



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

Annual Financial Statements
for the year ended 31 March 2020

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Annual Financial Statements for the year ended 31 March, 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Provision of information technology services in South Africa
Directors	Bhavna Maharaj (Appointed as on 18th March 2020) Thomas George (Appointed as on 18th March 2020) V Mhlari (Resigned 31st July 2019) Garry Collings (Resigned 18th March 2020) MMB Zama (Resigned 18th March 2020)
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 Cyprus SE* (Incorporated in UK) (entity name changed to Wipro Cyprus SE w.e.f March 22 2019)
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 annual financial statements were internally compiled by: Mr Kalp Dalal - Chartered Accountant, India

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Level of assurance

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

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 annual 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 for 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 annual 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 31 March 2020 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 annual financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on pages 6 to 26, which have been prepared on the going concern basis, were approved by the board on 12 June 2020 and were signed on their behalf by:

Approval of annual financial statements



Director



Director

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 set out on pages 8 to 26, which comprise the statement of financial position as at 31 March 2020, 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 2020, and its financial performance and cash flows for the year then ended in accordance with the 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 sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. 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 2020", 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 the 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
Happymore Mutiwasekwa
Director
Registered Auditor

15 June 2020

52 Corlett Drive
Illovo
2196

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Wipro Technologies South Africa Proprietary Limited for the year ended 31 March 2020.

1. Nature of business

The company is engaged in provision of information technology services in South Africa.

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 annual financial 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. (2019: Also no dividend declared or paid)

5. Directorate

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

Directors	Nationality
V Mhlarhi (Resigned July 31, 2019)	South African
G Collings(Resigned March 18, 2020)	South African
MMB Zama(Resigned March 18, 2020)	South African
Bhavna Mahraj (Appointed March 18, 2020)	South African
Thomas George (Appointed March 18, 2020)	South African

6. Holding company

The company's holding company is Wipro Cyprus SE which holds 69.42% (2019: 69.42%) of the company's equity. Wipro Cyprus Private Limited is incorporated in UK.(the holding company name changed from Wipro Cyprus Private Limited to Wipro Cyprus SE as the company migrated to UK and incorporated under UK laws with effect from 22 March 2019.

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 other than those described below.

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 2020.

Directors' 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 annual 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.

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10. Auditors

BDO South Africa Inc. was appointed as auditors for the company for 2020.

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 4 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"

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Statement of Financial Position as at 31 March 2020

Figures in Rand	Note(s)	2020	2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	10 956 158	2 600 797
Right of use assets	4	5 337 831	-
Investment in subsidiary	5	935 462	935 462
Other financial assets	6	2 092 173	-
Deferred tax assets	7	10 257 690	8 729 965
		<u>29 579 314</u>	<u>12 266 224</u>
Current Assets			
Trade and other receivables	8	104 189 589	117 536 150
Current tax receivable		6 650 876	9 323 450
Cash and cash equivalents	9	81 272 310	56 326 686
Other financial assets	6	1 369 391	-
		<u>193 482 166</u>	<u>183 186 285</u>
Total Assets		<u>223 061 480</u>	<u>195 452 510</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	5 224 756	5 224 756
Retained income		121 601 212	97 251 921
		<u>126 825 968</u>	<u>102 476 677</u>
LIABILITIES			
Non-Current Liabilities			
Provision for leave pay	11	1 083 849	885 175
Lease liabilities	12	6 486 838	-
		<u>7 570 687</u>	<u>885 175</u>
Current Liabilities			
Trade and other payables	13	83 582 205	90 973 928
Provision for leave pay	11	1 504 734	1 116 730
Lease liabilities	12	3 577 886	-
		<u>88 664 825</u>	<u>92 090 658</u>
Total Liabilities		<u>96 235 512</u>	<u>92 975 833</u>
Total Equity and Liabilities		<u>223 061 480</u>	<u>195 452 510</u>

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Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue	14	363 955 955	383 329 675
Cost of sales	15	(193 279 520)	(261 072 851)
Gross profit		170 676 435	122 256 823
Other operating losses	16	(871 081)	(2 189 568)
Other operating expenses	17	(153 795 202)	(135 951 424)
Operating profit/(loss)		16 010 152	(15 884 169)
Finance cost	18	(726 279)	-
Investment income	19	20 040 137	4 028 788
Profit/(loss) before taxation		35 324 010	(11 855 381)
Taxation	20	(10 856 418)	691 600
Profit/(loss) for the year		24 467 592	(11 163 781)

