Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)

Financial Statements
For the year ended 31 March 2021

Auditors
BDO South Africa Incorporated
52 Corlett Drive, Illovo
Johannesburg, 2196
South Africa
Issued 17 June 2021

www.bdo.co.za

AUDIT • ADVISORY • TAX

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of information technology services
Directors	Bhavna Maharaj Thomas George
Registered office	2 Maude Street The Forum 10th Floor Sandton 2196
Business address	2 Maude Street The Forum 10th Floor Sandton 2196
Holding company	Wipro IT Services UK Societas (Established in Cyprus, headquartered in the UK)
Ultimate holding company	Wipro Limited (Incorporated in India)
Auditors	BDO South Africa Incorporated
Secretary	KilgeUy Statutory Services (Pty) Ltd
Company registration number	2010/016829/07
Preparer	The financial statements were internally compiled by: Mr Samir Saraogi - Chartered Accountant, India

Index

The reports and statements set out below comprise the financial statements presented to the shareholders:

Level of assurance

These financial statements have been audited in compliance with section 30(2)(b)(i)(aa) of the Companies Act of South Africa.

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Financial Statements for the year ended 31 March, 2021

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible tor the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 15 June 2021 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 5.

The financial statements set out on pages 6 to 29, which have been prepared on the going concern basis, were approved by the board on 15 June 2021 and were signed on their behalf by:

Approval of financial statements

Bhavna Maharaj

Director

Director

Tel: +27 011 488 1700
Fax: +27 010 060 7000
www.bdo.co.za

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

Private Bag X60500
Houghton, 2041
South Africa

Independent Auditor's Report

To the shareholders of

Wipro Technologies South Africa Proprietary Limited

Opinion

We have audited the financial statements of Wipro Technologies South Africa Proprietary Limited (the company) set out on pages 8 to 29, which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Wipro Technologies South Africa Proprietary Limited as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Wipro Technologies South Africa Proprietary Limited Annual Financial Statements for the year ended 31 March 2021", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO South Africa Inc.

____

BDO South Africa Incorporated
Registered Auditors

H. Mutiwasekwa
Director
Registered Auditor

17 June 2021

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

Directors' Report

The directors have pleasure in submitting their report on the financial statements of Wipro Technologies South Africa Proprietary Limited for the year ended 31 March 2021.

1. Nature of business

The company is engaged in provision of information technology services.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

No dividends were declared or paid during the year. (2020: Also no dividend declared or paid)

5. Directorate

The directors in office at the date of this report are as follows:

Directors	Nationality
Bhavna Maharaj	South African
Thomas George	Indian

6. Holding company

The company's holding company is Wipro IT Services UK Societas which holds 69.42% (2020: 69.42%) of the company's equity. Wipro IT Services UK Societas was established in Cyprus, and is domiciled with its head office in the UK.

7. Ultimate holding company

The company's ultimate holding company is Wipro Limited which is incorporated in India.

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

9. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the company’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021. The directors do not expect these events to have significant impact on the performance and financial position of the company in the forseeble future.

10. Auditors

BDO South Africa Inc. was appointed as auditors for the company for 2021.

11. Secretary

The company secretary is Kilgetty Statutory Services (Pty) Ltd.

Postal address:	PO Box 2275 Cape Town 8000
Business address:	6th Floor 119 Hertzog Boulevard2 Foreshore Cape Town 8000

12. Investment in subsidiary

Details of the company's investment in subsidiary is set out in Note 5 of the financial statements.

13. Consolidation

The financial statements presented are not consolidated financial statements as the company qualifies for consolidation exemption in "IFRS 10.4(a) Consolidated Financial Statements".The company is controlled by Wipro Limited and prepares Consolidated Financial statement in accordance with the International Financial Reporting standards.

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Financial Statements for the year ended 31 March, 2021

Statement of Financial Position as at 31 March 2021

Figures in Rand	Note(s)	2021	2020(Restated)
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	4,541,659	10,956,158
Right of use assets	4	5,223,243	5,337,831
Investment in subsidiary	5	935,462	935,462
Other financial assets	6	3,393,653	2,178,461
Deferred tax assets	7	11,713,625	10,257,690
		25,807,642	**29,665,602**
Current Assets			
Trade and other receivables	8	92,165,353	99,333,096
Current tax receivable		8,459,039	6,650,876
Cash and cash equivalents	9	103,925,298	81,272,310
Other financial assets	6	3,285,157	1,369,391
		207,834,847	**188,625,673**
Total Assets		**233,642,489**	**218,291,275**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	5,224,756	5,224,756
Retained income		150,875,411	121,601,212
		156,100,167	**126,825,968**
LIABILITIES			
Non-Current Liabilities			
Provision for leave pay	11	1,078,092	1,083,849
Lease liabilities	12	7,287,370	6,486,838
		8,365,462	**7,570,687**
Current Liabilities			
Trade and other payables	13	61,924,016	78,812,000
Provision for leave pay	11	1,450,884	1,504,734
Lease liabilities	12	5,801,960	3,577,886
		69,176,860	**83,894,620**
Total Liabilities		**77,542,322**	**91,465,307**
Total Equity and Liabilities		**233,642,489**	**218,291,275**

