

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of **Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)**

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of **Wipro VLSI Design Services LLC (Formerly known as Eximius Design 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

Special Purpose Financial Statements

Wipro VLSI Design Services LLC

(Formerly known as Eximius Design LLC)

31 March 2023

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Special Purpose Balance Sheet as at 31 March 2023
(All amount in USD, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4a	233,631	87,256
Right of use assets	4b	-	107,101
Financial assets			
Other financial assets	5	-	414,830
Total non-current assets		233,631	609,187
Current assets			
Financial assets			
Trade receivables	6	2,581,263	6,173,415
Unbilled receivables		-	1,110,119
Cash and cash equivalents	7	3,419,969	8,796,411
Other financial assets	5	-	-
Contract asset		-	1,335,395
Tax asset (net)		12,590	-
Other current assets	8	24,784	106,121
Total current assets		6,038,606	17,521,461
TOTAL ASSETS		6,272,237	18,130,648
EQUITY			
Equity share capital		-	-
Other equity	9	2,488,015	12,036,482
TOTAL EQUITY		2,488,015	12,036,482
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	10	-	799,279
Deferred tax liabilities	22	889,972	567,243
Other non current liabilities	13	32,563	314,182
Provisions	14	126,842	196,967
Total non-current liabilities		1,049,377	1,877,671
Current liabilities			
Financial liabilities			
Trade payables	11	2,142,671	1,376,665
Lease liabilities	12	-	110,515
Other financial liabilities	10	111,596	1,259,787
Tax liabilities (net)		-	1,164,983
Other current liabilities	13	138,408	38,306
Provisions	14	342,170	266,239
Total current liabilities		2,734,845	4,216,495
TOTAL EQUITY AND LIABILITIES		6,272,237	18,130,648
Summary of significant accounting policies	1 to 3		

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

As per our report attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No.: 003990S/S200018

S/d

Seethalakshmi M

Partner

Membership No: 208545

Bengaluru

23 May 2023

For and on behalf of the Board of Directors

S/d

Srikant Godavarti

Director

USA

23 May 2023

S/d

Harmeet Chauhan

Director

USA

23 May 2023

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Special Purpose Statement of Profit and Loss for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	15	9,452,454	26,239,992
Other income	16	2,828	2,552
Total income		9,455,282	26,242,544
EXPENSES			
Employee benefit expenses	17	6,988,474	8,147,651
Depreciation expense	18	142,344	361,077
Finance costs	19	305	6,101
Other expenses	20	2,205,252	12,057,875
Total expenses		9,336,375	20,572,704
Profit before tax		118,907	5,669,840
Tax expenses			
Current tax		(155,355)	1,137,808
Deferred tax		322,729	523,507
Total tax expense		167,374	1,661,315
Profit/(loss) for the period		(48,467)	4,008,525
Other comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Total comprehensive Income/(loss) for the year		(48,467)	4,008,525

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

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

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Membership No: 208545

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23 May 2023

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USA
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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Special Purpose Statement of Changes in Equity for the period ended 31 March 2023
(All amount in USD, unless otherwise stated)

a. Equity Share Capital

The company is registered as a Limited Liability Corporation under the local regulations. The company is not required to issue share capital as per the local laws. Accordingly, there is no share capital issued.

The ownership of the entity was transferred by way of share purchase agreement between the holding company and the previous member. There is also an operative agreement entered which confirms the ownership and confirming the holding company being the sole member.

b. Other Equity

	Other Equity		
	Pre-acquisition reserves	Retained earnings	Total other equity
As at 1 April 2021	7,999,150	28,807	8,027,957
Changes in the year	-	4,008,526	4,008,525
As at 31 March 2022	7,999,150	4,037,333	12,036,482
Net profit / (loss) in the year	-	(48,467)	(48,467)
Dividend paid during the year	-	(9,500,000)	(9,500,000)
Transfer during the year	(7,999,150)	7,999,150	-
As at 31 March 2023	-	2,488,016	2,488,015

