

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF DIRECTORS OF Rizing Consulting USA Inc Report on Audit of Special Purpose Financial Statements

#### Opinion

We have audited the accompanying Special Purpose Financial Statements of **Rizing Consulting USA 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 profits and total comprehensive income, 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.

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

Without modifying our opinion, 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.

This report is issued to the Board of Directors of the Company 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 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.

#### 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,

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including other comprehensive income, changes in equity and cash flows of the Company in accordance with the basis described in Note 2(i) of the Special Purpose Financial Statements.

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

In preparing the Special Purpose Financial Statements, the 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

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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.

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.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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

-Sd-

**Amit Ved**

Partner

Membership No: 120600

UDIN: 24120600BKCXIQ5147

Place: Bengaluru

Date: June 14, 2024

**RIZING CONSULTING USA, INC.**  
**SPECIAL PURPOSE FINANCIAL STATEMENTS UNDER Ind AS**  
**AS AT AND FOR THE YEAR ENDED MARCH 31, 2024**

**Rizing Consulting USA, Inc.**  
**BALANCE SHEET**  
(Amounts in USD, unless otherwise stated)

	<u>Notes</u>	<u>As at</u>	<u>As at</u>
		<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	33,798	41,898
Right-of-Use assets	5	157,367	248,452
Financial assets			
Other Financial assets	6	107,011	107,011
Deferred tax assets (net)	15	104,415	112,375
<b>Total non-current assets</b>		<b>402,591</b>	<b>509,736</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	7	3,288,727	7,859,263
Unbilled receivables		3,208,651	3,660,222
Cash and cash equivalents	8	11,360,991	11,157,770
Other financial assets	6	1,338,865	1,338,865
Current tax assets (net)		-	419,518
Contract assets		149,017	-
Other current assets	6.1	259,285	54,433
<b>Total current assets</b>		<b>19,605,536</b>	<b>24,490,071</b>
<b>TOTAL ASSETS</b>		<b>20,008,127</b>	<b>24,999,807</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>EQUITY</u></b>			
Equity share capital	9	10	10
Other equity		14,523,479	7,173,785
<b>TOTAL EQUITY</b>		<b>14,523,489</b>	<b>7,173,795</b>
<b><u>LIABILITIES</u></b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease Liabilities	10	76,028	171,698
<b>Total non-current liabilities</b>		<b>76,028</b>	<b>171,698</b>
<b>Current liabilities</b>			
Financial liabilities			
Lease liabilities	10	92,253	89,239
Trade payables	11	3,226,549	14,956,591
Other financial liabilities	12	907,883	1,807,098
Contract liabilities		-	21,250
Other current liabilities	13	462,814	129,360
Provisions	14	140,380	165,835
Current tax liabilities (net)		578,731	484,941
<b>Total current liabilities</b>		<b>5,408,610</b>	<b>17,654,314</b>
<b>TOTAL LIABILITIES</b>		<b>5,484,638</b>	<b>17,826,012</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,008,127</b>	<b>24,999,807</b>

The accompanying notes form an integral part of these special purpose financial statements

As per our report of even date attached  
**For Deloitte Haskins and Sells LLP**  
Chartered Accountants  
Firm's Registration No: 117366W/W-100018