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Financial Statements for the year ended 31 March, 2021

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2021	2020
Revenue	14	315,736,649	363,955,955
Cost of sales	15	(153,461,499)	(193,279,520)
Gross profit		**162,275,150**	**170,676,435**
Other operating gains/(losses)	16	(491,575)	(871,081)
Reversal of impairment loss		4,536,462	-
Other operating expenses		(127,501,285)	(153,795,202)
Operating profit	17	**38,818,752**	**16,010,152**
Finance cost	18	(1,128,964)	(726,279)
Investment income	19	2,993,987	20,040,137
Profit before taxation		**40,683,775**	**35,324,010**
Taxation	20	(11,409,576)	(10,856,418)
Profit for the year		**29,274,199**	**24,467,592**

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Financial Statements for the year ended 31 March, 2021

Statement of Changes in Equity

Figures in Rand	Share capital	Share premium	Total share capital	Retained income	Total equity
Balance at 01 April 2019	**121**	**5,224,635**	**5,224,756**	**97,251,921**	**102,476,677**
Profit for the year	-	-	-	24,467,592	24,467,592
Adjustment on adoption of IFRS 16				(118,301)	(118,301)
Balance at 31 March 2020	**121**	**5,224,635**	**5,224,756**	**121,601,212**	**126,825,968**
Profit for the year	-	-	-	29,274,199	29,274,199
Balance at 31 March 2021	**121**	**5,224,635**	**5,224,756**	**150,875,411**	**156,100,167**
Note	10	10			

Statement of Cash Flows

Figures in Rand	Note(s)	2021	2020
Cash generated from operations	22	41,890,960	54,320,078
Adjustment for			
Interest received		2,402,119	2,042,539
Finance costs		(1,128,964)	(726,279)
Tax paid	21	(12,292,314)	(9,711,568)
Net cash from operating activities		**30,871,801**	**45,924,770**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(234,865)	(14,456,107)
Proceeds on disposal of property, plant and equipment	3	-	1,546
		(234,865)	**(14,454,561)**
Cash flows from financing activities			
Payment of lease liabilities		(5,868,344)	(1,942,907)
		(5,868,344)	(1,942,907)
Total cash movement for the year		**24,768,592**	**29,527,302**
Cash at the beginning of the year		81,272,310	56,326,686
Effect of exchange rate movement on cash balances		(2,115,604)	(4,581,678)
Total cash at end of the year	9	**103,925,298**	**81,272,310**

-

Corporate information

Wipro Technologies South Africa Proprietary Limited is a private company incorporated and domiciled in South Africa. The company is in the provision of information technology services .

1 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and the Companies Act of South Africa

The financial statements have been prepared on the historic cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value and unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. Items included in the financial statements are measured using the currency of the primary economic environment in which these entities operate (i.e., the “functional currency”). These financial statements are presented in Rand, which is the functional currency of the company.All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in Companies Act of South Africa. 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.

These policies have been consistently applied to the period presented in these financial statements unless otherwise stated.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value- in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors together with economic factors.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

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 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, 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.

1.2 Significant judgements and sources of estimation uncertainty. Continued

Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Useful lives of property, plant and equipment

The company depreciates property, plant and equipment on a straightline basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

Leases

IFRS 16 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of unbilled receivables , contract assets and contract costs and certain investments, the company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions

1.3 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

• it is probable that future economic benefits associated with the item will flow to the company; and
• the cost of the item can be measured reliably.
• Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to or replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised,

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value from the date the assets available for use. Assets acquired under finance lease and leasehold improvements are depreciated over the shorter of estimated useful life of the asset or the related lease term.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.
The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Leasehold improvements	3 years
Furniture and fixtures	5 years and 3 months
Office equipment	5 years and 3 months
IT equipment	2 years
Plant & machinery	5 - 21 years
Right -Of -Use assets	Lease term

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

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 gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the de recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Financial instruments

Financial assets, which include cash and cash equivalents, trade and other receivables , sub-lease receivables, employee and other advances and eligible current and non-current assets. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the company has not retained control over the financial asset.

Financial liabilities, which include long and short-term loans , trade payables ,other payables and accruals .

1.4 Financial instruments continued

Financial instruments are recognized initially at fair value. Subsequent to initial recognition, financial instruments are measured as described below:

i) 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.

(ii) Trade and other receivables

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 assets.

(iii) 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.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IFRS 9. If the company retains substantially all the risks and rewards of a transferred financial asset, the company continues to recognize the financial asset and also recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.5 Investment in subsidiaries

The company obtains control of subsidiary when it becomes exposed, to or gain rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Investment in subsidiary are measured at cost less any accumulated impairment.

Dividend Income is recognised when the Company's right to receive dividend is established.