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Statement of Changes in Equity

Figures in Rand	Share capital	Share premium	Total share capital	Retained income	Total equity
Balance at 01 April 2018	121	5 224 635	5 224 756	108 415 702	113 640 458
Loss for the year	-	-	-	(11 163 781)	(11 163 781)
Balance at 31 March 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

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Statement of Cash Flows			
Figures in Rand	Note(s)	2020	2019
Cash generated from operations	22	57 881 278	(88 572 900)
Adjustment for			
Interest received		2 042 539	4 028 788
Tax paid	21	(9 711 568)	34 666 991
Net cash from operating activities		50 212 248	(49 877 121)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(14 456 107)	(4 067 047)
Proceeds on disposal of property, plant and equipment	3	1 546	4 221 050
		(14 454 561)	154 003
Cash flows from financing activities			
Lease payments made		(2 669 186)	-
		(2 669 186)	-
Total cash movement for the year		33 088 501	(49 723 118)
Cash at the beginning of the year		56 326 686	109 611 003
Effect of exchange rate movement on cash balances		(8 142 877)	(3 561 199)
Total cash at end of the year	9	81 272 310	56 326 686

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 in South Africa.

1 Significant accounting policies

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

1.1 Basis of preparation

The annual 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 annual 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.

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 annual 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 labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

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 receivables including 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 amortized 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
ROU 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 derecognition 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 receivables, unbilled revenues, finance lease receivables, employee and other advances, investment in equity and eligible current and non-current assets. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the company has not retained control over the financial asset.

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

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) 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 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 group'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 subsidiaries and has the ability to affect those returns through its power over the subsidiaries.

Investment in subsidiaries 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.

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 the statement of income. 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.

The company as a lessee

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

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

The company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of 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 income.

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.

The company as a lessor

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

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.

1.1 Revenue (continued)

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.

1.1 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 annual financial statements are recognised in profit or loss in the period in which they arise.

1.1 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.

2 New Accounting Standards, amendments and interpretation adopted by the company effective from April 1, 2019:

IFRS 16 - Leases

On April 1, 2019, the company has adopted IFRS 16, Leases, applied to all lease contracts outstanding as at April 1, 2019 using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings. The company has made use of the following practical expedient available on transition to IFRS 16, (a) The company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment, consequently, the company has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease but discounted using the incremental borrowing rate at the date of initial application (b) excluded the initial direct costs from measurement of the RoU asset.

The weighted average of discount rate applied to lease liabilities as at April 1, 2019 is 9.22%.

On adoption of IFRS 16,

- The company has recognized right-of use assets of ZAR 3,301,445 and corresponding lease liability ZAR 3,749,319.
- The adoption of the new standard has resulted in a reduction of ZAR 118,304 in opening retained earnings, net of tax.
- The company recognized during the year in the statement of income, depreciation expense from right-of-use assets ZAR 2,724,133 and interest expenses on lease liabilities ZAR 726,279.
- The company has applied the short term lease exemption and incurred lease expense of ZAR 2,040,330.
- The income earned from Subleasing RoU Asset to customer is ZAR 134,005.
- Lease payments during the year have been disclosed under financing activities in the Statement of Cash flows.
- The comparatives as at and for the year ended March 31, 2019 have not been retrospectively restated.
- The adoption of IFRS 16 did not have any material impact on statement of profit or loss and other comprehensive income.

IFRIC 23 - Uncertainty over Income Tax treatments

The International Accounting Standards Board clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The adoption of IFRIC 23 did not have any material impact on financial statements of the Company.

Amendment to IAS 19 - Plan Amendment, Curtailment or Settlement

The International Accounting Standard Board has issued amendments to IAS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to IAS 19 did not have any material impact on financial statements of the company.

Amendment to IAS 12 - Income Taxes

The International Accounting Standard Board had issued amendments to IAS 12 - Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity should be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to IAS 12 did not have any impact on financial statements of the company.

2 New Standards and Interpretation continued

There are no new standards and interpretations which are effective applicable for the company.

