Special purpose Financial Statements and Auditor's Report

International Technegroup Limited

As at 31 March 2023

B S R & Co. LLP
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of International Technegroup Limited

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of International Technegroup Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements is prepared for inclusion in the annual report of the Ultimate Holding Company ("Wipro Limited") under the requirement of Section 129(3) of the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's and Board of Directors' Responsibility for the Special Purpose Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements (continued)

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

We 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 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.

Restriction on Distribution and Use

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

for **B S R & Co LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sd/-
Amrit Bhansali
Partner
Membership No. 065155
UDIN: 23065155BGYPSI4717

Place: Bengaluru
Date: 16 June 2023

International Technegroup Limited
BALANCE SHEET
(Amount in GBP, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	38,398	43,806
Right-of-use assets	4A	174,626	199,334
Deferred tax assets (net)		9,443	8,770
Total non-current assets		**222,467**	**251,910**
Current assets			
Financial assets			
Trade receivables	5	508,807	709,267
Cash and cash equivalents	6	589,274	729,484
Other financial assets	7	64,431	78,155
Contract asset		13,702	-
Current tax asset (net)	8	140,778	106,405
Other current assets	9	89,442	196,153
Total current assets		**1,406,434**	**1,819,464**
TOTAL ASSETS		**1,628,901**	**2,071,374**
EQUITY			
Equity share capital	10	2,772	2,772
Other equity		12,145	213,694
TOTAL EQUITY		**14,917**	**216,466**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
Lease liabilities	11	140,068	177,235
Total non-current liabilities		**140,068**	**177,235**
Current liabilities			
Financial liabilities			
Lease liabilities	11	34,500	29,557
Trade payables	12		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		698,566	630,909
Other financial liabilities	13	46,025	215,402
Contract liabilities		335,261	472,367
Other current liabilities	14	327,533	295,474
Provisions	15	32,031	33,963
Total current liabilities		**1,473,916**	**1,677,673**
TOTAL LIABILITIES		**1,613,984**	**1,854,907**
TOTAL EQUITY AND LIABILITIES		**1,628,901**	**2,071,374**
Significant accounting policies	2		

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

As per our report attached
B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
International Technegroup Limited

Sd/-
Amrit Bhansali
Partner
Membership No: 065155

Place: Bengaluru
Date: 16 Jun 2023

Sd/-
Srikant Godavarti
Director

Place: Plano,Tx
Date: 16 Jun 2023

Sd/-
Rishabh Khemka
Director

Place: Central Blvd,NY
Date: 16 Jun 2023

International Technegroup Limited
Statement of Profit and Loss
(Amount in GBP, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	16	2,146,169	2,545,949
Other income	17	289,976	350,791
Total Income		**2,436,145**	**2,896,740**
EXPENSES			
Employee benefits expenses	18	1,470,390	1,532,576
Sub-contracting and technical fees		672,691	1,258,544
Finance cost	19	4,943	6,742
Depreciation and amortisation expense	4,4A	54,975	54,761
Other expenses	20	459,094	313,498
Total expenses		**2,662,094**	**3,166,122**
Loss before tax		**(225,949)**	**(269,381)**
Tax expense	21		
Current tax		(33,843)	(58,743)
Deferred tax		9,443	8,770
Total tax expense		**(24,400)**	**(49,973)**
Profit for the year		**(201,549)**	**(219,408)**
Total comprehensive income for the year		**(201,549)**	**(219,408)**
Earnings/ (Loss) per equity share			
(Equity shares of par value GBP 1 each)			
Basic	20	(0.36)	(0.40)
Diluted		(0.36)	(0.40)
Significant accounting policies	2		

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Srikant Godavarti
Director

Place: Plano,Tx
Date: 16 Jun 2023

Sd/-
Rishabh Khemka
Director

Place: Central Blvd,NY
Date: 16 Jun 2023

International Technegroup Limited
Statement of Changes in Equity
(Amount in GBP, unless otherwise stated)

