

**Special Purpose Financial Statements and Independent  
Auditor's Report**

**Cardinal US Holdings Inc**

**31 March 2024**

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF Cardinal US Holdings, Inc Report on Audit of Special Purpose Financial Statements

#### Opinion

We have audited the accompanying Special Purpose Financial Statements of **Cardinal US Holdings, Inc** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period April 01, 2023 to March 31, 2024, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Financial Statements"). These Special Purpose Financial Statements are prepared solely for inclusion in the annual report of Wipro limited for the year ended March 31, 2024 under the requirements of section 129(3) of the Companies Act, 2013.

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

#### Basis for Opinion

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

#### Management's Responsibility for the Special Purpose Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the basis described in Note 2(i) of the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

# **Deloitte Haskins & Sells LLP**

In preparing the Special Purpose Financial Statements, the Company's Board of Directors is 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 is responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Special Purpose Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

# **Deloitte Haskins & Sells LLP**

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the special purpose financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Financial Statements.

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

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

## **Basis of Accounting**

We draw attention to Note 2(i) to the Special Purpose Financial Statements, which describes the basis of accounting. As a result, the special purpose financial statements may not be suitable for another purpose.

## **Restriction on Use and Distribution**

This report is issued to the Board of Directors of the Company solely for inclusion in the annual report of the Ultimate Holding Company under the requirements of Section 129(3) of the Companies Act, 2013 and may not be suitable for any other purpose. Our report is intended solely for the Company and Wipro Limited and should not be distributed to or used by parties other than the Company and Wipro Limited.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

-SD-

**Amit Ved**

Partner

Membership Number: 120600

UDIN :24120600BKCXIK4149

Place: Bengaluru

Date: June 14, 2024

**Cardinal US Holdings Inc**  
**Balance Sheet**  
(Amounts in USD, except share and per share data, unless otherwise specified)

	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
Investments	5	278,628,026	321,178,397
Other financial assets			
Deferred tax assets (net)	14	-	30,231
		<u>278,628,026</u>	<u>321,208,628</u>
<b>Current assets</b>			
Financial assets			
Loan to subsidiaries and fellow subsidiaries	15	801,307	-
Cash and cash equivalents	8	710,230	52,983
Other financial assets	6	18,092,992	8,532,599
Other current assets	7	1,158	-
Current tax assets (net)		359,465	887,002
		<u>19,965,152</u>	<u>9,472,584</u>
		<u>298,593,178</u>	<u>330,681,212</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital		481,329,468	481,329,468
Other equity		(199,662,070)	(160,301,637)
		<u>281,667,398</u>	<u>321,027,831</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	14	226,759	-
		<u>226,759</u>	<u>-</u>
<b>Current liabilities</b>			
Financial liabilities			
Trade Payables			
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		61,328	59,026
Other financial liabilities	9	16,637,693	9,594,355
		<u>16,699,021</u>	<u>9,653,381</u>
		<u>298,593,178</u>	<u>330,681,212</u>
<b>TOTAL EQUITY AND LIABILITIES</b>			
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements 1-18

As per our report of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration No.: 117366W/W - 100018

Sd/-

**Amit Ved**  
Partner  
Membership No: 120600  
Place: Bengaluru  
Date: 14 June 2024

For and on behalf of the Board of  
Directors of Cardinal US Holdings Inc

Sd/-

**Mehul Patwari**  
Director

Place: Texas  
Date: 14 June 2024

Sd/-

**Manish Choudhary**  
Director

Place: New Jersey  
Date: 14 June 2024

Cardinal US Holdings Inc  
Statement of Profit and Loss  
(Amounts in USD, except share and per share data, unless otherwise specified)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>REVENUE</b>			
Other income	10	23,401,268	21,182,208
<b>Total income</b>		<u>23,401,268</u>	<u>21,182,208</u>
<b>EXPENSES</b>			
Finance costs	11	15,817	639,810
Other expenses	12	43,201,728	13,185,014
<b>Total expenses</b>		<u>43,217,545</u>	<u>13,824,824</u>
<b>Profit before tax</b>		(19,816,277)	7,357,384
Current tax	14	(712,832)	(5,453,720)
Deferred tax		256,988	3,543,255
<b>Tax expense</b>		<u>(455,844)</u>	<u>(1,910,465)</u>
<b>Profit for the year</b>		<u>(19,360,433)</u>	<u>9,267,849</u>
<b>Total comprehensive income for the year</b>		<u>(19,360,433)</u>	<u>9,267,849</u>
<b>Earning per share (EPS)</b>	13		
Basic and dilute earning per share (in USD)		(193,604)	92,678