1.6 Equity and Share capital

i) Share capital

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

ii) Retained earnings

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

1.7 Impairment

i) Financial assets

The company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate.
Loss allowances for trade receivables and lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information. For other financial assets, expected credit loss is measured at the amount equal to twelve months expected credit loss unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime expected credit loss. The company considers a trade receivables as default based on the assessment of individual circumstances. A specific credit loss is recognized based on an assessment of individual circumstances.

ii) Non - financial assets

The company assesses long-lived assets such as property, plant, equipment and investments for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the company estimates the recoverable amount of the asset or group of assets. The recoverable amount of an asset or cash generating unit is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in profit or 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.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting 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.

Deferred tax assets and liabilities

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.

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.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

• a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
• a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 Leases

The company evaluates each contract or arrangement, whether it qualifies as lease as defined under IFRS 16.

<u>The company as a lessee</u>

The company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

(a) the use of an identified asset,
(b) the right to obtain substantially all the economic benefits from use of the identified asset, and
(c) the right to direct the use of the identified asset.

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

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

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

For short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as cash used in financing activities.

<u>The company as a lessor</u>

Leases for which the company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

1.10 Employee benefits

Long-term employee benefits

Long term benefit obligations are measured at present value of expected future payments to be made in respect of services provided by employees upto the end of reporting period using projected unit credit method.The benefits are discounted using appropriate market yields at the end of reporting period that have terms appromiximating to terms of the related obligation.Remeasurement as a result of experience adjustments and changes in acturial assumptions are recognised in profit and loss account.

The obligations are presented in current liabilities in balance sheet if the company does not have an unconditional right to defer settlement for at least twelve months from the end of reporting period,regardless of when the actual settlement is expected to occur.

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.11 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.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The company applies judgement to determine whether each product or 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 based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the company is unable to determine the stand-alone selling price the company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

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

The method for 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, transaction-based or volume-based contracts are recognized as the related services are rendered.

B. Fixed-price development contracts

Revenues from fixed-price contracts, including software development, and integration contracts, where the performance obligations are satisfied over time, 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 is not able to reasonably measure the progress of completion, revenue is recognized only to the extent of costs incurred for which recoverability is probable. When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the consolidated statement of income in the period in which such losses become probable based on the current contract estimates as an onerous contract provision.

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

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

Unbilled revenue on other than fixed price development contracts are classified as a financial asset where the right to consideration is unconditional upon passage of time

C. Maintenance contracts

Revenues related to fixed-price maintenance, testing and business process services are recognized based on our right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If our invoicing is not consistent with value delivered, revenues are recognized as the service is performed using the percentage of completion method.
When services are performed through an indefinite number of repetitive acts over a specified period, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

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

D. Products

Revenue on product sales are recognized when the customer obtains control of the specified asset at a point of time .

E. Others

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

¤ The company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

¤ Revenues are shown net of allowances/ returns sales tax, value added tax, goods and services tax and applicable discounts and allowances. Revenue includes excise duty.

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

¤ Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset and amortized over the contract term.

The company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of goods or services to customer to which the asset relates.
The company assesses the timing of the transfer of goods or services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

¤ The company may enter into arrangements with third party suppliers to resell products or services. In such cases, we evaluate whether we are the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, we first evaluate whether we control the good or service before it is transferred to the customer. If we control the good or service before it is transferred to the customer, we are the principal; if not, we are the agent.

Trade receivables and Contract balances

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

A receivable is a right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. For example, the company recognizes a receivable for revenues related to time and materials contracts or volume-based contracts. We present such receivables as part of Trade receivables at their net estimated realizable value. The same is tested for impairment as per the guidance in IFRS 9 using expected credit loss method.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in Other current assets and primarily relate to unbilled amounts on fixed-price contracts utilizing the percentage of completion method of revenue recognition.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. contract liabilities or deferred revenue, consist of advance payments and billings in excess of revenues recognized and disclosed as part of current and noncurrent liabilities. The company classifies deferred revenue as current or noncurrent based on the timing of when we expect to recognize the revenue

Remaining Performance Obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and an explanation of when the entity expects to recognize as revenue. As a practical expedient, disclosure is not required for:
i.performance obligation that has an original expected duration of one year or less;
ii.contracts for which revenue is recognized based on the right to invoice for services performed.
Applying the above practical expedient, the company has not disclosed remaining performance obligations for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, transaction or volume basis.

1.12 **Translation of foreign currencies**

Foreign currency transactions

A foreign currency transaction is recorded. on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

• foreign currency monetary items are translated using the closing rate;

• non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and

• non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

1.13 Related party transactions

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transactions with the company, the transactions are disclosed as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

1.14 **New Standards,amendmend and Interpretation adopted by the company effective from 01 April 2020**

Except for as described below,There are no new standards and interpretations which are effective applicable for the company.

IFRS 16 Leases (Amendment – COVID-19-Related Rent Concessions)

In response to the COVID-19 pandemic, in May 2020 the IASB issued amendments to IFRS 16, which permits lessees not to assess whether a rent concession received meets the definition of a lease modification, if certain criteria are satisfied. Instead, lessees apply other applicable IFRS standards, which will often result in a rent concession being recorded as a negative variable payment (e.g. DR lease liability, CR profit or loss). The amendments are mandatorily effective for annual reporting periods beginning on or after 1 June 2020, with earlier application permitted.

The company has not received concession for any of the property/premises which is under the perview of IFRS16.