Sd/-  
**Amit Ved**  
Partner  
Membership No. 120600

Bengaluru  
June 14, 2024

For and on behalf of the Board of Directors

Sd/-  
**Rajasekhar Ramadas**  
Director

Sd/-  
**Arpita Rawat**  
Director





**Rizing Consulting USA, Inc.**  
**STATEMENT OF CASH FLOWS**  
(Amounts in USD, unless otherwise stated)

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
<b>Cash flows from operating activities</b>		
Profit for the year / period	7,349,694	987,817
<b>Adjustments to reconcile profit for the year / period to net cash generated from operating activities</b>		
Gain on sale of property, plant and equipment, net		
Depreciation and amortisation	99,184	101,254
Income tax expense	2,845,314	419,610
Unrealized exchange loss, net	3,455	1,546
Finance and other income, net of finance costs	(482,647)	(46,265)
<b>Changes in operating assets and liabilities</b>		
Trade receivables	4,570,536	(9,773,571)
Unbilled receivables and contract assets	302,554	(1,808,394)
Inventories		
Other assets	(196,891)	(1,500,295)
Trade payables, other liabilities and provisions	(12,353,922)	20,250,697
<b>Cash generated from operating activities before taxes</b>	<b>2,137,277</b>	<b>8,632,399</b>
Income taxes paid, net	(2,324,047)	(47,044)
<b>Net cash generated from / (used in) operating activities</b>	<b>(186,770)</b>	<b>8,585,355</b>
<b>Cash flows from investing activities</b>		
Payment for purchase of property, plant and equipment	-	(14,617)
Interest received	493,202	44,844
<b>Net cash (used in) investing activities</b>	<b>493,202</b>	<b>30,227</b>
<b>Cash flows from financing activities</b>		
Payment of lease liabilities including interest	(103,211)	(81,701)
<b>Net cash generated from / (used in) financing activities</b>	<b>(103,211)</b>	<b>(81,701)</b>
<b>Net increase in cash and cash equivalents during the year / period</b>	<b>203,221</b>	<b>8,533,881</b>
Cash and cash equivalents as at beginning of year / period	11,157,770	2,623,889
<b>Cash and cash equivalents at the end of the year (Note 8)</b>	<b>11,360,991</b>	<b>11,157,770</b>

The accompanying notes form an integral part of these special purpose financial statements

As per our report of even date attached  
**For Deloitte Haskins and Sells LLP**  
Chartered Accountants  
Firm's Registration No: 117366W/W-100018

Sd/-  
**Amit Ved**  
Partner  
Membership No. 120600

Bengaluru  
June 14, 2024

For and on behalf of the Board of Directors

Sd/-  
**Rajasekhar Ramadas**  
Director

Sd/-  
**Arpita Rawat**  
Director



**RIZING CONSULTING USA, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**  
**(Amounts in USD, except share and per share data, unless otherwise stated)**

**1. The Company overview**

Rizing Consulting USA, Inc. “Company” is a SAP solutions and services partner in North America and Internationally. The company provides consulting and software support services, and the service offerings include Enterprise Asset Management, Human Capital Management, SAP retail solution suite and Geospatial.

The company is domiciled in USA and is part of Rizing group of subsidiaries which was acquired by Wipro IT Services LLC on 20th May 2022.

Rizing Consulting USA, Inc. was formerly known as Attune Consulting USA, Inc.

**2. Basis of preparation of financial statements**

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

This special purpose financial statement has been 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. Since, the Company was acquired on May 20, 2022 the comparative financial statement is provided only for the period May 20, 2022 to March 31, 2023 for which the Company was subsidiary of Wipro Limited.

The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter. Accounting policies have been applied consistently to all periods presented in these financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2023.

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 financial statements, where applicable.

Previous period figures have been regrouped / reclassified wherever necessary.

**(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 judgment**

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 financial statements that are subject to measurement uncertainty. An accounting policy may require items in 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 judgments or assumptions based on the latest available and reliable information. Actual results may differ from those accounting estimates. Actual results may differ from those estimates.

Accounting estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognised in the period in which the estimates are changed and in any future periods affected. In particular, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the material 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, revenue recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a

reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer. Revenue is recognized on net basis in scenario where the company is not the primary obligor.

- b) **Income taxes:** The company is domiciled in USA and is subject to tax in USA. 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 reduce 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. Significant accounting policies

#### (i) Functional and presentation currency

These financial statements are presented in USD, 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 recognized 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. 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 and eligible current and non-current assets; and
- financial liabilities, which include trade payables, lease liabilities, and eligible current and non-current liabilities.
- Non – derivative financial instruments other than trade receivables and unbilled receivables are recognized initially at fair value. However, trade receivables and unbilled receivables that do not contain a significant financing component are measured at the Transaction Price.

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.

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.

**B. Other financial assets:**

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables and 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 and unbilled receivables that do not contain a significant financing component are measured at the Transaction Price.

**C. Trade and other payables**

Trade payables and other liabilities are initially recognised at transaction price, 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.

**b) Derecognition of financial instruments**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards of a transferred financial asset, the Company continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company’s balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Equity**

a) **Share capital**

The issued share capital of the Company as of March 31, 2024 USD 10 divided into 1000 equity share with no face value.

b) **Retained earnings**

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

**(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 capitalized as part of the cost.

b) **Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. Leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term. Term licenses are amortized 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:

<b>Category</b>	<b>Useful life</b>
Buildings	28 to 40 years
Computer equipment and software	2 to 7 years
Furniture, fixtures and equipment	3 to 10 years

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

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

## (vi) Leases

### **The Company as a lessee**

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

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

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

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

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

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

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

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

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

Payment of lease liabilities are classified as cash used in financing activities in the statement of cash flows.