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

For and on behalf of the Board of Directors

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USA
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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Special Purpose Statement of Cash Flows for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
A Cash flows from operating activities:		
Profit/(Loss) after tax	(48,467)	4,008,525
<i>Adjustments:</i>		
Depreciation	142,344	361,077
Income Tax expense	167,374	1,661,315
Finance cost	305	6,101
Loss on sale of property, plant and equipment	98,563	-
Operating profit before working capital changes	360,119	6,037,019
Adjustments for working capital changes:		
Trade receivables and unbilled revenue	6,037,666	(4,192,549)
Other assets	496,166	4,813,345
Liabilities and provisions	(1,357,173)	(488,743)
Net cash generated from operations	5,536,778	6,169,070
Direct taxes paid	1,022,219	6,359
Net cash generated by operating activities	4,514,559	6,175,429
B Cash flows from investing activities:		
Acquisition of fixed assets including capital advances	(280,181)	(32,878)
Proceeds from sale of fixed assets	-	-
Net cash (used in) / generated from investing activities	(280,181)	(32,878)
C Cash flows from financing activities:		
Dividends paid including distribution tax	(9,500,000)	-
Interest payment on leases	(305)	(6,101)
Payment of lease liabilities	(110,515)	(304,807)
Net cash used in financing activities	(9,610,820)	(310,908)
Net increase in cash and cash equivalents during the year	(5,376,442)	5,818,926
Cash and cash equivalents at the beginning of the year	8,796,411	2,977,485
Cash and cash equivalents at the end of the year (Note 7)	3,419,969	8,796,411

As per our report attached
For PKF Sridhar & Santhanam LLP
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Firm Registration No.: 003990S/S200018

S/d
Seethalakshmi M
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Membership No: 208545

Bengaluru
23 May 2023

For and on behalf of the Board of Directors

S/d
Srikant Godavarti
Director
S/d
Harmeet Chauhan
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USA
23 May 2023
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23 May 2023

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

1 The Company overview

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC), is a subsidiary of Wipro IT Services, LLC. (the holding company). The company was founded in 2013 and is headquartered in San Jose, USA with other development centers in India. The Company is a Leading full service VLSI design services company covering areas of design, verification, physical design, analog design, FPGA. Provides product engineering services in mainly 4 verticals Semiconductors, Hi-tech & Consumer Electronics, Storage & Datacentre and Industrials. The Company was acquired on February 25, 2021.

2 Basis of preparation of financial statements

(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. The comparative financial information is provided for the period 1 April 2022 to 31 March 2023 for which the Company was subsidiary of Wipro Limited.

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

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable. 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.

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

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

All amounts included in the financial statements are reported in thousands of USD Currency, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

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

Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.;

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefits plan – Plan assets measured at fair value

New amendments adopted by the Company effective from April 1, 2022

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.

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

(ii) Use of estimates and judgment

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 applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price. 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 labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, revenue recognised, profit and timing of revenue for remaining performance obligations are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

b) Income taxes: The major tax jurisdiction for the Company is United States. 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.

3 Significant accounting policies

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which this entity operates (i.e. the "functional currency"). The functional currency of the company is USD and these financial statements are also presented in USD.

(ii) Foreign currency transactions and translation

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results of operating activities except when deferred in other comprehensive income as qualifying cash flow hedges. Gains/(losses) 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 FVTOCI are included in other comprehensive income, net of taxes.

(iii) Financial instruments

a) Non-derivative financial instruments:

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial 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. 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:

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

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 statement of financial position, 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 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) Share capital and share premium

There is no requirement of share capital in the company as per the local laws. Hence there is no share capital introduced in the company.

b) Retained earnings

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

c) Dividend

The company has paid dividend of 9,500,000 USD for the year ended 31 March 2023.

(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. 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. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually.