1.15 **New Accounting Standards, amendments and interpretation issued but not yet effective:**

At the date of approval of these financial statements, there were no early adoption of the new and revised pronouncements detailed below. The impact of the following are not expected to be material to the financial statements,

IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current):-

In January 2020, the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendments initially had an effective date of 1 January 2022, however, in July 2020 this was deferred until 1 January 2023 as a result of the COVID-19 pandemic.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract):

In May 2020, the IASB issued amendments to IAS 37, which specify the costs a company includes when assessing whether a contract will be loss-making and is therefore recognised as an onerous contract. These amendments are expected to result in more contracts being accounted for as onerous contracts because they increase the scope of costs that are included in the onerous contract assessment.

IAS 16 Property, Plant and Equipment (Amendment – Proceeds before Intended Use):

In May 2020, the IASB issued amendments to IAS 16, which prohibit a company from deducting amounts received from selling items produced while the company is preparing the asset for its intended use from the cost of property, plant and equipment. Instead, a company will recognise such sales proceeds and any related costs in profit or loss.

3 Property, plant and equipment

Financial Year	2021			2020		
Particulars	**Cost**	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture and fixtures	6,967,451	(4,617,579)	2,349,872	6,967,451	(3,947,210)	3,020,241
Office equipment	261,513	(247,597)	13,916	261,513	(242,112)	19,401
IT equipment	16,257,759	(14,097,697)	2,160,062	16,362,436	(8,465,796)	7,896,640
Leasehold improvements	221,175	(211,505)	9,670	221,175	(211,505)	9,670
Plant & Machinery	10,878	(2,739)	8,139	10,878	(672)	10,206
Total	**23,718,776**	**(19,177,117)**	**4,541,659**	**23,823,453**	**(12,867,295)**	**10,956,158**

(Amount in Rand)

Reconciliation of property, plant and equipment -2021	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	3,020,241	-	-	(670,369)	2,349,872
Office equipment	19,401	-	-	(5,485)	13,916
IT equipment	7,896,640	234,864	(24,718)	(5,946,724)	2,160,062
Leasehold improvements	9,670	-	-	-	9,670
Plant & Machinery	10,206	-	-	(2,067)	8,139
Total	**10,956,158**	**234,864**	**(24,718)**	**(6,624,645)**	**4,541,659**

(Amount in Rand)

Reconciliation of property, plant and equipment -2020	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	106,807	3,516,546	(1,546)	(601,566)	3,020,241
Office equipment	30,673		-	(11,272)	19,401
IT equipment	2,453,647	10,928,682	(7,557)	(5,478,132)	7,896,640
Leasehold improvements	9,670		-		9,670
Plant & Machinery	-	10,878		(672)	10,206
Total	**2,600,797**	**14,456,106**	**(9,103)**	**(6,091,642)**	**10,956,158**

4 Right of use assets

Financial Year	2021			2020		
Particulars	**Cost**	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
ROU IT equipment	1,383,165	(1,117,057)	266,108	3,301,445	(1,803,658)	1,497,787
ROU buildings	7,485,147	(2,528,012)	4,957,135	4,759,847	(919,803)	3,840,044
Total	8,868,312	(3,645,069)	5,223,243	8,061,292	(2,723,461)	5,337,831

(Amount in Rand)

Reconciliation of Right of use assets -2021	Opening balance	Additions	Disposals	Depreciation	Total
ROU IT equipment	1,497,787	-	-	(1,231,679)	266,108
ROU buildings	3,840,044	2,725,300	-	(1,608,209)	4,957,135
Total	**5,337,831**	**2,725,300**	**-**	**(2,839,888)**	**5,223,243**

(Amount in Rand)

Reconciliation of Right of use assets -2020	Opening balance	Additions	Disposals	Depreciation	Total
ROU IT equipment	3,301,445	-	-	(1,803,658)	1,497,787
ROU buildings	-	4,759,847	-	(919,803)	3,840,044
Total	**3,301,445**	**4,759,847**	**-**	**(2,723,461)**	**5,337,831**

Figures in Rand	2021	2020

5 Investment in subsidiary

Name of company	% Holding 2021	% Holding 2020	Carrying Amount 2021	Carrying Amount 2020
Wipro Technologies Nigeria Limited	99.00%	99.00%	935,462	935,462

The investment in Wipro Technologies Nigeria Limited consists of 99 000 shares of NGN 163 each. The carrying amounts of the subsidiaries are shown net of impairment losses.

The financial statements presented are not consolidated financial statements as the entity qualifies for the consolidation exemption in IFRS 10 Consolidated Financial Statements.

The exemption is allowed provided that all of the following criteria are complied with:
• The entity is wholly owned or partially owned, where none of the other shareholder's object to the fact that consolidated financial statements are not prepared.
• The entity's debt or equity instruments are not traded in a public market
• The entity did not file, and is not in the process of filing its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instrument in a public market, and

• The entity's ultimate or intermediary parent produces consolidated financial statements available for public use which comply with International Financial Reporting Standards.

Wipro Limited, incorporated in India, produces consolidated financial statements available for public use. These financial statements can be obtained from Doddakanelli, Sarjapur Road, Bangalore - 560035.