### **The Company as a lessor**

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

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

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is, or contains a lease if, fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

## **(vii) Impairment**

### **A) Financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, unbilled receivables, contract assets, and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, unbilled receivables and contract assets are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account, risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss.

### **B) Non - financial assets**

The Company assesses long-lived assets such as RoU 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 on RoU assets 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.

## **(viii) Employee benefits**

### **a) Provident fund**

Eligible employees receive benefits under the 401(k) provident fund scheme in which both the employer and employees make periodic contributions.

### **b) Termination benefits**

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

### **c) Short-term benefits**

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

### **d) Compensated absences**

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

## **(ix) Provisions**

Provisions are recognized 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 recognized 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 recognized 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 recognized 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.

## **(x) Revenue**

The Company derives revenue primarily from consulting and software support services with service offerings, Enterprise Asset Management, Human Capital Management, SAP retail Solution Suite and Geospatial.

### **a) Services**

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive (the "Transaction Price"). Revenue towards satisfaction of the performance obligation is measured at the amount of the Transaction Price (net of variable consideration on account of discounts and allowances) allocated to that performance obligation. To recognise revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the Transaction Price,

(4) allocate the Transaction Price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the Transaction Price to separately identifiable performance obligations based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price, the Company uses third-party prices for similar deliverables or the Company uses expected cost-plus margin approach in estimating the stand-alone selling price.

For performance obligations where control is transferred over time, revenues are recognised by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided.

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

#### **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 development contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, are recognised using the "percentage-of-completion" method. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. This method is followed when reasonably dependable

estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. If the Company is not able to reasonably measure the progress of completion, revenue is recognised only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

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

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

#### C. Maintenance contracts

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

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

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

#### b) Products

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

#### c) Others

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the stand-alone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the stand-alone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the stand-alone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers and penalties as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Revenues are shown net of allowances/returns, sales tax, value added tax, goods and services tax and applicable discounts.

The Company may enter into arrangements with third party suppliers to resell products or services. In such cases, the Company evaluates whether the Company is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether the Company controls the good or service before it is transferred to the customer. The Company considers whether it has the primary obligation to fulfill the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or services and therefore, is acting as a principal or an agent. If the Company controls the good or service before it is transferred to the customer, the Company is the principal; if not, the Company is the agent.

Estimates of the Transaction Price and total costs or efforts are continuously monitored over the term of the contract and are recognised in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

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

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

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

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

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

Unbilled receivables are classified as a financial asset where the right to consideration is unconditional and only the passage of time is required before the payment is due.

#### **A. Contract Asset and Liabilities**

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset.

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. We present such receivables as part of Trade receivables at their net estimated realizable value.

Contract assets and liabilities are reported in a net position on a contract by contract basis at the end of each reporting period.

#### **B. Remaining Performance Obligations**

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized which includes unearned revenue and amounts that will be invoiced and recognized as revenue in future periods.

#### **(xi) Finance cost**

Finance cost comprise interest cost on lease liability, borrowings, or settlement of foreign currency borrowings. 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**

Finance and other income comprise interest income on bank balance and loans to subsidiaries. Interest income is recognised using the effective interest method.

#### **(xiii) Income tax**

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

##### **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 recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

##### **b) Deferred income tax**

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



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

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences 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 utilized.

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

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

#### **(xiv) Earnings per share**

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

#### **(xv) Statement of cash flows**

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.

#### **New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2023:**

- i. 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.
- ii. 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 special purpose financial statements. The adoption of these amendments to Ind AS 1 did not have any material impact on the standalone financial statements.
- iii. 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.