The accompanying notes are an integral part of these financial statements 1-18

As per our report of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration No.: 117366W/W - 100018

For and on behalf of the Board of Directors of  
Cardinal US Holdings Inc

Sd/-

**Amit Ved**  
Partner  
Membership No: 120600  
Place: Bengaluru  
Date: 14 June 2024

Sd/-

**Mehul Patwari**  
Director  
Place: Texas  
Date: 14 June 2024

Sd/-

**Manish Choudhary**  
Director  
Place: New Jersey  
Date: 14 June 2024

**Cardinal US Holdings Inc**  
**Statement of Cash Flows**  
(Amounts in USD, except share and per share data, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
(Loss)/Profit for the period	(19,816,277)	7,357,384
<b>Adjustments</b>		
Unrealised exchange differences - net	258	183,254
Reversal of contingent consideration	(2,714,268)	-
Dividend income	(20,000,000)	(21,100,000)
Impairment on investment & receivables from related parties	45,951,236	14,980,656
Interest income	(94,103)	(82,208)
Interest expense	8,942	265,157
<b>Operating (loss)/ profit before working capital changes</b>	<b>3,335,788</b>	<b>1,604,243</b>
<b>Adjustments to reconcile profit for the year to net cash generated from/(used in) operating activities:</b>		
Loans and advances and other assets	91,639	25,097
Trade and other payables	(2,712,224)	(4,366,013)
Payable to fellow subsidiaries	(489,383)	16,979,125
<b>Cash generated from operating activities before taxes</b>	<b>225,819</b>	<b>14,242,453</b>
Direct taxes refund	1,240,369	2,493,621
<b>Net cash generated from operating activities</b>	<b>1,466,188</b>	<b>16,736,073</b>
<b>Cash flows from investing activities:</b>		
Investment in subsidiaries	-	(10,000,000)
Loan to subsidiaries	(800,000)	-
Interest Income	-	82,208
Dividend Income	20,000,000	21,100,000
<b>Net cash generated from investing activities</b>	<b>19,200,000</b>	<b>11,182,208</b>
<b>Cash flows from financing activities:</b>		
Payment for deferred contingent consideration	-	(2,713,187)
Dividend Paid	(20,000,000)	(25,000,000)
Interest expense	(8,942)	(265,157)
<b>Net cash (used in) financing activities</b>	<b>(20,008,942)</b>	<b>(27,978,344)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>	<b>657,246</b>	<b>(60,063)</b>
Cash and cash equivalents at the beginning of the year	52,983	113,046
<b>Cash and cash equivalents at the end of the year (refer note 8)</b>	<b>710,230</b>	<b>52,983</b>

The accompanying notes are an integral part of these financial statements 1-18

As per our report of even date

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No.: 117366W/W - 100018

Sd/-

**Amit Ved**

Partner

Membership No: 120600

Place: Bengaluru

Date: 14 June 2024

**For and on behalf of the Board of Directors of  
Cardinal US Holdings Inc**

Sd/-

**Mehul Patwari**

Director

Place: Texas

Date: 14 June 2024

Sd/-

**Manish Choudhary**

Director

Place: New Jersey

Date: 14 June 2024

**Cardinal US Holdings Inc**  
**Statement of Changes in Equity**  
(Amounts in USD, except share and per share data, unless otherwise specified)

(A) Equity share capital	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Opening	100	481,329,468	100	481,329,468
Changes in equity share capital during the year	-	-	-	-
Closing	<b>100</b>	<b>481,329,468</b>	<b>100</b>	<b>481,329,468</b>

**(B) Other equity**

	Retained earnings
Balance as at 1 April 2023	(160,301,637)
Loss for the year	(19,360,433)
Dividend Paid	(20,000,000)
Total other comprehensive loss for the year	(39,360,433)
<b>Balance as at 31 March 2024</b>	<b>(199,662,070)</b>

	Retained earnings
Balance as at 1 April 2022	(144,569,486)
Profit for the year	9,267,849
Dividend Paid	(25,000,000)
Total other comprehensive loss for the year	(15,732,151)
<b>Balance as at 31 March 2023</b>	<b>(160,301,637)</b>

The accompanying notes are an integral part of these financial statements 1-18

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
Firm Registration No.: 117366W/W - 100018

**For and on behalf of the Board of  
Directors of Cardinal US Holdings Inc**

Sd/-

**Amit Ved**  
Partner  
Membership No: 120600  
Place: Bengaluru  
Date: 14 June 2024

Sd/-

**Mehul Patwari**  
Director  
Place: Texas  
Date: 14 June 2024

Sd/-

**Manish Choudhary**  
Director  
Place: New Jersey  
Date: 14 June 2024

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**1 General Information**

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

Cardinal US Holdings Inc, has been acquired by Wipro IT Services LLC, with effect from 29 April 2021 and considering that this special purpose financial statements are prepared for inclusion in the annual report of the ultimate Holding Company Wipro Limited under the requirements of section 129 (3) of the Companies Act 2013, the financial statement are prepared for the period 1 April 2023 to 31 March 2024 along with comparatives for the period 1 April 2022 to 31 March 2023 .