6 Other financial assets

	2021	2020
Sub Leasing Receivable -non current	3,393,653	2,178,461
Sub Leasing Receivable - current	3,285,157	1,369,391
	6,678,810	3,547,852

The following is the movement in net investment in sublease of ROU assets during the year ended March 31, 2021:

	2021	2020
Balance at the beginning of the year	3,547,852	-
Additions during the year	6,512,431	4,595,991
Interest income accrued during the year	591,868	134,005
Lease receipts for the year	(3,887,053)	(1,182,144)
Balance at the end of the year	6,765,098	3,547,852

Finance lease receivables consist of assets that are leased to customers for contract terms ranging from 1 to 7 years, with lease payments due in monthly or quarterly installments. Details of finance lease receivables is given below:

	Minimum lease payments		Present value of minimum lease payments	
	As at March 31,			
	2021	2020	2,021	2020
Not later than one year	3,683,872	1,803,342	3,285,157	1,369,391
Later than one year but not later than five years	3,544,716	2,251,963	3,393,653	2,178,461
Later than five years	-	-	-	
Unguaranteed residual values	-	-	-	
Gross investment in lease	**7,228,589**	**4,055,305**	**6,678,810**	**3,547,852**
Less: Unearned finance income	(549,779)	(507,453)	-	-
Present value of minimum lease payment receivables	**6,678,810**	**3,547,852**	**6,678,810**	**3,547,852**

7 Deferred tax

	2021	2020
Deferred tax asset		
Provisions and accruals	4,792,042	3,046,722
Loss allowance	5,539,712	6,413,660
Lease liabilities	2,498,406	1,690,646
Property plant and equipment	1,299,172	657,475
	14,129,332	**11,808,503**
Deferred tax liability		
Prepaid expenses	(91,500)	(56,220)
Right-of-use asset	(2,324,207)	(1,494,593)
	(2,415,707)	(1,550,813)
Total	**11,713,625**	**10,257,690**

Figures in Rand	2021	2020
7 Deferred tax (Continued…)		
Reconciliation of deferred tax asset		
At beginning of year	10,257,690	8,729,965
Temporary differences on prepaid expenses	(35,280)	(5,941)
Temporary differences on property plant and equipment	641,697	203,944
Temporary differences on provisions, accruals and loss allowance	871,372	1,133,668
Temporary differences on leases liabilities	807,760	1,690,646
Temporary differences on right-of-use asset	(829,614)	(1,494,593)
At end of year	**11,713,625**	**10,257,690**

Deferred tax assets have been recognised on temporary differences where having reviewed the financial projections of the company, the directors are of the opinion that it is probable that these assets will be recovered. The deferred tax asset and liability relate to income tax in the same jurisdiction and the law allows net settlement. Therefore they have been offset in the Statement of financial position.

8 Trade and other receivables

	2021	2020
Prepayments	330,896	200,786
Deposits	733,094	733,094
VAT receivable (gross)	4,992,904	4,926,187
Less:loss allowance	(4,992,904)	(4,926,187)
VAT receivable (net)	-	-
Trade debtors	65,025,751	62,826,028
Unbilled revenue	22,127,888	7,048,475
Contract assets	910,039	9,376,604
Advance to suppliers	1,199,351	1,199,351
Advances to employees	231,500	-
Dividend receivable from related party	-	16,292,848
TDS receivables	1,481,923	1,481,923
Interest accrued but not due	124,911	71,575
Statutory dues paid in advance	-	102,412
Total	**92,165,353**	**99,333,096**

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2021, R 51,361,802 (2020: R 55,479,389) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

	2021	2020
1 month past due	40,088,203	43,886,229
2 months past due	9,211,240	10,763,877
3 months past due	2,062,360	829,283

Trade and other receivables impaired

As at 31 March 2021, trade and other receivables of R28,860,485 (2020: R30,541,235)

Reconciliation of allowances for credit losses

	2021	2020
Opening balance	30,541,235	27,865,639
Recognised	-	2,675,596
Reversed	(1,680,750)	-
Total	**28,860,485**	**30,541,235**

9 Cash and cash equivalents

Cash and cash equivalents consist of:

	2021	2020
Short term deposits	82,000,000	25,000,000
Bank balances	21,925,298	56,272,310
	103,925,298	**81,272,310**

10 Share capital

Authorised

	2021	2020
1,000 Ordinary shares of R1 each	1,000	1,000

879 unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

Issued

	2021	2020
121 Ordinary shares of R1 each	121	121
Share premium	5,224,635	5,224,635
Total	**5,224,756**	**5,224,756**

Figures in Rand	2021	2020

11 Provision for leave pay

	2021	2020
Non-current liability portion provision for leave pay	1,078,092	1,083,849
Current liability portion provision for leave pay	1,450,884	1,504,734
Total	**2,528,976**	**2,588,583**

Movement of provision for leave pay

	2021	2020
Opening balance	2,588,583	2,001,905
Recognised	1,436,244	2,072,669
Payment made	(1,495,851)	(1,485,991)
Closing balance	**2,528,976**	**2,588,583**

Provision for leave pay are recognised at present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using projected unit credit method.