#### 4. Property, plant and equipment

	<b>Furniture and fixtures</b>	<b>Computers</b>	<b>Total</b>
<b>Gross carrying value:</b>			
<b>As at May 20, 2022</b>	83,737	402,098	485,835
Additions	-	14,617	14,617
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>83,737</b>	<b>416,715</b>	<b>500,452</b>
<b>As at April 1, 2023</b>	83,737	416,715	500,452
Additions	-	11,487	11,487
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>83,737</b>	<b>428,202</b>	<b>511,939</b>
<b>Accumulated depreciation/ impairment:</b>			
<b>As at May 20, 2022</b>	83,737	357,235	440,972
Depreciation and impairment	-	17,582	17,582
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>83,737</b>	<b>374,817</b>	<b>458,554</b>
<b>As at April 1, 2023</b>	83,737	374,817	458,554
Depreciation and impairment	-	19,587	19,587
Disposals	-	-	-
<b>As at March 31, 2024</b>	<b>83,737</b>	<b>394,404</b>	<b>478,141</b>
<b>Net carrying value as at March 31, 2023</b>	-	<b>41,898</b>	<b>41,898</b>
<b>Net carrying value as at March 31, 2024</b>	-	<b>33,798</b>	<b>33,798</b>

## 5. Right-of-Use assets

	<u>As at</u> <u>March 31, 2024</u> <u>Buildings</u>
<b>Gross carrying value:</b>	
<b>As at May 20, 2022</b>	332,124
Additions	-
Disposals	-
<b>As at March 31, 2023</b>	<u>332,124</u>
<b>As at April 1, 2023</b>	332,124
Additions	-
Disposals	-
<b>As at March 31, 2024</b>	<u>332,124</u>
<b>Accumulated depreciation</b>	
<b>As at May 20, 2022</b>	-
Additions	83,672
Disposals	-
<b>As at March 31, 2023</b>	<u>83,672</u>
<b>As at April 1, 2023</b>	83,672
Depreciation	91,085
Disposals	-
<b>As at March 31, 2024</b>	<u>174,757</u>
<b>Net carrying value as at March 31, 2023</b>	<u>248,452</u>
<b>Net carrying value as at March 31, 2024</b>	<u>157,367</u>

\* Refer to Note no. 10 for remaining contractual maturities of lease liabilities.

## 6. Other financial assets

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Non-current</b>		
Security deposits	107,011	107,011
	<b>107,011</b>	<b>107,011</b>
<b>Current</b>		
Other receivables*	1,338,865	1,338,865
	<b>1,338,865</b>	<b>1,338,865</b>
<b>Total</b>	<b>1,445,876</b>	<b>1,445,876</b>

\* Refer related party Note no. 22

### 6.1 Other current assets

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Advance to suppliers	237,050	54,433
Prepaid expenses	3,600	-
Others	18,635	-
<b>Total</b>	<b>259,285</b>	<b>54,433</b>

## 7. Trade receivables

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Unsecured</b>		
Considered good	3,276,655	6,359,263
Considered doubtful	-	63,004
Related parties*		
With group companies (considered good)	12,072	1,500,000
	<b>3,288,727</b>	<b>7,922,267</b>
Less: Allowance for lifetime expected credit loss	-	(63,004)
	<b>3,288,727</b>	<b>7,859,263</b>

\* Refer related party Note no. 22

The activity in the allowance for lifetime expected credit loss is given below:

	<u>For the year ended</u>	<u>For the period from</u>
	<u>March 31, 2024</u>	<u>May 20, 2022 to March 31, 2023</u>
Balance at the beginning of the year / period	63,004	-
Additions during the year / period, net	-	63,004
Write back during the year / period, net	(63,004)	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>63,004</b>

## 8. Cash and cash equivalents

Cash and cash equivalents consists of the following:

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Balances with banks		
Current accounts	11,360,991	11,157,770
	<b>11,360,991</b>	<b>11,157,770</b>

## 9. Equity share capital

### i. Issued, subscribed and fully paid-up capital

1,000 equity shares

	As at March 31, 2024	As at March 31, 2023
	10	10
	<b>10</b>	<b>10</b>

### ii. Terms/rights attached to equity shares

The Company has only one class of equity shares. Each shareholder is entitled to one vote per share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### iii. Details of shareholders holding more than 5% of the total equity shares of the Company

Name of the Shareholder	March 31, 2024		March 31, 2023	
	No. of Shares	% held	No. of Shares	% held
Attune Netherlands, BV	1,000	100.00	1,000	100.00

## 10. Lease liabilities

### Non-current

Lease liabilities

### Current

Lease liabilities

### Total Lease liabilities

	As at March 31, 2024	As at March 31, 2023
	76,028	171,698
	<b>76,028</b>	<b>171,698</b>
	92,253	89,239
	<b>92,253</b>	<b>89,239</b>
	<b>168,281</b>	<b>260,937</b>

i) Entire finance lease obligation as at March 31, 2024 and March 31, 2023 is denominated in USD currency and not in any other currency.