A. EQUITY SHARE CAPITAL

	31 March 2023		31 March 2022	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Opening balance	554,436	2,772	554,436	2,772
Equity shares issued	-	-	-	-
Closing balance	**554,436**	**2,772**	**554,436**	**2,772**

B. OTHER EQUITY

	Retained Earnings	Total
Balance as at April 01,2022	433,102	433,102
Total comprehensive income for the period	(219,408)	(219,408)
Balance as at March 31,2023	**213,694**	**213,694**
Balance as at April 01,2022	213,694	213,694
Total comprehensive income for the period	(201,549)	(201,549)
Balance as at March 31,2023	**12,145**	**12,145**

Significant accounting policies 2

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

As per our report attached
B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
International Technegroup Limited

Sd/-
Amrit Bhansali
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Place: Bengaluru
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Sd/-
Srikant Godavarti
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Place: Plano,Tx
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Sd/-
Rishabh Khemka
Director

Place: Central Blvd,NY
Date: 16 Jun 2023

International Technegroup Limited
Statement of Cashflow
(Amount in GBP, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities:		
Profit for the year	(201,549)	(219,408)
Adjustments to reconcile profit for the year to net cash generated from operating activities:		
Depreciation and amortisation expense	54,975	54,761
Income tax expense	(24,400)	(49,973)
Unrealised exchange (gain)/loss, net and exchange loss	39,773	59,377
Interest expenses	4,943	6,742
Loss of sale of property plant and equipment	415	-
Other non cash items	(8,767)	(61,531)
Changes in working capital;		
Trade receivables and other financial assets	212,980	(51,841)
Unbilled receivables and contract assets	(13,702)	-
Other assets	106,038	(62,487)
Trade payables, accrued expenses, other liabilities and provisions	(71,593)	468,776
Contract liabilities	(137,106)	105,627
Cash generated from operating activities before taxes	**(37,993)**	**250,043**
Income taxes (paid), net of refund received	-	64,287
Net cash generated from operating activities	**(37,993)**	**314,330**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(25,277)	(12,341)
Interest received	-	-
Net cash generated from/(used in) investing activities	**(25,277)**	**(12,341)**
Cash flows from financing activities:		
Interest paid	(4,943)	(6,742)
Repayment of lease liabilities	(32,223)	(27,758)
Net cash from in financing activities	**(37,166)**	**(34,500)**
Net increase in cash and cash equivalents during the year	(100,436)	267,489
Adjustment on account of merger		-
Effect of exchange rate changes on cash and cash equivalents	(39,773)	(59,377)
Cash and cash equivalents at the beginning of the year	729,484	521,373
Cash and cash equivalents at the end of the year	**589,274**	**729,484**

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

As per our report attached
B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
International Technegroup Limited

Sd/-
Amrit Bhansali
Partner
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Place: Bengaluru
Date: 16 Jun 2023

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Director

Place: Plano,Tx
Date: 16 Jun 2023

Sd/-
Rishabh Khemka
Director

Place: Central Blvd,NY
Date: 16 Jun 2023

1. The Company overview

International TechneGroup Limited (ITI UK) registered in United Kingdom, provides interoperability, validation and migration of product data and related systems, helps clients streamline processes and reduce the amount of downstream changes caused by inaccurate, outdated or incomplete data. ITI UK solutions for CAD/CAM/ CAE /PLM interoperability, data validation and reliability, operate within a framework for secure, traceable exchange and distribution. These solutions apply across a client's product lifecycle,enabling more efficient product design, supply chain and manufacturing processes. ITI's subject matter experts deliver solutions to solve complex issues allowing clients to spend more time engineering and less time searching for, validating and reworking data.

Parent of ITI UK, International Technegroup Incorporated was acquired by Wipro IT services LLC on 1st Oct'2019.

2. Significant accounting policies

(i) Statement of compliance and basis of preparation of special purpose financial statements

These 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. These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been applied consistently to all periods presented in these financial statements.