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) Leases

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

The Company as a lessee

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

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

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

The Company at the commencement of the lease contract 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 leases) and low-value assets. For these 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.

The cost of the right-of-use asset 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 are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023

(All amount in USD, unless otherwise stated)

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

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

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

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset 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 re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Company as a lessor:

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

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

vii) Impairment

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.

viii) Employee benefits

a) 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.

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.

ix) Provisions

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

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

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

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

(x) Revenue

The Company derives revenue primarily from 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 of recognizing the revenues and costs depends on the nature of the services rendered:

A. Time and material contracts:

Revenues and costs relating to time and material contracts are recognized as the related services are rendered.

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

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.

'Unearned revenues' 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.

Revenue recognition is done on straight line basis over the term of performance obligation using the output method (with respect to time)

D. Others

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale. 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. Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term.

Contract expenses are recognised as expenses by reference to the stage of completion of contract activity at the end of the reporting period.

(xi) 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.

(xii) Other income

Other income comprises interest income.

(xiii) Income tax

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

a) Current income tax

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

b) Deferred income tax

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

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

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

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

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

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

(xiv) 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.

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
 (All amount in USD, unless otherwise stated)

4 Property, plant and equipment

Particulars	Plant and Machinery	Computers	Furniture and Fixtures	Total
Gross block (at cost)				
As at 1 April 2021	-	189,042	71,476	260,518
Additions	-	32,877	-	32,877
Disposals	-	-	-	-
As at 31 March 2022	-	221,919	71,476	293,395
Additions	223,309	56,872	-	280,181
Disposals	(76,815)	(12,878)	(65,275)	(154,968)
As at 31 March 2023	146,494	265,914	6,201	418,609
Accumulated depreciation				
As at 1 April 2021	-	148,836	17,989	166,825
Depreciation	-	26,529	12,786	39,315
Disposals	-	-	-	-
As at 31 March 2022	-	175,365	30,775	206,140
Depreciation	7,897	13,062	14,285	35,243
Disposals	2,282	12,878	41,245	56,405
As at 31 March 2023	5,615	175,548	3,815	184,978
Net block				
As at 31 March 2022	-	46,555	40,701	87,257
As at 31 March 2023	140,879	90,365	2,386	233,631

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
 (All amount in USD, unless otherwise stated)

4b Right of Use Assets

Particulars	Buildings	Total
Gross block (at cost)		
As at 1 April 2021	447,352	447,352
Additions	-	-
Disposals	7,826	7,826
As at 31 March 2022	455,178	455,178
Additions	-	-
Disposals	(455,178)	(455,178)
As at 31 March 2023	-	-
Accumulated depreciation		
As at 1 April 2021	26,315	26,315
Depreciation	321,762	321,762
Disposals	-	-
As at 31 March 2022	348,077	348,077
Depreciation	107,101	107,101
Disposals	455,177	455,177
As at 31 March 2023	-	-
Net block		
As at 31 March 2022	107,101	107,101
As at 31 March 2023	-	-

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

	As on 31 March 2023	As on 31 March 2022
5 Other financial assets		
Non current		
Unsecured, considered good		
Rental deposits	-	78,627
Deposit for arbitration claim	-	336,203
Total	-	414,830
6 Trade receivables		
Current		
Unsecured:		
Considered good	29,990	4,540,754
Considered doubtful	-	231,886
	29,990	4,772,640
With related parties - Considered good*	2,551,272	1,632,661
Less: Allowance for lifetime expected credit loss	-	(231,886)
Total	2,581,263	6,173,415
*Refer Note 23 for ageing schedule and refer Note 21 for related parties disclosure.		
7 Cash and cash equivalents		
Balances with Bank -in current accounts	3,419,969	8,796,411
	3,419,969	8,796,411
8 Other current assets		
Employee travel & other advances	24,784	29,082
Prepaid expenses	-	76,515
Others	-	524
Total	24,784	106,121
9 Other equity		
Balance as at the beginning of the year	12,036,482	8,027,957
Profit/(Loss) during the year	(48,467)	4,008,525
Dividend distributed during the year	(9,500,000)	-
Balance as at the end of the year	2,488,015	12,036,482
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders		
10 Other financial liabilities		
Non Current		
Retention bonus payable	-	799,279
Total	-	799,279
Current		
Retention bonus payable	-	799,279
Salary payable	111,596	460,509
Total	111,596	1,259,787
11 Trade payables		
Total outstanding dues of creditors other than micro, small and medium enterprises	253,489	1,065,388
Payable to related parties*	1,889,182	311,277
Total	2,142,671	1,376,665
Refer Note No 24 for ageing schedule and *refer Note 21 for related parties disclosure.		