### ii) Amounts recognised in statement of profit and loss:

	For the year ended March 31, 2024	For the period from May 20, 2022 to March 31, 2023
Depreciation of right-of-use assets	91,085	83,672
Interest on lease liabilities	10,555	12,614
<b>Total</b>	<b>101,640</b>	<b>96,286</b>

### iii) Details of undiscounted contractual payments under non-cancellable leases are given below:

#### Particulars

Not later than 1 year

Later than 1 year and not later than 5 years

	As at March 31, 2024	As at March 31, 2023
	101,651	100,107
	77,279	178,930
	<b>178,930</b>	<b>279,037</b>

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

	<u>Non-Cash Changes</u>			
	<u>May 20, 2022</u>	<u>Cash flow</u>	<u>Additions to lease liabilities</u>	<u>March 31, 2023</u>
Lease Liabilities	330,024	(69,087)	-	260,937
<b>Total</b>	<b>330,024</b>	<b>(69,087)</b>	<b>-</b>	<b>260,937</b>

	<u>Non-Cash Changes</u>			
	<u>April 01, 2023</u>	<u>Cash flow</u>	<u>Additions to lease liabilities</u>	<u>March 31, 2024</u>
Lease Liabilities	260,937	(92,656)	-	168,281
<b>Total</b>	<b>260,937</b>	<b>(92,656)</b>	<b>-</b>	<b>168,281</b>

#### 11. Trade Payables

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Unsecured</b>		
Trade payables	236,541	669,412
Related parties*		
With holding companies	1,062,233	8,190,047
With group companies	1,927,775	6,097,132
	<b>3,226,549</b>	<b>14,956,591</b>

\* Refer related party Note no. 22

#### 12. Other financial liabilities

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Current</b>		
Salary Payable	907,883	1,807,098
	<b>907,883</b>	<b>1,807,098</b>

#### 13. Other liabilities

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Current</b>		
Statutory and other liabilities	462,814	129,360
	<b>462,814</b>	<b>129,360</b>

#### 14. Provisions

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Current</b>		
Provision for employee benefits	140,380	165,835
<b>Total</b>	<b>140,380</b>	<b>165,835</b>

## 15. Income tax

Income tax expense has been allocated as follows:

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Income tax expense		
Current taxes	2,837,354	531,985
Deferred taxes	7,960	(112,375)
	<b>2,845,314</b>	<b>419,610</b>

Income tax expense consists of the following:

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
<b>Current taxes</b>		
Domestic	2,837,354	531,985
	<b>2,837,354</b>	<b>531,985</b>
<b>Deferred taxes</b>		
Domestic	7,960	(112,375)
	<b>7,960</b>	<b>(112,375)</b>
	<b>2,845,314</b>	<b>419,610</b>

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

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Profit before taxes	10,195,008	1,407,427
Enacted income tax rate in USA	28%	28%
Computed expected tax expense	2,854,602	394,080
Effect of:		
Taxes related to prior years	(36,216)	-
Expenses disallowed for tax purpose	26,928	-
Changes in unrecognized deferred tax assets	-	25,530
	<b>2,845,314</b>	<b>419,610</b>

The components of deferred tax assets and liabilities are as follows

	<b>As at</b>	<b>As at</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
<b>Deferred tax assets</b>		
Property, plant and equipment	-	830
Trade payables, accrued expenses and other liabilities	111,845	111,545
	<b>111,845</b>	<b>112,375</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment	(7,430)	-
	<b>(7,430)</b>	<b>-</b>
Net deferred tax asset	<b>104,415</b>	<b>112,375</b>

## 16. Revenue from operations

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Sale of Services	36,028,381	30,476,386
	<b>36,028,381</b>	<b>30,476,386</b>

Out of the total revenue, sales to related party is of USD 4,330,214 for the year ended March 31, 2024 and USD 69,549 for the period ended March 2023.

#### A. Contract Assets and Liabilities

**Contract liabilities:** During the year ended March 31, 2024 the Company recognised revenue of USD 21,250 arising from contract liabilities. At the time of acquisition there was no contract liability.