**2 Basis of preparation of financial statements**

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

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

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

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

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

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

Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

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

All amounts included in the financial statements are reported in USD except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/re-arranged, wherever necessary.

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

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

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**(ii) Basis of Measurement**

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

**(iii) Use of estimates and judgement**

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

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

- a) **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
- b) **Income taxes:** The major tax jurisdictions for the Company is United States of America.

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

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**3 Material accounting policy information**

**(i) Functional and presentation currency**

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

**(ii) Foreign currency transactions and translations**

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results of operating activities. Net loss relating to translation or settlement of borrowings denominated in foreign currency are reported within finance costs. Net gain relating to translation or settlement of borrowings denominated in foreign currency are reported within Other income. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

**(iii) Financial instruments**

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, and eligible current and non-current assets.
- financial liabilities, which include borrowings, trade payables, lease liabilities, and eligible current and non-current liabilities.

Non- derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

**A Cash and cash equivalents**

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

**B Investments**

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

Investment in redeemable preference shares of subsidiaries are measured at FVTPL. These investments are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss. The gain or loss on disposal is recognised in statement of profit and loss.

**C Other financial assets:**

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**D Trade payables and other liabilities**

Trade payables other liabilities are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments. Contingent consideration recognised in a business combination is subsequently measured at fair value through profit or loss.

**E Share Capital and Reserves**

The share capital of the Company as at March 31, 2024 is USD 481,329,468

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

**F Retained earnings**

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

**G Impairment of Investment in subsidiaries:**

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

**H 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.

**I Finance costs**

Finance costs comprises interest cost on borrowings, lease liabilities and net defined benefit liability, net loss on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

**J Finance and other income**

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**K Income tax**

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

**Current income tax**

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending upon the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

**Deferred income tax**

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

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

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

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

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

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

**L Statement of cash flows**

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
**(Amounts in USD, except share and per share data, unless otherwise specified)**

**4 New Accounting standards, amendments and interpretations 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 standalone 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 standalone 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 standalone financial statements.

**New Accounting standards, amendments and interpretations not yet adopted by the Company:**

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Cardinal US Holdings Inc  
Notes to the Special Purpose Financial Statements  
(Amounts in USD, except share and per share data, unless otherwise specified)

5 Investments

	As at 31 March 2024	As at 31 March 2023
Unquoted non- current investment in equity shares of the subsidiaries	278,628,026	321,178,397
	278,628,026	321,178,397

Note 1: Details of investment in unquoted equity instruments of subsidiaries (fully paid up)

Name of the subsidiary	% Holding	Face Value	No of Units	Balances as at 31 March, 2024		
			As at 31 March 2024	Gross Value	Impairment	Net Value
The Capital Markets Company LLC	100%		*	239,028,026	-	239,028,026
Capco Consulting Services LLC	100%		*	39,600,000	-	39,600,000
ATOM Solutions LLC	100%		*	2,350,371	2,350,371	-
Capco RISC Consulting LLC	100%		*	40,200,000	40,200,000	-
<b>Total</b>				<b>321,178,397</b>	<b>42,550,371</b>	<b>278,628,026</b>

Name of the subsidiary	% Holding	Face Value	No of Units	Balances as at 31 March, 2023		
			As at 31 March 2023	Gross Value	Impairment	Net Value
The Capital Markets Company LLC	100%		*	239,028,026	-	239,028,026
Capco Consulting Services LLC	100%		*	39,600,000	-	39,600,000
ATOM Solutions LLC	100%		*	5,818,301	3,467,930	2,350,371
Capco RISC Consulting LLC	100%		*	40,200,000	-	40,200,000
<b>Total</b>				<b>324,646,327</b>	<b>3,467,930</b>	<b>321,178,397</b>

\* As per local laws, there is no concept of issuance of share certificate. Hence the investment by the company is considered as equity contribution.