Assumption used

	2021	2020
Discount rate per annum	7.49%	6.51%
Salary growth rate per annum	2%	2%

12 Lease liabilities

	2021	2020
Non-current liabilities	7,287,370	6,486,838
Current liabilities	5,801,960	3,577,886
	13,089,330	**10,064,724**
Following is the breakup of lease liability:		
Lease liability on account of ROU assets*	5,840,336	5,590,209
Lease liability on account of Subleases	7,248,994	4,474,515
	13,089,330	**10,064,724**

The following is the movement in lease liability during the year ended March 31, 2021:

	2021	2020
Balance at the beginning of the year	10,064,724	3,419,749
Additions during the year	8,892,951	9,555,369
Interest expense accrued during the year	1,128,965	726,279
Lease payments for the year	(6,997,309)	(3,636,673)
Balance at the end of the year	**13,089,330**	**10,064,724**

Lease liabilities Maturity Analysis

	Minimum lease		Present value of minimum	
	As at March 31,			
	2021	2020	2021	2020
Not later than one year	6,574,804	4,034,700	5,801,960	3,577,886
Later than one year but not later than five years	7,702,800	7,053,341	7,287,370	6,486,838
Later than five years	-	-	-	
Unguaranteed residual values	-	-	-	
Gross Portion of lease	**14,277,604**	**11,088,041**	**13,089,330**	**10,064,724**
Less: Unamortized finance interest	-1,188,274	-1,023,317	-	-
Present value of minimum lease payment payables	**13,089,330**	**10,064,724**	**13,089,330**	**10,064,724**

13 Trade and other payables

	2021	2020
Trade payables	2,731,962	4,317,699
Payable to group companies	34,290,943	52,897,442
VAT	8,506,093	4,887,979
Contract liabilities	4,644,269	8,777,301
Accrued expenses	9,447,825	7,192,063
Payable to employees	693,035	739,516
Statutory dues payable	1,609,889	-
Total	**61,924,016**	**78,812,000**

Figures in Rand	2021	2020

14 Revenue

Rendering of IT services	315,736,649	363,955,955
Total	**315,736,649**	**363,955,955**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2021 by offerings and contract-type. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by industry, market and other economic factors.

Particulars	**2021**	**2020**
Revenue by offerings		
IT Implementation and Maintenance services	315,736,649	363,955,955
Revenue by market		
Banking, Financial Services and Insurance	272,166,804	287,661,740
Health Business unit	3,995,775	18,422,218
Consumer Business unit	1,747,832	33,997,269
Communications	5,530,469	6,061,994
Manufacturing	8,795,299	5,595,174
Energy	23,500,471	12,217,560
Revenue by contract type		
Fixed Price	93,911,408	126,914,076
Time & Materials	221,825,241	237,041,879
Revenue by nature		
Revenue from IT Services	315,736,649	363,955,955
Revenue recognition		
Revenues recognized over period of time	315,736,649	363,955,955

Trade receivables and contract balances

The table below shows significant movements in contract assets:

Particulars	2021	2020
Balance as on April 1	33,546,443	33,546,443
Revenues recognized during the year but not billed	23,035,530	16,354,566
Contract asset billed during the year	(33,546,443)	(33,546,443)
Impairment/ (reversal) during the year	-	-
Balance as on March 31	23,035,530	33,546,443

The table below shows significant movements in contract liabilities:

Particulars	2021	2020
Balance as on April 1	8,777,301	1,317,509
Amount billed but not recognized as revenues	4,644,269	8,774,956
Revenue recognized from opening balance of contract liabilities	(8,777,301)	(1,317,509)
Balance as on March 31	4,644,269	8,774,956

There are no revenues recognized during the reporting period from the performance obligations satisfied in previous periods.

Performance Obligation and Remaining Performance Obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period and an explanation of when the entity expects to recognize as revenue. As a practical expedient, disclosure is not required for:

i. Performance obligation that has an original expected duration of one year or less;
ii. Contracts for which revenue is recognized based on the right to invoice for services performed.
Applying the above practical expedient, the company has not disclosed remaining performance obligations for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis, transaction or volume basis.

As of March 31, 2021 the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was R28,218,302 (2020: R 447,725,688), which is expected to be recognized as revenue within 2 years. This includes contracts that can be terminated for convenience without a substantive penalty since, based on current assessment, the occurrence of the same is expected to be remote.