3 Property, plant and equipment

Financial Year	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	6 967 451	(3 947 210)	3 020 241	3 452 451	(3 345 644)	106 807
Office equipment	261 513	(242 112)	19 401	261 513	(230 840)	30 673
IT equipment	16 362 436	(8 465 796)	7 896 640	5 497 954	(3 044 307)	2 453 647
Leasehold improvements	221 175	(211 505)	9 670	221 175	(211 505)	9 670
Plant & Machinery	10 878	(672)	10 206	-	-	-
Total	23 823 453	(12 867 295)	10 956 158	9 433 093	(6 832 296)	2 600 797

(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

(Amount in Rand)

Reconciliation of property, plant and equipment -2019	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	656 616	1 265	-	(551 074)	106 807
Office equipment	25 864	28 869	-	(24 060)	30 673
IT equipment	4 817 958	4 036 914	(4 671 107)	(1 730 118)	2 453 647
Leasehold improvements	9 670	-	-	-	9 670
Total	5 510 108	4 067 048	(4 671 107)	(2 305 252)	2 600 797

4 Right of use assets

Particulars	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
ROU IT equipment	3 301 445	(1 803 658)	1 497 787	-	-	-
ROU buildings	4 759 847	(919 803)	3 840 044	-	-	-
Total	8 061 292	(2 723 461)	5 337 831	-	-	-

(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

* Reclassification on account of adoption of IFRS 16 - Leases, refer note 2 for details

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2020 2019

5 Investment in subsidiary

Name of company	% Holding 2020	% Holding 2019	Carrying Amount 2020	Carrying Amount 2019
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 annual financial statements presented are not consolidated annual 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 annual 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 annual 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 annual financial statements available for public use which comply with International Financial Reporting Standards.

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

6 Other financial assets

Finance Lease Receivable - Non Current	2 092 173	-
Finance Lease Receivable - Current	1 369 391	-
	3 461 564	-

The following is the movement in net investment in sublease of ROU assets during the year ended March 31, 2020:

Balance at the beginning of the year	-	-
Additions during the year	4 509 703	-
Interest income accrued during the year	134 005	-
Lease receipts for the year	(1 182 144)	-
Balance at the end of the year	3 461 564	-

7 Deferred tax

Deferred tax asset

Provisions	3 046 722	2 474 929
Provision for doubtful debts	6 413 660	5 851 784
Lease liabilities	1 690 646	-
Other and adjustments	657 475	453 531
	11 808 503	8 780 244

Deferred tax liability

Prepaid expenses	(56 220)	(50 279)
Right of use assets	(1 494 593)	-
	10 257 690	8 729 965

Reconciliation of deferred tax asset

At beginning of year	8 729 965	4 547 213
Temporary differences on prepaid expenses	(5 941)	1 454
Temporary differences on other assets	203 944	173 021
Temporary differences on provisions	1 133 668	4 008 277
Temporary differences on leases	1 690 646	-
Temporary differences on right of use assets	(1 494 593)	-
At end of year	10 257 690	8 729 965

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

Prepayments	200 786	179 568
Deposits	733 094	765 774
VAT	4 926 187	4 896 545
Trade debtors	62 826 028	74 764 120
Unbilled revenue - financial asset	6 977 964	8 758 712
Unbilled revenue - non financial asset	9 376 602	24 787 731
Other receivables	2 856 078	3 383 700
Dividend receivable from related party	16 292 849	-
Total	104 189 589	117 536 150

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 2020, R 55,479,389 (2019: R 21,457,843) were past due but not impaired.

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

1 month past due	43 886 229	5 319 288
2 months past due	10 763 877	6 398 591
3 months past due	829 283	9 739 965

Trade and other receivables impaired

As at 31 March 2020, trade and other receivables of R 30,541,235 (2019: 27,865,639)

Reconciliation of allowances for credit losses

Opening balance	27 865 639	6 821 837
Raised	2 675 596	21 043 802
Reversed	-	-
Total	30 541 235	27 865 639

9 Cash and cash equivalents

Cash and cash equivalents consist of:

Short term deposits	25 000 000	20 000 000
Bank balances	56 272 310	36 326 686
	81 272 310	56 326 686