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
<b>6 Other financial assets</b>		
<b>Current</b>		
Balance with Group Companies	21,493,857	8,532,599
Less: Impairment	(3,400,865)	-
	<b>18,092,992</b>	<b>8,532,599</b>
<b>7 Other current assets</b>		
<b>Current</b>		
GST, TDS recoverable	1,158	-
	<b>1,158</b>	<b>-</b>
<b>8 Cash and Cash equivalents</b>		
Balances with banks		
- in current account	710,230	52,983
	<b>710,230</b>	<b>52,983</b>
<b>9 Other financial liabilities</b>		
<b>Current</b>		
Payable to group companies	16,637,693	6,880,087
Contingent considerations *	-	2,714,268
	<b>16,637,693</b>	<b>9,594,355</b>
* includes related party transactions (refer note 15)		
<b>Contingent Consideration - movement for the year</b>		
Balance at the beginning of the year	2,714,268	5,271,495
Additions/(Release)	(2,714,268)	(195,852)
Finance expenses recognized in statement of Income	-	351,812
Payment of contingent Consideration	-	(2,713,187)
<b>Balance at the end of the year</b>	<b>-</b>	<b>2,714,268</b>

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>10 Other income</b>		
Interest income*	94,103	82,208
Dividend income	23,307,165	21,100,000
	<b>23,401,268</b>	<b>21,182,208</b>
* includes related party transactions (refer note 15)		
<b>11 Finance Cost</b>		
Interest on inter company loans	8,942	265,157
Interest on other loans and Advances	-	353,164
Bank Charges	6,875	21,489
	<b>15,817</b>	<b>639,810</b>
<b>12 Other expenses</b>		
Miscellaneous expenses	(2,749,766)	(1,978,930)
Impairment on investment & receivables from related parties	45,951,236	14,980,690
Foreign exchange loss, net	258	183,254
	<b>43,201,728</b>	<b>13,185,014</b>
<b>13 Earning per share (EPS)</b>		

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit / (Loss) attributable to equity holders	(19,360,433)	9,267,849
Weighted average number of equity shares - for basic and diluted EPS	100	100
Earnings per share - Basic and diluted	<b>(193,604)</b>	<b>92,678</b>

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

**14 Income tax expense**

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

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

	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>Income tax expense</b>		
Current tax	(712,832)	(5,453,720)
Deferred tax	256,988	3,543,255
<b>Total income taxes</b>	<b>(455,844)</b>	<b>(1,910,465)</b>
Profit / (Loss) Before Taxation	(19,816,277)	7,357,384
Enacted Income Tax Rate in United States of America	28%	28%
Computed expected Tax Expenses	(5,548,558)	2,060,068
Effect of		
Income exempt from tax	(6,526,006)	(5,908,000)
Changes in unrecognized deferred tax assets	12,220,374	5,611,328
Taxes related to prior years	(601,654)	(3,673,861)
<b>Income tax expense</b>	<b>(455,844)</b>	<b>(1,910,465)</b>
<b>Deferred Tax Assets/(Liabilities)</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Accrued expenses and other liabilities	164,911	22,264
Amortisable goodwill	(391,670)	(24,297)
Property, plant and equipment	-	(7,919)
Others	-	40,183
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>(226,759)</b>	<b>30,231</b>

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

**15 Related party relationships and transactions**

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

<u>Name</u>	<u>Relationship</u>	<u>Country of Incorporation</u>
Wipro Limited	Ultimate Holding company	India
Wipro IT Services LLC	Holding Company	USA
The Capital Markets Company LLC	Subsidiary	USA
Capco Consulting Services LLC	Subsidiary	USA
Capco RISC Consulting LLC	Subsidiary	USA
ATOM Solutions LLC	Subsidiary	USA
Grove Holdings 2 S.a.r.l.	Fellow subsidiary	Luxembourg
The Capital Markets Company BVBA	Fellow subsidiary	Belgium
The Capital Markets Company Limited (Canada)	Fellow subsidiary	Canada
The Capital Markets Company Limited (Hong Kong)	Fellow subsidiary	Hong Kong
The Capital Markets Company (UK) Ltd	Fellow subsidiary	UK
Capco Austria GmbH	Fellow subsidiary	Austria
The Capital Markets Company S.a.r.l.	Fellow subsidiary	Switzerland
CAPCO (USA) LLC (Liquidated during the year ended 31 March 2023)	Fellow subsidiary	USA
Capco Consultancy (Malaysia) Sdn. Bhd.	Fellow subsidiary	Malaysia
Capco Consultancy (Thailand) Ltd	Fellow subsidiary	Thailand
Rizing LLC	Fellow subsidiary	USA