**Contract assets:** During the year / period ended March 31, 2024 and March 31, 2023 no contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones since there was no contract asset as on March 31, 2023 and at the time of acquisition.

However, during the year March 31, 2024 contract asset was recognized of amount USD 149,017.

#### B. Remaining Performance Obligations

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

- its right to consideration from customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, which are contracts invoiced on time and material basis and volume based.
- performance obligations in a contract that originally had a contract term of one year or less

There was no remaining performance obligation during the year ended March 31, 2024 and March 31, 2023.

#### C. Disaggregation of Revenues

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

##### Revenue by business segment

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Sale of services	36,028,381	30,476,386
	<b>36,028,381</b>	<b>30,476,386</b>

##### Revenue by nature of contract

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Fixed Price	2,613,809	2,683,150
Time and Material	33,414,572	27,793,236
	<b>36,028,381</b>	<b>30,476,386</b>

#### 17. Other income

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Interest income	493,202	44,844
Write back of lifetime expected credit loss	-	-
Other Income	-	14,035
<b>Finance and other income</b>	<b>493,202</b>	<b>58,879</b>



## 18. Employee benefits

### Employee costs includes

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Salaries and bonus	12,401,357	13,123,591
Other employee benefits	717,007	226,247
Staff Welfare	2,214	44,719
	<b>13,120,578</b>	<b>13,394,557</b>

## 19. Finance costs

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Interest expense	10,555	12,614
	<b>10,555</b>	<b>12,614</b>

## 20. Other Expenses

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Rates, taxes and insurance	61,938	164,083
Lifetime expected credit loss / (write back)	(63,004)	63,004
Other foreign exchange differences, net	3,454	1,547
Miscellaneous expenses	20,729	37,293
	<b>23,117</b>	<b>265,927</b>

## 21. Earnings per equity share

	<b>For the year ended</b>	<b>For the period from</b>
	<b>March 31, 2024</b>	<b>May 20, 2022 to March 31, 2023</b>
Profit attributable to equity holders of the Company	7,349,694	987,817
Weighted average number of equity shares outstanding	1,000	1,000
<b>Basic and Diluted earnings per share</b>	<b>7,349.69</b>	<b>987.82</b>

## 22. Related party relationship and transactions

i) The following are the entities with which the Company has related party transactions:

Name of the Party	Relationship with the Company
Wipro Limited	Ultimate Holding Company
Wipro LLC	Intermediate Holding Company
Wipro IT Services LLC	Intermediate Holding Company
Rizing Intermediate Holdings, Inc.	Holding Company
Rizing Lanka Private Limited	Holding Company
Attune Netherlands, BV	Immediate Holding Company
Rizing SDN BHD	Fellow Subsidiary
Rizing Solutions Canada Inc	Fellow Subsidiary
Rizing Germany GmbH	Fellow Subsidiary
Rizing LLC	Fellow Subsidiary
Attune Consulting India Private Limited	Fellow Subsidiary
Attune Aus Pty Ltd	Fellow Subsidiary
Attune Management LLC	Fellow Subsidiary
Attune UK Ltd	Fellow Subsidiary
Rizing Consulting Pty Ltd	Fellow Subsidiary

ii) The Company has the following related party transactions for the

Transactions / balances	March 31, 2024	May 20, 2022 to March 31, 2023
<b>Transactions during the year / period</b>		
Sale of services	4,330,214	69,549
Purchase of services	9,465,206	15,693,409
Corporate overhead expense	945,685	-
Interest income	41,167	-
<b>Balance as at the year end</b>		
Receivables	12,072	1,500,000
Other Receivables	1,338,865	1,338,865
Payables	2,990,008	14,287,179

iii) The following are the significant related party transactions during the :