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	2020	2019
10 Share capital		
Authorised		
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		
121 Ordinary shares of R1 each	121	121
Share premium	5 224 635	5 224 635
Total	5 224 756	5 224 756
11 Provision for leave pay		
Non-current liability portion provision for leave pay	1 083 849	885 175
Current liability portion provision for leave pay	1 504 734	1 116 730
Total	2 588 583	2 001 905
12 Lease Liability		
Non-current liabilities	6 486 838	-
Current liabilities	3 577 886	-
Total	10 064 724	-
Following is the breakup of lease liability:		
Lease liability on account of ROU assets*	5 590 209	-
Lease liability on account of Subleases	4 474 515	-
Total	10 064 724	-
* Refer note 1.9 for details		
13 Trade and other payables		
Trade payables	4 240 699	7 029 229
Payable to group companies	52 897 442	71 415 462
VAT	4 688 586	823 901
Unearned revenue	8 774 956	1 317 509
Other current liabilities	327 772	869 236
Accrued expenses	12 566 352	9 126 409
Other payables	86 398	392 181
Total	83 582 205	90 973 928
14 Revenue		
Rendering of IT services	363 955 955	365 178 899
Rendering of IT services to group companies	-	18 156 776
Total	363 955 955	383 329 675

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2020 by offerings and contract-type. The company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Particulars	2020	2019
Revenue by offerings		
IT Implementation and Maintenance services	363 955 955	383 329 675
Revenue by market		
Banking, Financial Services and Insurance	287 661 740	289 620 155
Health Business unit	18 422 218	5 803 904
Consumer Business unit	33 997 269	36 343 491
Communications	6 061 994	18 053 645
Manufacturing	5 595 174	15 357 703
Energy	12 217 560	-
Technology	-	18 150 776
Revenue by contract type		
Fixed Price	126 914 076	252 999 339
Time & Materials	237 041 879	130 330 336
Revenue by nature		
Revenue from IT Services	363 955 955	369 283 225
Revenue from IT products	-	14 046 450
Revenue recognition		
Revenues recognized at point in time	-	14 046 450
Revenues recognized over period of time	363 955 955	369 283 225

Trade Receivables and Contract balances

The table below shows significant movements in contract assets:

Particulars	2020	2019
Balance as on April 1	33 546 443	32 451 969
Revenues recognized during the year but not billed	16 354 566	32 228 933
Contract asset billed during the year	(33 546 443)	-31 134 459
Impairment/ (reversal) during the year	-	-
Balance as on March 31	16 354 566	33 546 443

The table below shows significant movements in contract liabilities:

Particulars	2020	2019
Balance as on April 1	1 317 509	4 783 400
Amount billed but not recognized as revenues	8 774 956	1 317 509
Revenue recognized from opening balance of contract liabilities	(1 317 509)	(4 783 400)
Balance as on March 31	8 774 956	1 317 509

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 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:

- performance obligation that has an original expected duration of one year or less;
 - 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, 2020 the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was R 447,725,688 (2019: R 162,089,743), which is expected to be recognized as revenues 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.

The impact on account of applying the erstwhile IAS 18 Revenue instead of IFRS15-Revenue from contract with customers on the financials results of the company for the year ended and as at March 31, 2019 is nil.

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Notes to the Financial Statements for the year ended 31 March, 2020
Figures in Rand

	2020	2019
15 Cost of sales		
Rendering of services		
Sub-contracting charges	18 489 431	21 918 656
Technical services	11 043 701	1 999 752
Cost of products	1 548 950	7 249 837
Rendering of services by group companies		
Software development charges	162 197 439	229 904 606
Total	193 279 520	261 072 851
16 Other operating losses		
Foreign exchange gains (losses)		
Net foreign exchange (losses) gains	(871 081)	(2 189 568)
Total other operating gains (losses)	(871 081)	(2 189 568)
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	168 005	168 190
B. Lease Charges		
Premises	3 144 419	2 265 720
C. Depreciation		
Depreciation on property, plant and equipment	6 091 642	2 305 251
Depreciation on right of use assets	2 723 461	-
	8 815 103	2 305 251
Expenses by nature		
The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analyzed by nature as follows:		
Employee costs*	98 071 429	66 242 492
Operating lease charges	3 144 419	2 265 720
Depreciation	16 091 642	2 305 251
Other expenses	30 462 551	25 602 378
Corporate overheads	6 728 194	11 870 197
Expected credit loss provisioning	7 776 445	20 856 603
Legal and professional fees	4 299 739	2 069 621
Total	144 391 135	131 212 263
* Employee cost includes defined benefit contribution to the extent of R 4,009,192 for 2020 and R 2,919,684 for 2019.		
18 Finance cost		
Interest amortisation on operating leases	726 279	-
	726 279	
19 Investment income		
Dividend income	17 997 598	-
Receiver of revenue	-	1 875 542
Bank and other cash	1 908 534	2 153 246
Income from sub leases	134 005	-
Total	20 040 137	4 028 788
20 Taxation		
Major components of the tax expense		
Current		
Local income tax - current period	10 458 654	4 248 002
Local income tax - recognised in current tax for prior periods	1 925 488	(756 848)
Total	12 384 142	3 491 153
Deferred		
Deferred tax expense - recognised in current year for prior periods	163 035	(158 213)
Deferred tax expense	(1 690 759)	(4 024 540)
Total	(1 527 724)	(4 182 753)
Total tax expense	10 856 418	(691 600)
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit/(loss)	35 324 010	(11 855 381)
Tax at the applicable tax rate of 28% (2019: 28%)	9 890 723	(3 319 507)
Tax effect of adjustments on taxable income		
Penalties	676	249 423
Donations	-	3 282 732
Non-taxable income	(5 039 328)	-
BBBEE expenses disallowance	3 915 824	10 813
Taxation- prior year's over provision	2 088 923	(915 061)
Total Tax	10 856 418	(691 600)
21 Tax paid		
Balance at beginning of the year	9 323 450	47 481 594
Current tax for the year recognised in profit or loss	(12 384 142)	(3 491 153)
Balance at end of the year	(6 650 876)	(9 323 450)
Total	(9 711 568)	34 666 991

