Special Purpose Standalone Financial Statements

Topcoder LLC

31 March 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of **Topcoder LLC.**

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of **Topcoder LLC.** ("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 a summary of significant accounting policies and other explanatory information (herein after referred to as "the Special Purpose Financial Statements"). As explained in Note 2 to the Special Purpose Financial Statements, these include limited information and have 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, in compliance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the basis of preparation referred to in Note 2 to the special purpose financial statements, of the state of affairs of the Company as at 31 March 2023, its loss, total comprehensive loss, its changes in equity and 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 (ICAI) together with the ethical requirements that are relevant to our audit of the 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 Responsibilities for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the basis described in Note 2 of the special purpose financial statement. 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 are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Basis of Accounting

We draw attention to Note 2 to the special purpose financial statements, which describes the basis of accounting. As a result, the special purpose financial statements may not be suitable for another purpose.

Restriction on Use and distribution

The report is issued to the Board of Directors of the Company solely for the above purpose and should not be distributed to or used by any other parties.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

S/d

Seethalakshmi M
Partner
Membership No. 208545

Bengaluru
23 May 2023

Topcoder LLC

Special Purpose Balance Sheet as at 31 March 2023

(Amounts in USD, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	18,185	25,347
Total non-current assets		**18,185**	**25,347**
Current assets			
Financial assets			
Trade receivables	6	543,608	578,974
Cash and cash equivalents	7	997,419	1,402,639
Other current assets	8	448,834	79,460
Total current assets		**1,989,861**	**2,061,073**
TOTAL ASSETS		**2,008,046**	**2,086,420**
EQUITY			
Equity share capital	9	23,408,052	23,408,052
Other equity		(23,336,136)	(23,149,281)
Total Equity		**71,916**	**258,771**
LIABILITIES			
Non current liabilities			
Deferred tax liability	16	8,318	6,494
Total non current liabilities		**8,318**	**6,494**
Current liabilities			
Financial liabilities			
Trade payables	10	774,418	500,844
Other financial liabilities	11	1,099,296	750,276
Current tax liabilities		54,098	570,035
Total current liabilities		**1,927,812**	**1,821,155**
Total liabilities		**1,936,130**	**1,827,649**
TOTAL EQUITY AND LIABILITIES		**2,008,046**	**2,086,420**

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

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

S/d
Seethalakshmi M
Partner
Membership No: 208545

Place: Bengaluru
Date: 23 May 2023

For and on behalf of the Board of Directors

S/d
Mohit Bansal
Director

Place: Bengaluru
Date: 23 May 2023

Topcoder LLC

Special Purpose Statement of Profit and Loss for the year ended 31 March 2023

(Amounts in USD, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	**12**	35,939,936	28,737,346
Other income	**12**	3,024	8,314
Total income		**35,942,960**	**28,745,660**
EXPENSES			
Employee benefits expense	**13**	10,967,879	8,208,627
Depreciation expenses	**14**	9,281	2,340
Sub-contracting and technical fees		24,011,388	17,496,853
Other expenses	**15**	1,228,719	980,011
Total expenses		**36,217,267**	**26,687,831**
Profit/(loss) before tax		**(274,307)**	**2,057,829**
Tax expense			
Current tax	**16**	(89,275)	570,036
Deferred tax	**16**	1,824	6,494
Total tax expense		**(87,451)**	**576,530**
Profit/(loss) for the year		**(186,856)**	**1,481,299**
Total comprehensive income for the year		**(186,856)**	**1,481,299**

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

In terms of our report attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

S/d
Seethalakshmi M
Partner
Membership No: 208545

Place: Bengaluru
Date: 23 May 2023

For and on behalf of the Board of Directors

S/d
Mohit Bansal
Director

Place: Bengaluru
Date: 23 May 2023

Topcoder LLC

Special Purpose Statement of Cash Flow Statement for the year ended 31 March 2023

(Amounts in USD, unless otherwise stated)