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

	As on 31 March 2023	As on 31 March 2022
12 Lease Liability		
i) Total lease liabilities are analysed as follows:		
Denominated in the following currencies:		
USD	-	110,515
Total	-	110,515
Analysed as:		
Current	-	110,515
Non current	-	-
	-	110,515
ii) Amounts recognised in statement of profit and loss:		
The following amounts were recognised as expense in the year:		
Depreciation of right-of-use assets	107,101	321,762
Interest on lease liabilities	305	6,101
Expense relating to short-term leases and low-value assets	-	-
Total recognised in the statement of profit and loss	107,406	327,863
iii) Exposure to future cash flows:		
The following are the undiscounted contractual cash flows of lease liabilities. The payment profile has been based on management's forecasts and could in reality be different from expectations:		
Maturity analysis:		
Less than 1 year	-	110,515
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
More than 5 years	-	-
Total	-	110,515
13 Other liabilities		
Non Current		
Other liabilities	32,563	314,182
Total	32,563	314,182
Current		
Others employee dues	34,112	-
Statutory liabilities	104,296	38,306
Total	138,408	38,306
14 Provisions		
Non Current		
Provision for employee benefits	126,842	196,967
Total	126,842	196,967
Current		
Provision for employee benefits	342,170	266,239
Total	342,170	266,239

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
15 Revenue from operations		
Sale of services	9,452,454	26,239,992
Total revenue from operations	9,452,454	26,239,992
Revenue by nature of contract		
Fixed price and volume based	9,452,454	26,239,992
Time and materials	-	-
	9,452,454	26,239,992
16 Other income		
Rental , commission and other income	2,828	2,552
Total	2,828	2,552
17 Employee benefit expenses		
Salaries and wages	6,982,924	8,147,531
Staff welfare	5,550	120
Total	6,988,474	8,147,651
18 Depreciation		
Depreciation on property, plant and equipment (refer note 4a)	35,243	39,315
Depreciation on right of use assets (refer note 4b)	107,101	321,762
Total	142,344	361,077
19 Finance costs		
Interest expense	305	6,101
Total	305	6,101
20 Other expenses		
Sub-contractors expenses	355,220	7,038,206
Technical fees	526,599	2,380,510
Rent	448,584	63,384
Travel	26,623	202,339
Software expenses	117,292	1,345,171
Legal and professional fees	-	107,084
Loss on sale of assets	98,563	-
Exchange rate fluctuation	11,949	66,492
Rates & taxes	15,643	41,146
Lifetime expected credit loss/(write-back)	(231,886)	226,599
Corporate overheads	668,705	-
Recruitment expenses	82,786	-
Miscellaneous expenses	85,174	586,944
Total	2,205,252	12,057,875

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

21 Related party disclosure

(A) Names of related parties and description of relationship

Name of the related party*	Nature of relationship	Country of incorporation
Wipro IT Services, LLC	Holding company	USA
Wipro Limited	Ultimate Holding Company	India
Wipro LLC	Fellow Subsidiary Company	USA
Wipro VLSI design services India private limited	Fellow Subsidiary Company	India
Wipro Travel Services Limited	Fellow Subsidiary Company	India