15 Cost of sales

Rendering of services		
Sub-contracting charges	18,698,142	18,489,431
Technical services	14,855,913	11,043,701
Cost of products	2,719,463	1,548,950
Rendering of services by group companies		
Software development charges	117,187,981	162,197,439
Total	**153,461,499**	**193,279,520**

Figures in Rand	2021	2020
16 Other operating losses		
Foreign exchange gains (losses)		
Net foreign exchange (losses) gains	(491,575)	(871,081)
Total other operating gains (losses)	**(491,575)**	**(871,081)**
17 Operating profit		
Operating profit for the year is stated after charging (crediting) the following, amongst others:		
A. Auditor's fees		
Auditor's remuneration-external	218,914	168,005
B. Lease charges		
Short term leases -building	-	1,581,011
C. Depreciation		
Depreciation on property, plant and equipment	6,624,645	6,091,642
Depreciation on right of use assets	2,839,888	2,723,461
	9,464,533	8,815,103
18 Finance cost		
Interest amortisation on leases	1,128,964	726,279
	1,128,964	726,279
19 Investment income		
Dividend income	-	17,997,598
Interest on bank account	2,402,119	1,908,534
Income from sub-leasing right-of-use assets	591,868	134,005
Total	**2,993,987**	**20,040,137**
20 Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	12,629,860	10,458,654
Local income tax - recognised in current tax for prior periods	235,651	1,925,488
Total	**12,865,511**	**12,384,142**
Deferred		
Deferred tax expense - recognised in current year for prior periods	(219,602)	163,035
Deferred tax expense	(1,236,333)	(1,690,759)
Total	(1,455,935)	(1,527,724)
Total tax expense	11,409,576	10,856,418
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	40,683,775	35,324,010
Tax at the applicable tax rate of 28% (2020: 28%)	11,391,457	9,890,723
Tax effect of adjustments on taxable income		
Penalties	2,070	676
Exempt dividend income	-	(5,039,328)
BEE expenses disallowed	-	3,915,824
Taxation- prior year's impact	16,049	2,088,523
Total Tax	**11,409,576**	**10,856,418**
21 Tax paid		
Balance at beginning of the year	6,650,876	9,323,450
Current tax for the year recognised in profit or loss	(12,865,511)	(12,384,142)
Other accrued taxes	2,381,360	-
Balance at end of the year	(8,459,039)	(6,650,876)
Total	**(12,292,314)**	**(9,711,568)**

Figures in Rand	2021	2020
22 Cash generated from operations		
Profit before taxation	40,683,775	35,324,010
Adjustments made for:		
Depreciation	9,464,533	8,815,103
Finance cost	1,128,964	726,279
(Reversal of loss allowance) / loss allowance expense	(4,536,462)	7,776,445
Loss on disposal of property, plant and equipment	24,718	7,557
Losses/(gains) on unrealised foreign exchange differences	1,849,152	(641,923)
Interest received	(2,993,987)	(20,040,137)
Movement in provision	(59,607)	586,678
Changes in working capital:		
Trade and other receivables	11,846,739	35,883,103
Trade and other payables	(18,812,050)	(15,299,181)
Receipt from sub-leasing	3,295,185	1,182,144
Total	**41,890,960**	**54,320,078**

24 Directors' emoluments

Executive

2021	Emoluments	Fringe benefits	Total
Bhavana Maharaj	150,000	-	150,000
Thomas George	-	-	-
	150,000	**-**	**150,000**

2020	Emoluments	Fringe benefits	Total
GW Holme	-	-	-
G Collings	6,934,038	361,038	7,295,076
V Mhlarhi	337,732	38,626	376,358
	7,271,770	**399,664**	**7,671,434**

Figures in Rand	2021	2020

25 Related parties

Relationships	Name of the Party
Ultimate holding company	Wipro Limited
Holding company	Wipro IT Services UK Societas
Subsidiary	Wipro Technologies Nigeria Limited
Shareholder with significant influence	Wipro IT Services UK Societas
Shareholder with significant influence	Wipro Broad Based Ownership Scheme SPV (RF) Proprietary Limited
Shareholder with significant influence	Wipro Broad Based Ownership Trust
Associates	Wipro Travel Services Limited
Associates	Wipro Portugal SA(A)
Associates	Wipro do Brasil Technological ltd.
Associates	Wipro Technologies Gmbh

	2021	2020
Related party balances		
Amounts included in trade receivables/(trade payables) regarding related parties		
Wipro Limited	(21,033,888)	(25,845,800)
Wipro Limited	(2,258,077)	-
Wipro Travel Services Limited	(3,488)	(80,982)
Wipro Retail - Germany	(27,524)	
Wipro Technologies Nigeria Limited	(3,365,340)	(25,859,043)
Wipro Portugal SA(A)	397,657	(158,054)
Wipro do Brasil Technologia Ltda	(11,140)	(165,635)
Wipro Technologies Gmbh	-	(787,928)
Designit TLV Ltd	(1,380,522)	16,647,778
Wipro Technolgies Ltd (Branch of WT01)	(837,806)	
Related party transactions		
Services received from / (services rendered to) related parties		
Wipro Technologies Ltd	110,093,291	146,742,852
Wipro Portugal	4,308,652	13,661,168
Wipro do Brasil Technologia Ltda	343,564	1,307,574
Wipro Travel Services Limited	-	9,569
Wipro Technologies Gmbh	-	695,540
Designit TLV Ltd	1,380,522	-
Wipro Retail - Germany	933,317	-
Wipro Technolgies Ltd (Branch of WT01)	9,018,400	-
Management fee/corporate overhead paid to related parties		
Wipro Technologies Ltd	7,916,286	6,728,194
Wipro Travel Services Limited	2,752	-
Expenses paid by related parties		
Wipro Limited	2,578	-
Wipro Travel Services Limited	(108,397)	27,456
Wipro Retail - Germany	(21,395)	-
Designit TLV Ltd	(175,620)	-
Designit Denmark A/S	(28,619)	-
Dividend income		
Wipro Technologies Nigeria Limited	-	17,997,598