Figures in Rand	2020	2019
22 Cash generated from operations		
Profit/(loss) for the year	24 467 592	(11 163 781)
Adjustments made for:		
Depreciation	6 091 642	2 305 251
Tax expense	10 856 418	(691 600)
Finance cost	726 279	-
Expected credit loss provisioning	7 776 445	-
Loss on disposals, scrapping and settlement of assets and liabilities	7 557	452 293
Losses/(gains) on foreign exchange	(641 923)	4 689 035
Investment Income	(20 040 137)	(4 028 788)
Changes in working capital:		
Trade and other receivables	39 415 393	(28 424 604)
Trade and other payables	(15 299 181)	(52 468 553)
Right to use of assets	(5 337 831)	-
Finance lease receivable	(3 461 564)	-
Movement in leave pay provision	586 678	757 847
Lease liabilities	12 733 910	-
Total	57 881 278	(88 572 900)

23 Commitments

Operating leases - as lessee (expense)

Minimum lease payments due		
within one year	-	3 628 974
2 to 5 years	-	2 680 851
Total	-	6 309 825

Operating lease payments represent rentals payable by the company for certain of its office properties. Leases are negotiated for an average term of one year. No contingent rent is payable.

Finance leases - as lessee (Liability)

Minimum lease payments due		
within one year	4 034 700	-
2 to 5 years	7 053 341	-
Total	11 088 041	-

Finance lease payments represent rentals payable by the company for its office properties & IT equipments. Leases are negotiated for an average term of one to three years. No contingent rent is payable.

24 Directors' emoluments

Executive

	Emoluments	Fringe benefits	Total
2020			
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
2019			
GW Holme	158 744	1 736	160 480
G Collings	3 545 546	242 939	3 788 485
V Mhlarhi	1 007 585	93 030	1 100 615
	4 711 875	337 704	5 049 579

Wipro Technologies South Africa Proprietary Limited
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Notes to the Financial Statements for the year ended 31 March, 2020

Figures in Rand	2020	2019
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25 Related parties

Relationships	Name of the Party
Ultimate holding company	Wipro Limited
Holding company	Wipro Cyprus SE
Subsidiaries	Wipro Technologies Nigeria Limited
Shareholder with significant influence	Wipro Cyprus SE
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

Related party balances

Amounts included in trade receivables/(trade payables) regarding related parties

Wipro Limited	(25 845 800)	(37 729 054)
Wipro Limited	-	18 351 950
Wipro Travel Services Limited	(80 982)	(389 627)
Wipro Technologies Nigeria Limited	(25 859 043)	(21 369 720)
Wipro Portugal SA(A)	(158 054)	(11 044 644)
Wipro do Brasil Technologia Ltda	(165 635)	(882 417)
Wipro Technologies GmbH	(787 928)	-
Wipro Technologies Nigeria Limited	16 647 778	-