* Parties with whom the transactions happened during the year

(B) **Key Management Personnel**

Director	Nithin VJ (resigned on 20 February,2023)
Director	Srikant Godavarti (appointed on 20 February,2023)
Director	Harmeet Chauhan

(C) The Company has the following related party transactions:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of services		
Wipro Ltd	7,125,843	629,661
Wipro Technologies SDN BHD	-	7,718
Wipro LLC	837,036	-
Wipro VLSI design services india private limited	15,293	-
Contractors expenses		
Wipro VLSI design services india private limited	220,613	6,583,908
Wipro Technologies S.A DE C. V	-	31,134
Wipro Ltd	133,526	-
Other expense		
Wipro Ltd	531,048	-
Wipro Travel Services Limited	6,759	-
Corporate overheads		
Wipro Ltd	668,705	-

(D) The Company has the following related party balances:

Amount from / due to related party as on 31st March 2023

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Receivables/ (Payables)		
Wipro VLSI design services India private limited	7,293	1,632,661
Wipro Limited	258,633	(272,538)
Wipro LLC	391,530	-
Wipro Technologies S.A DE C. V	-	(31,134)
Wipro Technologies SDN BHD	-	(7,605)
Wipro Travel Services Limited	4,635	-

All related party transactions were entered at an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, directors or key managerial personnel, which may have a potential conflict with the interests of the company at large.

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
 (All amount in USD, unless otherwise stated)

22 A) Income tax expense

Income tax expense in the Statement of Profit and Loss comprises of:

	<u>Year Ended</u> <u>31 March 2023</u>	<u>Year Ended</u> <u>31 March 2022</u>
Current tax	(155,355)	1,137,808
Deferred tax	322,729	523,507
Total	167,374	1,661,315

Reconciliation of tax charge

Profit before tax	118,907	5,669,840
Tax rate applicable	28%	28%
Income tax expense at tax rates applicable	33,294	1,587,555
Tax effects of:		
- Item not deductible for tax	293	167,485
- Deferred tax asset on loss not created	284,325	-
- Prior period items	(150,538)	(93,725)
Income tax expense	167,374	1,661,315

B) Deferred tax

Particulars

	<u>As at</u> <u>31 March 2023</u>	<u>As at</u> <u>31 March 2022</u>
Deferred tax liabilities (DTL)		
Property, plant and equipment	2,890	15,226
Goodwill	1,418,294	737,513
Others	(531,212)	(185,496)
Total	889,972	567,243

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

23 Trade receivable ageing schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed – considered good	-	2,581,263	-	-	-	-	2,581,263
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-	-
Total	-	2,581,263	-	-	-	-	2,581,263
Less : Allowance for credit impaired	-	-	-	-	-	-	-
Net trade receivables	-	2,581,263	-	-	-	-	2,581,263

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1- 2 years	2- 3 years	More than 3 years	
(i) Undisputed – considered good	830,354	3,526,194	2,034,258	14,495	-	-	6,405,302
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-	-
(iv) Disputed –considered good	-	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-	-
Total	830,354	3,526,194	2,034,258	14,495	-	-	6,405,302
Less : Allowance for credit impaired	-	-	-	-	-	-	231,886
Net trade receivables	830,354	3,526,194	2,034,258	14,495	-	-	6,173,415

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

24 Trade Payables ageing schedule

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	253,577	1,889,093	-	-	-	2,142,671
(iii) Accrued Expenses	-	-	-	-	-	-
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	253,577	1,889,093	-	-	-	2,142,671

Trade Payables ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled and not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade Payables - MSME	-	-	-	-	-	-
(ii) Trade Payables - Others	1,058,156	318,509	-	-	-	1,376,665
(iii) Accrued expenses	-	-	-	-	-	-
(iv) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,058,156	318,509	-	-	-	1,376,665

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023
(All amount in USD, unless otherwise stated)