	For the year ended March 31 2023	For the year ended March 31 2022
Cash flows from operating activities:		
Profit / (loss) for the year	(186,856)	1,481,299
Adjustments:		
Depreciation expenses	9,281	2,340
Income tax expense/(write-back)	(87,451)	576,530
Bad debts written off	311,080	222,457
Changes in operating assets and liabilities		
Other assets	(369,374)	103,268
Trade receivables	(275,715)	(692,700)
Trade payables & other financial liabilities	622,595	(1,155,116)
Cash used in operating activities before taxes	23,560	538,078
Income taxes paid, net	(426,661)	-
Net cash used in operating activities	**(403,101)**	**538,078**
Cash flows from investing activities:		
Purchase of property, plant and equipment	(2,119)	(25,681)
Net cash used in investing activities	**(2,119)**	**(25,681)**
Cash flows from financing activities:		
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents during the year	(405,220)	512,397
Cash and cash equivalents at the beginning of the year	1,402,639	890,242
Cash and cash equivalents at the end of the year (Note 7)	**997,419**	**1,402,639**

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

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For PKF Sridhar & Santhanam LLP
Chartered Accountants
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S/d
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Topcoder LLC

Special Purpose Statement of Changes In Equity for the year ended 31 March 2023

(Amounts in USD unless otherwise stated)

A. EQUITY SHARE CAPITAL

	Note	Balance
Balance as at April 01, 2021	10	**23,408,052**
Changes in equity share capital		**-**
Balance as at March 31, 2022	10	**23,408,052**
Changes in equity share capital		**-**
Balance as at March 31, 2023	10	**23,408,052**

B. OTHER EQUITY

	Retained Earnings	Total Other Equity
Balance as at 01 April 2021	(24,630,580)	(24,630,580)
Total comprehensive income for the period	1,481,299	1,481,299
Balance as at 31 March 2022	(23,149,281)	(23,149,281)
Total comprehensive income for the period	(186,856)	(186,856)
Balance as at 31 March 2023	**(23,336,136)**	**(23,336,136)**

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

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

S/d
Seethalakshmi M
Partner
Membership No: 208545

Place: Bengaluru
Date: 23 May 2023

For and on behalf of the Board of Directors

S/d
Mohit Bansal
Director

Place: Bengaluru
Date: 23 May 2023

1. The Company overview

Topcoder, LLC (the "Company"), incorporated in the state of Delaware, United States of America, is a 100% subsidiary of Wipro Appirio, Inc. (USA), is a leading global consultancy and provider of cloud-based services to business enterprises' Information Technology (IT) cloud solutions. The Company offers professional services and subscription Software-as-a-Service (SaaS) products on a Platform-as-a-Service (PaaS) that help enterprises accelerate their adoption to cloud-based computing. The ultimate holding company is Wipro Limited.

The Company utilises its knowledge and partnerships with leading SaaS-based providers, such as Salesforce.com, Google, etc to provide unique solutions to its customers' IT needs. The Company derives the majority of its revenues in the United States of America.

2. Basis of preparation of financial statement

(i) Statement of compliance and basis of preparation

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 have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

(ii) Basis of measurement

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements has been prepared on a historical cost convention and on an accrual basis.

(iii) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the 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, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer. Revenue is recognized on net basis in scenario where the company is not the primary obligor.

b) **Useful lives of property, plant and equipment:** The Company depreciates property, plant and equipment on a straight line basis over estimated useful lives of assets. The charge in depreciation is derived based on 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 lives, such as change in technology. The estimated useful life is reviewed at least annually.

3. Significant accounting policies

(i) Functional presentation currency

These financial statements are presented in US Dollar ($), which is the functional currency of the Company.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities. Gains/(losses) relating to translation or settlement of borrowings denominated in foreign currency are reported within finance costs. 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. The company has investments in subsidiaries at places other than the USA.

(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, investments in equity and other eligible current and non-current assets;
- financial liabilities, which include short-term borrowings, trade payables and other eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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 with banks in current account and sweep account with banks, which can be withdrawn at any time, without prior notice or penalty.