Related party transactions

Services received from / (services rendered to) related parties

Wipro Limited	146 742 852	196 121 914
Wipro Portugal SA(A)	13 661 168	11 250 430
Wipro Technologies Nigeria Limited	-	3 532 012
Wipro do Brasil Technologia Ltda	1 307 574	849 473
Wipro Travel Services Limited	9 569	-
Wipro Technologies GmbH	695 540	-

Management fee/corporate overhead paid to related parties

Wipro Limited	6 728 194	974 753
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Expenses paid by related parties

Wipro Limited	-	11 870 197
Wipro Travel Services Limited	27 456	-

Dividend income

Wipro Technologies Nigeria Limited	(17 997 598)	-
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Wipro Technologies South Africa Proprietary Limited
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Notes to the Financial Statements for the year ended 31 March, 2020
Figures in Rand

26 Categories of Financial Instruments

Assets			
2020	Financial assets at amortised cost		Total
Trade and other receivables	8 99 062 617		99 062 617
Cash and cash equivalents	9 81 272 310		81 272 310
Total	180 334 926		180 334 926
2019			Total
Trade and other receivables	8 112 460 037		112 460 037
Cash and cash equivalents	9 56 326 686		56 326 686
Total	168 786 723		168 786 723
Liabilities			
2020	Financial liabilities at amortised cost		Total
Trade and other payables	13 78 893 619		78 893 619
Provision for leave	11 2 588 583		2 588 583
Total	81 482 202		81 482 202
2019			Total
Trade and other payables	13 90 150 027		90 150 027
Provision for leave pay	11 2 001 905		2 001 905
Total	92 151 932		92 151 932

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 2020	Less than 1 year	Between 1 year and 2 years
Trade and other payables	83 582 205	-
Provision for leave pay	1 504 734	1 083 849
At 31 March 2019	Less than 1 year	Between 1 year and 2 years
Trade and other payables	90 973 928	-
Provision for leave pay	1 116 730	885 175

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.

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 2020, if the currency had depreciated by 25% against the US dollar and UGX currency with all other variables held constant, post-tax profit for the year would have been R 3,005,600 (2019: (R 2,306,192)) 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 2020.

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, other than those described below

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 2020.

Wipro Technologies South Africa Proprietary Limited
(Registration number 2010/016829/07)
Detailed Statement of Financial Performance for the year ended 31st March, 2020

Figures in Rand	Note(s)	2020	2019
Revenue			
Rendering of IT services		363 955 955	365 178 899
Rendering of IT services to group companies	14	-	18 150 776
Total		363 955 955	383 329 675
Cost of sales			
Direct contracting costs	15	(193 279 520)	(261 072 851)
Gross profit		170 676 435	122 256 824
Other operating gains (losses)			
Foreign exchange losses	16	(871 081)	(2 189 568)
Total		(871 081)	(2 189 568)
Expenses			
	17	(153 795 202)	(135 951 424)
Operating profit/(loss)		16 010 152	(15 884 168)
Finance cost			
Investment income	19	(726 279)	-
		20 040 137	4 028 788
Profit/(loss) before taxation		35 324 010	(11 855 380)
Taxation			
	20	(10 856 418)	691 600
Profit/(loss) before taxation		24 467 592	(11 163 781)
Other operating expenses			
Advertising		339 438	1 597 977
Auditors remuneration - external auditors		168 005	168 190
Bank charges		48 900	51 440
Capital asset reimbursement			
Commission paid		9 569	974 753
Consulting and professional fees		150 000	-
Consumables		49 444	18 537
Corporate overheads		6 728 194	11 870 197
Courier expenses		168 497	364 503
Depreciation		8 815 103	2 305 252
Donations		4 611 899	11 724 041
Allowance for impairment loss recognized under expected credit loss model		7 776 445	20 856 603
Employee costs*		98 071 429	66 242 492
Other lease expenditure		3 144 419	2 265 720
Legal and professional fees		4 299 739	2 069 621
Loss on sale of property, plant and equipment		7 557	452 293
Meeting expenses		403 042	279 668
Miscellaneous		571 216	45 551
Printing and stationery		76 674	58 663
Municipal expenses		34 174	(507 134)
Recruitment		128 786	342
Repairs and maintenance		1 698 208	284 278
Staff welfare		200 938	61 868
Subscriptions		10 925	-
Telephone and fax		2 949 146	2 510 946
Training		8 807 892	8 085 283
Travel - local		378 465	368 171
Travel- overseas		4 147 100	3 802 167
Total		153 795 202	135 951 424