25 Financial instruments

Financial instruments by category

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

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Cash and cash equivalents	7	-	-	3,419,969	3,419,969	3,419,969
Trade receivables	6	-	-	2,581,263	2,581,263	2,581,263
Unbilled revenue		-	-	-	-	-
Other financial assets	5	-	-	-	-	-
Total financial assets		-	-	6,001,232	6,001,232	6,001,232
Financial liabilities :						
Trade payables	11	-	-	2,142,671	2,142,671	2,142,671
Other financial liabilities	10	-	-	111,596	111,596	111,596
Total financial liabilities		-	-	2,254,268	2,254,268	2,254,268

The carrying value and fair value of financial instruments by categories as at 31 March 2022 were as follows :

Particulars	Note	FVTPL	FVTOCI	Amortized cost	Total carrying value	Total fair value
Financial assets :						
Cash and cash equivalents	7	-	-	8,796,411	8,796,411	8,796,411
Trade receivables	6	-	-	6,173,415	6,173,415	6,173,415
Unbilled revenue		-	-	1,110,119	1,110,119	1,110,119
Other financial assets	5	-	-	414,830	414,830	414,830
Total financial assets		-	-	16,494,775	16,494,775	16,494,775
Financial liabilities :						
Trade payables	11	-	-	1,376,665	1,376,665	1,376,665
Lease liabilities	12	-	-	110,515	110,515	110,515
Other financial liabilities	10	-	-	2,059,066	2,059,066	2,059,066
Total financial liabilities		-	-	3,546,246	3,546,246	3,546,246

Notes to financial instruments

- i. The management assessed that the fair value of Cash & Cash equivalents, trade receivables, other financial assets, other current assets, trade payables, other financial liabilities and other current liabilities approximate the carrying amount largely due to short-term maturity of these instruments.
- ii The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023

(All amount in USD, unless otherwise stated)

26 Financial risk management

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

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 trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The company do not see significant concentration of credit risk.

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

B Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows. As of March 31, 2023, cash and cash equivalents are held with major banks and financial institutions.

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.

31 March 2023	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	-	-	-	-
Trade payables	2,142,671	-	-	2,142,671
Lease liabilities	-	-	-	-
Other financial liabilities	111,596	-	-	111,596
Total	2,254,268	-	-	2,254,268
31 March 2022	Less than 1 year	1 year to 5 years	5 years and above	Total
Non-derivatives				
Borrowings	-	-	-	-
Trade payables	1,376,665	-	-	1,376,665
Lease liabilities	110,515	-	-	110,515
Other financial liabilities	1,259,787	799,279	-	2,059,066
Total	2,746,967	799,279	-	3,546,246

C Interest rate risk

The Company does not have any borrowings. Hence the company is not exposed to Interest rate risk

D Foreign currency risk

The Company operates mainly in US and most of its business is transacted in USD. Consequently, the Company is not exposed to foreign exchange risk through receiving payment for sales or through payment to suppliers.

27 Capital management

For the purpose of the Company's capital management, capital includes issued capital, additional paid in capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

(This space has been intentionally left blank)

Wipro VLSI Design Services LLC (Formerly known as Eximius Design LLC)
Notes to the special purpose financial statements for the year ended 31 March 2023

(All amount in USD, unless otherwise stated)

28 Earnings per Share

The company does not have any share capital. Hence the reporting of earnings per share is not applicable to the company

29 Commitments and contingencies

As at March 31, 2023, the company has committed to spend USD 517 under agreement to purchase property and equipment. This amount is net of capital advance paid in respect of these purchases. (As at March 31, 2022: USD 205,291).

30 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.

31 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.

32 Prior period comparatives

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

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

For and on behalf of the Board of Directors

S/d
Seethalakshmi M
Partner
Membership No: 208545

S/d
Srikant Godavarti
Director

S/d
Harmeet Chauhan
Director

Place: Bengaluru
23 May 2023

USA
23 May 2023

USA
23 May 2023