services Gmbh
Notes to the Standalone Financial Statements
(Amount in EUR, except share and per share data, unless otherwise stated)

11. Revenue from operations

	Year ended March 31, 2024	Period ended March 31,2023
Rendering of Services	127,481	-
	127,481	-

12. Employee benefits

Employee costs includes

	Year ended March 31, 2024	Period ended March 31,2023
Salaries and bonus	548,359	-
	548,359	-

13. Finance costs

	Year ended March 31, 2024	Period ended March 31,2023
Interest expense	5,270	-
	5,270	-

14. Other Expenses

	Year ended March 31, 2024	Period ended March 31,2023
Audit fee	21,600	-
Staff recruitment	17,000	-
Other foreign exchange differences, net	48	-
Priting and stationery	514	-
Miscellaneous expenses	614	-
	39,776	-

15. Income tax

Income tax expense has been allocated as follows:

	Year ended March 31, 2024	Period ended March 31,2023
Income tax expense		
Current taxes	425	-
Deferred taxes	-	-
	425	-

Income tax expense consists of the following:		
Profit/(loss) before tax	(535,662)	-
Enacted income tax rate in USA	15.825%	15.825%
Computed expected tax expense	(84,769)	-
Effect of		
DTA on loss not created	84,769	-
Witholding tax w/o	425	-
Total	425	-

16. Related party Disclosure

i) List of related parties and relationship

Name of the related party	Nature of relationship	Country of Incorporation
Wipro Limited	Ultimate Holding Company	India
Grove Holdings 2 S.a.r.l.	Holding Company	Luxembourg
The Capital Markets Company GmbH	Fellow Subsidiary	Germany
The Capital Markets Company BVBA	Fellow Subsidiary	Belgium
Wipro Technologies GmbH	Fellow Subsidiary	Germany
The Capital Markets Company (UK) Ltd	Fellow Subsidiary	UK

The Company has the following related party transactions for the year ended March 2023:

Transactions / balances	Year Ended March 31, 2024	Year Ended March 31,2023
Sales of goods and services	127,481	-
Purchase of services	5,047	-
Rental Expense	29,160	
Interest Expense	5,270	-
Balance as at the year end		
Loans received	476,881	-
Receivables	89,577	-
Payables	70,662	-

The following are the significant related party transactions and balance for the year ended March 31, 2023 :

	Year ended March 31, 2024	Year ended March 31,2023
Sale of services		
The Capital Markets Company GmbH	126,039	-
The Capital Markets Company (UK) Ltd	1,442	-
Purchase of services		
The Capital Markets Company (UK) Ltd	5,047	-
Interest Expense		
The Capital Markets Company BVBA	5,270	-
Rental Expense		
Wipro Technologies GmbH	29,160	
Loan Payable		
The Capital Markets Company BVBA	476,881	-
Receivables		
The Capital Markets Company GmbH	89,577	-
Payables		
The Capital Markets Company BVBA	50,000	-
Wipro Technologies GmbH	17,010	-
The Capital Markets Company (UK) Ltd	3,652	-

17. Financial instruments

	As at March 31, 2024	As at March 31,2023
Financial assets-at amortised cost		
Cash and cash equivalents	42,239	25,000
Trade receivables	89,577	-
	131,816	**25,000**
Financial liabilities-at amortised cost		
Trade payables and other payables		
Trade payables	121,908	-
Other financial liabilities	513,611	-
	635,519	**-**

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

March 31, 2024							
Contractual cash flows	Less than 1 year	1-2 years	2-4 years	Beyond 4 years	Total cash flows	Interest included in total cash flows	Carrying value
Trade payables	121,908	-	-	-	121,908	-	121,908
Other financial liabilities	513,611	-	-	-	513,611	-	513,611

As per our report of even date attached

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

Sd/-

D Prasanna Kumar
Proprietor
Membership No: 211367
Bangalore
Date - 12 June 2024

For and on behalf of the Board of Directors of
Capco Solution Services Gmbh

Sd/-

Marcel Du Bois
Director

Diegam
Date - 12 June 2024