(ii) Going concern

The Company has accumulated profit of GBP 12,145 as at March 31, 2023, loss for the current year is GBP (201,549) The special purpose financial statement has been prepared on the assumption that the Company will continue as a going concern, based on the continuing financial support from the parent company. The holding company has adequate liquid assets to support the operation of the Company for next one year. Accordingly, the Company will be able to realise its assets and discharge its liabilities as recorded in these special purpose financial statements in the normal course of business.

(iii) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 recognized 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 recognized, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.Revenue is recognized on net basis in scenario where the company is not the primary obligor.

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

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

d) Expected credit losses on financial assets: On application of Ind AS109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

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.

f) Leases: Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

(iii) Functional and presentation currency
These financial statements are presented in Great Britain Pound (GBP), which is the functional currency of the Company.

(iv) 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. Gains/ (losses), net, relating to translation or settlement of borrowings denominated in foreign currency are reported within finance expense. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on non-monetary financial assets measured at fair value at the reporting date, such as equities classified as fair value through other comprehensive income are included in other comprehensive income, net of taxes.

(v) Financial instruments

a) Non-derivative financial instruments:

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets; Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

- **financial liabilities**, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

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

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. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled revenues, cash and cash equivalents and other assets.

C. Trade and other payables
Trade and other payables are initially recognized 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.

(v) Equity

a) Share capital and share premium

The authorized share capital of the Company as of March 31, 2023 GBP 4,500 divided into 900,000 equity shares of GBP 0.005 each. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as share premium.

b) Retained earnings

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

c) Dividend

A final dividend, including tax thereon, on equity shares is recorded as a liability on the date of approval by the shareholders.

An interim dividend, including tax thereon, is recorded as a liability on the date of declaration by the board of directors.

d) Other reserves

Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes) and presented within equity in other reserves.

(vi) 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. Assets acquired under finance lease and 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 is reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Leasehold Improvements	Useful life or lease term whichever is lower
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. Deposits & advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.

(vii) Leases

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

a) Arrangements where the Company is the lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–
(a) the use of an identified asset,
(b) the right to obtain substantially all the economic benefits from use of the identified asset, and
(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and lowvalue assets.

The cost of the right-of-use 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 right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-ofuse assets.

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.

For lease liabilities at inception, 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.

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

The Company has elected not to apply requirements of para 22-49 of Ind AS 116 to short term leases and low value leases. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(xi) Impairment

A) Financial assets

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

B) Non - financial assets

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

(x) Employee benefits

a) Termination benefits

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

b) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is 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.

c) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize 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. The Company recognizes accumulated compensated absences based on actuarial valuation using the projected unit credit method. Non-accumulating compensated absences are recognized in the period in which the absences occur.

(xi) 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.

(xii) Revenue

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

a) Services

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

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

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

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

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Unbilled revenues on other than fixed price development contracts are classified as a financial asset where the right to consideration is unconditional upon passage of time.

C. Maintenance contracts

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term. Revenue recognition is done on straight line basis over the term of performance obligation using the output method (with respect to time).

D. Products

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

E. 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 standalone 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 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. Revenues are shown net of value added tax and applicable discounts and allowances. The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of material usage and service delivery costs __ Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term. The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized 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.

(xiii) Finance cost

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

(xiv) Other income

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

(xv) 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 released simultaneously.

(xvi) 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 weightedaverage 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.