**b) The Company has the following related party transactions:**

<u>Particulars</u>	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b><u>Dividend Income</u></b>		
The Capital Markets Company LLC	20,000,000	-
Capco RISC Consulting LLC	-	13,100,000
Capco Consulting Services LLC	-	8,000,000
<b><u>Deemed dividend income</u></b>		
ATOM Solutions LLC	3,307,165	-
<b><u>Interest Income</u></b>		
The Capital Markets Company LLC	92,122	-
Capco Consultancy (Thailand) Ltd	1,920	-
The Capital Markets Company (UK) Ltd	-	14,336
CAPCO (USA) LLC (Liquidated during the year ended 31 March 2023)	-	67,491
Others	61	381
<b><u>Interest Expenses</u></b>		
The Capital Markets Company LLC	-	257,060
Capco Consulting Services LLC	45	2,052
The Capital Markets Company (UK) Ltd	8,090	-
The Capital Markets Company Limited (Canada)	187	-
The Capital Markets Company Limited (Hong Kong)	-	5,996
Others	621	49

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

c) Balances with related parties as at year end are summarised below:

	As at 31 March 2024	As at 31 March 2023
<b>i) <u>Balances other than loans :</u></b>		
<b>Payable balances</b>		
Wipro Limited	9,108,374	6,689,773
The Capital Markets Company (UK) Ltd	215,680	91,979
Wipro IT Services, LLC	6,357,933	-
Rizing LLC	939,259	-
The Capital Markets Company Limited (Canada)	13,220	-
The Capital Markets Company S.a.r.l.	90	-
The Capital Markets Company LLC	-	96,344
Others	3,138	1,990
<b>Receivable balances</b>		
The Capital Markets Company LLC	15,676,675	3,054,674
Capco RISC Consulting LLC		
Gross receivable	3,400,865	3,400,865
Less: Impairment considered	(3,400,865)	-
Net receivable	-	3,400,865
Capco Consulting Services LLC	2,349,489	2,015,645
ATOM Solutions LLC	52,089	53,618
The Capital Markets Company Limited (Hong Kong)	1,274	-
Others	13,465	7,796
<b>ii) <u>Loan to subsidiaries and fellow subsidiaries :</u></b>		
Capco Consultancy (Thailand) Ltd	801,307	-

**16 Segment reporting**

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

**17 .Financial instruments**

Financial assets and liabilities (carrying value / fair value)

	As at	
	31 March 2024	31 March 2023
<b>Assets</b>		
Cash and cash equivalents	710,230	52,983
Investment in Subsidiaries	278,628,026	321,178,397
Loan to subsidiaries and fellow subsidiaries	801,307	-
Other financial assets	18,092,992	8,532,599
<b>Total</b>	<b>298,232,555</b>	<b>329,763,979</b>
<b>Liabilities</b>		
Trade payables	61,328	59,026
Other financial liabilities	16,637,693	9,594,355
	<b>16,699,021</b>	<b>9,653,381</b>

**Fair value**

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

The fair value of cash and cash equivalents, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Accordingly, the carrying value of such balances approximates fair value as on 31 March, 2024 and 31 March, 2023.

**Financial risk management**

**Market Risk**

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

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

**Foreign currency risk**

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

**Interest Rate Risk**

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

**Cardinal US Holdings Inc**  
**Notes to the Special Purpose Financial Statements**  
(Amounts in USD, except share and per share data, unless otherwise specified)

**Credit risk**

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

**Counterparty Risk**

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

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of 31 March, 2024, cash and cash equivalents are held with major banks and financial institutions.

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

As at 31 March, 2024				
Contractual Cash Flows	Less than 1 year	1-2 years	2-4 years	Carrying Value
Trade payables	61,328	-	-	61,328
Other financial liabilities	16,637,693	-	-	16,637,693
As at 31 March, 2023				
Contractual Cash Flows	Less than 1 year	1-2 years	2-4 years	Carrying Value
Trade payables	59,026	-	-	59,026
Other financial liabilities	9,594,355	-	-	9,594,355

18. There are no contingent liabilities as at 31 March, 2024.

As per our report of even date

**For Deloitte Haskins and Sells LLP**  
Chartered Accountants  
Firm Registration No.: 117366W/W-100018

**For and on behalf of the Board of  
Directors of Cardinal US Holdings Inc**

Sd/-

Sd/-

Sd/-

**Amit Ved**  
Partner  
Membership No: 120600  
Place: Bengaluru  
Date: 14 June 2024

<b>Mehul Patwari</b>	<b>Manish Choudhary</b>
Director	Director
Place: Texas	Place: New Jersey
Date: 14 June 2024	Date: 14 June 2024