For the purposes of the cash flow statement, cash and cash equivalents include cash with banks.

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 and other current assets.

C. Trade and other payables

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

(iv) Equity and share capital

a) Equity share capital
The authorized share capital of the Company as of March 31, 2022 is USD 23,408,052. 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 the Company's undistributed earnings after taxes.

c) Foreign currency translation reserve
The exchange differences arising from the translation of financial statement of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

d) Other reserves
Changes in the fair value of financial assets measured at FVTOCI, other than impairment loss, is recognized in other comprehensive income (net of taxes) and presented within equity in other reserves.

(v) Property, plant and equipment

a) Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are 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. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. The estimated useful lives of assets are as follows:

Category	Useful life
Plant & equipment	2 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 each reporting date are disclosed under capital work- in-progress. Deposits & advances paid towards acquisition of fixed assets, outstanding at each balance sheet date are shown as capital advances under the head of other non-current assets.

(vi) Impairment

a) Financial assets (other than at fair value)

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 recognizes 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, 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 to sell (FVLCTS) and its value-in-use (VIU). 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 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.

(vii) Employee benefits

a) Short-term benefits

Short-term employee benefit obligations are measured on a discounted 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.

b) Termination benefits

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

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.

(viii) 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.

(ix) Revenue

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

A. Services

The Company 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.

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

c) **Maintenance contracts**
Revenue from maintenance contracts is 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 of time, 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.

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

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

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

(xii) 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 statement.

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

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries 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.

(xiii) Cash flow statement

Cash flows are reported using indirect method, whereby net profits after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

4. New amendments adopted by the Company

Amendments to Ind AS 37 – Onerous Contracts – Cost of Fulfilling a Contract
The amendments specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be the incremental costs of fulfilling that contract (for example, direct labour and materials); or an allocation of other costs that relate directly to fulfilling contracts (for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others). The adoption of this amendment has resulted in a reduction of ₹ 51 in opening retained earnings primarily due to allocation of other costs that relate directly to fulfilling contracts.

Amendments to Ind AS 103 – Business Combinations – Reference to Conceptual Framework
The amendments specifies that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The adoption of amendments to Ind AS 103 did not have any material impact on the interim condensed consolidated financial statements.

Amendments to Ind AS 109 – Financial Instruments
The amendments clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The adoption of amendments to Ind AS 109 did not have any material impact on the interim condensed consolidated financial statements.

Amendments to Ind AS 16 – Property, Plant and Equipment – Proceeds before intended use
The amendments clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The adoption of amendments to Ind AS 16 did not have any material impact on the interim condensed consolidated financial statements.

New amendments not yet adopted-

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 recognizing deferred tax when they recognize 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 recognize deferred tax on such transactions. The adoption of amendments to Ind AS 12 is not expected to have any material impact in the interim condensed consolidated financial statements.

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5. Property, plant and equipment

Gross carrying value	Plant & Machinery	Total
As at April 1, 2021	5,747	5,747
Additions	25,681	25,681
As at March 31, 2022	**31,428**	**31,428**
Additions	2,119	2,119
As at 31 March 2023	**33,547**	**33,547**
Accumulated depreciation		
As at April 1, 2021	3,741	3,741
Depreciation	2,340	2,340
As at March 31, 2022	**6,081**	**6,081**
Depreciation	9,281	9,281
As at 31 March 2023	**15,362**	**15,362**
Net carrying value		
As at 31 March 2022	**25,347**	**25,347**
As at 31 March 2023	**18,185**	**18,185**

6. Trade receivables

	As at 31 March 2023	As at 31 March 2022
Receivable from related parties (Refer note 19)	543,608	578,974
	543,608	**578,974**

7. Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- Current accounts	997,419	1,402,639
	997,419	**1,402,639**

8. Other assets

	As at 31 March 2023	As at 31 March 2022
Current		
Prepaid expenses	144,540	54,587
Others	304,294	24,874
	448,834	**79,461**

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9. Share capital

	As at 31 March 2023	As at 31 March 2022
Authorized, issued and subscribed capital	23,408,052	23,408,052
	23,408,052	**23,408,052**

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

	31 March 2023	31 March 2022
Name of the Shareholder	**% held**	**% held**
Wipro Appirio Inc.	100	100

Rights, preferences and contingencies attached to the equity shares

The company has one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets on the company after distribution of all preferential amounts, in proportion of their shareholding.

10. Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of creditors other than micro, small and medium enterprises	333,814	174,405
Payable to related parties (Refer note 19)	440,604	326,439
	774,418	**500,844**

11. Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Current		
Bonus payable	861,217	430,796
Salary payable	198,901	300,735
Other payable	39,178	18,745
	1,099,296	**750,276**

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12. Revenue from operations

	Year ended 31 March 2023	Year ended 31 March 2022
Rendering of services	35,939,936	28,737,346
Other income	3,024	8,314
	35,942,960	**28,745,660**

Refer note 19 for related parties transactions.

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 Unbilled Revenue at their net estimated realizable value.

The Company does not have any unbilled and unearned revenue balances as on March 31, 2023 and March 31, 2022.

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. Applying the practical expedient, the Company has not disclosed its right to consideration from customer 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.

C. Disaggregation of revenues

All the revenue of Topcoder of USD 35,939,936 for the year ended March 31, 2023 comprise of element based contracts.

13. Employee benefits expense

	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	10,801,871	7,726,029
Staff welfare expenses	166,008	482,598
	10,967,879	**8,208,627**

14. Depreciation

Depreciation on Property, plant and equipment (Refer Note 5)	9,281	2,340
	9,281	**2,340**

15. Other expenses

	Year ended 31 March 2023	Year ended 31 March 2022
Repairs and maintenance	150,140	405,735
Provision for lifetime expected credit losses/ (gains)	311,080	222,457
Business meeting	2,339	5,269
Subscription	6,204	22,599
Legal and professional charges	194,986	122,765
Travel and conveyance	184,995	534
Staff recruitment expenses	54,600	24,750
Communication expenses	42,042	49,997
Miscellaneous expenses	282,333	125,905
	1,228,719	**980,011**

16. Income tax expense & effective tax rate (ETR) reconciliation

Income tax expense has been allocated as follows:

	Year ended 31 March 2023	Year ended 31 March 2022
Current tax	(89,275)	570,036
Deferred tax	1,824	6,494
Total income tax expense recognised	**(87,451)**	**576,530**

The reconciliation of estimated income tax expense at United States of America statutory income tax rate to income tax expense

	Year ended 31 March 2023	Year ended 31 March 2022
Profit / (loss) before tax	(274,307)	2,057,829
Tax rate	28%	28%
Tax expense	(76,806)	576,192
Effect of:		
On account of permanent differences	129,823	338
On account of prior period impact	(140,468)	-
	(87,451)	**576,530**

Deferred tax component wise

Deferred tax assets/ liabilities (net) :	**31 March 2023**	**31 March 2022**
DTA / (DTL) on other originating / reversing temporary differences	(8,318)	(6,494)
Total DTA / (DTL)	**(8,318)**	**(6,494)**

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17. Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, trade receivables, trade payable and other non-current liabilities. The fair value of financial assets and liabilities approximate their carrying amount largely due to the short-term nature of such assets and liabilities. There are no financial assets or financial liabilities measured on fair value basis as at March 31, 2023. Accordingly, no fair value hierarchy disclosure has been included.

18. Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes 2 and 3 to the financial statements.

a. Financial assets and liabilities

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

	Amortised Cost	Total carrying value
Financial assets:		
Trade receivables	543,608	543,608
Cash and cash equivalents	997,419	997,419
Other financial assets	-	-
Total	**1,541,027**	**1,541,027**
Financial liabilities:		
Trade payables	774,418	774,418
Other financial liabilities	1,099,296	1,099,296
Total	**1,873,714**	**1,873,714**

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

	Amortised Cost	Total carrying value
Financial assets:		
Trade receivables	578,974	578,974
Cash and cash equivalents	1,402,639	1,402,639
Other financial assets	-	-
Total	**1,981,611**	**1,981,611**
Financial Liabilities:		
Trade payables	500,844	500,844
Other financial liabilities	750,276	750,276
Total	**1,251,120**	**1,251,120**

b. Exposure to credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

c. 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 objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Management monitors company's net liquidity position through rolling forecast on the basis of expected cash-flows.

d. Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. There is no significant foreign currency risk, that the Company is exposed to.

e. Interest rate risk

Interest rate risk primarily arises from floating rate borrowing which is based on the movement in LIBOR. The Company does not have any financial instruments that may lead to risks from chages in interest rate.

19. Related party relationships, transactions and balances

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

Relationship with the company	Name of the party	Country of incorporation
Ultimate holding company	Wipro Limited	India
Holding company	Wipro Appirio, Inc.	US
Fellow subsidiary	Wipro Travel Services Limited	India
Fellow subsidiary	Rational Interaction, Inc	US
Key managerial personnel	Mohit Bansal	Director

ii) The Company had the following transactions with related parties during the year ended March 31, 2023

Particulars	Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Sales and services			
Wipro Appirio, Inc.	Holding company	33,182,782	28,338,464

iii) Balances with related parties as at 31 March 2023 are summarised below

Particulars	Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Payables:			
Wipro Limited	Ultimate holding company	440,604	276,203
Wipro Travel Services Limited	Fellow subsidiary	-	3,310
Rational Interaction, Inc	Fellow subsidiary	-	56,410
Receivables:	**Relationship**		
Wipro Limited	Ultimate holding company	1,118	-
Wipro Appirio, Inc.	Holding company	542,490	578,974

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Topcoder LLC
Notes to the Special Purpose Financial Statements
(Amounts in USD, unless otherwise stated)

Note 20. Trade Payables ageing schedule
As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled and not due	**Less than 1 year**	**1-2 years**	**2- 3 years**	**More than 3 years**	**Total**
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	198,128	135,686	-	-	-	333,814
(iii) Accrued Expenses	-	-	-	-	-	-
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**198,128**	**135,686**	**-**	**-**	**-**	**333,814**
Dues to related parties	-	-	-	-	-	440,604
Total	-	-	-	-	-	774,418

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Unbilled and not due	**Less than 1 year**	**1-2 years**	**2- 3 years**	**More than 3 years**	**Total**
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	142,726	31,679	-	-	-	174,405
(iii) Accrued expenses	-	-	-	-	-	-
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**142,726**	**31,679**	**-**	**-**	**-**	**174,405**
Dues to related parties	**-**	**-**	**-**	**-**	**-**	326,439
Total	**-**	**-**	**-**	**-**	**-**	**500,844**

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21. Commitments and contingencies

Capital commitments: The Company has Nil material capital commitments as on March 31, 2023 (March 31, 2022 : Nil)
Contingencies: The Company has Nil material contingencies as on March 31, 2023 (March 31, 2022 : Nil)

22. Segment reporting

The Company publishes the financial statements along with the consolidated financial statements of ultimate holding company. In accordance with Ind AS 108 the Company has disclosed the segment information in the consolidated financial statements of

23. Events occurring after the reporting date

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

24. Comparatives

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

The accompanying notes form an integral part of these Financial Statements

In terms of our report attached	
For PKF Sridhar & Santhanam LLP	**For and on behalf of the Board of Directors**
Chartered Accountants	
Firm Registration No.: 003990S/S200018	
S/d	**S/d**
Seethalakshmi M	**Mohit Bansal**
Partner	Director
Membership No: 208545	
Place: Bengaluru	Place: Bengaluru
Date: 23 May 2023	Date: 23 May 2023