(xvii) Cash flow statement

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

New standards notified and yet to be adopted by the Company:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require 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 Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

4 Property, plant and equipment

Gross block (at cost)

	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Total
As at April 1, 2021	28,778	166,007	8,827	35,549	239,162
Additions during the year	-	12,341	-	-	12,341
Disposals/ adjustments	-	-	-	-	-
As at March 31, 2022	**28,778**	**178,348**	**8,827**	**35,549**	**251,503**
As at April 1, 2022	28,778	178,348	8,827	35,549	251,502
Additions during the year	-	19,318	-	-	19,318
Disposals/ adjustments	-	(28,618)	(1,215)	(191)	(30,024)
As at March 31, 2023	**28,778**	**169,048**	**7,612**	**35,358**	**240,796**
Accumulated depreciation:					
As at April 1, 2021	9,722	154,735	7,434	11,833	183,725
Depreciation	7,193	9,404	1,090	6,285	23,972
Disposals/ adjustments	-	-	-	-	-
As at March 31, 2022	**16,915**	**164,139**	**8,524**	**18,118**	**207,697**
As at April 1, 2022	16,915	164,139	8,524	18,118	207,697
Depreciation	7,193	10,814	221	6,080	24,308
Disposals/ adjustments	-	(28,203)	(1,213)	(190)	(29,606)
As at March 31, 2023	**24,108**	**146,750**	**7,532**	**24,008**	**202,399**
Net book value as at March 31, 2023	**4,670**	**22,298**	**80**	**11,350**	**38,398**
Net book value as at March 31, 2022	**11,863**	**14,209**	**303**	**17,431**	**43,806**

4A **Right-of-use assets**

	Plant and machinery	Total
Gross block		
Balance as at 01 April 2021	276,154	276,154
Additions	-	-
Balance as at 31 March 2022	276,154	276,154
Balance as at 01 April 2022	276,154	276,154
Additions	5,959	5,959
Balance as at 31 March 2023	**282,113**	**282,113**
Accumulated depreciation		
Balance as at 01 April 2021	46,031	46,031
Depreciation charge for the year	30,789	30,789
Balance as at 31 March 2022	76,820	76,820
Balance as at 01 April 2022	76,820	76,820
Depreciation charge for the year	30,667	30,667
Balance as at 31 March 2023	107,487	107,487
Balance as at 31 March 2022	199,334	199,334
Balance as at 31 March 2023	174,626	174,626

		As at 31 March 2023	As at 31 March 2022
5	**Trade receivables**		
	Secured		
	Considered good*	245,588	122,796
	Considered doubtful	-	-
	Unsecured		
	Considered good*	232,526	512,599
	Considered doubtful	47,938	11,411
	Less: Allowance for lifetime expected credit loss	(47,938)	(11,411)
	Net trade receivables - Billed	**478,114**	**635,395**
	Unbilled receivables	30,693	73,872
		508,807	**709,267**

**includes receivable from related parties (refer note 22)*

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

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

	As at 31 March 2023	As at 31 March 2022
Opening Balance	11,411	105
Provision created for the period	35,046	11,411
Add: Additions/write back during the year	1,480	(105)
Closing balance	**47,938**	**11,411**

		As at 31 March 2023	As at 31 March 2022
6	**Cash and cash equivalents**		
	Balances with banks		
	-On Current accounts	589,274	729,484
		589,274	**729,484**

		As at 31 March 2023	As at 31 March 2022
7	**Other financial assets**		
	Current		
	Grant receivable	64,431	78,155
		64,431	**78,155**

		As at 31 March 2023	As at 31 March 2022
8	**Current tax asset (net)**		
	R&D expenditure credit	116,378	106,405
	Income tax	24,400	
		140,778	**106,405**

		As at 31 March 2023	As at 31 March 2022
9	**Other assets**		
	Current		
	Prepaid expenses	82,006	182,457
	Salary and other advances	7,435	6,856
	Advance to suppliers	-	6,840
		89,441	**196,153**

International Technegroup Limited
Notes to the Special Purpose Financial Statements
(Amount in GBP, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
10 Equity share capital		
I. Authorised capital		
9,00,000 equity shares of GBP 0.005 each	4,500	4,500
	4,500	**4,500**
II. Issued, subscribed and fully paid-up capital		
554,436 equity shares of GBP 0.005 each	2,772	2,772
	2,772	**2,772**

(i.) Shares held by holding company (International Technegroup Inc., the holding company)

	As at 31 March 2023	As at 31 March 2022
No. of equity shares of GBP 0.005 each	554,436	554,436