26 Categories of Financial Instruments

Assets

2021		Financial assets at amortised cost	Total
Trade and other receivables	8	88,243,144	88,243,144
Cash and cash equivalents	9	103,925,298	103,925,298
Other financial assets	6	6,678,810	6,678,810
Total		**198,847,252**	**198,847,252**

2020			Total
Trade and other receivables	8	86,972,020	86,972,020
Cash and cash equivalents	9	81,272,310	81,272,310
Other financial assets	6	3,547,852	3,547,852
Total		**171,792,182**	**171,792,182**

Liabilities

2021		Financial liabilities at amortised cost	Total
Trade and other payables	13	53,417,923	53,417,923
Lease liabilities		13,089,330	13,089,330
Total		**66,507,253**	**66,507,253**

2020			Total
Trade and other payables	13	73,924,021	73,924,021
Lease liabilities		10,064,724	10,064,724
Total		**83,988,745**	**83,988,745**

27 Risk Management

Financial risk management

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

Liquidity risk

The company's risk to liquidity is that there may be insufficient funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

At 31 March 2021	Less than 1 year	Between 1 year and 2 years
Trade and other payables	53,417,923	-
Lease liabilities	6,574,804	7,702,800

At 31 March 2020	Less than 1 year	Between 1 year and 2 years
Trade and other payables	73,924,021	-
Lease liabilities	4,034,700	7,053,341

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to anyone counter-party.

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

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Foreign exchange risk

The company does not hedge foreign exchange fluctuations.

At 31 March 2021, if the currency had appreciated by 18% against the US dollar and 15% against UGX currency with all other variables held constant, post-tax profit for the year would have been R 2,139,873 (2020: (R 3,005,600)) lower, mainly as a result of foreign exchange gains or losses on translation of US dollar and UGX denominated trade receivables, financial assets at fair value through profit or loss, debt securities classified at amortized cost and foreign exchange losses or gains on translation of US dollar denominated borrowings.

28 Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the company’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.The directors do not expect these events to have significant impact on the performance and financial position of the company in the forseeble future.

29 Events after reporting date

The directors are not aware of any significant matter or circumstance arising since the end of the year, not otherwise dealt with in the financial statements, which significantly affect the financial position of the company or the results to the date of this audit report.

30 Reclassification of comparatives

Certain figures in the comparatives were reclassified for better presentation.
The effect of the reclassification is as follows:

	2020
Increase in other financial assets	86,288
Decrease in trade and other receivables	(4,856,493)
Decrease in trade and other payables	4,770,205

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Detailed Statement of Financial Performance for the year ended 31st Match, 2021

Figures in Rand	Note(s)	2021	2020
Revenue			
Rendering of IT services	14	315,736,649	363,955,955
Total		**315,736,649**	**363,955,955**
Cost of sales			
Direct contracting costs	15	(153,461,499)	(193,279,520)
Gross profit		**162,275,150**	**170,676,435**
Other operating gains (losses)			
Foreign exchange losses	16	(491,575)	(871,081)
Reversal of impairment loss		4,536,462	-
Total		**4,044,887**	**(871,081)**
Expenses	17	**(127,501,285)**	**(153,795,202)**
Operating profit		**38,818,752**	**16,010,152**
Finance cost		(1,128,964)	(726,279)
Investment income	19	2,993,987	20,040,137
Profit before taxation		**40,683,775**	**35,324,010**
Taxation	20	(11,409,576)	(10,856,418)
Profit after taxation		**29,274,199**	**24,467,592**
Other operating expenses			
Advertising		125,732	339,438
Auditors remuneration - external auditors		218,914	168,005
Bank charges		35,429	48,900
Commission paid		2,752	9,569
Consulting and professional fees		225,000	150,000
Consumables		-	49,444
Corporate overheads		7,446,170	6,728,194
Courier expenses		60,240	168,497
Depreciation		9,464,533	8,815,103
Donations		2,815,017	4,611,899
Allowance for impairment loss recognized under expected credit loss model		-	7,776,445
Employee costs		88,261,438	98,078,676
Maintainance and other charges of Buildings		888,006	1,563,408
Short term leases -building		-	1,581,011
Legal and professional fees		6,922,066	4,299,739
Loss on sale of property, plant and equipment		24,718	7,557
Meeting expenses		307,599	403,042
Miscellaneous		8,747	563,969
Printing and stationery		6,815	76,674
Municipal expenses		5,652,308	34,174
Recruitment		25,328	128,786
Repairs and maintenance		626,811	1,698,208
Staff welfare		46,665	200,938
Subscriptions		-	10,925
Telephone and fax		3,198,296	2,949,146
Training		281,774	8,807,892
Travel - local		20,749	378,465
Travel- overseas		836,178	4,147,100
Total		**127,501,285**	**153,795,202**