	For the year ended	For the period from
	March 31, 2024	May 20, 2022 to March 31, 2023
<b>Sale of services</b>		
Wipro Limited	1,755,634	-
Rizing LLC	1,675,550	69,549
Rizing Germany Gmbh	899,030	-
<b>Purchase of services</b>		
Rizing Lanka Private Limited	2,645,771	13,929,203
Rizing LLC	2,502,565	1,193,185
Rizing Solutions Canada Inc	1,320,496	345,599
Attune Consulting India Private Limited	1,246,962	-
Attune Management LLC	667,115	-
Rizing Germany Gmbh	522,453	-
Attune UK Ltd	206,524	-
Wipro Limited	201,905	-
Rizing SDN BHD	136,696	225,422
Attune Aus Pty Ltd	10,589	-
Rizing Consulting Pty Ltd	4,130	-
<b>Interest income</b>		
Rizing LLC	41,167	-
<b>Corporate overhead expense</b>		
Rizing LLC	945,685	-
<b>Other Receivables</b>		
Rizing Intermediate Holdings, Inc.	1,338,865	1,338,865
<b>Payables</b>		
Rizing Lanka Private Limited	1,062,233	8,190,047
Attune Consulting India Private Limited	567,010	-
Rizing Solutions Canada Inc	471,630	435,839
Rizing LLC	441,094	5,661,293
Wipro Limited	164,419	-
Attune UK Ltd	143,000	-
Rizing Germany Gmbh	136,495	-
Rizing Consulting Pty Ltd	4,127	-
<b>Receivables</b>		
Rizing Germany Gmbh	12,072	-
Rizing Consulting Pty Ltd	-	1,500,000

## 23. Financial instruments

	<u>As at</u>	<u>As at</u>
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<b>Financial assets</b>		
Cash and cash equivalents	11,360,991	11,157,770
Other financial assets		
Trade receivables	3,288,727	7,859,263
Unbilled receivables	3,208,651	3,660,222
Other assets	1,445,876	1,445,876
	<u>19,304,245</u>	<u>24,123,131</u>
<b>Financial liabilities</b>		
Trade payables and other payables		
Trade payables	3,226,549	14,956,591
Other financial liabilities	907,883	1,807,098
Lease Liability	168,281	260,937
	<u>4,302,713</u>	<u>17,024,626</u>

### Notes to financial instruments:

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

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

The Company has measured investments in equity shares of subsidiaries and joint ventures at the deemed cost. The Company has considered the carrying amount under previous GAAP as the deemed cost.

- b. Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

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

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

Level 3: Unobservable inputs for the asset or liability.

### Measurement of fair value of financial instruments

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

## 25. Commitments and contingencies

There are no Contingent Liabilities, Capital and Other Commitments as at 31 March 2024 and 31 March 2023.

## 26. 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.

## **27. Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's risk management is carried out by a central treasury department (of the group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

### **A. Credit risk**

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

#### **Credit risk management**

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

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

Expected credit loss for trade receivables under simplified approach

During the periods presented, the Company made no write-offs of trade receivables and it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

### **B. Liquidity risk**

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

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

## Maturities of financial liabilities

The 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
Lease liabilities	101,651	77,279	-	-	178,930	(10,649)	168,281
Trade payables	3,226,549	-	-	-	3,226,549	-	3,226,549
Other financial liabilities	907,883	-	-	-	907,883	-	907,883

March 31, 2023							
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
Lease liabilities	99,800	101,651	77,279	-	278,730	(17,793)	260,937
Trade payables	14,956,591	-	-	-	14,956,591	-	14,956,591
Other financial liabilities	1,807,098	-	-	-	1,807,098	-	1,807,098

### C. Market Risk

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

### D. Interest rate risk

The Company has no borrowings as at 31st March, 2024. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### E. Foreign currency risk

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

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

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

Particulars	As at March 31, 2024					
	Canadian Dollar	Indian Rupees	Pound Sterling	Australian Dollar	Euro	Total
Trade payables and other financial liabilities	(471,630)	(109,529)	(143,000)	(4,127)	(136,495)	(864,781)
<b>Net assets / (liabilities)</b>	<b>(471,630)</b>	<b>(109,529)</b>	<b>(143,000)</b>	<b>(4,127)</b>	<b>(136,495)</b>	<b>(864,781)</b>

As at March 31, 2024, every 1% increase/decrease in the respective foreign currencies compared to functional currency of the Company would decrease/increase our profits by approximately USD 8,648.

#### 28. Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2024 and the date of authorization of these financial statements.

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As per our report of even date attached

**For Deloitte Haskins and Sells LLP**

Chartered Accountants

Firm's Registration No: 117366W/W-100018

For and on behalf of the Board of Directors

Sd/-

**Amit Ved**

Partner

Membership No. 120600

Bengaluru

June 14, 2024

Sd/-

**Rajasekhar Ramadas**

Director

Sd/-

**Arpita Rawat**

Director