(ii.) Details of shareholders holding more than 5% of the total equity shares of the Company

Name of the Shareholder	**As at 31 March 2023**		**As at 31 March 2022**	
	No. of Shares	**% held**	**No. of Shares**	**% held**
International Technegroup Inc.	554,436	100.00	554,436	100.00

Reconciliation of issued,subscribed and paid up capital	**As at 31 March 2023**		**As at 31 March 2022**	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Opening balance	554,436	2,772	554,436	2,772
Equity shares issued	-	-	-	-
Closing balance	554,436	2,772	554,436	2,772

	As at 31 March 2023	As at 31 March 2022
11 Lease liabilities		
Non current		
Leases	140,069	177,235
	140,069	**177,235**
Current		
Leases	34,500	29,557
	34,500	**29,557**
	174,569	**206,792**

	As at 31 March 2023	As at 31 March 2022
12 Trade payables		
Trade payables*		
(A) Total outstanding due from micro enterprises and small enterprises		
(B) Total outstanding due from creditors other than micro enterprises and small enterprises	483,686	514,774
Unbilled trade payables	214,881	116,135
	698,567	**630,909**

**includes payable to related parties (refer note 22)*

	As at 31 March 2023	As at 31 March 2022
13 Other financial liabilities		
Current		
Other payables*	3,080	123,838
Employee benefit liabilities	42,945	91,564
	46,025	**215,402**

**includes payable to related parties (refer note 22)*

	As at 31 March 2023	As at 31 March 2022
14 Other current liabilities		
Unearned revenue	157,914	133,390
Statutory dues payable	169,619	162,085
	327,533	**295,474**

	As at 31 March 2023	As at 31 March 2022
15 Provisions		
Current		
Provision for compensated absences	32,031	33,963
	32,031	**33,963**

16 Revenue from operations	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of Services*	2,146,169	2,545,949
	2,146,169	**2,545,949**

*** The amount includes related party transactions. Refer Note 22**

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. The Company presents such receivables as part of unbilled receivables at their net estimated realizable value.

Contract liabilities: During the year ended March 31, 2023 the Company recognized revenue of GBP 605,757 (Previous period - 5,00,131) arising from contract liabilities as at March 31, 2022.

Contract assets: During the year ended March 31, 2023, none of contract assets pertaining to fixed-price development contracts have been reclassified to receivables on completion of milestones.During the year ended 31 March 2022, EUR Nil of contract assets pertaining to fixed price development contracts have been reclassified to receivables on completion of milestones.

17 Other income	For the year ended 31 March 2023	For the year ended 31 March 2022
Grant income	288,444	350,791
Interest income	1,258	-
Other income	274	-
	289,976	**350,791**

18 Employee benefit expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,470,256	1,532,410
Staff welfare expenses	135	166
	1,470,390	**1,532,576**

19 Finance cost	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on finance lease	4,943	6,742
	4,943	**6,742**

20 Other expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Software licence fees	141,184	144,618
Legal and professional charges	120,432	52,543
Allowance for lifetime expected credit loss	35,046	11,306
Audit fees	27,500	6,786
Other Foreign exchange gains/(losses), net	22,995	16,844
Rates and taxes	17,645	10,187
Administrative expenses	13,441	13,877
Repairs and maintenance	12,056	2,338
Rental expense	11,166	-
Bank charges	10,726	12,570
Communication	9,349	11,877
Insurance expenses	8,155	154
Travel	7,408	-
Facility expenses	7,182	20,492
Subscription and membership fees	5,239	3,928
Miscellaneous expenses	9,570	5,978
	459,094	**313,498**

20 Earnings per Equity Share

A reconciliation of profit for the period and equity shares used in the computation of basic and diluted earnings per share is set down below

Basic earnings/(Loss) per share is calculated by dividing the profit attributable to equity shareholders of the copany by the weighted average number of equity shares outstanding during the period,excluding equity shares purchased by the company.
Diluted earnings/(Loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders(after adjusting for interest on the convertible preferance shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity sares that would be issued on conversion of the dilutive potential equity shares into equity shares.

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity holders	(201,549)	(219,408)
Less: preference dividend after-tax	-	-
Profit attributable to equity holders after preference dividend	(201,549)	(219,408)
Add: Interest on convertible preference shares	-	-
Profit attributable to equity holders adjusted for the effect of dilution	(201,549)	(219,408)
Weighted average number of equity shares - for basic and diluted EI	554,436	554,436
Earnings per share - Basic and diluted	(0.36)	(0.40)
Nominal value - per equity share	0.0005	0.0005

	For the year ended 31 March 2023	For the year ended 31 March 2022
21 Income tax		
Income tax expense		
Current tax	(42,930)	(50,944)
Adjustments of current tax for prior periods	9,087	(7,799)
Deferred tax	9,443	8,770
Income tax expense reported in the statement of profit or loss	**(24,400)**	**(49,973)**
Total Income tax expense recognised	(24,400)	(49,973)

The reconciliation of estimated income tax expense at United Kingdom statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit / (Loss) before tax	(225,949)	(269,381)
Statutory income tax rate of United Kingdom	19.00%	19.00%
Expected income tax expense/(benefit)	(42,930)	(51,182)
'Adjustments of current tax for prior periods	9,087	(7,799)
Timing differences	9,443	8,770
Others	-	238
Total income taxes	**(24,400)**	**(49,973)**
Deferred tax:		
Property , plant and equipment	49,699	-

22 Leases

i) The carring amount of right-of-use assets recongnized and the movements during the period

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance	199,334	230,123
Add: Addition during the period	5,959	-
Less: Depreciation charged for the period	(30,667)	(30,789)
Closing Balance	174,626	199,334

ii) The carrying amount of lease liability recognised and the movements during the year.

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance	206,791	234,549
Add: Interest accretion during the period	4,943	6,742
On account of remeasurement of lease liabilty	-	-
Less : Payment during the period	(37,165)	(34,500)
Closing Balance	**174,569**	**206,791**
Current	34,500	29,557
Non Current	140,068	177,235
Difference to be addressed for last year		**0**

22 Related Party Relationships, Transactions and Balances

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
International Technegroup Incorporated	Holding Company
ITI Proficiency Ltd.	Fellow Subsidiary
Wipro Holdings UK Limited	Fellow Subsidiary

Parties with whom transactions are there during the year are only listed

ii) The Company had the following transactions with related parties during the year

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sub-contracting and technical fees		
International Technegroup Incorporated	229,188	216,004
ITI Proficiency Ltd.	271,973	486,244
Wipro Limited	164,829	546,958
Revenue		
International Technegroup Incorporated	387,158	373,391
ITI Proficiency Ltd.	108,066	-
Wipro Limited	16,404	-

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

(A) Trade Receivable	As at 31 March 2023	As at 31 March 2022
International Technegroup Incorporated	53,265	27,852
ITI Proficiency Ltd.	112,341	-
Wipro Limited	50,512	3,682
Wipro Travel Services Limited	20	-
Wipro Holdings UK Limited	33,446	91,445

(B) Trade Payables	As at 31 March 2023	As at 31 March 2022
International Technegroup Incorporated	434,101	399,942
ITI Proficiency Ltd.	17,103	28,899
Wipro Limited	16,132	132,309

23 Commitments and contingencies

The Company does not have the contingent liability and commitments as at 31 March 2023 and as at 31 March 2022. However, the Company may be subject to litigations in the ordinary course of business. The management has assessed these incidents and believe that there will be no material or adverse impact to the financial position of the Company on account of any such matter.

24 Segment Reporting

The Company operates in one business segment, namely sale of software services. In line with IND-AS 108, as the relevant information is available from balance sheet and the statement of profit and loss itself, and keeping in view the objective of segment reporting, the Company is not required to disclose segment information as per IND AS -108.

25 Fair values of financial assets and financial liabilities

There are no financials assets and liabilities that have been offset in the financial statements.
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.

1. Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. The Company's investments are primarily in short-term investments, which do not expose it to significant interest rate risk. The Company usually provides to loan at a floating rate.

2. 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

3. 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 does not forsee such a risk as its current assets (excluding intercompany balance) are greater than its current liability (excluding intercompany balance)

26 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
Level 3: Unobservable inputs for the asset or liability.

No financial assets/liabilities have been valued using level 1, level 2 and level 3 fair value measurements.

The carrying value and fair value of financial instruments by categories as at 31 March, 2023 were as follows :

		As at 31 March 2023	As at 31 March 2022
Financial assets at amortised cost:			
Trade receivables	5	508,807	709,267
Cash and cash equivalents	6	589,274	729,484
Other financial assets	7	64,431	78,155
Total financial assets		**1,162,512**	**1,516,906**
Financial liabilities at amortised cost			
Lease liabilities	11	174,568	206,792
Trade payables	12	698,566	630,909
Other financial liabilities	13	46,025	215,402
Total financial liabilities		**919,159**	**1,053,103**

27 Financial risk management

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

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalent, trade receivables, financial assets measured at amortized cost	Ageing analysis
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts
Market risk -Interest rate	Long-term borrowings at variable rates	Sensitivity analysis

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 interest rate risk, credit risk and investment of excess liquidity.

A 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
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.

27 Financial risk management (continued)

B 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 does not forsee such a risk as its current assets (excluding intercompany balance) are greater than its current liability (excluding intercompany balance).

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

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

Maturities of financial liabilities

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

As at 31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Lease liabities	34,500	140,068	-	174,568
Trade payables	698,566	-	-	698,566
Other financial liabilities	46,025	-	-	46,025
Total	**779,091**	**140,068**	**-**	**919,160**

As at 31 March 2022	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Lease liabities	29,557	126,326	50,909	206,791
Trade payables	630,909	-	-	630,909
Other financial liabilities	215,402	-	-	215,402
Total	**875,868**	**126,326**	**50,909**	**1,053,103**

D Interest rate risk

The Company has no borrowings as at 31 March, 2023. 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 USD, INR. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The management evaluates rate exposure arisisng from these transactions and enters into Forign currency derivative instruments to mitigate such exposure. The compny follows risk management policies, including use of derivatives like forign currency exchange forward options etc.

International Technegroup Limited
Notes to the Special Purpose Financial Statements
(Amount in GBP, unless otherwise stated)

28 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Gearing ratio in 2022-23 is 7.2 as compared to 3.87 in 2021-22. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying

		For the year ended 31 March 2023	For the year ended 31 March 2022
Equity		2,772	2,772
Other Equity		12,145	213,694
Total equity	(i)	14,918	216,466
Borrowings other than convertible preference shares		-	-
Less: cash and cash equivalents		(589,274)	(729,484)
Total debt	(ii)	(589,274)	(729,484)
Overall financing	(iii) = (i) + (ii)	(574,356)	(513,018)
Gearing ratio	(ii)/ (iii)	1.03	1.42

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

29 Segment Infromation

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment i.e. IT Services. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

Below is the geography wise revenue breakup based on location of customers :-

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Europe	1,598,378	1,587,016
America	547,791	958,933
	2,146,169	**2,545,949**

30 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2023 and the date of authorization of these financial statements.

31 Previous year figures have been regrouped/ rearranged, wherever necessary.

As per our report attached
B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
International Technegroup Limited

Sd/-
Amrit Bhansali
Partner
Membership No: 065155

Sd/-
Srikant Godavarti
Director

Sd/-
Rishabh Khemka
Director

Place: Bengaluru
Date: 16 Jun 2023

Place: Plano,Tx
Date: 16 Jun 2023

Place: Central Blvd,NY
Date: 16 Jun 2023